

## Form ADV Part 3 – Form CRS (Client Relationship Summary) A Summary of Your Advisory Relationship with Redmond Asset Management, LLC

### Item 1. Introduction

Redmond Asset Management, LLC (“RAM”) is an independently owned SEC-registered advisor. RAM is primarily focused on providing investment advisory services and managing domestic equity portfolios for retail and institutional investors.

*Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/crs), which also provides educational materials about broker-dealers, investment advisers, and investing.*

### Item 2. Relationships and Services

#### What investment services and advice can you provide me?

We are able to offer discretionary and non-discretionary portfolio management services to both retail and institutional investors through separately managed accounts, sub-advisory accounts, wrap fee accounts, and unified managed accounts. In discretionary accounts, RAM has the authority to buy and sell investments in your account without asking you in advance. In non-discretionary accounts, RAM gives you advice, and you decide what investments to buy and sell. RAM also offers limited financial planning services as part of our process of determining with you the appropriate investment policy and investment strategy to help accomplish your investment goals according to your risk tolerance. To the extent possible, we seek to tailor portfolios for your individual needs. For example, we can consider taxes and income and liquidity requirements when building and managing portfolios for you. You may request specific restrictions on how your account is managed - for example, “no bank stocks.”

Our standard service includes developing and implementing an Investment Management Agreement, continuously monitoring your portfolio, and reporting the results to you on a quarterly basis. Our services are limited to the types of investments and types of investment advice. For example, we are not capable of providing continuous advice concerning an options trading strategy or continuous advice on commodities or alternative investments; nor do we offer comprehensive estate planning services. RAM prefers a minimum account size requirement of \$100,000 for individual investors, but we may waive this requirement for any reason - especially for younger clients seeking to establish a long-term relationship and for relatives of existing clients.

For more detailed information please see our [Form ADV Part 2A, Item 4 - Advisory Business](#) and [Item 7 – Types of Clients](#)

#### Conversation Starters

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?*

### Item 3. Fees, Costs, Conflicts, and Standard of Conduct

#### What Fees will I pay?

You pay RAM an advisory fee based on a percentage of your assets under management as valued by your custodian. You are typically charged quarterly in advance unless other arrangements are made. Separate from the fees charged by RAM, you are responsible for all custodial and transaction fees paid to custodians, brokers, or any other third parties, and you would pay other fees and expenses charged by securities, including but not limited to mutual funds, Exchange-Traded-Funds (ETFs), and partnerships, if those securities are purchased in your account. A description of those fees and expenses is available in each fund’s prospectus. In wrap accounts, asset-based fees associated with wrap fee programs will include most transaction costs and fees to the custodian of the assets and, therefore, are higher than a typical asset-based advisory fee account.

RAM does not charge start-up or termination fees. RAM advisory fees are negotiable. Since fees are negotiable, different fees are charged for similar services and may be less than or higher than RAM’s standard fee rate. *You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.* More information about fees can be found in RAM’s [Form ADV Part 2A, Item 5 – Fees](#), including standard fee rates for all RAM investment strategies.

#### Conversation Starters

- *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

### What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?

*When we act as your investment advisor, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice that we provide you. Here are some examples to help you understand what this means.*

- In 2013 RAM established a business relationship with Markel Corporation. RAM has purchased Markel securities for clients in the past and may purchase or sell for clients in the future. While RAM uses the same investment process to analyze Markel as it uses for other potential investments, we recognize that it could be perceived there is a bias in the analysis and perceived there is a potential conflict of interest.
- "Soft dollars" is a term used to describe the commission generated from a trade that is not actual cash commission. When we trade with certain broker-dealers, they provide research to the firm (soft dollars) that could otherwise be obtained by direct payment (hard dollars). Soft dollars benefit the firm directly because we do not have to produce or pay for some research, products, or services. Soft dollar arrangements may create conflicts of interest.
- We may have an incentive to select or recommend a broker-dealer for client transactions for which we have discretion based on the firm's interest in receiving the research or other products or services, rather than on the clients' interest in receiving the most favorable execution.
- RAM could receive indirect compensation in the form of research from firms that also sell financial products, such as mutual funds or ETFs. Although we require our portfolio managers to purchase only securities that in aggregate are suitable for each client, it may create a conflict of interest to recommend an investment product to a client based on research received, rather than on the individual client's need for the financial product.
- We address these potential conflicts by disclosing our policies in our [Form ADV Part 2A](#).

#### Conversation Starters

- *How might your conflicts of interest affect me, and how will you address them?*

### How do your financial professionals make money?

RAM financial professionals are compensated with a percentage of an annual asset-based management fee. The fee is based on a percentage of your assets under management as valued by your custodian at the end of each calendar quarter. Neither RAM nor any of its supervised persons receive compensation for the sale of securities. Generally, as your account value rises, the firm and its financial professionals earn higher fees, and as your account values fall, the firm and its financial professionals earn lower fees; therefore, we have an incentive to try to grow the value through investment gains and by encouraging you to make additional contributions.

### Item 4. Disciplinary History

#### Do you or your financial professionals have legal or disciplinary history?

No.

For a free and simple search tool to research RAM and our financial professionals, please visit [Investor.gov/CRS](https://www.investor.gov/crs).

#### Conversation Starters

- *As a financial professional, do you have any disciplinary history? For what type of conduct?*

### Item 5. Additional Information

#### Additional Information

- For additional information about RAM or copies of Form ADV Part 2A and Form ADV Part 3-CRS, visit the SEC Investment Advisor Public Disclosure website at [adviserinfo.sec.gov](https://adviserinfo.sec.gov) or our website at [www.redmondassetmanagement.com](https://www.redmondassetmanagement.com).
- Copies of Form ADV Part 2A and this relationship summary, Form ADV Part 3-CRS, are also available upon request from your advisor or by calling RAM at 804-288-6080.

#### Conversation Starters

- *Who is my primary contact person?*
- *Is he or she a representative of an investment advisor or a broker-dealer?*
- *Who can I talk to if I have concerns about how this person is treating me?*