

FORM ADV PART 2A. BROCHURE



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This brochure provides information about the qualifications and business practices of Addis Hill, Inc. If you have any questions about the contents of this brochure, please contact us at 610.688.9500 or [addishill@addishill.com](mailto:addishill@addishill.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Addis Hill, Inc is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Addis Hill, Inc. is 117495.

Addis Hill, Inc. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

**Advisor has expanded the following sections since our last update on August 2019:**

*Item 5 Other Fees, Item 10 Other Financial Industry Activities and Affiliations, Kent R. Addis, Jr. ADV Part 2B Other Business Activities and Supervision, Justin Hill ADV Part 2B Other Business Activities and Supervision and William Mayer ADV Part 2B Other Business Activities. Please refer to these items for additional details. We have no other material changes to report.*

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## **Advisory Business**

### **Owners**

Addis Hill, Inc. has been in business since March 2000 and is registered with the state of Pennsylvania as an S Corporation in addition to being state registered with the Pennsylvania Department of Banking and Securities. Kent R. Addis, Jr. is a sixty percent (60%) shareholder and Justin J. Hill is a forty percent (40%) shareholder.

### **Firm Description**

In 2000, Addis Hill was founded to provide fee-only personal financial planning and investment management services to individuals and families. Addis Hill is not controlled by any other firm, producers group, insurance company, or financial organization of any kind. As a result, they are not faced with the potential for conflicts of interest. Addis Hill is guided by a fiduciary oath and fiduciary standards as a member of NAPFA – The National Association of Personal Financial Advisors.

Addis Hill's advisory business is comprised of two parts; Financial Planning and Investment Management. Addis Hill furnishes investment advice through consultations in addition to active investment management to support the comprehensive financial planning process.

Addis Hill continually integrates innovative processes, technology, and tools into their business. In addition, the firm collaborates with outside professionals to reduce risk and solve the challenges facing their clients.

### **Financial Planning**

Addis Hill defines financial planning as an active process designed to provide scenario planning to its clients. Before any investments are ever considered, clients will experience several meetings to grasp the basic fact gathering, risk management, estate, and tax planning necessary to build a clear, identifiable planning foundation to work from. The fee may range from a minimum of \$500.00 to a maximum of \$5,000.00 for a full financial plan.

### **Investment Management**

Addis Hill's investment process offers a unique blend of strategic perspective, which is historical in nature, with a tactical (forward looking) management overlay. Addis Hill believes in optimizing your diversification by engineering a mix of Exchange Traded Funds (ETFs), Master Limited Partnerships, and Bonds.

Addis Hill manages client assets on a discretionary basis. As of April 2019, Addis Hill's assets under management are approximately \$80,282,867 for approximately 129 client households. Addis Hill charges a fee based on a percentage of assets that are transferred to Addis Hill for on-going portfolio management and financial advisory services.

Discretionary assets under management of Addis Hill, are invested in companies such as iShares, Vanguard, State Street Bank, Powershare and more. Addis Hill does not act as a custodian of client assets. Client's assets are custodied at Charles Schwab, TIAA, TD Ameritrade, Vanguard, and Pershing, LLC (Bank of New York).

## Fees and Compensation

Addis Hill derives approximately ninety five (95%) percent of its advisory billings from the provision of investment supervisory service support activity to clients.

### Fee Schedules

#### *Advisory Fee schedule:*

Advisory annual fee is equal to one and a quarter percent (1.25%) of assets that are transferred to Addis Hill Investments and placed in one or more of their managed ETF customized model portfolio's under their discretionary asset management service. Accounts in excess of \$2,000,000 will be charged a reduced fee of .50% on the portion of the account value over and above \$2,000,000. One-twelfth of the annual fee will be billed monthly in advance. The monthly fee is based on the account's value on the last calendar day of the prior month. The fee will be paid directly to Addis Hill, Inc. from the accounts held by the custodian. Partial month fees at the beginning or end of an advisory relationship will be prorated. The asset based fee will cover on-going *comprehensive* financial planning and investment management services. Addis Hill may request a deposit in advance of providing any financial planning services. Addis Hill's minimum annual fee is \$3000. All fees will be disclosed up front and in writing.

#### Hourly Advisory Rate:

\$300

The above fee schedules are negotiable.

### Other Fees

Addis Hill will employ the assistance of sub-advisors for the management of specific portions of the client's portfolios. Clients are made aware of the use of sub-advisors prior to any implementation of investments. The sub-advisory relationship are as follows:

DeWitt Capital Management – Mr. David DeWitt – One percent (1%) of the annual fee will be billed quarterly in advance. The fee will be paid directly from the accounts held by the custodian.

Performance Trust – 0.10% - 0.20% on initial bond purchase at the time of purchase.

The combination of Addis Hill and sub-advisory fees will not exceed the industry excessive fee standard of three percent (3%). Custodians may charge transaction fees on purchases or sales of Exchange Traded Funds, Stocks, Bonds, Master Limited Partnerships and Mutual Funds. In addition, there are operating expense fee that are part of the operating expense ratio found in the fund's prospectus. These fees are in addition and independent of the fees paid to Addis Hill, Inc. Addis Hill does not receive any part of these fees.

Addis Hill fees are paid directly from the client's portfolio accounts and those fees are administered through Shareholders Service Group, a third party administrator, TIAA, Charles Schwab, and TD Ameritrade not Addis Hill. Addis Hill is a Fee-Only firm that neither sells any products nor receives any commissions in any form.

### **Termination of Account**

Since fees are collected on a monthly basis, in advance, Addis Hill will refund a prorated portion of the current monthly fee to the client based on the number of days remaining in the current month. In addition, there can be small administration fees for accounts transferring out again, independent of Addis Hill, Inc. Addis Hill does not receive any part of these termination fees.

Addis Hill hereby retains the express right for whatever reason, to terminate its employment. However, the client shall have the same express right for whatever the reason, to terminate its relationship with Addis Hill. The client shall enjoy five (5) business days penalty free right of decision.

### **Performance-Based Fees and Side-By-Side Management**

Addis Hill does not use a performance-based fee structure because of the potential conflict of interest. No fee is ever based upon capital gains or capital appreciation of assets.

### **Types of Clients**

Addis Hill provides investment advice mostly to individuals, as well as to trusts, estates, pension and profit sharing planes. Although there are no required account minimums, clients typically have investible asset between \$500,000 and \$3,000,000 and a net worth up to \$5,000,000.

### **Methods of Analysis, Investment Strategies and Risk of Loss**

#### **General Investment Philosophy and Objectives**

Consistent with the Addis Hill and with the client's respective investment styles and philosophies, Addis Hill should make every effort to preserve capital and protect the real value of the assets. It is understood that losses may occur, but that risk and losses will be considered at the aggregate portfolio level. Addis Hill should adhere to the investment management styles for which they were hired and make reasonable efforts to control risk, recognizing that some risk is necessary to produce long-term results that are sufficient to meet the investment objectives. Financial markets do fluctuate and there is no guarantee that a certain return will be met, and past performance is not a guarantee of future results.

The asset class risk and return assumptions are based on various factors including historical data, market valuations, economic expectations, market capitalizations, and financial modeling. The assumptions are long-term in nature and are intended to be a reasonable approximation for a wide range of return behavior that asset classes can potentially exhibit through uncertain market conditions. The asset class assumptions are then combined in a manner consistent with the weightings of this investment strategy to produce a range of possible returns for the time periods indicated.

## **Risk Profile**

Investing involves elements of risk, whether that risk is loss of dollars invested or erosion of the value of wealth due to inflation or spending. In constructing an investment plan, Addis Hill considers the willingness for clients to assume risk and perform a subjective appraisal of the client's capacity to assume investment risk.

In addition, we test the risk level in the client's financial plan to determine the minimum risk level to achieve the desired result. A client may assume more or less risk than a plan supports.

## **Constraints**

### *Income Needs & Time Horizon*

Financial goals are defined in terms of the money that clients require at specific times in the future. These can be in the form of monthly or annual needs, one-time lump sum distributions, or cash reserves for emergency needs. Addis Hill considers these income needs and incorporates them into the client's overall investment allocations.

### *Taxes*

When investment recommendations are implemented in non-qualified taxable accounts, there may be tax costs. The impact of taxation will be considered in constructing any investment recommendations, purchases, or sales.

### *Asset Allocation*

Addis Hill believes that asset allocation – the overall mix of asset types within your portfolio – is an extremely important factor in any portfolio's behavior. There are many types of assets and many ways to define asset categories. In basic terms though, most asset categories either: (1) entitle you to some form of equity ownership; (2) provide an income stream in return for the use of your money; or (3) are a combination of (1) and (2).

### *Long Term Portfolio*

The Long Term Portfolio is allocated to meet cash flow and growth requirements for periods beyond five years. The following table outlines our neutral target recommendations for the six basic investment asset classes.

Long Term Portfolio Strategic Allocation	
Asset Category	Target
Equity	52.0%
Real Estate	5.0%
Commodities	5.0%

Other	15.0%
Fixed Income	26.0%
Cash	6%
Totals	100.0%

Based on current market expectations and historical data, Addis & Hill targets the following annual rate of returns:

Investment Return: 5.00%

Inflation Adjustment: 3.00%

Return Objective: 8.00%

### **Investment Strategy**

Independent financial data primarily supplied by Yahoo Finance, Beta Investment Reporting, Reuters Thomson, State Street, Vanguard, iShares, Powershares, Performance Trust, Claymore, DeWitt Capital Management, Performance Trust, Steele, and Morningstar is combined with our proprietary analysis and portfolio management systems to guide the investment strategy.

Addis Hill pursues your return objective by employing a flexible approach that seeks to take advantage of opportunities as they arise in the various asset classes. Typically, eight to fifteen securities are invested at any one time. These investments are spread among various industries and sectors (clusters of related industries), both domestically and overseas. Addis Hill invests both in companies that are attractively valued and that have the potential for rapid growth. When appropriate, they focus on equity investments may be in a smaller number of companies, and/or in a limited number of favorably positioned sectors.

Addis Hill invests in fixed income securities of any maturity and any grade depending on where the best opportunities for return are found. Generally, fixed income securities backed by the full faith and credit of the US Government or federally insured Certificates of Deposits are used.

In deciding which specific asset classes, sectors and securities to purchase, Addis Hill generally employs both a top down and bottom up approach. First, analyzing economic and political factors that may affect the various assets classes. Secondly, conducting a thorough analysis of various countries, sectors, and industries that we determine are either attractively valued or positioned for rapid growth. Finally, evaluating the fundamentals and trading patterns of individual securities in those favorable countries, sectors, and industries on a case-by-case basis to determine which securities to purchase.

Addis Hill will sell a security if it is determined that its investment expectations are not being met, better opportunities are available, or its price objective has been attained. Although Addis Hill prefers to hold securities for long periods of time, selling a particular security and reinvest the proceeds when it is deemed prudent, regardless of the length of the holding period could occurs. Frequent trading involves higher securities transaction costs and potential taxes on investment gains

## **Investment Strategy & Risks**

### **Types of Investment**

Addis Hill generally use the following investment vehicles to represent the various asset classes.

#### *Equities*

Common & Preferred Stocks Traded on US Exchanges

Publicly Traded Limited Partnerships

Exchange Traded Funds

Exchange Traded Notes

Mutual Funds

#### *Real Estate*

Common Stocks Traded on US Exchanges

Publicly Traded Limited Partnerships

Real Estate Investment Trusts

Exchange Traded Notes

#### *Commodities*

Common & Preferred Stocks Traded on US Exchanges

Publicly Traded Limited Partnerships

Exchange Traded Funds

Exchange Traded Notes

#### *TIPS*

TIPS (Treasury Inflation Protected Securities)

Exchange Traded Funds

Exchange Traded Notes

#### *Fixed Income*

Corporate Bonds

US Treasury Bonds



Government Agency Bonds

Municipal Bonds

Certificate of Deposits

Exchange Traded Funds

Mutual Funds

*Cash*

Cash will generally be invested in a custodial money market fund. Money market funds are pooled investment vehicles, where a fund's share price is intended to remain constant and the fund's yield is comparable with the current risk-free rate of return.

### **Associated Risks**

#### *Investment Risks*

Investing in any type of security or asset class involves risk. Some of these risks are described below. Portfolios may decline in value and Addis Hill cannot guarantee that any return objective.

#### *Market Risks*

This is the risk that the prices of securities will rise or fall due to changing economic, political, or market conditions, or due to a company's individual situation. The value of a portfolio will change daily as the value of its underlying securities changes. This means that the securities may be worth more or less when we sell them than when we bought them. Historically, equity securities have generated higher long-term returns but have been more volatile than fixed-income securities and cash.

#### *Diversification*

Occasionally Addis Hill takes positions in a smaller number of companies. When this is done, the change in value of one security will likely have a greater effect on the portfolio's overall performance than on the performance of a portfolio with a larger number of securities.

#### *Small and Medium Capitalization Companies*

The securities of small and medium capitalization companies have historically had higher returns than those of larger, more established companies, but these companies may have more risks. They may be particularly susceptible to market downturns because of limited product lines, markets, distribution channels or financial and management resources. Also, there may be less publicly available information about small and medium capitalization companies. Investments in small- and medium-cap companies may be in anticipation of future products or services to be provided by the companies. If those products or services are delayed, the prices of the securities of the companies may drop. Sometimes, the prices of the securities of small and medium cap companies rise and fall based on investor perception rather than economics. Securities of small and medium cap companies may be thinly traded, making their disposition more difficult. For all these reasons, portfolios that invest a higher percentage of their assets in small- and medium-cap stocks are generally more volatile than portfolios investing a higher percentage of their assets in larger, more established companies.

### *Sectors and Industries*

Investment in any given industry or sector exposes the portfolio to that sector or industry's risks. If the portfolio has significant investments in a particular sector or industry, its performance would be closely linked to their performance. The portfolio's performance could be negatively affected if it invests heavily in a sector or industry that performs poorly. A sector or industry's performance, over any period of time, may be quite different from that of the overall market. Additionally, certain segments of the market such as technology can be highly volatile when compared to segments such as utilities.

### *Foreign Issuers*

Investing in foreign issuers involves risks in addition to those of investing in U.S. securities including risks relating to political, social and economic developments abroad, risk of changes in currency exchange rates and risks resulting from the differences between the regulations to which U.S. and foreign issuers and markets are subject. Addis Hill may invest in these issuers through mutual funds, exchange traded funds or directly through depository receipts (receipts representing the right to receive the securities of foreign issuers deposited in U.S. banks or a U.S. branch of a foreign bank)

### *Fixed-Income Securities*

Fixed-income securities are subject to credit risk (the risk that the obligor will default in the payment of the principle and/or interest) and to interest rate risk (the risk that the market value of the securities will change as a result of changes in market rates of interest). These securities are also subject to the risk that interest rate changes may affect prepayment rates and their effective maturity. Interest rate risk will generally affect the price of debt security more if the security has a long maturity. Lower rated debt securities including securities commonly referred to as "junk bonds", are very risky because the issuers may fail to make payments of interest and principle. Lower rated debt securities are also often less liquid than higher rated debt securities. Although the returns for lower rated debt securities are generally superior to higher rated debt securities, they have in the past been more volatile than the markets for other securities

## **Disciplinary Information**

There are no legal or disciplinary actions involved with either Addis Hill as an entity or Kent R. Addis, Jr. and Justin J. Hill as individuals. There are no material facts to disclose regarding any legal or disciplinary events. In addition, its employees have not been involved in any legal or disciplinary events related to past or present activities.

## **Other Financial Industry Activities and Affiliations**

Addis Hill does employ for specific client accounts, as part of your investment strategy, a sub-advisory relationship with DeWitt Capital Management and Performance Trust. Prior to introducing any Pennsylvania clients to another investment advisor, Addis Hill will be responsible in determining if the firm is properly licensed, noticed filed or exempt from registration with the Department.

## **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **Code of Ethics**

Addis Hill has adopted a written Code of Ethics in accordance with SEC Rule 204A-1 which has been adopted by the state regulators. Such Code of Ethics outlines various professional responsibilities imposed upon Mr.

Addis and Mr. Hill, including, but not limited to ethical issues concerning personal securities trading. A true and correct copy of the firm's Code of Ethics is available to clients and prospective clients upon request.

Addis Hill is a member of NAPFA – The National Association of Personal Financial Advisors. As a member, Addis Hill has committed to a code of ethics and Fiduciary Oath surrounding objectivity, confidentiality, competence, suitability, disclosure and professionalism.

Addis Hill, the Registrant has voluntarily subscribed to the “Best Practices for Financial Advisors” published by The Institute for the Fiduciary Standard. The Best Practices offer a simple code of conduct and outline a commitment to clients of subscribing financial advisors. They seek to clearly articulate what a client can expect to receive from a subscribing financial advisor. These Best Practices do not replace our regulatory compliance obligations or duties to clients under relevant laws, rules, or regulations. The Institute for the Fiduciary Standard's role is limited to publishing the Best Practices as well as maintaining a corresponding register of subscribing financial advisors. You can find a complete list of the Best Practices on our website at <https://addishill.com/about-us/> or <https://www.thefiduciaryinstitute.org/wp-content/uploads/2016/09/BestPracticesSpecificRequirementsSeptember132016.pdf>

### **Insider Trading**

Addis Hill is in complete compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. Specifically, Addis Hill has adopted a firm wide policy statement outlining insider trading compliance including associated persons and other employees. This statement is distributed to all associated persons and other employees of Addis Hill to be signed and dated by each such person annually.

### **Supervisory Procedures**

Addis Hill has adopted a written supervisory procedures statement highlighting the steps which shall be taken to implement the firm wide policy. These materials are also distributed to all associated persons and other employees of Addis Hill, are signed, dated and filed with the insider trading compliance materials. There are provisions adopted for (1) restricting access to files, (2) providing continuing education, (3) restricting and/or monitoring trading on those securities of which Addis Hill's employees may have non-public information, (4) requiring all of Addis Hill's employees to conduct their trading through a specified broker or reporting all transactions promptly to Addis Hill, and (5) monitoring the securities trading of the firm and its employees and associated persons. Addis Hill or individuals associated with Addis Hill may buy or sell securities identical to those recommended to customers for their personal accounts.

Justin Hill is acting Chief Compliance Officer of Addis Hill. Mr. Hill reviews all the activity in the personal trading accounts of Addis Hill's employees on a quarterly basis. The personal trades in nature are not significant enough to affect any of the securities markets. In addition, Addis Hill has a retainer with Mr. Jeffery Kelvin, ESQ and Mr. Jim Cullen of Financial Planners Assistance Corporation to counsel on the changing securities regulations and annual responsibilities to be compliant.

### **Brokerage Practices**

Addis Hill is an independent fee-only firm that does not have any affiliation with product sales firms. Addis Hill has the authority, without first obtaining specific client consent, to determine the securities to be bought or sold, the amount of the securities to be bought or sold, and the broker or dealer to be used. The selection of a broker or dealer shall be based on reputation in the industry, financial integrity, best execution of orders,

proven track record and input from colleagues. In addition, Addis Hill tracks the Best Execution scores versus their peers on an annual basis to ensure the highest degree of quality for clients. The review is documented in Addis Hill's Compliance Manual -Best Execution and Soft Dollar section.

The firm is in compliance with SEC Regulation S-P (Privacy) and SEC Release No. 34-23170 (Best Execution). The firm receives certain soft dollar benefits as a result of the association with the qualified custodial firm such as research, administrative and brokerage services. However, our utilization of a broker dealer is for the primary purpose of trade execution.

Again, Addis Hill does not receive any portion of the trading fees or custodial fees.

## **Review of Accounts**

### **Periodic Client Reviews**

Addis Hill offers an annual review to each client at a minimum annually. However, the frequency of reviews is decided upon with the advisor and client based on their needs and wants. Addis Hill's periodic reviews with its clients includes a comprehensive look at insurance, estate, tax planning, investment performance, scenario planning, and more. All the client reviews are performed by Kent R. Addis, Jr., William Mayer, Kelly Bashore, Justin Hill and the assistance and support of Addis Hill's staff.

### **Trigger Reviews**

In addition to annual client reviews, additional reviews are triggered and conducted either by the client or advisor when changes in the market dictate, objectives change, lifestyle changes, or other various important changes are necessary to attend to.

### **Regular Reports**

Addis Hill generates a *written* performance report for their clients at a minimum annually. However, performance and position reports are provided virtually, on-line, every month through our client's portal. The reports are generated through data we collect through financial channels and believe those channels to be true and accurate. In addition, each client receives a written monthly value and activity report sent directly by Shareholder Service Group, Charles Schwab, TD Ameritrade, TIAA, or Vanguard, independent of Addis Hill. We suggest comparing the reporting on-line to statements provided by Shareholders Service Group to verify accuracy. Clients who have no internet access will be mailed written reports to their addresses on record. All reports are reviewed by Kent R. Addis, Jr. and / or Justin J. Hill and Addis Hill's staff.

### **Investment Management Review**

The underlying securities within the investment advisory services are reviewed on a daily basis. The reviews are internal in nature for the purpose of ensuring portfolio performance in relation to expectation. In addition, to seeking new opportunities and to maintain a high level of risk management awareness.

## **Client Referrals and Other Compensation**

Addis Hill has no client referral or other client based referral compensation relationships. We receive no compensation, nor pay for any referrals to third parties for referring prospective clients to us. Addis Hill does

not accept referrals or any form of remuneration from other professionals when a prospect or client is referred to them.

### **Custody**

Addis Hill, Inc. does not maintain full custody of client assets. Addis Hill, Inc. does maintain limited custody of client assets for the sole purpose to withdraw advisory fees directly from client's accounts held by the custodians. All assets are held at qualified custodians, who provide account value and activity statements directly to clients at their address of record at least quarterly and often monthly. We have experience in working with TIAA, Vanguard, TD Ameritrade, Charles Schwab, and Pershing, LLC. Addis Hill does provide periodic performance statements directly to clients and urges clients to compare the account statements they receive from the qualified custodian with those they receive from Addis Hill. Clients are always encouraged to carefully review all financial statements provided directly to them.

### **Investment Discretion**

Addis Hill has discretion over client's assets to implement investment trades/transactions in their account in accordance with a limited power of attorney under the framework of Addis Hill's Investment Policy Statement. Addis Hill has the authority to determine, without obtaining specific client consent, the securities bought and sold, and the amount of those buys and sales.

Addis Hill provides all accounts a written Investment Advisory Agreement in addition to an Investment Policy Statement. The investment policy statement is a summary of your objectives, constraints, and asset allocation target. It also includes details on the investment strategies, risks, and monitoring procedures used to achieve client objectives.

Shareholders Service Group, TD Ameritrade, TIAA, Vanguard, and Charles Schwab, has full discretionary trading authority to act on behalf of Addis Hill transactions.

### **Block Trading**

Addis Hill has the discretion to block trade orders for two or more clients seeking the identical security to establish an average price for the security being purchased. The trade orders are executed in the same fashion as a single trade but bunched together when executed. The allocation of each security purchased in a bunched trade must be made in accordance with our allocation procedures specific to each client's portfolio.

### **Voting Client Securities**

Addis Hill will not accept or have the authority to exercise proxy power with respect to client's securities. We will not vote any proxy statements on behalf of any client. Clients receive their proxies or other solicitations directly from the account custodians. Addis Hill may assist you in interpreting proxy information, but the voting is the decision of the client.

### **Financial Information**

Addis Hill neither custodies client's funds or securities nor collect more than \$500 in fees per client six months or more in advance. Addis Hill has never been subject to bankruptcy.

## Requirements for State-Registered Advisers

### **Kent Russell Addis, Jr., President**

Year of Birth: 1963

Education B.S.: Pennsylvania State University, Grad. 1986

The American College, Bryn Mawr, PA

Employment: Addis & Hill, Inc., President, 2000-present

Disciplinary Information: None

### **Justin J. Hill, Vice President, Secretary, Treasurer**

Year of Birth: 1970

Education B.A.: University of South Carolina, Grad.1992

The American College, Bryn Mawr, PA

Employment: Addis & Hill, Inc., Vice President, 2000-present

Disciplinary Information: None

### **William W. Mayer, Registered Representative of Addis & Hill, Inc.**

Year of Birth: 1952

Education B.S.: Widener University, Grad.1975

College of Financial Planning, CFP

Employment: Addis & Hill, Inc., 2016-present

Disciplinary Information: None

### **Kelly F. Bashore, Registered Representative of Addis & Hill, Inc.**

Year of Birth: 1961

Education B.A.: Shippensburg University, Grad.1983

Employment: Addis & Hill, Inc., 2006-present

Disciplinary Information: None

Addis Hill is not engaged in any other industry business activities. Kent R. Addis, Jr. and Justin J. Hill do engage in outside business activities involving commercial and residential real estate. They spend five hours a month to handling these activities. Their involvement has no interference or consequences that would hinder their operations at Addis Hill, Inc.

WMayer & Associated does engage in outside business activities involving educational counseling and consulting specializing in providing individuals information regarding budgeting. His involvement has no interference or consequences that would hinder their operations at Addis Hill, Inc.

Addis Hill does not use a performance-based fee structure because of the potential conflict of interest. No fee is ever based upon capital gains or capital appreciation of assets.

## **Requirements for State-Registered Advisers Material Disclosures**

Addis Hill have not been subjected to any disciplinary action, whether criminal, civil or administrative. As registered investment advisers we are required to disclose all material facts regarding any legal disciplinary events that would be deemed “material” in nature. Addis Hill has neither been involved, found liable nor collected any monetary settlements in any arbitration claims.

Addis Hill does not have any relationships or arrangements with any issuer of securities.

## **Additional Information**

### Disaster Recovery and Contingency

Addis & Hill has in place policies in order to effectively address and the specific steps which we shall use and employ, in order to recover from disaster or emergency. It addresses alternative offices, equipment, system information back up, and more.

### Shareholder’s Agreement

Addis & Hill has in place a Business Continuity plan in the event of a shareholder’s death or disability. The Agreement is funded by both Cross Purchase and Key Man Life insurance policies.

### Privacy Policy

The Gramm– Leach – Bliley Act, a federal statute, requires “financial institutions” to explain what their specific policy is with regard to the use of information that has been collected from individuals. Addis & Hill, Inc. was in full compliance and is continuously adjusting our practices to remain in compliance with our policy and procedures. Addis Hill maintains the highest level of confidentiality with all the information we receive clients. Each year clients receive a written copy of the firm’s Privacy Policy.

### Licensing

Mr. Justin J. Hill is licensed to sell insurance products. The insurance license is maintained in order to assure compliance with laws regulating the provisions of insurance advice, not as a means to sell insurance products. As a result of this licensing, there is a potential conflict of interest.

# ADDIS HILL, INC.

## FORM ADV PART IIB

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Addis Hill, Inc. 200 W. Lancaster Avenue, Suite 203 Wayne, Pennsylvania 19087  
610.688.9500

**Kent R. Addis, Jr.**

10/2/2019

This brochure supplement provides information about Mr. Kent R. Addis, Jr. that supplements

the Addis Hill, Inc. brochure. You should have received a copy of that brochure. Please contact Justin Hill at [jhill@addishill.com](mailto:jhill@addishill.com) if you did not receive Addis Hill, Inc. brochure or if you have any questions about the contents of this supplement. Additional information about Mr. Kent R. Addis, Jr. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



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## **Educational Background and Business Experience**

**Mr. Kent R. Addis, Jr.**

*Year of Birth:* 1963

*Formal Education after High School:*

Penn State University, B.A., 1986

*Business Background for the Previous Five Years:*

Addis Hill, Inc., 2000 – Present

*Certifications:*

*NAPFA Certified Advisor*

## **Disciplinary Information**

A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the supervised person

1. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
3. was found to have been involved in a violation of an investment-related statute or regulation; or
4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

**No – There is no applicable disciplinary information toward Kent R. Addis, Jr.**

B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which the supervised person

1. was found to have caused an investment-related business to lose its authorization to do business; or

2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority

(a) denying, suspending, or revoking the authorization of the supervised person to act in an investment-related business;

(b) barring or suspending the supervised person's association with an investment-related business;

(c) otherwise significantly limiting the supervised person's investment-related activities; or

(d) imposing a civil money penalty of more than \$2,500 on the supervised person.

**No – There is no applicable information toward Kent R. Addis, Jr.**

C. A self-regulatory organization (SRO) proceeding in which the supervised person

1. was found to have caused an investment-related business to lose its authorization to do business; or

2. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

**No – There is no applicable information toward Kent R. Addis, Jr.**

D. Any other proceeding in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct. If the supervised person resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a proceeding (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

**No – There is no applicable information toward Kent R. Addis, Jr.**

### **Other Business Activities**

A. If the supervised person is actively engaged in any investment-related business or occupation, including if the supervised person is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), or an associated person of an FCM, CPO, or CTA, disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

- If a relationship between the advisory business and the supervised person’s other financial industry activities creates a material conflict of interest with clients, describe the nature of the conflict and generally how you address it.
- If the supervised person receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service (“trail”) fees from the sale of mutual funds, disclose this fact. If this compensation is not cash, explain what type of compensation the supervised person receives. Explain that this practice gives the supervised person an incentive to recommend investment products based on the compensation received, rather than on the client’s needs.

**This is not applicable to Kent R. Addis, Jr.**

B. If the supervised person is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of the supervised person’s income or involve a substantial amount of the supervised person’s time, disclose this fact and describe the nature of that business. If the other business activities represent less than 10 percent of the supervised person’s time and income, you may presume that they are not substantial.

**This is not applicable to Kent R. Addis, Jr**

### **Additional Compensation**

If someone who is not a client provides an economic benefit to the supervised person for providing advisory services, generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include the supervised person's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, client referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

**This is not applicable to Kent R. Addis, Jr.**

### **Supervision**

Mr. Addis serves in multiple capacities with the firm and is primarily responsible for the supervision of the firm's investment and financial planning advisory services activities.

The firm recognizes that not having all organizational duties segregated may potentially create a conflict of interest; however, the firm employ policies and procedures to ensure timely, accurate record keeping and supervision. Certain functions may be outsourced to qualified entities to assist in these efforts when deemed necessary.

The firm recognizes that not having all organizational duties segregated may potentially create a conflict of interest; however, Addis Hill has adopted a written supervisory procedures statement highlighting the steps which shall be taken to implement the firm wide policy. These materials are also distributed to all associated persons and other employees of Addis Hill, which are individually signed, dated and filed.

Additional information about the firm, other advisory firms, or associated representatives is available at [www.Advisorinfo.Sec.Gov](http://www.Advisorinfo.Sec.Gov). The IARD number for Addis Hill is 117495.

**Requirements for State-Registered Advisers**

A. In addition to the events listed in Item 3 of Part 2B, if the supervised person has been involved in one of the events listed below, disclose all material facts regarding the event.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

**This is not applicable to Kent R. Addis, Jr.**

B. If the supervised person has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

**This is not applicable to Kent R. Addis, Jr.**

# ADDIS HILL, INC.

## FORM ADV PART IIB

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Addis Hill, Inc. 200 W. Lancaster Avenue, Suite 203 Wayne, Pennsylvania 19087  
610.688.9500

**Justin J. Hill**

10/2/2019

This brochure supplement provides information about Mr. Justin J. Hill, that supplements the Addis Hill, Inc. brochure. You should have received a copy of that brochure. Please contact Justin Hill at [jhill@addishill.com](mailto:jhill@addishill.com) if you did not receive Addis Hill, Inc. brochure or if you have any questions about the contents of this supplement. Additional information about Mr. Justin J. Hill is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Educational Background and Business Experience**

Mr. Justin J. Hill

*Year of Birth:* 1970

*Formal Education after High School:*

University of South Carolina, B.A., 1992

*Business Background for the Previous Five Years:*

Addis Hill, Inc., 2000 – Present

**Disciplinary Information**

A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the supervised person

5. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
6. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
7. was found to have been involved in a violation of an investment-related statute or regulation; or
8. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

**No – There is no applicable disciplinary information toward Justin J. Hill.**



B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which the supervised person

1. was found to have caused an investment-related business to lose its authorization to do business; or

2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority

(a) denying, suspending, or revoking the authorization of the supervised person to act in an investment-related business;

(b) barring or suspending the supervised person's association with an investment-related business;

(c) otherwise significantly limiting the supervised person's investment-related activities; or

(d) imposing a civil money penalty of more than \$2,500 on the supervised person.

**No – There is no applicable information toward Justin J. Hill.**

C. A self-regulatory organization (SRO) proceeding in which the supervised person

3. was found to have caused an investment-related business to lose its authorization to do business; or

4. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

**No – There is no applicable information toward Justin J. Hill.**

D. Any other proceeding in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct. If the supervised person resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a proceeding (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

**No – There is no applicable information toward Justin J. Hill.**

### **Other Business Activities**

Mr. Justin J. Hill is licensed to sell insurance products. The insurance license is maintained in order to assure compliance with laws regulating the provisions of insurance advice, not as a means to sell insurance products and receive compensation. As a result of this licensing, there is a potential conflict of interest.

B. If the supervised person is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of the supervised person's income or involve a substantial amount of the supervised person's time, disclose this fact and describe the nature of that business. If the other business activities represent less than 10 percent of the supervised person's time and income, you may presume that they are not substantial.

**This is not applicable to Justin J. Hill.**

### **Additional Compensation**

If someone who is not a client provides an economic benefit to the supervised person for providing advisory services, generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include the supervised person's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, client referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

**This is not applicable to Justin J. Hill.**

### **Supervision**

Justin Hill serves in multiple capacities with the firm and is primarily responsible for the supervision of the firm's operations, compliance and trading activity.

The firm recognizes that not having all organizational duties segregated may potentially create a conflict of interest; however, the firm employ policies and procedures to ensure timely, accurate record keeping and supervision. Certain functions may be outsourced to qualified entities to assist in these efforts when deemed necessary.

Additional information about the firm, other advisory firms, or associated representatives is available at [www.Advisorinfo.Sec.Gov](http://www.Advisorinfo.Sec.Gov). The IARD number for Addis Hill is 117495.

**Requirements for State-Registered Advisers**

A. In addition to the events listed in Item 3 of Part 2B, if the supervised person has been involved in one of the events listed below, disclose all material facts regarding the event.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

**This is not applicable to Justin J. Hill.**

B. If the supervised person has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

**This is not applicable to Justin J. Hill.**

# ADDIS HILL, INC.

## FORM ADV PART IIB

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Addis Hill, Inc. 200 W. Lancaster Avenue, Suite 203 Wayne, Pennsylvania 19087  
610.688.9500

**William W. Mayer**

10/2/2019

This brochure supplement provides information about Mr. William W. Mayer that supplements the Addis Hill, Inc. brochure. You should have received a copy of that brochure. Please contact Justin Hill at [jhill@addishill.com](mailto:jhill@addishill.com) if you did not receive Addis Hill, Inc. brochure or if you have any questions about the contents of this supplement. Additional information about Mr. William W. Mayer is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Educational Background and Business Experience**

Mr. William W. Mayer

*Year of Birth:* 1952

*Formal Education after High School:*

Widener University, B.S., 1975

*Business Background for the Previous Five Years:*

Addis Hill, Inc., 2016 – Present

Legacy Advisors Group, Principal, 2002 - 2015

## **Disciplinary Information**

A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the supervised person

9. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
10. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
11. was found to have been involved in a violation of an investment-related statute or regulation; or
12. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

**No – There is no applicable disciplinary information toward Mr. William W. Mayer.**

B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which the supervised person

1. was found to have caused an investment-related business to lose its authorization to do business; or
2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority
  - (a) denying, suspending, or revoking the authorization of the supervised person to act in an investment-related business;
  - (b) barring or suspending the supervised person's association with an investment-related business;
  - (c) otherwise significantly limiting the supervised person's investment-related activities; or
  - (d) imposing a civil money penalty of more than \$2,500 on the supervised person.

**No – There is no applicable information toward Mr. William W. Mayer.**

C. A self-regulatory organization (SRO) proceeding in which the supervised person

5. was found to have caused an investment-related business to lose its authorization to do business; or
6. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

**No – There is no applicable information toward Mr. William W. Mayer.**

D. Any other proceeding in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct. If the supervised person resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a proceeding (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

**No – There is no applicable information toward Mr. William W. Mayer.**

### **Other Business Activities**

Mr. Mayer started WWM Enterprises, Inc., d.b.a. W Mayer & Associates in 1996 as an educational counseling and consulting company specializing in providing individuals information regarding household money management, debt management, home purchases and sales, real estate financing and relocation counseling. W Mayer & Associates is provided on an hourly or fixed fee for service basis.

Clients are referred to Mr. Mayer on a subcontract basis from Cambridge Corporation Malvern, Pennsylvania, a work life of employee assistance program employee benefit company.

B. If the supervised person is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of the supervised person's income or involve a substantial amount of the supervised person's time, disclose this fact and describe the nature of that business. If the other business activities represent less than 10 percent of the supervised person's time and income, you may presume that they are not substantial.

**B. is not applicable to Mr. William W. Mayer.**

### **Additional Compensation**

If someone who is not a client provides an economic benefit to the supervised person for providing advisory services, generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include the supervised person's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, client referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

**This is not applicable to Mr. William W. Mayer.**

### **Supervision**

Explain how you supervise the supervised person, including how you monitor the advice the supervised person provides to clients. Provide the name, title and telephone number of the person responsible for supervising the supervised person's advisory activities on behalf of your firm.

**This is not applicable to Mr. William W. Mayer.**

**Requirements for State-Registered Advisers**

A. In addition to the events listed in Item 3 of Part 2B, if the supervised person has been involved in one of the events listed below, disclose all material facts regarding the event.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

**This is not applicable to Mr. William W. Mayer.**

B. If the supervised person has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

**This is not applicable to Mr. William W. Mayer.**



# ADDIS HILL, INC.

## FORM ADV PART IIB

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Addis Hill, Inc. 200 W. Lancaster Avenue, Suite 203 Wayne, Pennsylvania 19087  
610.688.9500

**Kelly F Bashore**

8/6/2019

This brochure supplement provides information about Mrs. Kelly F. Bashore that supplements the Addis Hill, Inc. brochure. You should have received a copy of that brochure. Please contact Justin Hill at [jhill@addishill.com](mailto:jhill@addishill.com) if you did not receive Addis Hill, Inc. brochure or if you have any questions about the contents of this supplement. Additional information about Mrs. Kelly F. Bashore is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Educational Background and Business Experience**

Mrs. Kelly F. Bashore

*Year of Birth:* 1961

*Formal Education after High School:*

Shippensburg, B.A., 1983

*Business Background for the Previous Five Years:*

Addis Hill, Inc., 2006 – Present

**Disciplinary Information**

A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the supervised person

13. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
14. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
15. was found to have been involved in a violation of an investment-related statute or regulation; or
16. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

**No – There is no applicable disciplinary information toward Mrs. Kelly F. Bashore.**

B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which the supervised person

1. was found to have caused an investment-related business to lose its authorization to do business; or

2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority

(a) denying, suspending, or revoking the authorization of the supervised person to act in an investment-related business;

(b) barring or suspending the supervised person's association with an investment-related business;

(c) otherwise significantly limiting the supervised person's investment-related activities; or

(d) imposing a civil money penalty of more than \$2,500 on the supervised person.

**No – There is no applicable information toward Mrs. Kelly F. Bashore.**

C. A self-regulatory organization (SRO) proceeding in which the supervised person

7. was found to have caused an investment-related business to lose its authorization to do business; or

8. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

**No – There is no applicable information toward Mrs. Kelly F. Bashore.**

D. Any other proceeding in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct. If the supervised person resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a proceeding (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

**No – There is no applicable information toward Mrs. Kelly F. Bashore.**

### **Other Business Activities**

A. If the supervised person is actively engaged in any investment-related business or occupation, including if the supervised person is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), or an associated person of an FCM, CPO, or CTA, disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

- If a relationship between the advisory business and the supervised person’s other financial industry activities creates a material conflict of interest with clients, describe the nature of the conflict and generally how you address it.
- If the supervised person receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service (“trail”) fees from the sale of mutual funds, disclose this fact. If this compensation is not cash, explain what type of compensation the supervised person receives. Explain that this practice gives the supervised person an incentive to recommend investment products based on the compensation received, rather than on the client’s needs.

**This is not applicable to Mrs. Kelly F. Bashore.**

B. If the supervised person is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of the supervised person’s income or involve a substantial amount of the supervised person’s time, disclose this fact and describe the nature of that business. If the other business activities represent less than 10 percent of the supervised person’s time and income, you may presume that they are not substantial.

**This is not applicable to Mrs. Kelly F. Bashore.**

**Additional Compensation**

If someone who is not a client provides an economic benefit to the supervised person for providing advisory services, generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include the supervised person's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, client referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

**This is not applicable to Mrs. Kelly F. Bashore.**

**Supervision**

Explain how you supervise the supervised person, including how you monitor the advice the supervised person provides to clients. Provide the name, title and telephone number of the person responsible for supervising the supervised person's advisory activities on behalf of your firm.

**This is not applicable to Mrs. Kelly F. Bashore.**

**Requirements for State-Registered Advisers**

A. In addition to the events listed in Item 3 of Part 2B, if the supervised person has been involved in one of the events listed below, disclose all material facts regarding the event.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

**This is not applicable to Mrs. Kelly F. Bashore.**

B. If the supervised person has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

**This is not applicable to Mrs. Kelly F. Bashore.**