

Strategic Asset Management, LLC. Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Strategic Asset Management, LLC.. If you have any questions about the contents of this brochure, please contact us at 888-526-8755 or by email at: info@strategictr.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 Strategic Asset Management LLC. is also available on the SEC's website at www.adviserinfo.sec.gov. Strategic Asset Management, LLC.'s CRD number is: 306384.



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Registration as an investment adviser does not imply a certain level of skill or training.

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Item 2: Material Changes

Since Strategic Asset Management LLC's most recent required annual amendment was submitted in January 2023 the following material changes have been made to his disclosure brochure:

- In February 2023, Nathan Lovik decided to leave the firm and Gregory B. Nelson has assumed the duties of owner and President.

We will continue to ensure that you receive a summary of material changes, if any, to this and subsequent disclosure brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes, if any, no later than April 30 each year. At that time we will also offer a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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Item 4: Advisory Business

A. Description of the Advisory Firm

Strategic Asset Management LLC. (hereinafter "SAM") is a Limited Liability Company organized in the State of Minnesota. The firm was formed in October 2019, and the principal owner is Gregory B. Nelson.

B. Types of Advisory Services

Portfolio Management Services

SAM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

SAM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. SAM will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction.

SAM seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of SAM's economic, investment or other financial interests. To meet its fiduciary obligations, SAM attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, SAM's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is SAM's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent, including initial public offerings ("IPOs") and other investment opportunities that might have a limited supply, among its clients on a fair and equitable basis over time.

Financial Planning

Financial plans and financial planning may include, but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

Administrative Services Provided by Orion Advisor Services, LLC

SAM has contracted with Orion Advisor Services, LLC (referred to as “Orion”) to utilize its technology platforms to support data reconciliation, performance reporting, fee calculation and billing, client database maintenance, quarterly performance evaluations, and other functions related to the administrative tasks of managing client accounts. Due to this arrangement, Orion will have access to client accounts, but Orion will not serve as an investment adviser to SAM clients.

Services Limited to Specific Types of Investments

SAM generally limits its investment advice to mutual funds, fixed income securities, insurance products including annuities, equities, ETFs and non-U.S. securities. SAM may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

SAM offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon each client’s current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent SAM from properly servicing the client account, or if the restrictions would require SAM to deviate from its standard suite of services, SAM reserves the right to end the relationship.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, and certain other administrative fees. SAM does not participate in wrap fee programs.

E. Assets Under Management

SAM has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$103,667,970	\$0	December 31, 2022

Item 5: Fees and Compensation

A. Fee Schedule

Portfolio Management Fees

Total Assets Under Management	Annual Fees
All Assets	2.00% - may charge up to

SAM uses the value of the account as of the last business day of the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

The annual fee is calculated and charged quarterly in advance, based upon the market value of the assets being managed by SAM on the last trading day of the previous billing period as provided by Orion, our third-party technology platform provider, unless SAM otherwise agrees in writing. The aggregate net value of the managed account shall be determined on the basis of such asset statements as provided by Orion or by any investment vehicle utilized in the account. As such, you may see slight differences in the quarter-end market value of your account from your custodian's statement as compared to the market value of your account from Orion, due to differences in the treatment of accrued interest posting, trade date versus settlement date, and other variables

These fees are generally negotiable and the final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of SAM's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with written notice. Upon notice of closure, a prorated amount will be refunded to the clients account for any unused managements fees if billed in advance.

Financial Planning Fees

Fixed Fees

The negotiated fixed rate for creating client financial plans is between \$500 and \$2,500.

Clients may terminate the agreement without penalty, for full refund of SAM's fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

B. Payment of Fees

Payment of Portfolio Management Fees

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a quarterly basis. Fees are paid in advanced and/or arrears.

Payment of Selection of Other Advisers Fees

The timing, frequency, and method of paying fees for selection of third-party managers will depend on the specific third-party adviser selected.

Payment of Financial Planning Fees

Financial planning fees are paid via check, made payable to Strategic Asset Management, LLC. or may be debited from the client's TD Ameritrade account with written authorization.

Fixed financial planning fees are paid in arrears upon completion.

C. Client Responsibility For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by SAM. Please see Item 12 of this brochure regarding broker-dealer/custodian.

D. Prepayment of Fees

SAM collects its fees in advanced and/or arrears. If paid in advance, fees will be debited for no more than 3 months in advance. If an account is billed in advance and terminates, a prorated amount will be refunded to the clients account for unused fees.

E. Outside Compensation For the Sale of Securities to Clients

Neither SAM nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

SAM does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

SAM generally provides advisory services to:

Individuals, Profit Sharing Plans and Participants, Retirements Plans,

Corporations and other business entities, Trusts, Estates and

Charitable Organizations.

There is no account minimum for any of SAM's services.

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

A. Methods of Analysis and Investment Strategies

Methods of Analysis

SAM's methods of analysis include Fundamental analysis, Quantitative analysis and Technical analysis.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Quantitative analysis deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

Technical analysis involves the analysis of past market data; primarily price and volume.

Investment Strategies

Most accounts' investment strategies are based on investing long term (over a year). However, short-term (under a year) strategies are also utilized to introduce additional asset classes to a portfolio or reduce exposure to a primary asset class due to current market conditions. IARs review managed accounts regularly.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Quantitative analysis Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

Investment Strategies

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Third Party Money Managers, in some instances, Investment Management Services Accounts may be managed by Independent Third Party Money Managers that have Third Party Money Manager agreements with SAM. In such circumstances, the Third-Party Money Manager will have discretionary power over trading authority for the investment of the account.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below are not guaranteed or insured by the FDIC or any other government agency.

Mutual Funds: Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term

securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance.

Annuities are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

Non-U.S. securities present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative and Insurance Agents

SAM's IAR's may also be licensed as broker-dealer registered representatives with Dempsey Lord Smith and/or insurance agents. In those capacities, they may sell securities for sales commissions as registered representatives and sell insurance products for sales commissions as independent insurance agents. Some advice offered by the IARs may involve investments in mutual funds and variable annuity products which pay 12b-1 trail fees. IARs may receive a portion of these 12b-1 trail fees in their separate capacity as registered representatives. Clients should be aware that the payment and receipt of these commissions and fees could represent an incentive for Advisors to recommend mutual funds or variable annuities that pay 12b-1 trail fees or pay higher 12b-1 trail fees over funds with no 12b-1 fees or lower fees, thus creating potential conflicts of interest to recommend investment and insurance products based on compensation over client needs. Clients always have the option of purchasing recommended investment and insurance products through other broker-dealers and insurance agents that are not affiliated with SAM or Dempsey Lord Smith.

SAM IAR's obligation to their clients as fiduciaries is to have a reasonable, independent basis for investment advice and to ensure that investment advice is suitable to meeting the client's individual objectives, needs and circumstances.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither SAM nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Gregory B. Nelson is an investment adviser representative with another investment advisory firm, Star Capital, Inc., and from time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. SAM always acts in the best interest of the client and clients are in no way required to use the services of any representative of SAM in connection with such individual's activities outside of SAM.

Gregory B. Nelson is a licensed insurance agent with Strategic Risk Management and from time to time, will offer clients advice or products from those activities. Clients should be

aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. SAM always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of SAM in connection with such individual's activities outside of SAM.

Gregory B. Nelson is also the owner of Strategic Tax & Retirement a tax preparation and planning firm. SAM may also refer advisory clients needing assistance with tax matters to his firm. Clients are not obligated to use Strategic Tax & Retirement or his firm for services, and no referral fees are paid to Advisor if they elect to do so.

Insurance Activities and Affiliations – IARs may be licensed as insurance agents and can provide insurance products and services to clients. As insurance agents, they will earn insurance commissions and fees while selling and servicing insurance products and services.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

SAM does not have Referral contracts at this time.

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

A. Code of Ethics

SAM has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. SAM's Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

SAM does not recommend that clients buy or sell any security in which a related person to SAM or SAM has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of SAM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of SAM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. SAM will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of SAM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of SAM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, SAM will never engage in trading that operates to the client's disadvantage if representatives of SAM buy or sell securities at or around the same time as clients.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

Custodians/broker-dealers will be recommended based on SAM's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and SAM may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in SAM's research efforts. SAM will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

SAM will require clients to use TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC, TIAA and American Funds manages platform.

1. *Research and Other Soft-Dollar Benefits*

SAM has access to research, products, or other services from its broker/dealer in connection with client securities transactions ("soft dollar benefits") consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended, and may consider these benefits in recommending

brokers. There can be no assurance that any particular client will benefit from any particular soft dollar research or other benefits. SAM benefits by not having to produce or pay for the research, products or services, and SAM will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that SAM's acceptance of soft dollar benefits may result in higher commissions charged to the client.

2. *Brokerage for Client Referrals*

SAM receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. *Clients Directing Which Broker/Dealer/Custodian to Use*

SAM will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

B. Aggregating (Block) Trading for Multiple Client Accounts

If SAM buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, SAM would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. SAM would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

Item 13: Review of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

All client accounts for SAM's advisory services provided on an ongoing basis are reviewed at least Annually by Rebecca Baedke, Chief Compliance Officer, with regard to clients' respective investment policies and risk tolerance levels. All accounts at SAM are assigned to this reviewer.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Rebecca Baedke, Chief Compliance Officer. Financial planning clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, SAM's services will generally conclude upon delivery of the financial plan.

C. Content and Frequency of Regular Reports Provided to Clients

Each client of SAM's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

SAM participates in the institutional advisor program (the "Program") offered by TD Ameritrade. TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. SAM receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, SAM participates in TD Ameritrade's institutional advisor program and SAM may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between SAM's participation in the Program and the investment advice it gives to its clients, although SAM receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving SAM participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have SAM's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to SAM by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by SAM's related persons. Some of

the products and services made available by TD Ameritrade through the Program may benefit SAM but may not benefit its client accounts. These products or services may assist SAM in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help SAM manage and further develop its business enterprise. The benefits received by SAM or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, SAM endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by SAM or its related persons in and of itself creates a conflict of interest and may indirectly influence the SAM's choice of TD Ameritrade for custody and brokerage services.

B. Compensation to Non - Advisory Personnel for Client Referrals

SAM has entered into agreements with unaffiliated registered investment advisors (Referring Parties) to refer clients to SAM. If a referred client enters into an investment advisory agreement with SAM, a cash referral fee is paid to the referring party, which is based upon a percentage of the client advisory fees that are generated. The referral agreements between any referring party and SAM will not result in any charges to clients in addition to the normal level of advisory fees charged.

When a client is referred to us by a referring party, the referring party provides the client with a copy of our Disclosure Brochure as required by the Investment Advisers Act of 1940. The client also will complete a Solicitor's Disclosure Statement document. If the referring party is an unaffiliated registered investment adviser firm, then the client will also receive a copy of the referring party's Form ADV Part 2 Disclosure Brochure. If a referred client enters into an investment advisory agreement with SAM, a referral fee is paid to the referring party. The referral relationship will not result in clients being charged any fees over and above the normal advisory fees charged for the advisory services provided.

The referral agreements between SAM and referring parties are in compliance with state and federal securities rules regarding paid solicitor arrangements.

Item 15: Custody

When advisory fees are deducted directly from client accounts at client's custodian, SAM will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Item 16: Investment Discretion

SAM provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, SAM generally manages the client's account and

makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

Item 17: Voting Client Securities (Proxy Voting)

SAM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

SAM neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither SAM nor its management has any financial condition that is likely to reasonably impair SAM's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

SAM has not been the subject of a bankruptcy petition in the last ten years.