

## Form ADV Part 3 - Form CRS (Client Relationship Summary)

### Armory Capital Management, LLC Updated as of June 2020

#### Item 1 - Introduction

Armory Capital Management, LLC (ACM) is an independent registered investment advisory firm (RIA) registered with the Securities and Exchange Commission. Investment advisory and brokerage services and fees differ, and it is important for the retail investor to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

#### Item 2 - Relationships and Services

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

Armory Capital Management, LLC is a fiduciary that provides fee-only investment advisory services to our retail clients. This is defined as giving continuous advice to a client or making investments for a client based on the individual needs of the client. As a fiduciary, we are obligated to put our clients' best interest first.

ACM manages advisory accounts on a discretionary basis, meaning that ACM has the authority to choose client investments. ACM will typically discuss investment selections with clients before entering or exiting an investment position.

ACM typically creates portfolios that may include individual stocks, bonds, exchange-traded funds (ETF's), mutual funds, Certificate of Deposit's, government securities, etc.

We provide our service through various types of client accounts including taxable accounts (individual, joint, trusts, etc.) and retirement accounts (Traditional IRAs, Roth IRAs, etc.).

ACM does not impose a minimum account size, but typically prefers to pursue client relationships with account sizes above \$250,000.

##### Conversation Starters

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

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

##### What fees will I pay?

Armory Capital Management is a fee-only investment advisor. Meaning that we charge a percentage fee of the assets that we manage. Our annual base fee schedule is as follows:

First \$2,000,000 in Assets	1.00%
Next \$3,000,000	0.80%
Next \$5,000,000	0.60%
Above \$10,000,000	0.40%

Fees are billed quarterly, meaning that 1/4<sup>th</sup> of the stated percentage fee is charged each calendar quarter based on the assets within a clients account at quarter end. ACM does not charge any start-up, closing, penalty fees, or commissions to client's accounts. Our quarterly management fee is the only way ACM is compensated for the service we provide to clients. Advisory fees are negotiable. Client accounts are typically custodied at Charles Schwab. ACM views Charles Schwab as one of the industry leaders in low-cost custodial services. Schwab does not charge commissions for equity trades and certain mutual fund transactions. Schwab does charge commissions on some types of

mutual fund and bond transactions. Clients would also be subject to the mutual fund and exchange traded fund (ETF) expense ratios as these fees are consistent no matter where the accounts are custodied. ACM does not benefit in any way from the fees Schwab charges or the expense ratios of mutual funds or ETFs.

Since ACM charges an asset-based fee, one possible conflict of interest is that the more assets there are in a retail investor's advisory account, the more a retail investor will pay in fees, and ACM may therefore have an incentive to encourage the retail investor to increase the assets in his or her account.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

#### **Conversation Starter**

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

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

***When we act as your investment adviser***, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. One example of a conflict of interest is the more assets there are in a retail investor's advisory account, the more a retail investor will pay in fees, and ACM may therefore have an incentive to encourage the retail investor to increase the assets in his or her account.

#### **Conversation Starter**

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

#### **How do your financial professionals make money?**

ACM is wholly owned by our two investment advisors, Henry Wildhack and Matt Abbott. They are compensated through base salary and profit (if any) after all ACM business expenses are paid and accounted for.

#### **Item 4 - Disciplinary History**

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

No. You can visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research ACM and our financial professionals.

#### **Conversation Starter**

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

#### **Item 5 - Additional Information**

For additional information about ACM's investment advisory services or to request a copy of the *relationship summary* please contact either of the following:

Henry Wildhack  
President / Investment Advisor  
315-701-6415  
[hwildhack@armorycm.com](mailto:hwildhack@armorycm.com)

Matt Abbott  
Investment Advisor  
315-701-6331  
[mabbott@armorycm.com](mailto:mabbott@armorycm.com)

#### **Conversation Starter**

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