

**Part 2A of Form ADV: *Firm Brochure***

**Kaizerman & Associates**

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This brochure provides information about the qualifications and business practices of Kaizerman & Associates. If you have any questions about the contents of this brochure, please contact us at 508-647-0830 or [mkaizerman@royalaa.com](mailto:mkaizerman@royalaa.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.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Kaizerman & Associates also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 128579.

## **Item 2 Material Changes**

This Firm Brochure, dated 01/16/2018, provides you with a summary of Kaizerman & Associates advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform of the revision(s) based on the nature of the information as follows.

1. Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this Item.
2. Material Changes: Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

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## **Item 4    Advisory Business**

Kaizerman & Associates (K&A) is a state-registered investment adviser with its principal place of business located in Natick, Massachusetts. Kaizerman & Associates began conducting business in 1994. The firm is owned by Mark H. Kaizerman.

Kaizerman & Associates offers the following advisory services to our clients:

### **FINANCIAL PLANNING**

Our firm provides comprehensive financial planning services. During the financial planning process, we assist our clients in developing a plan of action to reach their financial goals. These goals may include business planning, risk management, stock option strategies, wealth accumulation or distribution, education, retirement, long-term care planning or other specific concern(s) of our client.

We gather required information through in-depth personal interviews, a data questionnaire and other documents provided by the client. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background.

Our analysis includes projections of future asset growth which requires the use of planning assumptions, including rates of investment return, inflation and taxes. These assumptions are reviewed with our clients. Based upon our findings, we prepare a detailed analysis and a written report of recommendations, which addresses the client's financial position, risk management, investment planning, income tax planning, retirement planning, estate planning and/or other financial planning issues mutually agreed upon by the client and K&A.

Our financial planning typically includes general recommendations for a course of activity and specific actions that our client should take. The delivery and review of our recommendations completes our engagement, unless the client elects ongoing financial planning or other services offered. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney and accountant. Implementation of financial plan recommendations is entirely at the client's discretion.

### **ONGOING FINANCIAL PLANNING**

This will usually (but not necessarily) be done as a follow up to Comprehensive Financial Planning or Consulting Services and will include periodic progress meetings to review plan progress, offer additional recommendations and/or updates to the financial plan. Both the frequency and scope of these progress meetings will be agreed upon in advance by the client and K&A.

### **CONSULTING SERVICES**

Clients can also receive planning advice on a more focused basis. This may include advice on only a specific financial event or concern, such as refinancing a home, college financial

aid, tax projections, starting a business, or other single issue financial plan.

## **BENEFICIARY DIRECTORY**

K&A has developed the Beneficiary Directory, as a tool to allow individuals to organize, in advance, the important documents that may be needed or would be of value to a beneficiary. The Beneficiary Directory contains copies of these documents in a file maintained at K&A. In addition, a Document Key that contains the location of the document originals and an Access List that list individuals authorized to have access to the Beneficiary Directory are maintained. In the event of our clients need, K&A will meet with their beneficiaries to review the contents of their Beneficiary Directory and recommend a strategy to use and manage this information.

## **RASA 044 ACCOUNTS**

We offer RASA 044 Accounts ("RASA") as a non-commissionable advisory account where we can purchase load waived and no-load mutual funds and other equity, debt and option securities for you. We will obtain the relevant financial data from you and assist you in the selection of suitable investments. We will base our investment strategy on your specific goals and situation. In addition, you have the opportunity to place reasonable restrictions on investments held within your RASA account offered by a broker-dealer or insurance company. All recommendations are of a generic nature. Effective January 1, 2017, this product is no longer offered to new clients.

We manage these RASA accounts on a non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Once the client's portfolio has been established, we review the portfolio on a periodic basis, and if necessary, rebalance the portfolio, based on the client's individual needs.

Our investment recommendations are not limited to any specific product and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities

- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Options contracts on commodities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Interests in partnerships investing in other
- Other

Because some types of investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

As of 12/31/2017, K&A managed approximately \$30,798,167 of client's assets on a non-discretionary basis for clients of our RASA 044 Accounts (RASA).

## **Item 5 Fees and Compensation**

### **FINANCIAL PLANNING**

Kaizerman & Associates financial planning services include comprehensive financial planning, ongoing financial planning and/or consulting services. Our fee will be determined based on the nature and scope of the services being provided, as well as the complexity of each client's circumstances. All fees are agreed upon prior to starting an engagement with a client.

Our financial planning fees range from \$1,750 to \$10,000 on a fixed fee basis and/or \$300 on an hourly rate basis. Prior to starting a planning engagement, we will agree on a fixed fee or provide an estimate for the total hours.

The fee is payable in full, by client check, at the time the Financial Planning Agreement is signed, for all engagements that will be completed in less than six months, for total fees up to \$1,750.

For engagements that will take six months or longer to complete, or for total fees in excess of \$1,750 a portion of the total fee will be due at the time the Financial Planning Agreement is signed, with the balance to be paid upon presentation of our written Plan, or as work progresses. At no time, will prepayment of fees be for services that will not be provided within six months of payment.

Clients are given five business days after signing the Financial Planning Agreement to cancel, without penalty. Cancellation notice must be made in writing or by direct telephone contact with K&A. After five business days, clients may terminate the Agreement in writing or by direct telephone contact with K&A and all prepaid fees, less cost for services already performed, and expenses incurred, will be refunded.

### **BENEFICIARY DIRECTORY**

The initial implementation fee to establish a Beneficiary Directory is \$750, which includes complete explanation and assistance in preparing the Beneficiary Directory for our client, including FactFinder Checklist, Document Key and Access List. The initial implementation fee also includes the current calendar year's annual maintenance renewal fee.

The annual maintenance renewal fee to maintain a Beneficiary Directory with K&A is \$325. This calendar year fee includes an annual meeting to update/review documents in the client's Beneficiary Directory, including the Document Key and Access List. A file containing the client's Beneficiary Directory will be maintained at the offices of K&A, during the renewal year. In addition, if appropriate, K&A will meet with client's beneficiaries to review the contents of client's Beneficiary Directory and recommend a strategy to use and manage this information. Beneficiary meeting time included during the annual maintenance renewal period is two (2) hours. Additional advisory services for beneficiaries will be available as previously described under Financial Planning services.

For clients that K&A provide advisory services under RASA 044 Accounts, Managed Assets Program or other Third Party Advisory Services, the initial implementation fee and annual maintenance fee may be waived.

### **RASA 044 ACCOUNTS**

We offer RASA as an account billed with separate advisory fees and transaction charges ("Non-Wrap Account"). As such, in addition to the quarterly account fee described below, you will also pay separate per trade transaction charges. Please see our Asset Management Agreement for a complete listing of transaction charges. Effective January 1, 2017, this program is no longer offered to new clients.

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. Should you terminate our Asset Management Agreement after the first five business days, the account fee will be credited back to you on a prorated basis for the unearned portion of the billing period.

Quarterly account fees for the initial account deposit and subsequent deposits into an RASA account will be prorated based on the portion of the calendar quarter that moneys will be in the account. RASA accounts within the same household will be aggregated, with regards to account value, to determine the appropriate quarterly account fee. Our RASA fee schedule is as follows:

<u>Account(s) Value</u>	<u>Fee Per Quarter</u>	<u>Annual Fee</u>
\$ 0 to \$ 99,999	.3750%	1.50%
\$ 100,000 to \$ 299,999	.2875%	1.15%
\$ 300,000 to \$ 999,999	.2500%	1.00%
\$1,000,000 to \$2,999,999	.2125%	0.85%
\$3,000,000 or higher	negotiable	

**Limited Negotiability of Advisory Fees:** Although Kaizerman & Associates has established the above fee schedule, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the Asset Management Agreement between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

### GENERAL INFORMATION

In addition to providing advisory services, our Advisory Representatives may also sell you securities and other investment and insurance products in their capacity as registered representatives of Royal Alliance Associates, Inc. and as licensed insurance agents. We will receive additional compensation in connection with this activity and the amount of compensation will depend on the type of product purchased. We will have a greater financial incentive to sell certain products as opposed to others (for example, in the case of mutual funds those that have a higher 12b-1 fee than others). While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

Please be aware that you are under no obligation to purchase products or services recommended by us or members of our Firm in connection with providing you with any advisory service that we offer.

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

Not Applicable. Kaizerman & Associates does not charge performance-based fees.



## Item 7 Types of Clients

Kaizerman & Associates provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Corporations or other businesses not listed above
- Other - Trusts and Estates

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

### METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis.** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

**Cyclical Analysis.** In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

**Asset Allocation.** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's

investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

***Mutual Fund and/or ETF Analysis.*** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

***Risks for all forms of analysis.*** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## **INVESTMENT STRATEGIES**

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

***Long-term purchases.*** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

Using a long-term strategy generally assumes the Financial Markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that our client is invested in or perhaps just their particular investment will do down over time even if the overall Financial Markets advance. Purchasing investments long-term may create an opportunity cost - "locking up" assets that may be better utilized in the short-term in other

investments,.

Listed above are some of the primary risks associated with the way we recommend investments to clients. Please do not hesitate to contact us to discuss these risks and others in more detail.

## **Item 9 Disciplinary Information**

K&A is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

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

All advisory representatives of Kaizerman & Associates, that provide advice to you, are separately licensed as registered representatives of Royal Alliance Associates Inc. In addition, some advisory representatives of Kaizerman & Associates RIA are also affiliated as advisory representatives of Royal Alliance's RIA. Royal Alliance is a diversified financial services company registered with the Financial Industry Regulatory Authority ("FINRA") as a broker-dealer engaged in the offer and sale of securities products. These representatives, in their separate capacity, can affect securities transactions and investment advisory services for which they will receive separate, yet customary compensation.

While Kaizerman & Associates and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

Management personnel of our firm, in their individual capacities, are agents for various insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients.

Please be aware that you are under no obligation to purchase products or services recommended by us or members of our Firm in connection with providing you with any advisory services that we offer.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business

conduct that we require of our employees, including compliance with applicable federal securities laws.

Kaizerman & Associates and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Our code also provides for oversight, enforcement and record keeping provisions.

Kaizerman & Associates Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [mkaizerman@royalaa.com](mailto:mkaizerman@royalaa.com), or by calling us at 508-647-0830.

Kaizerman & Associates and individuals associated with our firm are prohibited from engaging in principal transactions.

Kaizerman & Associates and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as registered representative of a broker-dealer and licensed as an insurance agent of various insurance companies.

## **Item 12 Brokerage Practices**

As described in Item 10, K&A Advisory Representatives are also Registered Representatives of Royal Alliance, a FINRA registered broker-dealer. In order to meet its supervisory obligations, Royal Alliance requires that all investment advisory activities that we conduct be processed through Royal Alliance's clearing relationships with Pershing LLC ("Pershing"). As a result, we do not have discretion to choose the broker-dealer or commission rate to be paid. However, we do believe that Pershing's blend of execution services, commission and transaction costs as well as professionalism will allow us to seek the best execution and competitive prices.

The aggregation and allocation practices of mutual funds and third party managers that we recommend to you are disclosed in the respective mutual fund prospectuses and third party manager disclosure documents which will be provided to you.

## **Item 13 Review of Accounts**

### **FINANCIAL PLANNING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a written financial plan with recommendation. Additional reports will not typically be provided unless otherwise contracted for.

### **ONGOING FINANCIAL PLANNING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically periodic reviews will be conducted for our Ongoing Financial Planning clients as requested and agreed upon between K&A and our client.

**REPORTS:** Ongoing Financial Planning clients may or may not receive reports depending on the nature and scope of the service.

### **CONSULTING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Service clients unless otherwise contracted for.

**REPORTS:** Consulting engagements clients may or may not receive reports depending on the nature and scope of the service.

### **BENEFICIARY DIRECTORY**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no reviews will be conducted unless the client elects the Beneficiary Directory annual maintenance renewal program. Such reviews will be conducted by the client's advisory representative.

**REPORTS:** Beneficiary Directory service clients may or may not receive reports depending on the nature of the service.

## **RASA SERVICES**

**REVIEWS:** While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed annually, or as agreed upon between K&A and our client. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. These accounts are reviewed by one of Kaizerman & Associates investment advisory representatives.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that Portfolio Management Services clients receive from their broker-dealer, Kaizerman & Associates may provide periodic reports summarizing account performance, balances and holdings.

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

It is Kaizerman & Associates policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

## **OTHER COMPENSATION**

Our firm and/or our officers and representatives are eligible to receive educational, training and incentive awards for meeting certain production goals or recommending certain types of insurance policies, or other investment products that we recommend.

While we endeavor at all times to put the interest of our clients first as part of our fiduciary duty, the possibility of receiving incentive awards creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

### **Item 15 Custody**

Not applicable, K&A does not maintain custody of your assets. Your assets are maintained at Pershing, LLC.

## **Item 16 Investment Discretion**

Not applicable, K&A does not provide discretionary asset management services.

## **Item 17 Voting Client Securities**

We do not have the authority to vote proxies solicited by, or with respect to, the issuers of securities held in your account. Typically, proxy materials will be forwarded to clients by our custodian. K&A will forward proxy materials that we may receive to you. Please contact us at anytime with questions you may have regarding proxy solicitations.

## **Item 18 Financial Information**

Kaizerman & Associates has no additional financial information to report.

At no time, will prepayment of fees be for services that will not be provided within six months of payment. Therefore, we are not required to include a financial statement.

Kaizerman & Associates has not been the subject of a bankruptcy petition at any time during the past ten years.

## **Item 19 Requirements for State-Registered Advisers**

The following individual is the principal executive officer and management person of Kaizerman & Associates:

- Mark H. Kaizerman, Managing Principal

Information regarding the formal education and business background for this individual is provided in their Brochure Supplement.

In addition to the information provided in Item 10, "Other Financial Industry Activities and Affiliations", Mark H. Kaizerman also actively engages in providing the following non-advisory services:

Tax Preparation and Accounting services. (Less than 10% of time)

Beneficiary Directory - author, public speaker and distributor of books and workbooks detailing how to organize your documents and guide your heirs. (Less than 10% of time)

We are required to disclose all material facts regarding certain legal or disciplinary events pertaining to arbitration awards or other civil, regulatory or administrative proceedings in which K&A or management personnel were found liable or against whom an award was granted. You may obtain the disciplinary history of K&A or it's representatives from the Massachusetts Securities Division upon request.

Our firm and our management personnel have no reportable disciplinary events to disclose.

