

# **Rosman Asset Management, LLC**

## **Form ADV Part 2A – Disclosure Brochure**

**Effective: February 18, 2017**

This Form ADV 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Rosman Asset Management, LLC (“RAM” or the “Advisor”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (832) 335-9118.

RAM is a registered investment advisor located in the State of Texas. The information in this Disclosure Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about RAM to assist you in determining whether to retain the Advisor.

Additional information about RAM and its advisory persons are available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 155922.

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## **Item 2 – Material Changes**

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Form ADV 2 is divided into two parts: *Part 2A* and *Part 2B*. *Part 2A* (the “Disclosure Brochure”) provides information about a variety of topics relating to an Advisor’s business practices and conflicts of interest. *Part 2B* (the “Brochure Supplement”) provides information about advisory personnel of RAM.

RAM believes that communication and transparency are the foundation of its relationship and continually strive to provide its Clients with complete and accurate information at all times. RAM encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Material Changes

There have been no material changes to this Disclosure Brochure since the last distribution to Clients.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of RAM.

At any time, you may view the current Disclosure Brochure on-line at the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 155922. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (832) 335-9118.

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## **Item 4 – Advisory Services**

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### **A. Firm Information**

Rosman Asset Management, LLC (“RAM” or the “Advisor”) is a registered investment advisor located in the State of Texas, which is organized as a limited liability company (“LLC”) under the laws of the State of Texas. RAM was originally founded in December 2010. The Advisor is owned and operated by President, Michael J. Rosman. This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by RAM.

### **B. Advisory Services Offered**

RAM offers investment advisory services to individuals, high net worth individuals, trusts, estates, and businesses in Texas and other states (each referred to as a “Client”).

#### Investment Management Services

RAM provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and consulting services. RAM works with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio strategy. RAM will then construct a portfolio, consisting of exchange-listed securities, over-the-counter securities, municipal bonds, U.S. government bonds, and corporate debt to achieve the Client’s investment goals. The Advisor may also utilize other types of investments to meet the needs of its Clients. As noted in Item 7 below, RAM does not impose a minimum account or relationship size.

RAM’s investment strategy is primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. RAM will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to the acceptance by the Advisor.

RAM evaluates and selects securities for inclusion in Client portfolios only after applying their internal due diligence process. RAM may recommend, on occasion, redistributing investment allocations to diversify the portfolio. RAM may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. RAM may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

RAM will provide investment management and related advisory services. At no time will RAM accept or maintain custody of a Client’s funds or securities, except for the authorized deduction of the Advisor’s fee. All Client assets will be managed within their designated brokerage account[s] at the Custodian, pursuant to the Client investment advisory agreement.

#### Financial Consulting Services

RAM will typically provide a variety of financial consulting services to individuals and families, pursuant to a written financial consulting agreement. Services are customized and are offered in several areas of a Client’s financial situation, depending on their goals, objectives and financial situation. Generally, such financial consulting services will involve a financial consultation based on one or more areas of need, including, but not limited to investment planning, retirement planning, personal savings, education savings and other areas of a Client’s financial situation. As these services are customized to each Client, the Advisor shall provide each Client with the scope of the engagement at the time the Client enters into an agreement, which outlines the services to be provided and the estimated hours to complete the engagement.

A financial plan developed for or financial consultation rendered to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter

retirement savings, establish education savings, evaluate insurance needs and/or planning charitable giving programs. RAM may also refer Clients to an accountant, attorney or other specialist, as appropriate for their unique situation. For certain engagements, the Advisor will provide a written summary of deliverables. For ad-hoc engagements, the Advisor may not provide a written summary. Consulting services are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

Financial consulting recommendations may pose a potential conflict between the interests of the Advisor and the interests of the Client. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to effect the transaction through the Advisor. RAM does not impose a minimum net worth to engage the Advisor for financial consulting services.

### **C. Client Account Management**

Prior to engaging RAM to provide investment advisory services, each Client is required to enter into one or more agreements with the Advisor that define the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Policy Statement – RAM, in connection with the Client, may develop a statement that summarizes the Client's investment goals and objectives along with the broad strategy[ies] to be employed to meet the objectives.
- Asset Allocation – RAM will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.
- Portfolio Construction – RAM will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – RAM will provide investment management and ongoing oversight of the Client's investment portfolio.

### **D. Wrap Fee Programs**

RAM does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by RAM.

### **E. Assets Under Management**

As of December 31, 2016, RAM manages \$23,133,986 in assets, all of which are managed on a discretionary basis. Clients may request more current information at any time by contacting the Advisor.

## **Item 5 – Fees and Compensation**

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The following paragraphs detail the fee structure and compensation methodology for investment management. Each Client shall sign one or more agreements that detail the responsibilities of RAM and the Client.

### **A. Fees for Advisory Services**

#### Investment Management Services

Investment advisory fees range from 2.50% to 0.50% annually based on assets under management for accounts managed by the Advisor. Fees are determined by several factors, which may include: the size of the relationship, complexity of services to be provided, the frequency of meetings and checkpoints and other factors. Relationships with multiple investment objectives, specific reporting requirements, client portfolio restrictions and other complexities may be charged a higher fee. The average investment management fee approximates 1.25% annually. Accounts with significant assets are typically offered a lower investment advisory fee. Smaller accounts or those with complex situations, such as multiple investment objectives, complex investment strategies, and the requirement for frequent reporting or meetings shall be charged a higher fee than the average.

The investment advisory fee is billed quarterly, in advance of each calendar quarter, based on the market value of assets managed by the Advisor at the at the start of each calendar quarter. The investment advisory fee in the first quarter of service is prorated to the inception date of the account[s] to the end of the first quarter. Fees may be

negotiable at the sole discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with the Advisor. All securities held in accounts managed by RAM will be independently valued by the Custodian. RAM will not have the authority or responsibility to value portfolio securities.

#### Financial Consulting Services

RAM offers financial consulting services on an hourly basis at a rate of \$250 per hour, which may be negotiable depending on the nature and complexity of each Client's circumstances. An estimate for total hours will be provided prior to engaging for these services. Services are customized to each Client and the scope of work is provided to each Client in advance of entering into an agreement for financial consulting services.

### **B. Fee Billing**

#### Investment Management Services

Investment advisory fees will be calculated by the Advisor and deducted from the Client's account[s] at the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the respective quarter-end date. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to the total assets under management with RAM at the end of the prior calendar quarter. Clients will be provided with a statement, at least quarterly, from the custodian reflecting deduction of the investment advisory fee. In addition, the Advisor will provide the Client a report itemizing the fee, including the calculation period covered by the fee, the account value and the methodology used to calculate the fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's brokerage statement as the custodian does not assume this responsibility. Clients provide written authorization permitting RAM to be paid directly from their accounts held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

#### Financial Consulting Services

Financial consulting fees are invoiced by the Advisor upon completion of engagement deliverables and are due upon receipt.

### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties, other than RAM, in connection with investment made on behalf of the Client's account[s]. The Client is responsible for all custody and securities execution fees charged by the Custodian. The investment advisory fee charged by RAM is separate and distinct from these custody and execution fees.

In addition, all fees paid to RAM for investment advisory services are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client could invest in these products directly, without the services of RAM, but would not receive the services provided by RAM which are designed, among other things, to assist the Client in determining which products or services are most appropriate to each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by RAM to fully understand the total fees to be paid.

### **D. Advance Payment of Fees and Termination**

#### Investment Management Services

RAM is compensated for its services in advance the quarter in which investment advisory services are rendered. Either party may terminate the investment advisory agreement with RAM, at any time, by providing advance written notice to the other party. The Client shall be responsible for investment advisory fees up to and including the effective date of termination. Upon termination, the Advisor will refund any unearned, prepaid investment advisory fees from the effective date of termination to the end of the quarter. The Client's investment advisory agreement with the Advisor is non-transferable without the Client's prior consent.

#### Financial Consulting Services

RAM is compensated for financial consulting services upon completion of the engagement deliverable[s]. Either party may terminate a consulting agreement, at any time, by providing written notice to the other party. In addition, the Client may terminate the agreement within five (5) business days of signing the Advisor's consulting agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Client's financial planning agreement with the Advisor is non-transferable without the Client's prior consent.

#### **E. Compensation for Sales of Securities**

RAM does not buy or sell securities and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

### **Item 6 – Performance-Based Fees and Side-By-Side Management**

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RAM does not charge performance-based fees for its investment advisory services. The fees charged by RAM are as described in "Item 5 – Fees and Compensation" above and are not based upon the capital appreciation of the funds or securities held by any Client. RAM does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

### **Item 7 – Types of Clients**

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RAM offers investment advisory services to individuals, high net worth individuals, trusts, estates, and businesses. The relative percentage each type of Client is available on RAM's Form ADV Part 1. These percentages will change over time. RAM generally does not impose a minimum account size for establishing a portfolio management or financial planning relationship.

### **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

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#### **A. Methods of Analysis**

RAM primarily employs fundamental analysis methods in developing investment strategies for its Clients. Research and analysis from RAM is derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others. As noted above, RAM generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. RAM will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, RAM may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

#### **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. RAM will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included in Item 13.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. **Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

## **Item 9 – Disciplinary Information**

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**There are no legal, regulatory or disciplinary events involving RAM or any of its Supervised Persons.** RAM values the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are viewable on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 155922. You may also research the background of Michael J. Rosman by searching with Mr. Rosman's Individual CRD# 2108901.

## **Item 10 – Other Financial Industry Activities and Affiliations**

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The sole business of RAM is to provide investment advisory services to its Clients. Neither RAM nor its Supervised Persons are involved in other business endeavors. RAM does not maintain any affiliations with other firms, other than contracted service providers to assist with the servicing of its Client's accounts.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

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### **A. Code of Ethics**

RAM has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with RAM (our "Supervised Persons"). The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. RAM and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of RAM Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that may include; general ethical principles, reporting personal securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code of Ethics, review and enforcement processes, amendments to Form ADV and supervisory procedures. RAM has written its Code of Ethics to meet and exceed regulatory standards. To request a copy of our Code of Ethics, please contact us at (832) 335-9118.

### **B. Personal Trading with Material Interest**

RAM allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. RAM does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advice an investment company. RAM does not have a material interest in any securities traded in Client accounts.

### **C. Personal Trading in Same Securities as Clients**

RAM allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities we recommend (purchase or sell) to you presents a



potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. We have also adopted written policies and procedures to detect the misuse of material, non-public information. We may have an interest or position in certain securities, which may also be recommended to you.

In addition the Code of Ethics governs Gifts and Entertainment given by and provided to the Advisor, outside employment activities of employees, Employee reporting, sanctions for violations of the Code of Ethics, and records retention requirements for various aspects of the Code of Ethics.

#### **D. Personal Trading at Same Time as Client**

While RAM allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. **At no time, will RAM or any Supervised Person of RAM, transact in any security to the detriment of any Client.**

### **Item 12 – Brokerage Practices**

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#### **A. Recommendation of Custodian[s]**

RAM does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize RAM to direct trades to the Custodian as agreed in the investment advisory agreement. Further, RAM does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where RAM does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by RAM and will not incur any extra fee or cost associated with using a broker-dealer/custodian not recommended by RAM. RAM may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, its reputation, and/or the location of the Custodian's offices. RAM does not receive research services, other products, or compensation as a result of recommending a Custodian that may result in the Client paying higher commissions than those obtainable through other custodians.

RAM will generally recommend that Clients establish their account[s] at Fidelity Clearing & Custody Solutions, a division of Fidelity Investments, Inc. ("Fidelity"). Fidelity will serve as the Client's "qualified custodian". RAM maintains an institutional relationship with Fidelity, whereby the Advisor receives economic benefit from Fidelity (Please see Item 14 below).

Following are additional details regarding the brokerage practices of the Advisor:

- 1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with the broker-dealer/custodian in exchange for research and other services. RAM does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. RAM maintains an institutional relationship with Fidelity, whereby the Advisor receives economic benefit from Fidelity (Please see Item 14 below).
- 2. Brokerage Referrals** - RAM does not receive any compensation from any third party in connection with the recommendation for establishing an account.
- 3. Directed Brokerage** - All Clients are serviced on a "directed brokerage basis", where RAM will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective brokerage account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). RAM will not be obligated to

select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

### **B. Aggregating and Allocating Trades**

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. RAM will execute its transactions through the Custodian as directed by the Client. RAM may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular Client accounts.

## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Investments in Client accounts are monitored on a regular and continuous basis by Mr. Rosman. Formal reviews are generally conducted at least annually or more or less frequently depending on the needs of the Client.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more or less frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify RAM if changes occur in his/her personal financial situation that might adversely affect his/her investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

## **Item 14 - Client Referrals and Other Compensation**

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### **A. Compensation Received by RAM**

RAM is a fee-only advisory firm, who, in all circumstances, is compensated solely by the Client. RAM does not receive commissions or other compensation from product sponsors, broker dealers or any un-related third party. RAM may refer Clients to various third parties to provide certain financial services necessary to meet the goals of its Clients. Likewise, RAM may receive referrals of new Clients from a third-party.

#### Participation in Institutional Advisor Platform

AS noted in Item 12, the Advisor has established an institutional relationship with Fidelity to assist the Advisor in managing Client account[s]. Access to the Fidelity Platform is provided at no charge to the Advisor. The Advisor receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Fidelity. The software and related systems support may benefit the Advisor, but not its Clients directly. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Additionally, the Advisor may receive the following benefits from Fidelity: receipt of duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional participants;

access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts; and access to an electronic communication network for Client order entry and account information.

#### **B. Client Referrals from Solicitors**

RAM does not engage paid solicitors for Client referrals.

### **Item 15 – Custody**

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RAM does not accept or maintain custody of any Client accounts, except for the authorized deduction of the Advisor's fees. All Clients must place their assets with a "qualified custodian". Clients are required to engage the Custodian to retain their funds and securities and direct RAM to utilize the Custodian for the Client's security transactions. RAM encourages Clients to review statements provided by Custodian. For more information about custodians and brokerage practices, see "Item 12 - Brokerage Practices".

### **Item 16 – Investment Discretion**

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RAM generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by RAM. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by RAM will be in accordance with each Client's investment objectives and goals.

### **Item 17 – Voting Client Securities**

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RAM does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

### **Item 18 – Financial Information**

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Neither RAM, nor its management has any adverse financial situations that would reasonably impair the ability of RAM to meet all obligations to its Clients. Neither RAM, nor any of its advisory persons, has been subject to a bankruptcy or financial compromise. RAM is not required to deliver a balance sheet along with this Disclosure Brochure, as the firm does not collect fees of \$500 for services to be performed six months or more in advance.

### **Item 19 – Requirements for State Registered Advisors**

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#### **A. Educational Background and Business Experience of Principal Officer**

The President of RAM is Michael J. Rosman. Information regarding the formal education and background of Mr. Rosman is included in Item 2 of Part 2B below.

#### **B. Other Business Activities of Principal Officer**

Mr. Rosman is dedicated to the investment advisory activities of RAM's Clients and does not have any other business activities.

#### **C. Performance Fee Calculations**

RAM does not charge performance-based fees for its investment advisory services. The fees charged by RAM are as described in "Item 5 – Fees and Compensation" above and are not based upon the capital appreciation of the funds or securities held by any Client.

#### **D. Disciplinary Information**

***There are no legal, civil or disciplinary events to disclose regarding RAM or Mr. Rosman.*** Neither RAM nor Mr. Rosman has ever been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against RAM or Mr. Rosman.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. ***As previously noted, there are no legal, civil or disciplinary events to disclose regarding RAM or Mr. Rosman.***

#### **E. Material Relationships with Issuers of Securities**

Neither RAM nor Mr. Rosman has any relationships or arrangements with issuers of securities.

# **Form ADV Part 2B – Brochure Supplement**

**for**

**Michael J. Rosman  
President and Chief Compliance Officer**

**Effective: February 18, 2017**

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications of Michael J. Rosman (CRD# **2108901**) in addition to the information contained in the Rosman Asset Management, LLC (“RAM” or the “Advisor” - CRD #155922) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you any questions about the contents of the RAM Disclosure Brochure or this Brochure Supplement, please contact us at (832) 335-9118.

Additional information about Mr. Rosman is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Educational Background and Business Experience

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Michael J. Rosman, born in 1964, is dedicated to advising Clients of RAM in his role as the President and Chief Compliance Officer. Mr. Rosman earned a B.A. in Political Science from Northwestern University in 1986. Additional information regarding Mr. Rosman's employment history is included below.

### Employment History:

President and CCO, Rosman Asset Management, LLC (formerly Michael J. Rosman d/b/a Rosman Asset Management 12/2010 -11/2015)	12/2010 to Present
Investment Executive, Feltl and Company	05/2005 to 02/2011
Financial Advisor, Arch Financial Services, Inc.	11/1990 to 01/2011

## Item 3 – Disciplinary Information

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**There are no legal, civil or disciplinary events to disclose regarding Mr. Rosman.** Mr. Rosman has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Rosman.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. **As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Rosman.** However, we do encourage you to independently view the background of Mr. Rosman on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or his Individual CRD# 2108901.

## Item 4 – Other Business Activities

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Mr. Rosman is dedicated to the investment advisory activities of RAM's Clients and does not have any other business activities.

## Item 5 – Additional Compensation

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Mr. Rosman is dedicated to the investment advisory activities of RAM's Clients and does not receive any additional forms of compensation.

## Item 6 – Supervision

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Mr. Rosman serves as the President and Chief Compliance Officer of RAM. Mr. Rosman can be reached at (832) 335-9118.

RAM has implemented a Code of Ethics and internal compliance that guide each Supervised Person in meeting their fiduciary obligations to Clients of RAM. Further, RAM is subject to regulatory oversight by various agencies. These agencies require registration by RAM and its Supervised Persons. As a registered entity, RAM is subject to examinations by regulators, which may be announced or unannounced. RAM is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.

## Item 7 – Requirements for State Registered Advisors

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Mr. Rosman does not have any additional information to disclose.

## Privacy Policy

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Effective: February 18, 2017

### Our Commitment to You

Rosman Asset Management, LLC ("RAM") is committed to safeguarding the use of your personal information that we have as your Investment Advisor. RAM (also referred to as "we", "our" and "us" throughout this notice) protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you. Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything we can to maintain that trust.

RAM does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and proper business purposes in connection with the servicing and management of our relationship with you as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Privacy Policy.

### Why you need to know?

Registered Investment Advisors ("RIAs") share some of your personal information. Federal and State laws give you the right to limit some of this sharing. Federal and State laws require RIAs to disclose how we collect, share, and protect your personal information.

### What information do we collect from you?

Social security or taxpayer identification number	Assets and liabilities
Name, address and phone number(s)	Income and expenses
E-mail address(es)	Investment activity
Account information (including other institutions)	Investment experience and goals

### What sources do we collect information from in addition to you?

Custody, brokerage and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

### How we share your information?

RIAs do need to share personal information regarding its clients to effectively implement the RIA's services. In the section below, we list some reasons we may share your personal information.

Basis for sharing	Sharing	Limitations
<p><b>Servicing our Clients</b>            We may share non-public personal information with non-affiliated third parties (such as brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed services to you consistent with applicable law, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Processing transactions;</li> <li>• General account maintenance;</li> <li>• Responding to regulators or legal investigations; and</li> <li>• Credit reporting, etc.</li> </ul>	RAM may share this information.	Clients cannot limit the Advisor's ability to share.
<p><b>Administrators</b>            We may disclose your non-public personal information to companies we hire to help administrate our business. Companies we hire to provide services of this kind are not allowed to use your personal information for their own purposes and are contractually obligated to maintain strict confidentiality. We limit their use of your personal information to the performance of the specific service we have requested.</p>	RAM may share this information.	Clients cannot limit the Advisor's ability to share.
<p><b>Marketing Purposes</b>            RAM does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where RAM or the client has a formal agreement with the financial institution. <b>We will only share information for purposes of servicing your accounts, not for marketing purposes.</b></p>	RAM does not share personal information.	Clients cannot limit the Advisor's ability to share.
<p><b>Authorized Users</b>            In addition, your non-public personal information may also be disclosed to you and persons we believe to be your authorized agent or representative.</p>	RAM does share personal information.	Clients can limit the Advisor's ability to share.
<p><b>Information About Former Clients</b>            RAM does not disclose, and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.</p>	RAM does not share personal information regarding former clients	Clients can limit the Advisor's ability to share.

<b>How do we protect your information?</b>
<p>To safeguard your personal information from unauthorized access and use, we maintain physical, procedural and electronic safeguards. These include computer safeguards such as passwords, secured files and buildings.</p>
<p>Our employees are advised about RAM's need to respect the confidentiality of each client's non-public personal information. We train our employees on their responsibilities.</p>
<p>We require third parties that assist in providing our services to you to protect the personal information they receive. This includes contractual language in our third party agreements.</p>



**Changes to our Privacy Policy.**

We will send you notice of our Privacy Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise our Privacy Policy, and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

**Questions:** You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (832) 335-9118.