



## **Form ADV Part 2A\* SEC – Required Brochure**

**March 2011**

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\*This Brochure provides information about the qualifications and business practices of Protected Investors of America (PIA). If you have any questions about the contents of this Brochure, please contact PIA at **(800) 786-2559 (415) 398-4363, or [carol@protectedinvestors.com](mailto:carol@protectedinvestors.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.

The SEC's website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), makes available additional information about Protected Investors of America.

## **Material Changes:**

On July 28, 2010, the United States Securities and Exchange Commission published "Amendments to Form ADV" which amends the disclosure document we provide to clients as required by SEC Rules. This Brochure dated March 2011 is a new document prepared according to the SEC's new requirements and rules. This document is materially different in structure and requires certain new information that our previous brochure did not require.

Going forward, this section only discusses specific material changes made to this Brochure and provides clients with a summary of such changes. PIA also references the date of our last annual update of this brochure.

In the past PIA has offered or delivered information about our qualifications and business practices to clients on at least an annual basis.

Pursuant to new SEC Rules, PIA ensures that you receive a summary of material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. As necessary, PIA further provides other ongoing disclosure information regarding material changes.

To request a copy of PIA's current Brochure, please contact:

**Carol Hallberg, Chief Compliance Officer at (415) 869-5968 or  
carol@protectedinvestors.com.**

PIA's Brochure is also available on our web site, [www.protectedinvestors.com](http://www.protectedinvestors.com).

The SEC's website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), makes available additional information about Protected Investors of America. In addition, the SEC's web site provides information about any registered investment advisor personnel affiliated with Protected Investors of America.

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## **Advisory Business:**

### **Background:**

Protected Investors of America, (“PIA,” “Advisor” or the “Firm”) is a California corporation founded in 1934. PIA provides investment management and other financial consulting services to our clients.

All individuals providing advisory services for PIA are either:

- Licensed
- Qualified or authorized to provide the services as an employee or Investment Adviser Representative (Financial Advisor) of PIA
- A solicitor

PIA contracts persons that provide both broker-dealer and advisory services, acting in a dual capacity as Registered Representatives (“RR”) and Investment Adviser Representatives (“IAR”) of PIA. PIA collectively refers to RR/IARs as “Financial Advisors” in this disclosure document.

### **Investment Management Services:**

PIA Financial Advisors provide continuous advice to clients on selecting and executing investments for clients based on the individual needs of the client. PIA requires clients to execute an Investment Advisory Agreement (“Agreement”) with their Financial Advisor. The Agreement describes the services provided the client in return for the advisory fee specified in the Agreement. The Agreement remains in effect until terminated, in writing, by either the client or the Financial Advisor. Fees are accrued up until the date of receipt of written notice.

PIA Financial Advisors provide services including analysis of client finances and investments and may recommend appropriate changes based on client’s stated financial objectives. PIA Financial Advisors assist clients in completing forms, questionnaires and other required materials concerning the client’s current financial situation, financial goals and attitudes toward risk. Questionnaires and personal discussions help PIA Financial Advisors to review the client’s specific situation and enable the Financial Advisor to recommend investment selection and allocation based on the client’s specific needs and goals. PIA Financial Advisors monitor and trade and/or reallocate accounts on a discretionary or non-discretionary basis. Financial Advisors execute trades in discretionary accounts without prior notice to clients. PIA advises that it remains the client’s responsibility to notify PIA of changes in their financial situation or investment objectives that may necessitate a review, evaluation or revision, by PIA or their Financial Advisor, of previous recommendations and/or services.

PIA or the client may terminate an investment management agreement at any time with 30 day’s written notice. PIA charges any earned fees owed to PIA to the client’s account on a pro rata basis based on the time expired in the calendar quarter.

### **Financial Planning and Other Financial Consulting Services:**

PIA and its Financial Advisors provide clients with a broad range of comprehensive financial planning and financial consulting services, including:

- **Financial planning:** Including data gathering, advice, and, in many cases, a written plan with investment recommendations.

- **Evaluations:** Including education planning, retirement planning, estate planning, investment planning and financial reports (e.g. cash flow analysis, income/expense, and balance sheet/net worth, among others).
- **Financial Consultations:** Including financial plan updates, estate planning, retirement projections, portfolio rebalancing, private placement analysis, tax planning, debt management, and a variety of other topics.

PIA, through its Financial Advisors, charges either a fixed fee and/or an hourly fee for these services. PIA requires clients to execute a written contract prior to engaging PIA or the Advisor to provide advisory, financial planning and/or consulting services. The contract sets forth the terms and conditions of the arrangement and describes the scope of services to be provided and any portion of the fee due from the client prior to commencement of services.

PIA does not require financial planning and financial consulting clients to be investment management clients of the Firm. Clients may retain PIA to provide investment management services under a separate contract. Clients retain discretion over all planning and consultation implementation decisions and are under no obligation to act upon recommendations made by PIA or its Financial Advisors in a financial planning/consulting arrangement, nor are they obligated to enter a contract for investment management services.

PIA or the client may terminate the financial planning and consulting agreement at any time with written notice to the other. If the Agreement is terminated, all fees due at the time of termination will be due and payable by client immediately. PIA immediately refunds any unearned, prepaid fees.

### **Legal and Tax Services**

PIA Financial Advisors do not render any legal or tax advice in connection with a client's financial plan or consultation. This provision does not apply to advisors who are qualified to offer legal and/or tax services outside of the planning agreement through a separate entity that is not affiliated with PIA. In those circumstances, the services must be provided by way of a separately executed agreement between the clients and the Advisor.

### **Third Party Programs:**

PIA maintains selling or solicitation arrangements with other third party investment advisors where PIA acts in the capacity of a solicitor. These third-party investment advisors may offer wrap fees or other managed asset programs where client accounts are managed as disclosed in the third party investment advisor's ADV or other disclosure documentation. The third party advisor typically manages the account on a discretionary basis.

PIA gathers information from the client about the client's financial situation, investment objectives, and restrictions the client wants imposed on the management of the account. PIA periodically reviews reports provided to the client and consults with the client as needed. The Advisor contacts the client at least annually to review the client's financial situation and investment objectives. PIA communicates information to third party advisors as warranted and assists the client in understanding and evaluating the services provided by the third party advisor.

PIA reminds clients to notify their Financial Advisor of any changes in their financial situation, investment objectives, or account restrictions. Clients may also directly contact the third party advisor managing the account. Account reporting about investment programs is sent directly to the

client by the program sponsor. The program sponsor reports account transactions, valuations, and performance data. Minimum investment values may apply. PIA shares in a portion of the total fee charged by the third party manager. The portion varies by program and details can be obtained by request to PIA.

The client, PIA, or the third party money manager may terminate their agreement at any time with written notice to the other. If the Agreement is terminated all fees due at time of terminations will be due and payable by client immediately.

**PIA Client Assets Under Management - (calculated 03-31-2011):**

	<b>U.S. Dollar Amount</b>
Discretionary:	(a) \$ 61,062,504.00
Non-Discretionary:	(b) \$ 475,934,415.00
Total:	(c) \$ 536,996,919.00

## **Fees & Compensation:**

### **Investment Management Fees:**

For PIA and its Financial Advisors, fees for ongoing, active investment management are typically negotiable. Fees are generally calculated on a percentage of the market value of the investable assets at the end of the calendar quarter. PIA imposes a firm limit on fees of 2.0% of the portfolio value, annually.

Fees are negotiated between clients and Financial Advisors and may vary depending on account size and other factors. The fee calculation includes all assets in the account unless any are specifically identified, in writing, for exclusion. Management fees are billed quarterly, in arrears, and prorated for accounts established or terminated at times other than the start of the quarter.

The Financial Advisor may receive distribution related fees or sales charges from assets in mutual funds (12b-1s). For Individual Retirement Accounts ("IRA") or accounts that hold assets of employee benefit plans subject to ERISA, or to Section 4875 of the Internal Revenue Code of 1986 (such as a Keogh plan), the maximum fee charged is 2.0%.

PIA pays the Advisor a portion of the investment advisory fees received by PIA from the client. The Financial Advisor's services may include:

- Assisting the client in completing information gathering questionnaires
- Determining an appropriate investment strategy
- Periodic contact with the client(s) about investment performance
- Disseminating portfolio performance reports
- Updating client information including suitability, address changes, etc.

PIA Advisors do not provide advice regarding the tax deductibility of advisory fees. PIA Advisors refer clients to their tax professionals for this guidance.

Clients generally authorize PIA, through execution of an investment advisory agreement, to deduct quarterly investment advisory fees directly from custodial accounts. It is the client's responsibility to verify the accuracy of fee calculations, as it is not the responsibility of the custodian to determine if the fee is properly calculated. PIA instructs all advisors to notify clients of this on their quarterly invoices to clients. In some instances, PIA clients may arrange to pay their fee directly to PIA. In these circumstances, payment is due upon receipt of the billing invoice.

As outlined in the executed investment advisory agreement, clients agree to pay a half percent per month service charge for unpaid balances over 30 calendar days old. Fees paid to PIA are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties including but not limited to fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in the fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Advisors fee, and Advisor shall not receive any portion of these commissions, fees, and costs.

Fund companies may impose short-term redemption fees of up to 1.5% on certain funds if sold within one to six months of original purchase. Funds may have a minimum annual maintenance fee for

positions of less than a certain dollar amount. PIA advisors do not purchase funds that impose sales charges for advisory clients that have executed an investment advisory agreement. Clients can invest in mutual funds or variable annuities directly with fund companies through PIA on a Broker-Dealer basis. This would occur outside of the investment advisory arrangement.

Advisory fees deducted from variable annuity accounts are taxable to the client upon withdrawal from non-qualified accounts. In addition, if the client is under 59 ½ and the account is non-qualified, any withdrawals, including withdrawals for advisory fees are subject to a 10% federal tax penalty. Other fees, including mortality and expense fees, fund fees and surrender charges, may be charged by the insurance company. Refer to the prospectus for more detailed information.

**Hourly and Fixed Fees for Financial Planning and Other Financial Consulting Services:**

For financial planning and other financial consulting services, PIA advisors can charge fees of up to \$300 per hour. PIA advisors also provide services on the basis of a fixed fee, typically ranging from \$1,000 to \$10,000, depending upon the complexity of a client's requirements or objectives and the extent to which outside professionals are consulted for other professional services. In these instances, PIA requires a retainer of equal to 10% of the estimated fees be payable at commencement of the contract for services. Ongoing fees are payable as invoiced. PIA Advisors may also work with clients to provide investments in no-load securities by charging a fee in lieu of commission for consultation and investment selection.

**Third Party Programs:**

Fees may be negotiated but generally range from .20% to 2.0% annually, depending upon the program, the size of the account and the services provided. Some programs contain inclusive fees that cover account management, brokerage, clearance, custody, and administrative services, while others may charge separately for each service. The fees, services provided, payment structure, termination provisions, and other aspects of each program are disclosed and detailed in the third party investment advisor's Form ADV Part 2 or other substitute disclosure document. When mutual funds are used in third party programs, the fees mentioned above are in addition to the internal management fees and expenses paid by the mutual funds.

**General Fee Disclosures:**

Comparable services may be available from other sources for lower fees than those charged by PIA. The client's fee to Advisor is determined in accordance with the above fee structure, with exceptions negotiated on a case-by-case basis at Advisor's discretion. Deviations from the fee structure are based on a number of factors such as the amount of assets placed under management and the advisor's time and attention required to manage the account.

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

PIA does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## **Types of Clients:**

PIA provides investment management and other financial consulting services to its clients, which include high net worth individuals, trusts and estates, pension and profit sharing plans, corporations and other business entities. Investment management services are provided on both a discretionary and nondiscretionary basis.

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

PIA Financial Advisors disclose that all securities investments carry risk, including the risk that an investor may lose a part or all of his or her initial investment. Risk refers to the uncertainty that the actual return the investor realizes could differ from the expected return. Risks may be systematic, referring to factors that affect the returns on all comparable investments and that affect the market as a whole. Systematic risks include market risk, interest rate risk, reinvestment rate risk, purchasing power risk and exchange rate risk. Unsystematic risks depend on factors that are unique to the specific investment security. These risks include business risk and financial risk. Below are some of the general risks associated with parts of our investment strategy:

- **Short-term purchases** – While we generally purchase securities with the intent to hold them for more than a year, we may on occasion determine to buy or sell securities in a client's account and hold them for less than a year. Some of the risks associated with short-term trading that could affect investment performance are increased commissions and transaction costs to the account and increased tax obligations on the gains in a security's value
- **Bond Pricing** – The price of bonds depends in part on the current rate of interest. Rising interest rates decrease the current price of bonds because current purchasers require a competitive yield. As such, decreasing interest rates increase the current value of bonds with associated decrease in bond yield. We may decide to exchange to a lower or higher duration bond or to another asset class due to interest rate risk that could affect investment performance.
- **Inflation** – Inflation is the loss of purchasing power through a general rise in prices. For example, if an investment portfolio is designed for current income with a real rate of return of 4% and inflation were to rise to 5% or higher, the account would result in a loss of purchasing power and create a negative real rate of return.
- **Price Fluctuation** – Security prices do fluctuate and clients must accept the risk associated with the fluctuations or change to a more appropriate investment portfolio in alignment with their risk tolerance.
- **Reinvestment of Dividends** – An investor can choose to reinvest interest, dividends and capital gains to accumulate wealth. This is an appropriate strategy for a portfolio designed for capital growth. However, the reinvested earnings could result in a lower or a higher rate than was initially earned.
- **Mutual Funds with Foreign Asset Holdings** – Any investments in mutual funds that make foreign investments are subject to the uncertainty of changes in the foreign currency value. The client will bear more risk and may earn a substantially higher return or a substantially lower return.
- **Margin Trading** – In some cases, and generally only for short term financing considerations, clients may elect to assume a margin balance on their investment account. The client's custodian may require a percentage of assets under management to be pledged as collateral for the margin

amount. Clients risk that in a falling market, the pledged collateral will be insufficient to cover a margin call by their custodian. Consequently, all margin decisions are left to the client.

- **Option Trading** – Certain clients engage in option trading. Option securities are complex derivatives of equity securities that incorporate certain leverage characteristics and as such carry an increased risk of investment loss.
- **Alternative Asset Classes** – Many alternative investments are illiquid, which means that the investments can be difficult to trade. Consequently, such holdings may limit a client's ability to dispose of such investments in a timely manner and at an advantageous price.
- **Private Equities** – PIA Advisors may recommend the inclusion of shares in non-publicly traded equities in the accounts of accredited clients. These companies will generally have little available information on their financial status, capital structure or revenues, resulting in increased risk of loss, including total loss. In addition, these securities may be highly illiquid or may experience losses of liquidity – resulting in an inability to sell said equities or sales prices that are substantially below the purchase or market price.

Unless otherwise expressly agreed, we will value these positions at their purchase price for any accounting purposes, which may not reflect losses that would be realized if the position was sold. Of particular risk is that PIA will base its account values for billing purposes on these positions' purchase price (unless another methodology is agreed upon with the client), leading to a potential motivation to overvalue said equities. Finally, we may have clients who are executives of said firms or have other financial relationships that may create conflicts of interest. Where such conflicts exist, PIA will disclose these conflicts in written format to the clients who hold such securities or whom we intend to purchase such securities under our discretion prior to any transactions.

PIA advisors meet with clients, in one or a series of, meetings to gather suitability information, including but not limited to, investment objectives, risk tolerance, time horizon, overall financial picture, and long term goals. PIA's Financial Advisors determine appropriate investment selection or an investment strategy from this information gathering and, from there develop an overall plan of how to proceed. The advisor implements the investment plan.

## **Disciplinary Information:**

PIA has no material events to disclose.

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

### **Other Business Activities:**

PIA's principal business remains as a securities-registered broker dealer. As a securities broker-dealer, PIA sells financial products including variable annuities, equity securities, municipal and corporate bonds, options, private placements, and other securities. The percentage of the firm's revenue on these products is approximately 65%.

### **Other Financial Industry Activities or Affiliations:**

The principals of North Berkeley Investment Partners ("NBIP") are affiliated through PIA to the extent that they are Directors and shareholders of PIA and also maintain their securities licenses with PIA.

### **Additional Compensation:**

PIA and its Financial Advisors, in its/their capacity as a broker-dealer, may earn brokerage commissions and/or fees from the sale of services of investment products such as stocks, bonds, mutual funds, variable annuities, direct participation products, etc. Commissions may range from .25% to 8.50% depending on the type of security and service offered.

Many PIA Financial Advisors are also licensed with the states in which they do business and are appointed by various insurance companies to sell insurance products.

Clients are under no obligation to purchase insurance or securities products through PIA and its associated persons.

While PIA and its Advisors endeavor to put the interests of clients first as part of PIA's fiduciary duty, clients should understand that additional compensation creates an inherent conflict of interest that could affect judgment when making recommendations.

PIA and its Advisors may receive 12b-1 distribution fees and/or sales commissions from investment companies for the placement of client funds in investment company products as set forth in the prospectus or other disclosure document from the investment company. PIA may receive additional compensation through marketing allowances or other financial benefits from investment companies based on sales of their products. PIA may reimburse its Financial Advisors for certain marketing and administration expenses incurred to put on events such as seminars and clients meetings that may promote PIA or its Advisors.

## **Code of Ethics:**

### **Participation or Interest in Client Transactions:**

PIA has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics (the "Code") includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things.

PIA requires all supervised persons at PIA to acknowledge the terms of the Code of Ethics annually, or as amended.

PIA anticipates that in certain circumstances, a PIA Advisor may recommend the purchase or sale of securities, consistent with the client's investment objectives, in a security in which PIA, its affiliates and/or clients, directly or indirectly, have a position of interest.

PIA's employees and associated persons are required to follow PIA's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of PIA and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for PIA clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of PIA will not interfere with

- Making decisions in the best interest of advisory clients
- Implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of PIA's clients. In addition, the Code requires clearance of many transactions, and restricts trading in close proximity to client trading activity, in some circumstances. However, because the Code of Ethics, in some circumstances, would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee.

Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between PIA and its clients. Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with PIA's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. PIA will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Exceptions are explained on the order.

PIA does not affect any principal or agency cross securities transactions for client accounts.

PIA does not cross trades between client accounts.

PIA's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting **Carol Hallberg, Chief Compliance Officer, (415) 398-4363, [carol@protectedinvestors.com](mailto:carol@protectedinvestors.com).**

## **Brokerage Practices:**

### **Recommendation of FCC as Custodian and Executing Broker:**

PIA recommends that clients establish brokerage accounts with First Clearing Corporation, a registered broker-dealer, member SIPC, to maintain custody of client assets and to effect trades for their accounts. FCC is independently owned and operated and not affiliated with PIA and does not supervise or otherwise monitor PIA's investment management services to its clients. FCC provides PIA with access to its trading and custody services. These services are generally available to independent investment advisors, but are not otherwise contingent upon PIA committing to FCC any specific amount of business

(in the form of either assets in custody or trading). FCC's services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

FCC also makes available to PIA other products and services that benefit PIA but may not benefit its clients. Some of these other products and services assist PIA in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing, information and other market data; facilitate payment of PIA's fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Many of these services may be used to service all or a substantial number of PIA's accounts, including accounts not maintained at FCC. FCC also makes available to PIA other services intended to help PIA manage and further develop its business. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, FCC may make available, arrange and/or pay for these types of services to PIA by independent third parties. FCC may discount or waive fees it otherwise would charge for some of these services or pay all or a part of the fees of a third-party providing these services to PIA.

PIA's recommendation that clients maintain their assets in accounts at FCC may be based in part on the benefit to PIA of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by FCC, which may create a potential conflict of interest.

#### **Directed Brokerage:**

When the client directs PIA to use a specific non-PIA/FCC broker to execute transactions:

- PIA does not negotiate the terms and conditions (e.g. commission rates) of the services provided by such broker.
- PIA bears no responsibility to obtain the best execution prices or commission rates for the client.
- The client might not obtain rates as low as it might otherwise obtain if PIA maintained discretion to select a broker other than the one selected by the client.
- The client may not participate in aggregate securities transactions and may trade after such aggregate transactions and receive a less favorable execution.

#### **Review of Accounts:**

##### **Reviewers:**

- Loulie Genato: Director of Operations
- Carol Hallberg: Chief Compliance Officer

##### **Reviews:**

- PIA's compliance staff conducts quarterly random review of accounts.
- PIA's CCO conducts onsite branch office reviews of supervisory staff no less frequently than every two years. More frequent reviews are conducted, as needed.
- This process includes review of invoice accuracy, investment suitability, new account, and Office of Foreign Assets Control (OFAC) and customer identification procedures.
- Correspondence and outside associated person accounts are reviewed monthly.

## **Client Referrals and Other Compensation:**

PIA, and our Financial Advisors, do not receive fees or other compensation directly from client referrals.

## **Custody:**

PIA does not custody client funds or securities and does not accept possession of client cash or securities. Clients establish a custodial account for their funds and investment assets with a qualified custodian (the "Account"). Clients authorize PIA to execute securities trades and related transactions in the Account by notifying the qualified custodian, in writing, of PIA's appointment as investment advisor. Currently, PIA's clients must establish their custodial accounts with First Clearing Corporation (FCC). Custody is allowed at Charles Schwab & Company, Inc. ("Schwab") with compliance approval only.

PIA clients receive, at least quarterly, statements from our qualified custodian FCC which holds and maintains client's investment assets. PIA urges clients to carefully review such statements and compare these official custodial records to any other statements or reports provided by your Advisor. Advisor or other system generated statements may vary from FCC statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Investment Discretion:**

PIA Advisors may obtain discretionary trading authority from the client in one of two ways:

- At the outset of an advisory relationship
- Later after an advisory relationship has been established and the client wishes to alter that relationship to a discretionary arrangement so their Advisor has authority to select the securities to be bought or sold.

PIA requires Advisors to be pre-approved for discretionary authority by the Chief Compliance Officer (CCO). PIA requires those Advisors to execute a specialized investment advisory agreement with discretionary clients and provide investment guidelines and restrictions in writing. In all circumstances, PIA Advisors exercise discretion in a manner consistent with the stated investment objectives for each particular client account. In the course of selecting securities and determining buy/sell amounts, PIA Advisors observe investment policies, limitations, and restrictions of each particular client.

For registered investment companies, PIA's authority to trade securities may be limited by certain federal securities and tax laws that require diversification of investments and favor buy and hold strategies.

## **Voting Client Securities:**

PIA does not vote proxy solicitations or shareholder actions received, related to securities held in client's account, on behalf of clients.

- PIA, or our clearing broker, forwards all such solicitations directly to the client and clients retain the responsibility for voting proxies for securities maintained in their accounts.
- Any client wishing to review our proxy voting policies in full may request a copy by contacting Carol Hallberg, (415) 398-4363 or [carol@protectedinvestors.com](mailto:carol@protectedinvestors.com).

**Financial Information:**

PIA does not require or solicit prepayment of its management fees from clients six months or more in advance. There are no adverse conditions related to the Firm's finances that are likely to impair its ability to meet the Firm's contractual commitments to its clients. The Firm has never been the subject of a bankruptcy filing.