

Form ADV Part 2A: Firm Brochure

Item 1 – Cover Page

Lawrence Blau & Associates, LLC

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Date of Disclosure Brochure: January 2018

This disclosure brochure provides information about the qualifications and business practices of Lawrence Blau & Associates, LLC (also referred to as we, us and Lawrence Blau & Associates, LLC throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact Lawrence Blau at 914-941-5533 or Info@LawrenceBlau.com. The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Lawrence Blau & Associates, LLC is also available on the Internet at www.adviserinfo.sec.gov. You can view our firm's information on this website by searching for Lawrence Blau & Associates, LLC or our firm's CRD number 284517.

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

Item 2 – Material Changes

Since our annual amendment filing in February 2017, we have included our new fee schedule for charging a percentage of AUM under our asset management services. Please see *Item 5 – Fees and Compensation for more information*. We no longer work with Merrill Lynch and Morgan Stanley and have added TD Ameritrade and E*Trade. We have updated *Item 12 – Brokerage Practices* with more information. We have also updated *Item 15 – Custody* to describe our procedures related to debiting our asset management fees directly from client accounts.

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

Item 3 – Table of Contents

Item 1 – Cover Page 1

Item 2 – Material Changes 2

Item 3 – Table of Contents 3

Item 4 – Advisory Business 4

Introduction 4

Description of Advisory Services 4

Limits Advice to Certain Types of Investments 7

Tailor Advisory Services to Individual Needs of Clients 7

Client Assets Managed by Lawrence Blau & Associates, LLC 8

Item 5 – Fees and Compensation 8

Item 6 – Performance-Based Fees and Side-By-Side Management 11

Item 7 – Types of Clients 11

No Minimum Investment Amounts Required 12

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss 12

Methods of Analysis 12

Investment Strategies 12

Risk of Loss 13

Item 9 – Disciplinary Information 14

Item 10 – Other Financial Industry Activities and Affiliations 14

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading 14

Code of Ethics Summary 14

Affiliate and Employee Personal Securities Transactions Disclosure 15

Item 12 – Brokerage Practices 15

Block Trading Policy 16

Item 13 – Review of Accounts 17

Account Reviews and Reviewers 17

Statements and Reports 17

Item 14 – Client Referrals and Other Compensation 17

Item 15 – Custody 17

Item 16 – Investment Discretion 18

Item 17 – Voting Client Securities 19

Item 18 – Financial Information 19

Item 19 – Requirements for State-Registered Advisers 19

Executive Officer and Management Personnel 19

Other Business Activities 20

No Performance Based Fees 20

No Arbitrations 20

Customer Privacy Policy Notice 20

Item 4 – Advisory Business

Lawrence Blau & Associates, LLC is an investment adviser registered with the State of New York and is a limited liability company (LLC) formed under the laws of the State of New York.

- Lawrence Blau is the Chief Compliance Officer (CCO) and Managing Member of Lawrence Blau & Associates, LLC. Lawrence Blau owns 75.00% of Lawrence Blau & Associates, LLC. Lindsay la Fleur owns 25% of the firm. Full details of the education and business background of Lawrence Blau and Lindsay la Fleur are provided at *Item 19* of this Disclosure Brochure.
- Lawrence Blau & Associates, LLC filed its initial application to become registered as an investment adviser in July 2016.

Introduction

The investment advisory services of Lawrence Blau & Associates, LLC are provided to you through an appropriately licensed and qualified individual who is an investment adviser representative of Lawrence Blau & Associates, LLC (referred to as your investment adviser representative throughout this brochure).

Description of Advisory Services

The following are descriptions of the primary advisory services of Lawrence Blau & Associates, LLC. Please understand that a written agreement, which details the exact terms of the service, must be signed by you and Lawrence Blau & Associates, LLC before we can provide you the services described below. See *Item 5* of this Brochure for fee descriptions.

Financial Planning Services - Lawrence Blau & Associates, LLC specializes in offering financial planning services which involve preparing a written financial plan covering specific or multiple topics. Our services are considered one time projects and do not automatically include on-going reviews and updates throughout the year. We're available to provide full written financial plans, which typically address the following topics:

- Investment Planning,
- Retirement Planning,
- Insurance Planning,
- Tax Planning,
- Education Planning,
- Portfolio Review,
- Asset Allocation,
- Real Estate Planning,
- Budget development and analysis,
- Charitable giving,
- Debt management,
- Divorce issues,
- Estate planning

When providing financial planning services, the role of your investment adviser representative is to find ways to help you understand your overall financial situation and help you set financial objectives. We

also provide modular written financial plans which only cover those specific areas of concern mutually agreed upon by you and us. A modular written financial plan is limited or segmented and does not involve the creation of a full written financial plan. You should be aware that there are important issues that may not be taken into consideration when your investment adviser representative develops his or her analysis and recommendations under a modular written financial plan.

Financial planning services may take into consideration factors such as your financial/investment objectives, risks you are willing to undertake, investment knowledge, net worth, income, age, projected retirement, unusual or material funding requirements, inheritance possibilities, pensions, social security, children/relative funding issues, estate issues, and living expenses expressed in today's dollars requested for retirement.

Depending on the scope of the scope of services to be provided, you may be asked to provide copies of or information involving the following documents early in the process:

- Wills, codicils, and trusts
- Insurance policies
- Mortgage information
- Tax returns
- Current financial specifics including W-2s or 1099s
- Information on current retirement plans and benefits provided by your employer
- Statements reflecting current investments in retirement and non-retirement accounts
- Employment or other business agreements you may have in place
- Completed risk profile questionnaires or other forms provided by our firm

Lawrence Blau & Associates, LLC's ability to provide our financial planning and consulting services depends on access to important information about our clients and it is essential that the information and financial statements you provide are accurate. This helps us determine the appropriateness of our planning and/or investment strategies for your portfolio.

Specific Investment Recommendations – As a component of our financial planning process, we are available to provide general and/or specific investment recommendations of individual securities held in your investment accounts. Investment reviews and recommendations are offered on a one-time or “snapshot” basis. Therefore, we do not provide on-going, regular supervision or reviews of your accounts. Recommendations are based upon your specific needs and desires for future financial goals and/or objectives.

Please understand we will not have any authority or responsibility to implement our recommendations. All final decisions to accept our investment advice and implement our recommendations are the responsibility of the client. You are responsible for notifying Lawrence Blau & Associates, LLC of any changes to your financial situation or investment objectives. We will meet with you to determine your financial situation and investment objectives and to find out if you would like to impose and/or modify any reasonable restrictions on your accounts.

It is important that you understand that we provide investment advice to other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to

you. We are not obligated in any way to recommend to you any security or other investment that we may recommend for any other clients or buy or sell for our own accounts.

Asset Management Services – For clients choosing to provide Lawrence Blau & Associates, LLC access to their accounts to make trades and implement investment recommendations, we offer asset management services which involve Lawrence Blau & Associates, LLC providing you ongoing supervision over your specified accounts. We will review your accounts at least a quarterly basis and suggest changes when we determine it is appropriate.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the “Account”). The Account consists only of separate account(s) held by qualified custodian(s) under your name. The qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

The Account is managed by us based on your financial situation, investment objectives and risk tolerance. We will review the Account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

We will need to obtain certain information from you to determine your financial situation and investment objectives. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however we will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of your Account. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities.

It is important that you understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for your account(s) and other accounts advised by our firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client’s benefit.

Referrals to Third-Party Money Managers – For clients in need of a full-service investment management firm, we may recommend or suggest the use of one or more particular third-party money managers that offer asset management and other investment advisory services. Our role when recommending a third-party money manager is to simply introduce or recommend the firm. We do not otherwise assist you with establishing an account with the third-party money manager and we do not receive any portion of the fees charged by a third-party money manager. We do not have any paid-solicitor arrangements with a third-party money manager therefore we do not receive an economic

incentive from a third-party money manager. The third-party managers are responsible for continuously monitoring client accounts and making trades in client accounts when necessary.

To the extent you choose to work with a firm recommended by us, the third-party money manager will typically take discretionary authority to determine the securities to be purchased and sold for your account. We do not have any trading authority with respect to your designated account managed by a third-party money manager.

Clients are advised that there may be other third-party managed programs not recommended by our firm, that are suitable for the client and that may be more or less costly than arrangements recommended by our firm. No guarantees can be made that a client's financial goals or objectives will be achieved by a third-party investment adviser recommended by our firm. Further, no guarantees of performance can ever be offered by our firm. You are not obligated or required to utilize the services of a third-party money manager recommended by our firm and can use any investment advisory firm you choose.

Limits Advice to Certain Types of Investments

Lawrence Blau & Associates, LLC provides investment advice on the following types of investments:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Corporate Debt Securities
- US Government Securities
- Unit Investment Trusts
- Real Estate Investment Trusts

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives. We will strive to focus and recommend investment vehicles that are diversified, tax-efficient, and low-cost investments whenever practical. Although it is common to find a broad range of index mutual funds or ETFs within a portfolio, certain accounts may necessitate holding actively-managed mutual funds, individual equities and fixed income positions, as well as pre-existing holdings with a client portfolio when deemed appropriate.

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to *Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss* for more information.)

Tailor Advisory Services to Individual Needs of Clients

Lawrence Blau & Associates, LLC's advisory services are always provided based on your individual needs. Our financial planning services are always provided based on your individual needs. When providing financial planning services, we work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

Lawrence Blau & Associates, LLC offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon each client's current situation (income, tax levels, and risk tolerance levels) and are used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Client investment guidelines may or may not limit the scope of potential investments. As a result, clients can impose restrictions on investing in certain securities or types of securities. When selecting securities and determining amounts to invest; we observe the investment guidelines and restrictions of the client. Lawrence Blau & Associates, LLC evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Investment guidelines and restrictions will be documented in writing and signed off at the end of the client meeting.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

Client Assets Managed by Lawrence Blau & Associates, LLC

As of November 27, 2017, Lawrence Blau & Associates, LLC has \$5,790,420.36 in total assets under management. \$1,343,885.34 is managed on a non-discretionary basis and \$4,446,535.02 is managed on a discretionary basis.

No Participation in Wrap Fee Programs. A wrap-fee program is defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management and/or advice concerning the selection of other investment advisers) and the execution of client transactions. We do not offer or participate in wrap-fee programs.

Item 5 – Fees and Compensation

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation arrangements.

It should be noted that lower fees for comparable service may be available from other sources. The exact fees and other terms will be outlined in the agreement between you and Lawrence Blau & Associates, LLC.

Fees charged for our financial planning services and asset management services are negotiable based upon the type of client, the services requested, the investment adviser representative providing advice, the complexity of the client's situation, the composition of the client's account, other advisory services provided and the relationship of the client and the investment adviser representative. The following are the fee arrangements available for services offered by Lawrence Blau & Associates, LLC.

Fixed Fee Rates for Financial Plans

When providing full written financial plans, our practice is to charge a mutually-agreed upon fixed fee ranging between \$0 and \$20,000. The amount of the fixed fee for your engagement is specified in your financial planning agreement with Lawrence Blau & Associates, LLC and is determined using the negotiating factors outlined in the preceding paragraph.

If we anticipate exceeding the quoted fixed fee, Lawrence Blau & Associates, LLC will contact you to receive authorization to provide additional services and get your consent before charging more than the quoted fixed fee. Fees are due, in-arrears, upon presentment of the written financial plan.

Hourly Fee Rates for Financial Plans

Lawrence Blau & Associates, LLC also provides financial planning services under an hourly fee arrangement. Hourly fees are commonly charged for modular plans and project-based work. An hourly fee in the range of \$150 to \$400 per hour (depending upon negotiating factors described in the first paragraph of this Item 5) is charged when providing services on an hourly basis.

Before commencing financial planning services, Lawrence Blau & Associates, LLC provides an estimate of the approximate hours needed to complete the requested financial planning services. If Lawrence Blau & Associates, LLC anticipates exceeding the estimated amount of hours required, Lawrence Blau & Associates, LLC will contact you to receive authorization to provide additional services. Hourly fees are due, in-arrears, immediately upon completion and delivery of the financial plan.

Percentage of AUM for Asset Management Services

Lawrence Blau & Associates, LLC will provide asset management services for a fee ranging from .50% to 1.75% based on the total number of assets under management. These fees are negotiable based on the type of client, the complexity of the client's situation, and the composition of the client's account (i.e., equities versus mutual funds).

Fees charged for our asset management services are charged based on a percentage of assets under management, billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the previous billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of the billing period, then the prorated fee for that billing period is based on the value of the Account when services commence and is due immediately and will be deducted from Account when services commence.

Flat Rate Fees for Asset Management Services

When providing asset management services, we charge a mutually-agreed upon annual flat fee ranging between \$0 and \$2,500. The amount of the flat fee for your engagement is specified in your asset management agreement with Lawrence Blau & Associates, LLC and is determined using the negotiating factors outlined in the preceding paragraph.

Annual fixed fees are billed in two installments. Fifty percent (50%) of the agreed upon fixed fee is due in advance during the first month services commence and covers the initial six months of the contract year. The second half (50%) of the payment will be due at in the seventh month of the contract year. Fees are due upon receipt of an invoice from our firm. At no time will we require payment of more than \$500 in fees more than six months in advance.

At the end of the initial twelve-month term, we will meet with you to agree upon the annual fixed fee for the next twelve months.

Term

Either party may terminate services at any time by providing written notice to the other party. Services automatically terminate thirty (30) days following the delivery of the written financial plan and conclusion of any follow-up meetings. If you would like to

You may terminate the financial planning services within five (5) business days of entering into an agreement with Lawrence Blau & Associates, LLC without penalty or fees due. If you terminate the financial planning services after five (5) business days of entering into an agreement, you will be responsible for immediate payment of any financial planning services performed by Lawrence Blau & Associates, LLC prior to the receipt by Lawrence Blau & Associates, LLC of your notice. For financial planning services performed by Lawrence Blau & Associates, LLC under an hourly arrangement, you will pay Lawrence Blau & Associates, LLC for any hourly fees incurred at the rates described above. For financial planning services performed by Lawrence Blau & Associates, LLC under a fixed fee arrangement, you will pay Lawrence Blau & Associates, LLC a pro-rated fixed fee equivalent to the percentage of work completed by Lawrence Blau & Associates, LLC as determined by Lawrence Blau & Associates, LLC.

You may terminate Asset Management Services within five (5) business days of entering into an agreement with Lawrence Blau & Associates, LLC without penalty and no fees due or a full refund of any fees paid. If you terminate services after five (5) business days of entering into an agreement with Lawrence Blau & Associates, LLC, you will be responsible for immediate payment of any work performed by Lawrence Blau & Associates, LLC prior to the receipt by Lawrence Blau & Associates, LLC of your notice. You will receive a pro-rated refund of the asset management service fees equivalent to the percentage of work completed by Lawrence Blau & Associates, LLC as determined by Lawrence Blau & Associates, LLC. You will receive a pro-rated refund of the fixed fee equivalent to the percentage of work completed by Lawrence Blau & Associates, LLC as determined by Lawrence Blau & Associates, LLC. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice those remaining proceeds will be refunded by Lawrence Blau & Associates, LLC to you.

Other Fee Terms

You may pay the investment advisory fees owed for the financial planning or asset management services by submitting payment directly by check, credit card or ACH payment.

If you elect to pay by credit card or ACH payment, you will provide written authorization to Lawrence Blau & Associates, LLC for such a charge.

You should notify Lawrence Blau & Associates, LLC within ten (10) days of receipt of an invoice if you have questions about or dispute any billing entry.

For Asset Management Services, the investment advisory fees can be deducted from your account and paid directly to our firm by the qualified custodian(s). If you choose to have the investment advisory fees deducted from your account, you must authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to Lawrence Blau & Associates, LLC. Our firm will send you a billing statement prior to the time that fee deduction instruction is sent to the qualified custodian(s) of your account. The billing statement will detail the formula used to calculate the fee, the assets under management and the time period covered.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

To the extent we utilize the services of an outside professional (i.e. attorney, independent investment adviser or accountant) recommended by our firm or selected by you while providing financial planning services, you will be responsible for the payment of the fees for the services of such an outside professional. Lawrence Blau & Associates, LLC will not be required to reimburse you for such payments. Fees for the services of an outside professional (i.e. attorney, independent investment adviser or accountant) will be in addition to and separate from the fees charged by Lawrence Blau & Associates, LLC, and you will be responsible for the payment of the fees for the services of such an outside professional. In no event will the services of an outside professional be engaged without your express approval.

All fees paid to Lawrence Blau & Associates, LLC for financial planning or consulting services are separate and distinct from the commissions, fees, and expenses charged by a broker-dealer/qualified custodian or asset management fees charged by an investment adviser to implement such recommendations. We do not receive any portion of such fees and expenses.

Brokerage commissions and/or transaction ticket fees charged by the qualified custodian are billed directly to you by the qualified custodian. Lawrence Blau & Associates, LLC does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you may incur certain charges imposed by third parties other than Lawrence Blau & Associates, LLC in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Management fees charged by Lawrence Blau & Associates, LLC are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. *Item 6* is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees.

Item 7 – Types of Clients

Lawrence Blau & Associates, LLC generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

You are required to execute a written agreement with Lawrence Blau & Associates, LLC specifying the particular advisory services in order to establish a client arrangement with Lawrence Blau & Associates, LLC.

No Minimum Investment Amounts Required

We do not require a minimum asset income, asset levels or other similar preconditions for our services. We reserve the right to waive or reduce certain fees based on unique individual circumstances, special arrangements or preexisting relationships. We may also decline our services to a prospective client for any non-discriminatory reason.

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

Methods of Analysis

Lawrence Blau & Associates, LLC uses Fundamental analysis when formulating specific investment recommendations. This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

Investment Strategies

Lawrence Blau & Associates, LLC uses the following investment strategies when providing specific or general investment recommendations.

Lawrence Blau & Associates, LLC employs an investment philosophy emphasizing an approach custom tailored to the needs of each client. We begin the investment process by carefully listening to the client and gaining a thorough understanding of the client's unique goals, risk tolerance, time horizon, and other circumstances. We then determine an appropriate investment strategy for the client based on that understanding. Further customizing of the portfolio takes into consideration individual client preferences such as social investing, concentrated positions, existing holdings, taxes, and other considerations.

The investment strategy provides a framework for determining the asset allocation that properly balances risk and reward over a long-term time horizon. Asset allocation is the relative mix of cash, fixed income, and equity securities suitable for a client's investment portfolio. Lawrence Blau & Associates, LLC believes investment risk is lessened when a portfolio is diversified. Diversification is a disciplined long-term investment strategy that helps prevent overexposure to asset classes or specific securities and identifies a fitting time when exposure to an undervalued asset class or security may be present. We combine asset allocation with diversification to ensure a client's portfolio will be managed in a prudent manner. We then implement the strategy to achieve the client's investment objectives. Although

strategies can be changed if necessary, adhering to the asset allocation over the pre-determined time horizon seeks to provide enhanced portfolio returns with reduced volatility.

Capital preservation, however, is also an important consideration of our investment philosophy. We believe it is inappropriate to take unwarranted risk in either portfolio structure or individual securities.

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. Short term trading and options writing generally hold greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

Clients are reminded they are under no obligation to act on the investment recommendations of Lawrence Blau & Associates, LLC. Please understand we will not have any authority or responsibility to implement our recommendations. All final decisions to accept our investment advice and implement our recommendations are the responsibility of the client.

Primarily Recommend One Type of Security

We do not primarily recommend one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client's specific circumstances and needs.

Risk of Loss

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- **Market Risk** – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (stock) market risk** – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- **Company Risk**. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on

strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

- **Fixed Income Risk.** When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **Options Risk.** Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- **ETF and Mutual Fund Risk** – When investing in a an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.

Item 9 – Disciplinary Information

Item 9 is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

Item 10 – Other Financial Industry Activities and Affiliations

Lawrence Blau & Associates, LLC is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

Accounting Services

Lawrence Blau & Associates, LLC provides tax preparation and other accounting services. Clients needing assistance with tax preparation and/or accounting services may work with Mr. Blau. Clients should know there are other tax prep and accounting services that may be less expensive than services offered by our firm and clients are not obligated to use our tax prep and accounting services. Mr. Blau spends approximately 50% of his time on accounting and tax prep services with the remaining time spent on investment advisory services.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Summary

An investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Lawrence Blau & Associates, LLC has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. Lawrence Blau & Associates, LLC's Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors

and investment adviser representatives are classified as supervised persons. Lawrence Blau & Associates, LLC requires its supervised persons to consistently act in your best interest in all advisory activities. Lawrence Blau & Associates, LLC imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Lawrence Blau & Associates, LLC. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

Affiliate and Employee Personal Securities Transactions Disclosure

Lawrence Blau & Associates, LLC or supervised persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of Lawrence Blau & Associates, LLC that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. Lawrence Blau & Associates, LLC and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, supervised persons). Any supervised person not observing our policies is subject to sanctions up to and including termination.

Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations or investment consulting recommendations of Lawrence Blau & Associates, LLC.

For clients that need a recommendation or suggested brokerage platform, we frequently recommend TD Ameritrade, Charles Schwab & Co, Fidelity Investments and E*Trade Financial Corporation. We do not have written agreements in place with any of these firms. We do not receive any soft dollar benefits from a broker/dealer and do not receive client referrals from a broker/dealer. Although we may recommend or suggest a broker/dealer, you are free to utilize any broker/dealer or other qualified custodian of your choice.

You will open your account with your broker/dealer or qualified custodian of choice by entering into an account agreement directly with them. We do not open the account for you, but we can assist you in that process.

For clients that would like us to trade their accounts through our Asset Management Services program may recommend/require that clients establish brokerage accounts with Charles Schwab & Co., Inc. ("Schwab"), TD Ameritrade or E*Trade. Schwab, TD Ameritrade and E*Trade are FINRA-registered broker-dealers, Members SIPC, and maintain custody of clients' assets and effect trades for their accounts.

Although Lawrence Blau & Associates, LLC may recommend/require the clients establish accounts at Schwab, TD Ameritrade and E*Trade, it is the client's decision to custody assets with Schwab, TD

Ameritrade and E*Trade. Lawrence Blau & Associates, LLC is independently owned and operated and not affiliated with the broker/dealers we recommend.

Schwab, TD Ameritrade and E*Trade's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments.

For Lawrence Blau & Associates, LLC's clients' accounts maintained in its custody, Schwab, TD Ameritrade and E*Trade generally do not charge separately for custody services but are compensated by account holders through commissions or other transaction-related or asset based fees for securities trades that are executed through Schwab, TD Ameritrade and E*Trade or that settle into their accounts.

Recommended broker/dealers also make available to Lawrence Blau & Associates, LLC other products are services that benefit Lawrence Blau & Associates, LLC but may not directly benefit clients' accounts. Many of these products and services may be used to service all or some substantial number of Lawrence Blau & Associates, LLC's accounts.

The products and services of recommended broker/dealers that assist Lawrence Blau & Associates, LLC in managing and administering clients' accounts include software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; and (iv) assist with back-office functions, recordkeeping and client reporting.

Schwab, TD Ameritrade and E*Trade also offer other services intended to help Lawrence Blau & Associates, LLC manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers.

Schwab, TD Ameritrade and E*Trade may discount or waive fees it would otherwise charge for some of these services or pay all or part of the fees of a third-party providing these services to Lawrence Blau & Associates, LLC. The recommended broker/dealers may also provide other benefits such as educational events or occasional business entertainment of Lawrence Blau & Associates, LLC personnel. While as a fiduciary, Lawrence Blau & Associates, LLC endeavors to act in its clients' best interests, Lawrence Blau & Associates, LLC's recommendation that clients maintain their assets in accounts at Schwab, TD Ameritrade and E*Trade may take into account availability of some of the foregoing products and services and other arrangements not solely on the nature of cost or quality of custody and brokerage services provided by the recommended broker/dealer, which may create a potential conflict of interest.

Block Trading Policy

Investment advisors may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. Lawrence Blau & Associates, LLC does not engage in block trading.

It should be noted that implementing trades on a block or aggregate basis may be less expensive for client accounts; however, it is our trading policy is to implement all client orders on an individual basis. Therefore, we do not aggregate or "block" client transactions. Considering the types of investments we hold in advisory client accounts, we do not believe clients are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for clients and

holdings will vary. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to our overall investment strategy.

Item 13 – Review of Accounts

Account Reviews and Reviewers

Our financial planning services terminate upon thirty (30) days following the delivery of the written financial plan. Our financial planning services do not include monitoring the investments of your account(s), and therefore, there is no ongoing review of your account(s) under such services.

However, we recommend you have your financial and investment situation reviewed at least annually whenever practical. Because services terminate upon presentment of the plan, you will need to execute a new agreement and pay additional fees when updates to your financial planning situation are provided. Reviews will be conducted under the guidance of Lawrence Blau and normally involves an analysis and possible revision of your previous financial plan or investment allocation. A copy of revised plans or asset allocation reports will be provided to the client upon request.

Managed accounts are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at your request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by Larry Blau, with reviews performed in accordance with your investment goals and objectives.

Statements and Reports

We may provide an on-demand position report reflecting your current investment holdings but do not otherwise provide performance or on-going position reports.

You will receive regular account statements directly from your broker/dealer or qualified custodian.

Whether reports by an outside money manager are provided to you will depend upon the outside money manager.

Financial planning and consulting clients do not receive any report other than the written plan originally contracted for and provided by Lawrence Blau & Associates, LLC.

Item 14 – Client Referrals and Other Compensation

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in *Item 5* of this Disclosure Brochure. Lawrence Blau & Associates, LLC receives no other forms of compensation in connection with providing investment advice.

Lawrence Blau & Associates, LLC does not directly or indirectly compensate anybody for client referrals.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

Lawrence Blau & Associates, LLC is deemed to have custody of client funds and securities whenever we are given the authority to have fees deducted directly from client accounts. However, this is the only form of custody our firm will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which Lawrence Blau & Associates, LLC is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Lawrence Blau & Associates, LLC. When clients have questions about their account statements, they should contact Lawrence Blau & Associates, LLC or the qualified custodian preparing the statement.

When fees are deducted from an account, Lawrence Blau & Associates, LLC is responsible for calculating the fee and delivering instructions to the custodian. At the same time Lawrence Blau & Associates, LLC instructs the custodian to deduct fees from your account; Lawrence Blau & Associates, LLC will send you an invoice itemizing the fee. Itemization will include the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

Item 16 – Investment Discretion

When providing asset management services, Lawrence Blau & Associates, LLC maintains trading authorization over your Account. We primarily provide management services on a **non-discretionary** basis. This means we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in the Account. You may also place reasonable limitations on the discretionary power granted to Lawrence Blau & Associates, LLC so long as the limitations are specifically set forth or included as an attachment to the client agreement.

On a more limited basis, and only at the express authorization of a client, we can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities, the amount of securities that can be bought or sold and the broker or dealer to be used for your portfolio without obtaining your consent for each transaction. However, it is the

policy of Lawrence Blau & Associates, LLC to consult with you prior to making significant changes in the account even when discretionary trading authority is granted.

Item 17 – Voting Client Securities

Lawrence Blau & Associates, LLC does not vote proxies on behalf of Clients. Therefore, it is your responsibility to vote all proxies for securities held in Account.

You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided.

Item 18 – Financial Information

This *Item 18* is not applicable to this brochure. Lawrence Blau & Associates, LLC does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, Lawrence Blau & Associates, LLC has not been the subject of a bankruptcy petition at any time.

Item 19 – Requirements for State-Registered Advisers

Executive Officer and Management Personnel

Lawrence Blau

Educational Background:

- St. John's University, Masters of Business in Taxation: 1979
- Brooklyn College, Bachelor of Science in Accounting: 1972

Business Experience:

- Lawrence Blau & Associates, LLC, Managing Member and Chief Compliance Officer, 05/2016 to Present;
- Lawrence Blau & Associates, Sole Proprietor and Accountant, 01/1983 to 05/2016
- Starwood Corporation, Certified Public Accountant (CPA), 01/1980 to 01/1983
- Laventhol & Horwath, CPA, 01/1977 to 01/1980
- Goldstein Golub & Kessler, CPA, 01/1974 to 01/1977
- Oppenheimer & Company, CPA, 01/1972 to 01/1973

Lindsay La Fleur

Educational Background:

- Pace University, MBA concentration in Financial Management, 2005
- University of Texas, Bachelor of Arts in Journalism, 2003

Business Experience:

- Lawrence Blau & Associates, LLC, Partner (Non-Owner), 05/2016 to Present and Investment Advisor Representative, 12/2016 to Present;

- Lawrence Blau & Associates, Partner (Non-Owner), 01/2013 to 05/2016;
- Bank of America Merrill Lynch, Equity Derivative Trading – Vice President, 01/2007 to 09/2012; and
- Merrill Lynch, International Derivatives Sales – Associate, 01/2006 to 01/2007.

Other Business Activities

See *Item 10 – Other Financial Industry Activities and Affiliations*.

No Performance Based Fees

As previously disclosed in *Item 6*, Lawrence Blau & Associates, LLC does not charge or accept performance-based fees.

No Arbitrations

Lawrence Blau & Associates, LLC or any of its associated persons have not been the subject of any client arbitrations or similar legal disputes.

No Arrangement with Issuer of Securities

Lawrence Blau & Associates, LLC and its management do not have any relationship or arrangement with any issuer of securities.

Customer Privacy Policy Notice

In November of 1999, Congress enacted the Gramm-Leach-Bliley Act (GLBA). The GLBA requires certain financial institutions, such as investment advisor firms, to protect the privacy of customer information. In situations where a financial institution does disclose customer information to nonaffiliated third parties, other than permitted or required by law, customers must be given the opportunity to opt out or prevent such disclosure. Lawrence Blau & Associates, LLC does not share or disclose customer information to nonaffiliated third parties except as permitted or required by law.

Lawrence Blau & Associates, LLC is committed to safeguarding the confidential information of its clients. We hold all personal information provided by clients in the strictest confidence and it is the objective of our firm to protect the privacy of all clients. Except as permitted or required by law, we do not share confidential information about clients with nonaffiliated parties. In the event that there were to be a change in this policy, we will provide clients with written notice and clients will be provided an opportunity to direct our firm as to whether such disclosure is permissible.

To conduct regular business, Lawrence Blau & Associates, LLC may collect personal information from sources such as:

- Information reported by the client on applications or other forms the client provides to our firm
- Information about the client's transactions implemented by others
- Information developed as part of financial plans, analyses or investment advisory services

To administer, manage, service, and provide related services for client accounts, it is necessary for Lawrence Blau & Associates, LLC to provide access to customer information within the firm and to nonaffiliated companies with whom we have entered into agreements with. To provide the utmost service, our firm may disclose the information below regarding customers and former customers, as necessary, to companies to perform certain services on the firm's behalf.

- Information our firm receives from the client on applications (name, social security number, address, assets, etc.)
- Information about the client's transactions with others (account information, payment history, parties to transactions, etc.)
- Information concerning investment advisory account transactions
- Information about a client's financial products and services with our firm

Since Lawrence Blau & Associates, LLC shares nonpublic information solely to service client accounts, our firm does not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law. However, we may also provide customer information outside of the firm as required by law, such as to government entities, consumer reporting agencies or other third parties in response to subpoenas. In the event that our firm has a change to its customer privacy policy that would allow it to disclose non-public information not covered under applicable law, we will allow our clients the opportunity to opt out of such disclosure.

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