

# Dock Street Asset Management, Inc.

263 Glenville Road  
Greenwich, CT 06831

Phone: 203-532-9470  
Fax: 203-531-0666

[www.dockstreet.net](http://www.dockstreet.net)

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*This disclosure brochure provides clients with information about the qualifications and business practices of Dock Street Asset Management, Inc., an independent investment advisory firm registered with the United States Securities and Exchange Commission ("SEC"). It also describes the services Dock Street Asset Management, Inc. provides as well as background information on those individuals who provide investment advisory services on behalf of Dock Street Asset Management, Inc. Please contact Daniel A. Ogden, President of Dock Street Asset Management, Inc., at 203-532-9470 if you have any questions about the contents of this disclosure brochure.*

*The information in this disclosure brochure has not been approved or verified by the SEC or by any state securities authority. Registration with the SEC does not imply that Dock Street Asset Management, Inc. or any individual providing investment advisory services on behalf of Dock Street Asset Management, Inc. possess a certain level of skill or training. Additional information about Dock Street Asset Management, Inc. is available on the Internet 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. The CRD number for Dock Street Asset Management, Inc. is 111163.*

DOCK STREET ASSET MANAGEMENT, INC.

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DOCK STREET ASSET MANAGEMENT, INC.  
DISCLOSURE BROCHURE

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## ADVISORY BUSINESS

### Our Company

At Dock Street Asset Management, Inc., our core business is managing assets. Based in Greenwich, Connecticut, Dock Street is an independent, privately-held Connecticut corporation that has been an SEC-registered investment adviser since 1993. Throughout this written disclosure brochure, the company is referred to as “Dock Street”.

The principal owner of Dock Street is Daniel A. Ogden.

### Our Services

Dock Street provides personalized investment management services. Dock Street manages client assets across the full range of objectives from capital preservation to aggressive growth. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, Dock Street will determine a client's risk profile and create and manage a customized portfolio based on that profile. For more conservative clients, Dock Street will create an individual portfolio comprised of income-generating assets with a keen focus on capital preservation. For more growth-oriented clients' portfolios, Dock Street has larger allocations to equities – including individual stocks and strategic funds. Depending on where a client's risk profile falls in the spectrum of investors, Dock Street will tailor an investment strategy specific to that client's account and find equity investments that provide sustainable growth in economic value.

Dock Street will manage advisory accounts on either a discretionary or non-discretionary basis. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on the client's behalf.

### Our Investment Approach

Dock Street focuses most of its effort on managing stock portfolios for its clients. Dock Street believes that the best way to make money in the stock market is by benefiting from the improving operations of the businesses held in our client's portfolios, rather than actively switching from business to business.

The easiest way to measure “improving operations” is by watching the growth in earnings that our companies report. Dock Street strives to build portfolios of companies whose earnings are growing at a favorable rate as projected by services such as First Call.

Investing this way requires us to believe the following: ***Stock prices follow the earnings of the business—over the long-term.*** Of course, in the short-term there is very little relationship between stock prices and earnings growth. Indeed, it is very possible for earnings to grow for a number of years while the stock price shows no increase or even shows a loss. For Dock Street's method to be successful, we must be long-term investors. If we get the earnings story right, we believe the stock price will take care of itself over time.

But can we pay just any price for a great business? Not if we want the best investment results. On average Dock Street portfolio companies are projected to grow their earnings much faster than the average company in the S & P 500 Index and logic would suggest that we should pay much more for that earnings growth. But the average price/earnings ratios for our portfolios are just slightly above the market PE. This is Dock Street's definition of value—earnings growth much higher than the market at a price *not* much higher than the market.

## **Our Portfolio Manager**

### Daniel A. Ogden

An investor for over thirty years, Dan has been involved in a number of entrepreneurial activities. His success from those efforts drew him to the financial markets and led to the 1989 creation of Dock Street.

Shortly after graduating as a history and economics major from Michigan State University, Dan co-founded a mail-order marketer of chimney cleaning equipment. This business as well as those that were formed in later years provided attractive returns and gave Dan the initial capital to accelerate his investment activities.

Over 25 years ago Dan began managing assets when he served as General Partner for several commercial real estate partnerships in New York City. The buildings were sold in 1985 demonstrating positive returns for the investors. Early in his career, Dan began studying Warren Buffet's writings. He concluded that the practical experience of creating, operating and selling businesses could be applied to the investment profession. In 1986, Dan became active as an investment advisor for the Windmill Group, a securities brokerage firm. During those early years in the investment field, Dan began attending the Berkshire Hathaway annual shareholder's meeting.

Dan believes that evaluating investments with an entrepreneurial eye is one of the most critical factors in achieving long term attractive returns from public market investing.

## **Our Investment Committee**

The Dock Street Investment Committee meets periodically to review Dock Street's market outlook, asset allocation strategies, portfolio review process and the selection process of equities, mutual funds, fixed income vehicles and other investments.

An additional purpose of the Investment Committee is to formalize that process of testing ideas developed internally. The Investment Committee is made up of experienced and successful financial industry professionals who approach the investment problem from a different perspective. As a result, Dock Street is challenged to think more critically about our ideas and how we execute them.

Aside from Dan Ogden, the Investment Committee includes:

- Tom Hodgman, retired portfolio manager and partner at Dock Street and the Portfolio Group at Chemical Bank
- Tom Hynes, principle at Hynes Himmelreich, Glennon & Company an investment counseling firm in Darien with nearly \$1 billion assets under management
- Adam Egelberg, CFA, Managing Partner at Glenville Capital Management
- Richard Hanlon, CFA, Managing Partner at Glenville Capital Management

The Investment Committee works as follows:

Dock Street has developed relationships with a number of highly respected research sources, primarily GaveKal Research in Hong Kong and Bank Credit Analyst in Montreal. These groups produce copious amounts of commentary and we plan to use the Investment Committee to prioritize and challenge the ideas that comes from that commentary. Dock Street will be vetting select ideas generated by these groups with the Investment Committee on a regular basis, which will result in a more disciplined use of this information.

The Investment Committee will meet either face to face or by conference call to discuss market strategy, economic trends, and anything else that will impact Dock Street's portfolios and investment decisions.

The Investment Committee does not discuss specific investment ideas as they apply to individual client portfolios. The confidentiality of Dock Street's clients and specific investments made on behalf of those clients will be strictly maintained.

## **Our Assets Under Management**

As of December 31, 2010, the total amount of client assets managed by Dock Street is approximately \$392,000,000. Of this total amount, approximately \$267,000,000 of client assets are managed on a discretionary basis and \$125,000,000 of client assets are managed on a non-discretionary basis.

## **FEES AND COMPENSATION**

### Investment Management Fees

The annual fee for Dock Street's investment management services will be charged as a percentage of assets under management according to the following schedule:

Assets Under Management	Maximum Annual Fee (%)
Accounts up to \$500,000	1.25%
Accounts between \$500,000 to \$5 million	0.75%
Accounts above \$5 million	0.60%

Clients will be billed quarterly in advance based upon the market value or book value (for partnership) of assets in the client's account at the end of the previous quarter. Market value will be determined by the account custodian. In the event the account custodian cannot provide a market value, Dock Street will determine the asset's fair market value.

For the initial calendar quarter, fees will be adjusted pro rata based upon the number of calendar days in the calendar quarter that the advisory agreement was effective. Fees are earned as of the commencement of the investment advisory agreement and are prorated when assets were not managed for the entire quarter.

Details of the investment management fee charged are more fully described in the advisory agreement entered into with each client. At the option of the client, fees may be paid directly by the client or Dock Street can bill the custodian so the fee is paid directly from the client's account.

### **Important Additional Fee Information**

#### Fee Only

Dock Street is compensated solely by fees paid by its clients and does not accept commissions or compensation from any other source (i.e., mutual funds, insurance products or any other investment product).

#### Fees Negotiable

Dock Street retains the right to modify fees, including minimum account sizes, in its sole and absolute discretion, on a client-by-client basis based on the size, complexity and nature of the advisory services provided. In addition, family accounts and accounts controlled by the same client are often combined for the purpose of computing the fee.

#### Direct Debiting of Client Accounts

In order for Dock Street's advisory fees to be directly debited from a client's account, the client must provide written authorization permitting Dock Street to bill the custodian. In addition, the account must be held by a qualified custodian and the qualified custodian must agree to send to the client an account statement on at least a quarterly basis. The account statement must indicate all amounts disbursed from the account including the amount of advisory fees paid directly to Dock Street. Clients are informed that it is their responsibility to verify the accuracy of the fee calculation and that the account custodian will not determine whether the fee is properly calculated.

#### Termination of Client Relationship

The investment advisory contract is ongoing and does not have a fixed term. The client may terminate the advisory contract at any time and any prepaid fees will be

refunded. Dock Street may terminate the investment advisory contract with ten days written notice. Refunded advisory fees will be pro-rated to the date of termination. Clients may obtain their refund in one of two ways – either by having the refund transferred directly into their account or by check.

### Mutual Fund Fees

All fees paid to Dock Street for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without the services of Dock Street. In that case, the client would not receive the services provided by Dock Street which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. To the extent that client assets are invested in money market funds or cash positions, the fees for monitoring those assets are in addition to the fees included in the internal expenses of those funds paid to their own investment managers, which are fully disclosed in each fund's prospectus. Accordingly, the client should review both the fees charged by the funds and the fees charged by Dock Street to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

### Trading and Other Costs

All fees paid to Dock Street for investment advisory services are separate and distinct from transaction fees charged by broker dealers associated with the purchase and sale of equity securities and options. In addition, fees do not include the services of any co-fiduciaries, accountants, broker dealers or attorneys. Please see the section entitled "Brokerage Practices" on page 10 of this disclosure brochure for additional information on brokerage and other transaction costs.

## **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Dock Street does not accept performance-based fees (e.g., fees based on a share of capital gains on or capital appreciated of the assets in a client's account).

## **TYPES OF CLIENTS**

Dock Street provides investment advisory services to individuals (including high net worth individuals), pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other types of business entities.

Dock Street has traditionally focused its efforts on meeting the needs of individual investors. Dock Street's clients tend to be risk averse, preferring careful analysis of

each investment rather than an aggressive approach resulting in high turnover and higher risk.

A typical Dock Street client recognizes that they need help with their investments for a number of reasons: because of a lack of time to devote to the problem, a lack of interest in the investment process, and often a recognition of Dock Street's ability to produce favorable results, although results may vary and are not guaranteed. Clients also require individual attention to their personal financial circumstances and tax situations. They prefer to know the investment manager and appreciate the personal contact that is possible with a firm such as Dock Street.

### **Engaging the Services of Dock Street**

All clients wishing to engage Dock Street for investment advisory services must sign an investment management agreement that governs the relationship with Dock Street. The investment management agreement is written in plain English and describes the services and responsibilities of Dock Street to the client. It also outlines Dock Street's fee in detail.

In addition to completing Dock Street's internal documents (e.g., investment management agreement, client questionnaire), clients must complete certain broker-dealer/custodial documentation. Upon completion of these documents, Dock Street will be considered engaged by the client. A client has an ongoing responsibility for ensuring that Dock Street is informed in a timely manner of changes in the client's investment objectives and risk tolerance.

### **Conditions for Managing Accounts**

Dock Street requires new clients to have a minimum account of \$2,000,000, although Dock Street retains the right to reduce or waive this minimum account size. Accounts of less than \$1,000,000 may be set up when the client and Dock Street anticipate the client will add additional funds to the accounts bringing the total to \$1,000,000 within a reasonable time.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **Types of Investments**

Investment advice may be offered on any investments held by a client at the start of the advisory relationship. Recommendations for new investments will typically be limited to domestic and foreign equity securities, warrants, corporate debt securities, certificates of deposit, municipal and United States government securities, mutual funds and options.

### **Investment Strategies**

Dock Street may utilize different investment strategies, based upon the needs of the client, including long-term purchases, short-term purchases and option writing.

### **Security Analysis**

The security analysis methods employed by Dock Street are fundamental and technical analysis.

Dock Street invests in companies that achieve high profitability on the total investment in the business. These companies must also have the ability to make additional high return investments in sufficient size to produce growth in shareholder value.

Companies which produce high returns on invested capital usually display a combination of characteristics in the way they do business through superiority in either management style, corporate culture, cost efficiency, marketing, patent protection, or new product development. Furthermore, high return companies as a rule have low debt, strong balance sheets, and can fund high levels of capital spending and growth without diluting the shareholder's interests. Once Dock Street has identified high return/reasonably valued companies, the selection process continues with a series of other evaluations and judgment factors such as the following:

- Relative historical price/earnings ratio to the company itself, its industry and to the market.
- The relationship of the historical and projected growth rates to the price/earnings ratio and debt levels of the company.
- The level and location of sales and earnings in foreign markets.
- A careful review of historical and current pre-tax and after tax profit margins and earnings acceleration or deceleration.
- A review of the technical factors which might impact on the price action of the company's stock.

### **Sources of Information**

In conducting security analysis, Dock Street may utilize the following sources of information: financial newspapers and magazines, research materials prepared by others, inspection of corporate activities, corporate rating services, annual reports, prospectuses, filings with the U.S. Securities and Exchange Commission and company press releases.

### **Risk**

#### In General

Investing in securities involves risk of loss that each client should be prepared to bear. Typical investment risks include market risk typified by a drop in a security's price due to a company specific event (e.g. unsystematic risk), or general market

activity (e.g., systematic risk). In addition, certain strategies may impose more risk than others. For example, with fixed income securities, a period of rising interest rates could erode the value of bond since bond values generally fall as bond yields rise. Investment risk with international equities also includes fluctuation in currency values, differences in accounting and economic and political instability. Depending upon the client need and investment mandate, Dock Street will attempt to thoroughly explain the applicable risks.

### Options

There are numerous risks associated with transactions in options on securities or securities indexes. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events. As the writer of covered call options, the client forgoes, during the option's life, the opportunity to profit from increases in the market value of the underlying security or the index above the sum of the option premium received and the exercise price of the call, but has retained the risk of loss, minus the option premium received, should the price of the underlying security decline. In the case of index options, the client incurs basis risk between the performance of the underlying portfolio and the performance of the underlying index. For example, the underlying portfolio may decline in value while the underlying index may increase in value, resulting in a loss on the call option while the underlying portfolio declines as well.

### **Cash Management**

Cash balances in client accounts are invested in money market mutual funds. These cash balances are included in the account market value for the computation of the investment management fee.

### **DISCIPLINARY HISTORY**

Neither Dock Street nor any of its supervised persons have any reportable disciplinary history.

### **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Daniel A. Ogden, President of Dock Street, serves as co-General Partner for Jefferson Canal Investments, L.P. Dock Street plays no role in the management of Jefferson Canal Investments and receives no fees or compensation for a client's investment in any of the partnerships discussed herein. Fees paid by the participants invested in Jefferson Canal Investments are paid directly to the General Partners. Only qualified clients are invited to participate in limited partnerships, based on appropriateness of the investment.

Mr. Ogden serves as a General Partner of Manhattan Atlantic Partners II, L.P. and is a member of both Manhattan Atlantic Partners III, LLC (the General Partner to

Manhattan Atlantic Partners III, L.P.) and Manhattan Atlantic Partners IV, LLC (the General Partner to Manhattan Atlantic Partners IV, L.P.). Dock Street plays no role in the management of these fund of funds nor does it receive compensation for a client's investment in any of the partnerships discussed herein. Fees paid by the participants invested in the funds are paid directly to the General Partners. Only qualified clients are invited to participate in limited partnerships, based on appropriateness of the investment. At this time, there are no anticipated new partnerships in which clients will be invited to participate.

Mr. Ogden also has a 20% ownership interest in Glenville Capital Partners L.P., as well as an investment in the fund itself. Dock Street plays no role in the management of this fund nor does it receive compensation for a client's investment in the fund.

## **CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **Our Code of Ethics**

Dock Street has adopted a Code of Ethics to prevent violations of federal securities laws. The Code of Ethics is predicated on the principle that Dock Street and its employees owe a fiduciary duty to its clients. Accordingly, Dock Street expects all employees to act with honesty, integrity and professionalism and to adhere to federal securities laws. Dock Street and its employees are required to adhere to the Code of Ethics. At all times, Dock Street and its employees must (i) place client interests ahead of Dock Street's; (ii) engage in personal investing that is in full compliance with Dock Street's Code of Ethics; and (iii) avoid taking advantage of their position. Clients and prospective clients may request a copy of Dock Street's Code of Ethics by contacting Daniel A. Ogden, President of Dock Street at 203-532-9470.

### **Prohibition on Use of Insider Information**

Dock Street has also adopted policies and procedures to prevent the misuse of "insider" information. A copy of Dock Street's Insider Trading policies and procedures is available to any client or prospective client upon request. For a copy of Dock Street's Insider Trading policies and procedures, please contact Daniel A. Ogden, President and Chief Compliance Officer of Dock Street at 203-532-9470.

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

*Dock Street or individuals associated with Dock Street may buy, sell, or hold in their personal accounts the same securities that Dock Street recommends to its clients.*

To minimize conflicts of interest, and to maintain the fiduciary responsibility Dock Street has for its clients, Dock Street has established the following policy: An officer, manager, or employee of Dock Street shall not buy or sell securities for a personal portfolio when the decision to purchase is derived by reason of their employment

with Dock Street, unless the information is also available to the investing public as a whole. No person associated with Dock Street shall prefer his or her own interest to that of any client. No person associated with Dock Street shall trade against the interests of any client account. Personal trades in securities being purchased or sold for clients may only be made simultaneously with or after trades are made for clients. Dock Street personnel may not anticipate trades to be placed for clients. In addition, Dock Street requires prior approval of employee trades.

## **BROKERAGE PRACTICES**

### **Best Execution**

Best execution has been defined by the SEC as the “execution of securities transactions for clients in such a manner that the client’s total cost or proceeds in each transaction is the most favorable under the circumstances.” The best execution responsibility applies to the circumstances of each particular transaction and an investment adviser must consider the full range and quality of a broker-dealer’s services, including, among other things, execution capability, commission rates, the value of any research, financial responsibility and responsiveness.

When placing portfolio transactions for client accounts, Dock Street’s primary objective is to obtain the best price and best execution, taking into account the costs, promptness of execution and other qualitative considerations.

### **Broker Analysis**

Dock Street evaluates a wide range of criteria in seeking the most favorable price and market for the execution of transactions. These include the broker-dealer’s trading costs, efficiency of execution and error resolution, financial strength and stability, capability, positioning and distribution capabilities, information in regard to the availability of securities, trading patterns, statistical or factual information, opinion pertaining to trading and prior performance in serving Dock Street.

Also in consideration is such broker-dealers’ provision or payment of the costs of research and other investment management-related services (the provisional payment of such costs by brokers are referred to as payment made by “soft dollars”, as further discussed in the “Research/Soft Dollars Benefits” section immediately below). Accordingly, if Dock Street determines in good faith that the amount of trading costs charged by a broker-dealer is reasonable in relation to the value of the brokerage and research or investment management-related services provided by such broker, the client may pay trading costs to such broker in an amount greater than the amount another broker might charge.

Dock Street’s Chief Compliance Officer is responsible for continuously monitoring and evaluation the performance and execution capabilities of brokers that transact orders for our client accounts to ensure consistent quality executions. In addition, Dock Street periodically reviews its transaction costs in light of current market circumstances and other relevant information.

## **Research/Soft Dollar Benefits**

### Charles Schwab & Co., Inc.

Dock Street uses Charles Schwab & Co.'s, Schwab Institutional ("Schwab Institutional") service. While there is no relationship between the investment advice given by Dock Street and usage of Schwab Institutional, Dock Street receives certain economic benefits which would not be received if Dock Street did not use the Schwab Institutional service.

For example, Schwab Institutional makes available to Dock Street products and services that benefit Dock Street, but may not directly benefit its clients' accounts. Some of these other products and services assist Dock Street in managing and administering clients' accounts. These include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving Schwab Institutional participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client accounts; access to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors.

Schwab Institutional also makes available to Dock Street other services intended to help Dock Street manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, regulatory compliance and marketing. In addition, Schwab Institutional may make available, arrange and/or pay for these types of services rendered to Dock Street by independent third parties.

While as a fiduciary Dock Street is required to act in its clients' best interests, Dock Street's recommendation that clients maintain their assets in accounts with Schwab Institutional may be based in part on the benefit to Dock Street of the availability of some of the foregoing products and services and not solely on the nature cost or quality of custody and brokerage provided by Schwab Institutional. This may create a conflict of interest.

### Client Directed Brokerage

Dock Street may receive research from brokers with which its clients have directed brokerage arrangements. The broker provides this research as a courtesy and its receipt is not a factor in negotiating commission discounts nor is the receipt of the research dependent on any volume of trading activity. Any research provided by brokers under directed brokerage arrangements is used to service all of Dock Street's clients. Please see the additional disclosures under Brokerage Selection section immediately below.

## **Brokerage Selection**

### Dock Street Discretion

For those clients that grant Dock Street discretionary brokerage authority, Dock Street is authorized by the client to select the broker or dealer to be used and to determine the commission rate paid. Please see the disclosures in the “Best Execution” and “Broker Analysis” sections beginning on page 10 of this disclosure brochure for additional information on the criteria used by Dock Street to select client brokerage.

### Dock Street Directed Brokerage

For those clients for which Dock Street does not have the discretionary authority to determine the broker-dealer to be used, Dock Street will recommend the use of Charles Schwab & Co., Inc. Institutional Services Group (“Schwab”). Under this arrangement, clients of Dock Street who elect to place their accounts in custody at Schwab receive deeply discounted commission rates on transactions which Dock Street executes through Schwab's trading facilities. Dock Street does not participate in any transaction fees or commissions paid to the broker dealer or custodian and does not receive any fees or commissions for the opening or maintenance of client accounts at recommended brokers.

Not all investment advisers require their clients to direct brokerage. Dock Street is required to disclose that by directing brokerage, Dock Street may not be able to achieve most favorable execution of client transactions and that this practice may cost clients more money.

Please see the disclosures in the “Research/Soft Dollars Benefits” section directly above for additional information regarding Dock Street’s participation in the Charles Schwab & Co., Inc. Institutional Services Group.

### Client Directed Brokerage

Certain clients may direct Dock Street to use particular brokers for executing transactions in their accounts. With regard to client directed brokerage, Dock Street is required to disclose that Dock Street may be unable to negotiate commissions, block or batch orders or otherwise achieve the benefits described above, including best execution. Directed brokerage commission rates may be higher than the rates Dock Street might pay for transactions in non-directed accounts. Therefore, directing brokerage may cost clients more money.

However, when the client designates the broker, Dock Street will assist the client in negotiating a commission discount with the broker which takes into consideration any special services the broker might be providing to the client, and whether the

broker may be providing custodial services to the client. Occasionally, the client has a pre-existing relationship with the broker, so Dock Street does not have significant influence in negotiating commissions in these instances, and commissions paid by the client with directed brokerage arrangements are generally higher than those otherwise obtainable.

Dock Street encourages each client to compare the possible costs or disadvantages of directed brokerage against the value of custodial or other services provided by the broker to the client in exchange for the directed brokerage designation.

### **Trade Aggregation/Allocation**

It is the objective of Dock Street to provide a means of allocating trading and investment opportunities between advisory clients on a fair and equitable basis and in compliance with all applicable state and federal guidelines. With respect to clients' accounts with substantially similar investment objectives and policies, Dock Street may often seek to purchase or sell a particular security in each account. Dock Street will aggregate orders only when such aggregation is consistent with Dock Street's duty to seek best execution and is consistent with the investment objective of each client. No client account will be unfairly favored over any other account. Each client that participates in an aggregated order will participate based on the average execution price in that particular security. All transaction costs will be allocated pro rata based on each client's participation in the transaction. All securities purchased or sold, whether the order is filled completely or partially, will then be allocated pro rata based on the assets of each account.

### **Trade Errors**

Clients keep any gains in their account that result from a trade error. Losses from a trade error are handled in one of two ways. Any loss in a client's account of less than \$100 is absorbed by Charles Schwab & Co. Any loss great than \$100 will be absorbed by Dock Street. In either case, a client is never disadvantaged by a trade error.

## **REVIEW OF ACCOUNTS**

### Reviews

The portfolio manager and other designated employees are the reviewers that provide all accounts with continuous and regular supervisory or management services. The portfolio manager reviews each account's financial performance in detail each month. Reviews include assessments on both an aggregate account and individual security basis.

In addition to these regular reviews, the portfolio manager monitors news affecting securities owned by clients on a daily basis, and when necessary, updates assessments for future performance and makes changes in portfolio makeup accordingly.

## Reports

In addition to monthly statements from the broker or custodian, Dock Street issues quarterly reports to each client which include the following:

1. A Portfolio Appraisal which includes purchase price and the date for each security owned, as well as the unrealized profit or loss on each position since purchase.
2. A Realized Profit and Loss Statement showing the taxable events for the period.
3. A Performance Report by asset class, which allows the client to gauge the returns on equities, fixed income, cash, and total portfolio.

Clients also receive letters from the portfolio manager covering topics from market conditions to the prospects of individual securities. Clients are urged to compare the account statement provided by the broker-dealer/custodian with those provided by Dock Street.

## **CLIENT REFERRALS AND OTHER COMPENSATION**

Dock Street does not use solicitors or receive any economic benefits (e.g., sales incentives, prizes) from non-clients for providing investment advice.

## **CUSTODY**

Dock Street is deemed to have custody because Dock Street deducts its fees directly from client accounts.

Custody of client assets will be maintained with the independent custodian selected by the client. Dock Street will not have physical custody of any assets in the client's account except as permitted for payment of advisory fees. Clients will be solely responsible for paying all fees or charges of the custodian. Clients will authorize Dock Street to give the custodian instructions for the purchase, sale, conversion, redemption, exchange or retention of any security, cash or cash equivalent or other investment for the client's account.

Clients will receive directly from the custodian at least quarterly a statement showing all transactions occurring in the client's account during the period covered by the account statement, and the funds, securities and other property in the client's account at the end of the period. Clients are urged to carefully review account statements sent by their broker-dealer/custodian and to compare the account statement provided by the broker-dealer/custodian with any statements provided by Dock Street.

## **INVESTMENT DISCRETION**

For those client accounts over which Dock Street has discretion, Dock Street requests that it be provided with written authority (e.g., limited power of attorney contained in Dock Street's Investment Management Agreement) to determine the amounts of securities that are bought or sold. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change or amend these limitations as required. All such amendments shall be submitted in writing.

Dock Street generally has discretionary authority to make the following determinations without obtaining the consent of the client before the transactions are effected: (1) which securities are bought and sold for the account and (2) the total amount of securities to be bought and sold. Dock Street's authority in making investment related decisions may be limited by account guidelines, investment objectives and trading restrictions, as agreed between Dock Street and the client.

## **VOTING CLIENT SECURITIES**

### **Proxy Voting**

Dock Street uses the following statement of principles to govern the voting of proxies. Dock Street uses the procedures below to ensure that proper documentation is maintained. These procedures also ensure that plan fiduciaries have ability to review how proxies were voted in compliance with the Employee Retirement Income Security Act of 1974 ("ERISA")

Under this statement of principles, Dock Street acknowledges its responsibility to vote proxies in a manner that ensures the exclusive benefit for the underlying participants and beneficiaries while using the care, skill and diligence that a prudent person acting in a like capacity and familiar with such matter would use under the circumstances then prevailing.

The procedures for voting proxies and the recordkeeping systems maintained by Dock Street are as follows:

- 1) Reasonable efforts are made to ensure that knowledge of a vote to be taken is acquired in a timely fashion and that all proxy votes are cast by Dock Street.
- 2) A file of all proxy related material is maintained.
- 3) Reasonable efforts are exercised by Dock Street in acquiring information sufficient to allow an informed vote.

- 4) Dock Street votes all proxies so as, in its opinion, to maximize shareholder value, which is defined as long-term value accretion through dividend and price appreciation. In addition, Dock Street's investment philosophy is to purchase "quality" companies for the portfolios of its clients. One of the four main criteria for "quality" is excellence in management. Hence, Dock Street tends to vote non-shareholder value issues in alignment with management's recommendations, if there is no conflict with shareholder value.

For information about proxy votes cast, as well as the full text of Dock Street's Proxy Voting Policies and Procedures, please contact Daniel A. Ogden, President of Dock Street at 203-532-9470.

### **Class Action Settlements**

Although Dock Street may have discretion over client accounts, it will not be responsible for handling client claims in class action lawsuits or similar settlements involving securities owned by the client. Clients will receive the paperwork for such claims directly from their account custodians. Each client should verify with their custodian or other account administrator whether such claims are being made on the client's behalf by the custodian or if the client is expected to file such claims directly.

## **FINANCIAL INFORMATION**

### **Prepayment of Fees**

Because Dock Street does not require or accept prepayment of more than \$1,200 in fees six months or more in advance, Dock Street is not required to include a balance sheet with this disclosure brochure.

### **Financial Condition**

Dock Street does not have any adverse financial conditions to disclose.

### **Bankruptcy**

Dock Street has never been the subject of a bankruptcy petition.

## **PRIVACY NOTICE**

Dock Street views protecting its clients' private information as a top priority and has instituted policies and procedures to ensure that client information is private and secure. Dock Street does not disclose any nonpublic personal information about its clients or former clients to any nonaffiliated third parties, except as permitted or required by law. In the course of servicing a client's account, Dock Street may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers, etc. Dock Street restricts internal access

to nonpublic personal information about the client to those persons who need access to that information in order to provide services to the client and to perform administrative functions for Dock Street. As emphasized above, it has always been and will always be Dock Street's policy never to sell information about current or former clients or their accounts to anyone. It is also Dock Street's policy not to share information unless required to process a transaction, at the request of a client, or as required by law. For the full text of Dock Street's Privacy Policy, please contact Daniel A. Ogden, President of Dock Street at 203-532-9470.

#### **CLIENT COMPLAINTS**

Clients may contact Daniel A. Ogden, President of Dock Street at 203-532-9470 to submit a complaint. Written complaints should be sent to Dock Street Asset Management, Inc., 263 Glenville Road, Greenwich, CT 06831.