



# NORFIELD CAPITAL LLC

## Part 2A of Form ADV: Firm Brochure

6 Samson Rock Drive, Unit 1H, Madison, CT 06443

Pawel Borowiec, Chief Compliance Officer

[www.NorfieldCapital.com](http://www.NorfieldCapital.com)

March 2022

This brochure provides information about the qualifications and business practices of Norfield Capital, LLC. If you have any questions about the contents of this brochure, please contact us by telephone at 203-421-2990 or [paul@norfieldcapital.com](mailto:paul@norfieldcapital.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority. Additional information about Norfield Capital, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching CRD #173456.

Please note that the use of the term "registered investment adviser" and description of Norfield Capital, LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

## Item 2: Material Changes

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Norfield Capital, LLC is required to advise you of any material changes to the Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure.

Since the last annual amendment filed on 02/03/2021, the following changes have been made:

We have moved our primary place of business to 6 Samson Rock Drive, Unit 1H, Madison, CT 06443.

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## Item 4: Advisory Business

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We are dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed in the State of Connecticut. Our firm has been in business as an investment adviser since 2015 and is wholly owned by Pawel Borowiec.

The purpose of this Brochure is to disclose the conflicts of interest associated with the investment transactions, compensation and any other matters related to investment decisions made by our firm or its representatives. As a fiduciary, it is our duty to always act in the client's best interest. This is accomplished in part by knowing our client. Our firm has established a service-oriented advisory practice with open lines of communication for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. Working with clients to understand their investment objectives while educating them about our process, facilitates the kind of working relationship we value.

### Types of Advisory Services Offered.

**Asset Management:** We emphasize continuous and regular account supervision. As part of our asset management service, we invest client funds in either a growth investment strategy, income investment strategy, or a combination of both strategies in order to create a portfolio consisting of individual stocks, bonds, exchange traded funds ("ETFs"), options, mutual funds, and other public investments. The client's individual investment strategy is tailored to their specific needs. Each portfolio will be initially designed to meet a particular investment strategy which we determine to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least monthly and if necessary, rebalance the portfolio based upon the client's individual needs, stated goals and objectives, and different investment opportunities.

All material conflicts of interest are disclosed below regarding our firm, our representatives or our employees, which could be reasonably expected to impair the rendering of unbiased and objective advice. To comply with state rules, we disclose that lower fees for comparable services may be available from other sources.

### Tailoring of Advisory Services.

We offer individualized investment advice to clients utilizing our Asset Management service. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

## Participation in Wrap Fee Programs.

Our firm does not offer or sponsor a wrap fee program.

## Regulatory Assets Under Management.

As of December 31, 2021, our firm manages \$19,516,470 on a discretionary basis.

# Item 5: Fees & Compensation

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## Compensation for Our Advisory Services.

Our firm's standard annual management fee is 2.00%. Management fees are not negotiable and will be detailed in Schedule A of our investment advisory agreement. Our firm's annualized fees are billed on a pro-rata basis quarterly in advance based on the value of your account on the last day of the previous quarter. Fees will be deducted from your managed account. Adjustments will be made for deposits and withdrawals during the quarter. As part of the fee deduction process, the client is made aware of the following:

- a) Clients must provide our firm with written authorization permitting direct payment of advisory fees from their account(s) maintained by a custodian who is independent of our firm;
- b) Our firm sends quarterly statements to the client showing the fee amount, the value of the assets upon which the fee is based, and the specific manner in which the fee is calculated as well as disclosing that it is the client's responsibility to verify the accuracy of fee calculation, and that the custodian does not determine its accuracy; and
- c) The account custodian sends a statement to the client, at least quarterly, showing all account disbursements, including advisory fees.

## Other Types of Fees & Expenses.

Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our firm's advisory fees and will be disclosed by the chosen custodian. Interactive Brokers does not charge transaction fees for U.S. listed equities and exchange traded funds.

Clients may also pay holdings charges imposed by the chosen custodian for certain investments, charges imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus (i.e., fund management fees, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, fees for trades executed away from custodian, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. Our firm does not receive a portion of these fees.

## Termination & Refunds.

We charge our advisory fees quarterly in advance. In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You need to contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

### Commissionable Securities Sales.

We do not sell securities for a commission in our advisory accounts.

## Item 6: Performance-Based Fees & Side-By-Side Management

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Our firm does not charge performance-based fees.

## Item 7: Types of Clients & Account Requirements

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We have the following types of clients:

- Individuals and High Net Worth Individuals;

Our requirements for opening and maintaining accounts or otherwise engaging us:

- We require a minimum account balance of \$100,000 for our Asset Management service. Generally, this minimum account balance requirement is not negotiable and would be required throughout the course of the client's relationship with our firm.

## Item 8: Methods of Analysis, Investment Strategies & Risk of Loss

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### Methods of Analysis.

**Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at qualitative characteristics such as product superiority, competitive advantage, high gross margins, quality of management, and quality of Board of Directors. We also look at different quantitative matrix and valuations to determine if a 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.

## Investment Strategies We Use.

The foundation of our investment thesis is fundamental investing that is based on safety and growth. Most importantly we invest in people that we believe create a safety net and a framework for significant future growth. We strongly believe that growth drives stock prices higher and if a company is growing revenues and earnings, then that will eventually be reflected in the stock price. Investing in a selected number of these high growth companies run by talented individuals creates the best risk/reward opportunity. It can generate high rates of return over time if growth persists. We believe that these characteristics are the foundation of long term revenue and earnings growth, which eventually should reflect in the stock price as a multiple valuation relevant to revenue and earnings.

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

**Growth Investment Strategy:** The investment objective of this strategy is to generate capital appreciation over time by adopting private equity investment philosophies and applying them to public markets. Historically, the long-term fundamental style of investing practiced by leading private equity investors has provided high returns on capital over the long-term, albeit with very limited liquidity. Our investment objective under this strategy is to achieve similar long-term performance of private equity investments but with public investments, which provide liquidity.

Under this strategy, we invest in a concentrated portfolio consisting of public companies that we believe are well positioned for sustainable revenue and earnings growth. More importantly, we invest in the people that lead these public companies. It is our opinion that proven executives and proven board leadership are the best predictors of future company success and are the most consistently predictable long-term drivers of shareholder value. To this end, we usually purchase securities with the idea of holding them for a relatively long time (typically held for at least a year). This strategy invests in the underlying businesses and it is our belief that it takes time and patience to build business.

**Income Investment Strategy:** The investment objective of the income strategy is to generate absolute income by investing in fixed income investment vehicles. There are two parts to the income investment strategy. The first part is structured by investing in dividend yielding closed end funds, mutual funds and ETFs. We then use leveraged ETFs to hedge the underlying positions against rising interest rates and decline in the overall equity market. The second part of the income strategy is to generate additional income from writing options contracts (covered puts against the cash position and covered calls against underlying positions and/or ETF hedges in the portfolio). Historically the income strategy has low volatility since we use hedges to protect the invested principal.

**Option Writing:** We may use options as an investment strategy to generate income. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. The two types of options are calls and puts. A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires. A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires. We will use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio. We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price. We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

## Asset Classes We Use.

**Debt Securities (Bonds):** Issuers use debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. Bonds with longer rates of maturity tend to have greater interest rate risks.

Certain additional risk factors relating to debt securities include: (a) When interest rates are declining, investors have to reinvest their interest income and any return of principal, whether scheduled or unscheduled, at lower prevailing rates.; (b) Inflation causes tomorrow's dollar to be worth less than today's; in other words, it reduces the purchasing power of a bond investor's future interest payments and principal, collectively known as "cash flows." Inflation also leads to higher interest rates, which in turn leads to lower bond prices.; (c) Debt securities may be sensitive to economic changes, political and corporate developments, and interest rate changes. Investors can also expect periods of economic change and uncertainty, which can result in increased volatility of market prices and yields of certain debt securities. For example, prices of these securities can be affected by financial contracts held by the issuer or third parties (such as derivatives) relating to the security or other assets or indices. (d) Debt securities may contain redemption or call provisions entitling their issuers to redeem them at a specified price on a date prior to maturity. If an issuer exercises these provisions in a lower interest rate market, the account would have to replace the security with a lower yielding security, resulting in decreased income to investors. Usually, a bond is called at or close to par value. This subjects investors that paid a premium for their bond risk of lost principal. In reality, prices of callable bonds are unlikely to move much above the call price if lower interest rates make the bond likely to be called.; (e) If the issuer of a debt security defaults on its

obligations to pay interest or principal or is the subject of bankruptcy proceedings, the account may incur losses or expenses in seeking recovery of amounts owed to it.; (f) There may be little trading in the secondary market for particular debt securities, which may affect adversely the account's ability to value accurately or dispose of such debt securities. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may decrease the value and/or liquidity of debt securities.

Our firm attempts to reduce the risks described above through diversification of the client's portfolio and by credit analysis of each issuer, as well as by monitoring broad economic trends and corporate and legislative developments, but there can be no assurance that our firm will be successful in doing so. Credit ratings for debt securities provided by rating agencies reflect an evaluation of the safety of principal and interest payments, not market value risk. The rating of an issuer is a rating agency's view of past and future potential developments related to the issuer and may not necessarily reflect actual outcomes. There can be a lag between the time of developments relating to an issuer and the time a rating is assigned and updated.

**Exchange Traded Funds ("ETFs"):** An ETF is a type of Investment Company (usually, an open-end fund or unit investment trust) whose primary objective is to achieve the same return as a particular market index. The vast majority of ETFs are designed to track an index, so their performance is close to that of an index mutual fund, but they are not exact duplicates. A tracking error, or the difference between the returns of a fund and the returns of the index, can arise due to differences in composition, management fees, expenses, and handling of dividends. ETFs benefit from continuous pricing; they can be bought and sold on a stock exchange throughout the trading day. Because ETFs trade like stocks, you can place orders just like with individual stocks - such as limit orders, good-until-canceled orders, stop loss orders etc. They can also be sold short. Traditional mutual funds are bought and redeemed based on their net asset values ("NAV") at the end of the day. ETFs are bought and sold at the market prices on the exchanges, which resemble the underlying NAV but are independent of it. However, arbitrageurs will ensure that ETF prices are kept very close to the NAV of the underlying securities. Although an investor can buy as few as one share of an ETF, most buy in board lots. Anything bought in less than a board lot will increase the cost to the investor. Anyone can buy any ETF no matter where in the world it trades. This provides a benefit over mutual funds, which generally can only be bought in the country in which they are registered.

One of the main features of ETFs are their low annual fees, especially when compared to traditional mutual funds. The passive nature of index investing, reduced marketing, and distribution and accounting expenses all contribute to the lower fees. However, individual investors must pay a brokerage commission to purchase and sell ETF shares; for those investors who trade frequently, this can significantly increase the cost of investing in ETFs. That said, with the advent of low-cost brokerage fees, small or frequent purchases of ETFs are becoming more cost efficient.

**Equity Securities:** Equity securities represent an ownership position in a company. Equity securities typically consist of common stocks. The prices of equity securities fluctuate based on, among other things, events specific to their issuers and market, economic and other conditions. For example, prices of these securities can be affected by financial contracts held by the issuer or third parties (such as derivatives) relating to the security or other assets or indices. There may be little trading in the secondary market for particular equity securities, which may adversely affect our firm's ability to value accurately or dispose of such equity securities. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may decrease the value and/or liquidity of equity securities. Investing in smaller companies may pose additional risks as it is often more difficult to value or dispose of small company stocks, more difficult to obtain information about smaller

companies, and the prices of their stocks may be more volatile than stocks of larger, more established companies. Clients should have a long-term perspective and, for example, be able to tolerate potentially sharp declines in value.

**Options:** An option is a financial derivative that represents a contract sold by one party (the option writer) to another party (the option holder, or option buyer). The contract offers the buyer the right, but not the obligation, to buy or sell a security or other financial asset at an agreed-upon price (the strike price) during a certain period of time or on a specific date (exercise date). Options are extremely versatile securities. Traders use options to speculate, which is a relatively risky practice, while hedgers use options to reduce the risk of holding an asset. In terms of speculation, option buyers and writers have conflicting views regarding the outlook on the performance of a:

- *Call Option:* Call options give the option to buy at certain price, so the buyer would want the stock to go up. Conversely, the option writer needs to provide the underlying shares in the event that the stock's market price exceeds the strike due to the contractual obligation. An option writer who sells a call option believes that the underlying stock's price will drop relative to the option's strike price during the life of the option, as that is how he will reap maximum profit. This is exactly the opposite outlook of the option buyer. The buyer believes that the underlying stock will rise; if this happens, the buyer will be able to acquire the stock for a lower price and then sell it for a profit. However, if the underlying stock does not close above the strike price on the expiration date, the option buyer would lose the premium paid for the call option.
- *Put Option:* Put options give the option to sell at a certain price, so the buyer would want the stock to go down. The opposite is true for put option writers. For example, a put option buyer is bearish on the underlying stock and believes its market price will fall below the specified strike price on or before a specified date. On the other hand, an option writer who sells a put option believes the underlying stock's price will increase about a specified price on or before the expiration date. If the underlying stock's price closes above the specified strike price on the expiration date, the put option writer's maximum profit is achieved. Conversely, a put option holder would only benefit from a fall in the underlying stock's price below the strike price. If the underlying stock's price falls below the strike price, the put option writer is obligated to purchase shares of the underlying stock at the strike price.

The potential risks associated with these transactions are that (1) all options expire. The closer the option gets to expiration, the quicker the premium in the option deteriorates; and (2) Prices can move very quickly. Depending on factors such as time until expiration and the relationship of the stock price to the option's strike price, small movements in a stock can translate into big movements in the underlying options.

## Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing and ask us any questions you may have.

**Growth Investment Strategy:** This strategy utilizes long-term, very concentrated investment positions in companies and will generate significantly above average volatility as compared to the

overall market. A risk in a long-term purchase strategy is that by holding securities for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Concentration also creates significant company specific risks that are purely dependent on each underlying investment instead of the overall stock market. It is important that you understand the risks associated with investing in only a few public companies trading on the stock market and ask us any questions you may have.

**Income Investment Strategy:** While this strategy has no company specific risks, it is correlated with the overall stock market and the bond market. There is overall market risk, which involves risk of loss that clients should be prepared to bear. We believe that the overall performance of the portfolio will be negatively affected by either decline in the stock market or rise in the interest rates. We use hedges to mitigate that risk but we cannot predict if those are the only factors that will negatively affect the overall performance of the portfolio. We also might be overweight or underweight in the underlying hedges, which might have a negative impact on the performance of the overall portfolio.

### Description of Material, Significant or Unusual Risks.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to Asset Management as applicable.

## Item 9: Disciplinary Information

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There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

## Item 10: Other Financial Industry Activities & Affiliations

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We have no other financial industry activities and affiliations to disclose.

## Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

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An investment adviser is considered a fiduciary and our firm has a fiduciary duty to all clients. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all

material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts<sup>1</sup>. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics.

Neither our firm nor a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest. Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day. If related persons' accounts are included in a block trade, our related persons' accounts will be traded in the same manner every time.

Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics.

## Item 12: Brokerage Practices

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<sup>1</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

## Custodian & Brokers Used

Our firm does not maintain custody of client assets (although our firm may be deemed to have custody of client assets if give the authority to withdraw assets from client accounts. See **Item 15 Custody**, below). Client assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. Our firm recommends that clients use Interactive Brokers, LLC (“Interactive Brokers”), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. Our firm is independently owned and operated, and not affiliated with Interactive Brokers. Interactive Brokers will hold client assets in a brokerage account and buy and sell securities when instructed. While our firm recommends that clients use Interactive Brokers as custodian/broker, clients will decide whether to do so and open an account with Interactive Brokers by entering into an account agreement directly with them. Our firm does not open the account. Even though the account is maintained at Interactive Brokers, our firm can still use other brokers to execute trades, as described in the next paragraph.

## How Brokers/Custodians Are Selected

Our firm seeks to recommend a custodian/broker who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. A wide range of factors are considered, including, but not limited to:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for client accounts)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.)
- availability of investment research and tools that assist in making investment decisions quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength and stability of the provider
- prior service to our firm and our other clients

- availability of other products and services that benefit our firm, as discussed below (see **“Products & Services Available from Interactive Brokers”**)

## Custody & Brokerage Costs

Schwab generally does not charge a separate fee for custody services but is compensated by charging commissions or other fees to clients on trades that are executed or that settle into the Interactive Brokers account. In addition to commissions, Interactive Brokers charges a flat dollar amount as a “prime broker” or “trade away” fee for each trade that our firm has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into an Interactive Brokers account. These fees are in addition to the commissions or other compensation paid to the executing broker-dealer. Interactive Brokers does not charge transaction fees for U.S. listed equities and exchange traded funds. Because of these factors, in order to minimize client trading costs, our firm has Interactive Brokers execute most trades for the accounts.

## Our Interest in Interactive Brokers Services.

The availability of these services from Interactive Brokers benefits our firm because our firm does not have to produce or purchase them. Our firm does not have to pay for these services, and they are not contingent upon committing any specific amount of business to Interactive Brokers in trading commissions or assets in custody.

In light of our arrangements with Interactive Brokers, a conflict of interest exists as our firm may have incentive to require that clients maintain their accounts with Interactive Brokers based on our interest in receiving Interactive Brokers services that benefit our firm rather than based on client interest in receiving the best value in custody services and the most favorable execution of transactions. As part of our fiduciary duty to our clients, our firm will endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our related persons creates a potential conflict of interest and may indirectly influence our firm’s choice of Interactive Brokers as a custodial recommendation. Our firm examined this potential conflict of interest when our firm chose to recommend Interactive Brokers and have determined that the recommendation is in the best interest of our firm’s clients and satisfies our fiduciary obligations, including our duty to seek best execution.

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including the value of research provided, execution capability, commission rates, and responsiveness. Although our firm will seek competitive rates, to the benefit of all clients, our firm may not necessarily obtain the lowest possible commission rates for specific client account transactions. Our firm believes that the selection of Interactive Brokers as a custodian and broker is

the best interest of our clients. It is primarily supported by the scope, quality and price of Interactive Brokers services, and not Interactive Brokers services that only benefit our firm.

### Aggregation of Purchase or Sale.

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

## Item 13: Review of Accounts or Financial Plans

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We review accounts on at least a monthly basis for our clients subscribing to our Asset Management service. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. We do not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when we contact clients who subscribe to our Asset Management service.

Mr. Borowiec, Chief Compliance Officer, will conduct reviews. We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

## Item 14: Client Referrals & Other Compensation

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### Interactive Brokers.

Our firm receives economic benefit from Interactive Brokers in the form of the support products and services made available to our firm and other independent investment advisors that have their clients maintain accounts at Interactive Brokers. These products and services, how they benefit our firm, and the related conflicts of interest are described above (**see Item 12 – Brokerage Practices**). The availability of Interactive Brokers's products and services is not based on our firm giving particular investment advice, such as buying particular securities for our clients.

## Referral Fees.

We do not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with relevant state statutes and rules.

## Item 15: Custody

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State Securities Bureaus generally take the position that any arrangement under which a registered investment adviser is authorized or permitted to withdraw client funds or securities maintained with a custodian upon the adviser's instruction to the custodian is deemed to have custody of client funds and securities. As such, our firm has adopted the following safeguarding procedures:

- Clients must provide our firm with written authorization permitting direct payment of advisory fees from their account(s) maintained by a custodian who is independent of our firm;
- Our firm sends quarterly statements to the client showing the fee amount, the value of the assets upon which the fee is based, and the specific manner in which the fee is calculated as well as disclosing that it is the client's responsibility to verify the accuracy of fee calculation, and that the custodian does not determine its accuracy; and
- The account custodian sends a statement to the client, at least quarterly, showing all account disbursements, including advisory fees.

Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations.

## Item 16: Investment Discretion

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Clients have the option of providing our firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, we are authorized to execute securities transactions, which securities are bought and sold, and the total amount to be bought and sold. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with our firm's written acknowledgement.

## Item 17: Voting Client Securities

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We do not accept proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to

you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

## Item 18: Financial Information

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We are not required to provide financial information in this Brochure because:

- We do not require the prepayment of more than \$500 in fees and six or more months in advance.
- We do not take custody of client funds or securities.
- We do not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

We have never been the subject of a bankruptcy proceeding.

## Item 19: Requirements for State-Registered Advisers

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### Principal Executive Officers & Management Persons

**Pawel Borowiec**

**Year of Birth:** 1976

#### **Educational Background:**

- 2000: Fairfield University; B.S. in International Business & Minor in Finance

#### **Business Background:**

- 01/2015 – Present     Norfield Capital, LLC; Managing Member & Chief Compliance Officer
- 03/2009 – 01/2015     Source Capital Group, Inc.; V.P. of Investments
- 06/2008 – 03/2009     Unemployed
- 05/2005 – 06/2008     StoneWater Capital, LLC; Investment Analyst
- 05/2003 – 05/2005     Neuberger Berman; Research Analyst

- 12/2000 – 05/2003 American Skandia; Portfolio Analyst/Investment Management

### **Exams, Licenses & Other Professional Designations:**

- 2011: Series 65 Exam
- 2009: Series 7 & 63 Exams

We have disclosed all material conflicts of interest relating to our firm, our representatives, and our employees that could be reasonably expected to impair the rendering of unbiased or objective advice. As a fiduciary, we always put our Client's interest above our own. Our firm does not receive compensation arrangements connected with advisory services which are in addition to advisory fees. Our management persons and representatives do not engage in other financial industry activities or affiliation. We do not have any arrangements with any issuers of securities.

Our firm does not charge performance-based fees .

Our firm and management persons have not been involved in any arbitration awards, nor found liable by any civil or self-regulatory organization or in any administrative proceedings.

Information regarding participation of interest in client transactions can be found in our Code of Ethics as well as Item 12 of this Brochure. You may obtain a copy of our Code of Ethics by contacting Pawel Borowiec, Chief Compliance Officer at 203-421-2990.