

Rich Investments, Inc.  
Form ADV Part 2A  
Investment Adviser Brochure  
March 31, 2016

This brochure provides information about the qualifications and business practices of Rich Investments, Inc.

If you have any questions about the contents of this brochure, please contact us at 800.290.7424 and/or [krich-falvey@richinvest.com](mailto:krich-falvey@richinvest.com)

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Rich Investments, Inc. is also available on Rich Investments, Inc. Website, [www.richinvest.com](http://www.richinvest.com) and also the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**IMPORTANT NOTICE:** Being a "registered investment adviser" or "registered" does NOT imply a minimum level of skill or training has been demonstrated, nor should it be inferred that the S.E.C. or any other regulatory body has evaluated or specifically approved of the adviser.

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2 Rich Investments, Inc., March 31, 2016

## **Item 2: Summary of Material Changes**

March 31, 2016

**The following summarizes the material changes since our last brochure update on July 17, 2015:**

**NONE**

3 Rich Investments, Inc., March 31, 2016

### **Item 3: Table of Contents**

**Item 2: Summary of Material Changes 2**

**Item 3: Table of Contents 3**

**Item 4: Advisory Business 4**

**Item 5: Fees and Compensation 8**

**Item 6: Performance-Based Fees and Side-by-Side Management 11**

**Item 7: Types of Clients 11**

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

**Item 9: Disciplinary Information 14**

**Item 10: Other Financial Industry Activities and Affiliations 14**

**Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading 14**

**Item 12: Brokerage Practices 16**

**Item 13: Review of Accounts 21**

**Item 14: Client Referrals and Other Compensation 22**

**Item 15: Custody 23**

**Item 16: Investment Discretion 24**

**Item 17: Voting Client Securities 25**

**Item 18: Financial Information 25**

**Item 19: Requirements for State Registered Advisers 26**

**Item 20: Our Privacy and Trade Error Policies 28**

4 Rich Investments, Inc., March 31, 2016

#### **Item 4: Advisory Business**

Rich Investments, Inc. (also referred to as “we”, “us” or “our”) offers investment supervisory services and segmented financial planning advice to individuals, trusts, individual retirement accounts and “Personal Holding Company” corporations (also referred to as “you” or “your”). The firm was founded in 1987, and has operated essentially the same since then. The firm’s founder is its 99% shareholder and an adviser/planner.

Richard Raymond Rich is the President, Chief Executive Officer and Owner. He is an adviser of the firm and his complete background, qualifications and credentials can be found in the supplemental ADV 2 Part B included with this document.

Matthew Robert Falvey is the firm’s Chief Investments Officer . His complete background, qualifications and credentials can be found in the supplemental ADV 2 Part B included with this document.

Karen E. Rich-Falvey is the firm’s Chief Administration Officer, CCO . Her complete background, qualifications and credentials can be found in the supplemental ADV 2 Part B included with this document.

#### **Investment Supervisory Services**

Services we will provide to you include:

- An analysis of your current investments, investment strategy, and risk tolerance.
- Education on investment principles and how you should relate an investment plan to specific financial goals.
- Creation of an investment policy statement, based off of your signed Investor Profile Questionnaire.
- Development of asset allocation models to assist us in the selection of asset classes that are consistent with your stated investment objectives, personal risk tolerance, and overall financial goals.
- Researching and identifying categories of money managers (which may include actively managed or indexed mutual funds) that are compatible with your signed Investor Profile Questionnaire and selecting one or more investment managers in each category. This will typically be based upon analysis using available published data.

- Selection of money managers, which may include mutual fund money managers.

The selection of a money manager will focus on matching the investment philosophies of Rich Investments, Inc. and yourself, as well as other risk and performance criteria.

- Monitoring and reporting of investment returns, including specific performance of your portfolio(s) returns and specific money managers/mutual funds returns.
- Creation of retirement cash flow analysis and estate planning recommendations as requested, if previously agreed to in writing.

### **Implementation of Strategy**

Implementation Alternatives – We will provide you with several different investment platforms to implement your investment strategy. Investments are made exclusively in marketable securities in the form of cash, mutual funds, equivalents (money market funds), open-end mutual funds.

We do NOT recommend individual stocks or bonds (other than Treasury securities) to clients.

We evaluate and recommend investment managers (including mutual funds) whose investment strategies and philosophy align with your investment objectives. Investment managers provide services that include security selection and certain administrative services. We will review the investment managers' performance no less frequently than quarterly to ensure that the portfolio's risk and return characteristics remain consistent with your needs.

We will exercise discretionary control over the managed account adhering to the guidelines established by you and/or as established in the fund's prospectus.

We will monitor performance against benchmarks comprised of various market indices and peer groups, to ensure that the account is being managed in accordance with your risk/return goals. We will ensure that reports are provided at least quarterly to you, detailing the performance.

You will also receive a monthly statement from the independent custodian selected to maintain and safeguard your securities (although you may choose to receive this quarterly). This statement will provide a detail of security positions held, as well as transactions, contributions and distributions executed during the period.

Our investment advisory/consulting program is designed around a five-step asset management process. We will commit to doing the following for you:

- Help you determine your risk profile and investment objectives. Through personal consultations, we will develop a profile of your investment history, needs, objectives, time horizon, and attitudes toward investing.

- Establish an asset allocation policy for your approval. Based upon your needs and objectives, we will develop a personalized asset allocation and investment policy for you. This policy seeks to balance your need for investment return, with your capacity for risk, through the carefully diversified allocation of your investments.
- Diversify your assets among asset classes, asset sub-classes and equity styles in a manner that you agree to and are comfortable with. Your asset allocation policy is implemented by investing with a well-diversified portfolio of multi-manager mutual funds.
- Rebalance your client portfolios. Your investment portfolio is monitored on a regular basis to ensure that it remains consistent with your agreed-upon asset allocation policy. If the relative value of investments in the portfolio changes enough to become inconsistent with your policy target allocation, it is rebalanced at least on a quarterly basis (your portfolio may be rebalanced more frequently if in our opinion that would be the most prudent course of action). The income tax consequences of rebalancing are given consideration where tax sensitivity is identified as a material consideration.
- Safeguard your assets through recommendations for independent custody and reporting services. We may also recommend you use the services of an alternative custodian, Charles Schwab & Co., Inc. ("Schwab"). Under this arrangement, Schwab will be responsible for reporting services including consolidated monthly statements and year-end tax reports. You may also specify a custodian of your own preference; in most instances this would not create a barrier to providing investment services, however, this may create limitations in certain services provided and may result in higher or lower overall costs to you.

We typically maintain discretion for all managed accounts to allow for rebalancing and direct payment of our fees incurred by the managed account money manager. We tailor our advisory services to your individual needs. Portfolio weighting between asset classes and funds will be determined by your individual needs and circumstances.

We do not have pre-established investment models or strategies that you are required to fit into.

We do not participate in wrap fee programs. We are not a broker/dealer nor are we affiliated in any way with a broker/dealer.

## **Financial Planning**

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the

financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

- Certificates of deposit
- Variable life insurance

- Variable annuities
- Mutual fund shares

Typically the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

*LIMITATIONS:* An individual of Rich Investments, Inc is registered as an insurance agent of various insurance companies, recommendations made in financial plans are limited to only those products offered through these companies.

### **Publication of Periodicals**

Rich Investments, Inc publishes a weekly/monthly e-mail newsletter providing general information on various financial topics including, but not limited to, estate and retirement planning, market trends, etc. No specific investment recommendations are provided in this newsletter and the information provided does not purport to meet the objectives or needs of any individual. This newsletter is distributed free of charge to our advisory clients.

### **AMOUNT OF MANAGED ASSETS**

As of 12/31/2015, we were actively managing \$19,937,000 of clients' assets on a discretionary basis.

5 Rich Investments, Inc., March 31, 2016

## Item 5: Fees and Compensation

We are compensated for services based upon a percentage of the value of your assets we supervise and are responsible for. The following fee schedule applies to all investment strategies implemented by us:

Annual Fee Calculation

Total Fee At

On Category Maximum

Value of Advisory Assets Base Fee Plus Assets Over as % of Assets

CONSERVATIVE/DEFENSIVE PORTFOLIO		DYNAMIC GROWTH/ABSOLUTE RETURN/401K NAVIGATOR PORTFOLIO		CATHOLIC VALUES PORTFOLIO	
\$100,000 - \$499,999	1.20%	\$100,000 - \$249,999	1.60%	\$100,000+	1.00%
\$500,000 - \$999,999	1.00%	\$250,000 - \$499,999	1.40%		
\$1,000,000 - \$1,999,999	.90%	\$500,000 - \$999,999	1.20%		
\$2,000,000+	.80%	\$1,000,000+	1.00%		

Our fees are billed in arrears at the end of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Fees will be debited from the account in accordance with the client authorization in the Client Services Agreement. The custodian will also send to you, the client, a statement, at least quarterly, indicating all the amounts disbursed from the account including the amount of advisory fees paid directly to Rich Investments, Inc.

Rich Investments, Inc. send the client a written invoice itemizing the fee, including any formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

A minimum of **\$100,000** of assets under management is required for this service. This account size may be negotiable under certain circumstances.

The above fee schedule will apply unless another fee arrangement is agreed to in writing and signed by both you and Rich Investments, Inc.

## FINANCIAL PLANNING FEES

Rich Investments, Inc's Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a financial plan agreement with any client.

Our Financial Planning fees are calculated and charged on a fixed fee basis, typically ranging from **\$1,000** to **\$1,500**, depending on the specific arrangement reached with the client.

We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will never exceed \$1,500 for work that will not be

completed within six months.

A management personnel of our firm is licensed as an insurance agent. In their separate capacity, this individual is able to implement insurance recommendations for advisory clients for separate and typical compensation (i.e., commissions, or other sales-related forms of compensation). This presents a conflict of interest to the extent that this individual will recommend that a client invest in a Life Insurance or Fixed Annuity, which results in a commission being paid to the individual. Clients are not under any obligation to engage this individual when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client

## **PUBLICATION OF PERIODICALS OR NEWSLETTERS**

Our annual subscription fee is waived for advisory clients of our firm.

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## **GENERAL INFORMATION**

***Termination of the Advisory Relationship:*** You have the right to terminate the agreement with us, without penalty, within 5 business days of the date of executing the initial agreement, and no fee will be charged to you. Thereafter, the agreement will remain in effect until it is terminated. The agreement may be terminated by either party upon thirty (30) days prior written notice to the other. Upon termination of the agreement by either party, a last charge of fees will be paid on a pro-rata basis using the number of days remaining in the quarter beginning on the day following termination of the account, divided by 90.

We will deliver the applicable disclosure brochure(s) or Form ADV Part 2A,2B to you before or at the time we enter into an investment advisory contract with you.

***Mutual Fund Fees:*** All fees paid to Rich Investments, Inc for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs 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 our services. In that case, the client would not receive the services provided by our firm 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. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

***Additional Fees and Expenses:*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information. *Rich Investments, Inc will not receive any part of these fees or commissions.*

***Grandfathering of Minimum Account Requirements:*** Pre-existing advisory clients are subject to Rich Investments, Inc's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

***ERISA Accounts:*** Rich Investments, Inc is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. . As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Rich Investments, Inc may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Rich Investments, Inc's advisory fees.

***Advisory Fees in General:*** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

***Limited Prepayment of Fees:*** Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

6 Rich Investments, Inc., March 31, 2016

### **Item 6: Performance-Based Fees and Side-by-Side Management**

We do not charge “performance based” fees. No fee we charge may be based in any manner or respect on capital gains or capital appreciation of assets held by you. All advisory accounts are charged fees strictly based on a pre-determined fixed percentage of assets, or “assets under management” (AUM) fee. Although our fees will increase as your portfolio’s value increases (and will similarly decrease as the portfolio decreases), this is not a “performance based” fee. A performance based fee is typically calculated on a quarterly or annual basis whereby an *additional “performance” fee* is paid when the portfolio’s performance exceeds that of a predetermined benchmark or goal.

7 Rich Investments, Inc., March 31, 2016

### **Item 7: Types of Clients**

Rich Investments, Inc provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Corporations or other businesses not listed above

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service. We do not impose a minimum annual fee.

## **Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

### **OUR INVESTING PHILOSOPHY**

Markets work. Capitalism works. The global markets have a history of rewarding investors for the capital they supply. Companies compete with each other for investment capital and millions of investors compete with each other to find the most attractive returns. This competition quickly drives prices to fair value, ensuring that no investor can expect greater returns without taking greater risk.

Traditional managers strive to beat the market by taking advantage of pricing mistakes and attempting to predict the future. Wealth is neither created nor preserved by merely moving money from stock to stock, rotating through sectors, or jumping around from manager to manager. Capitalism creates wealth over time by connecting investors of capital with corporations that create wealth from that capital. It's the entrepreneurs, laborers, and managers who together with capital, build companies and help the economy grow.

Most investors are not aware that their chosen approach or the traditional manager's approach to investing is based on predictions and speculation (market timing, stock picking, and trying to take advantage of pricing "mistakes"). Too often this proves costly and futile. Predictions go awry and managers miss the strong returns that markets provide by holding the wrong securities at the wrong time. It is futile to try and outguess the market of environment of randomly fluctuating stock prices, constantly changing interest rates, geo-political and economic developments, and man-made or natural disasters.

### **OUR INVESTMENT STRATEGY**

Rich Investment's Inc. uses a strategy that is evidenced based and rooted in academic, investment science. We use scientific, engineered portfolios that incorporate asset classes from around the world in order to offer our investors the opportunity to fully participate in the global capital markets.

Our selection of asset classes is largely influenced by the research of Nobel laureate and Professor Eugene Fama, Sr. (University of Chicago) and Professor Kenneth French (Dartmouth College). Decades of investment science research have identified that both risk and return are related and that there are factors of higher expected returns in the global capital markets.

Portfolios can be structured around these factors, which are sensible, backed by academic, investment research, and cost effective to capture in diversified portfolios.

We intentionally build our portfolios to take advantage of risk, science of risk control, that will compensate our investors with higher expected returns and we eliminate risks not worth taking through comprehensive, global asset allocation.

We do not market time, speculate, nor try to guess the future.

Our approach ignores the main stream/Wall Street media and instead gains insight about the markets from academic research relying on sound, scientific fundamentals to guide the process.

The risks inherent in the strategies we employ are as follows:

1. There are times when all (or enough) asset and sub-asset classes fall and cause the total portfolio to lose market value for a period of time. If you liquidate your portfolio during this time you will have realized a loss on your investment. Diversification and allocating assets cannot guarantee against losses for any specific period of time.

2. A portfolio allocation that varies from the market allocation weightings of world asset classes and sub-classes, may underperform a more neutral allocation based on all existing asset classes and their respective weightings.

3. Not all asset classes available to investors will necessarily be included in your portfolio strategy. Therefore, it is possible that you may not be invested in the highest performing asset class or sub-asset class at any given point in time.

4. Some clients may decide to adopt a more dynamic approach to their allocation strategy, and as a result will have us make more frequent changes to their models based on changes in capital markets expectations for selected asset and sub-asset classes. These portfolios may do better or may do worse than more strategic long term commitments. In taxable accounts, these strategies will suffer from the added costs of additional realized capital gains and trading costs (where applicable).

5. Managers and funds used are typically active managers (though you may decide you prefer to implement the investment strategy with index fund alternatives). The risk of active money management is that the manager may underperform the index benchmark for a period of time. At times, underperformance could be substantial. Alternatively, the use of index alternatives essentially assures you will underperform the index, though the degree of that underperformance is presumably more predictable.

6. Rebalancing of the portfolio back to the target allocation model can have tax consequences which may increase the cost of employing this investment strategy in taxable accounts.

Funds used are, with limited exceptions, low cost funds in or near the top twenty five percent (lowest cost) of funds for the particular asset class or sub-class in question. Typically, though with rare exception, funds used do not employ leverage, derivatives or options strategies.

9 Rich Investments, Inc., March 31, 2016

### **Item 9: Disciplinary Information**

There are no legal or disciplinary events to disclose.

10 Rich Investments, Inc., March 31, 2016

### **Item 10: Other Financial Industry Activities and Affiliations**

Our firm is engaged in other financial industry activities.

#### **Karen Rich-Falvey does provide Tax Preparation Services to some Rich Investments Inc. clients.**

Karen Rich-Falvey is a tax preparer doing business in her name. This is not an investment business. Karen Rich-Falvey prepares annual tax returns for individuals and small businesses. The fee for tax preparation services ranges from \$125-\$450 depending on the amount of work that needs to be done to prepare the tax returns.

Karen Rich-Falvey has been preparing tax returns since 1996. 10-15 hours a month are spent working on this business.

#### **Matthew R. Falvey does sell Insurance Products to some Rich Investments Inc. clients.**

As a licensed insurance agent, Matthew R. Falvey may offer insurance products and receive normal and customary commissions as a result of these transactions. A conflict of interest may arise as these commissionable sales may create an incentive to recommend products based on the compensation Matt may earn. It is our fiduciary duty to make every effort to put our client's best interest before our own and to comply with our firm's Code of Ethics.

While we may recommend or select other investment advisers (money managers) for you, we do not receive any compensation for making these recommendations, thus eliminating any potential conflict of interest. Nor do we have any business relationships with advisers that would create a potential conflict of interest.

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

Our “Code of Business Conduct” (“Code”) is designed to address and avoid undisclosed conflicts of interest relating to personal trading and related activities and is based on three underlying principles:

A. We will at all times place the interests of our advisory clients first. In other words, as a fiduciary we will scrupulously avoid serving our own personal interests ahead of the interests of our clients.

B. We will make sure that all personal securities transactions are conducted consistent with the Code and in such a manner as to avoid any actual or potential conflicts of interest or any abuse of an individual’s position of trust and responsibility.

C. Investment advisory personnel should not take inappropriate advantage of their positions. The receipt of investment opportunities, perquisites, or gifts greater in value than \$100, from persons seeking business with us, could call into question the exercise of our independent judgment and are not allowed. Our Code contains a number of requirements and procedures relating to personal trading by Rich Investments, Inc.’ access persons and their families.

Our Code specifically prohibits the following:

- Guarantees Against Loss - No guarantee against losses with respect to any securities transactions or investment strategies may be made.
  
- Guarantees or Representations as to Performance - No guarantee may be made that a specific level of performance will be achieved or exceeded on or by a future date. Any mention of an investment's past performance or value must include a statement that it does not necessarily indicate or imply a guarantee of future performance or value.
  
- Sharing in Profits or Losses - sharing in the profits or losses of a client's account, except with the prior written approval of, and under such conditions or restrictions as may be required by the CEO and CCO (Chief Compliance Officer), is not allowed.
  
- Borrowing From or Lending to a Client - No adviser may borrow funds or securities from, or lend funds or securities to, any client of Rich Strategies without written approval by the CEO and CCO.
  
- Acting as Custodian or Trustee for Client – No adviser may act as custodian of securities, money or other funds or property of a client. No

supervised person may act or serve as a trustee of any client without written authorization from the CEO.

Whether or not a specific provision of our Code addresses a particular situation, we must conduct our personal trading activities in accordance with the general principles contained in the Code and in a manner that is designed to avoid any actual or potential conflicts of interest.

Because governmental regulations and industry standards relating to personal trading and potential conflicts of interest can change over time, we reserve the right to modify any or all of the policies and procedures set forth in our Code of Ethics.

We (our principals and associates) may buy or sell mutual fund securities for our own accounts that we have recommended to clients, except where we believe a conflict of interest could arise.

We (including all “designated persons”) will seek to ensure that we do not personally benefit from the short-term market effects of our investment recommendations. Other than investments in mutual funds or Treasury Securities, we do not advise any of our clients to purchase interests in securities that may also be owned by us or by any person or company affiliated with us.

Principals and associates, as well as employees or affiliated parties, may have personal accounts supervised by us. The management of these portfolios is carried out using the same strategies, guidelines, methodologies, and procedures used for all of our clients. The accounts of the Principals and their immediate family pay no advisory fees to Rich Investments, Inc. for these services, although they pay the same fund management/overhead expenses and manager fees as our clients with these same funds or managers.

To prevent conflicts of interest, all of our employees must comply with our written Policies and Procedures, which impose restrictions on the purchase or sale of securities for their own accounts (and the accounts of any affiliated persons, if there were any).

These restrictions include the review of all employee and associated person trades by the CCO, and quarterly reporting of all personal securities transactions, except exempt transactions such as “registered investment company securities” ( mutual funds) and Treasury securities. Further, our Policies and Procedures impose specific rules that address the misuse of material non-public information which are designed to prevent insider trading by any officer, partner, or associated person of Rich Investments.

Neither we nor any associated persons have any material financial interest in client transactions beyond providing investment advisory services as disclosed in this “Brochure.”

However, we may, and many times do, invest in the same securities or managers that we recommend to you, and may do so at or about the same time as we buy and sell securities for you. No potential conflicts of interest can arise since the securities we use for you are mutual funds, Treasury securities.

Clients and potential clients may request a complete description of our “Code of Ethics”, by contacting the Firm in writing to request a copy.

12 Rich Investments, Inc., March 31, 2016

### **Item 12: Brokerage Practices**

We typically have a limited power of attorney to act on a discretionary basis on your behalf, based on your agreement with the custodian selected. When such limited powers exist between you and us, we may choose both the amount and type of publicly traded securities to be bought to satisfy your objectives. However, your investment policy statement creates specific guidelines for the types of securities that may be used for your account. Additionally, the specific securities to be purchased for your account will be discussed and approved by you in advance.

We will generally recommend that portfolio management clients establish custodial/brokerage accounts with Schwab Institutional division of Charles Schwab & Co., Inc. (Schwab), a registered broker/dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. You are required to use this custodians to engage us as your adviser.

We are independently owned and operated and not affiliated with Schwab. This firm provides us with access to their institutional trading and custody services.

These services generally are available to independent investment advisers on an unsolicited basis and are not otherwise contingent upon Rich Investments, Inc. committing to Schwab any specific amount of business (assets in custody or trading).

For our client accounts maintained at Schwab, custody is provided with no direct fee charge, as Schwab is compensated through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts. The brokerage commissions and/or transaction fees charged by Schwab or any other designated broker/dealer are exclusive of and in addition to our fees and we do not receive any portion of these charges.

We may receive from Schwab, at no cost, professional services, computer software and related systems support, enabling us to better monitor client accounts maintained at these custodians. We may receive this support without cost because of the portfolio management services rendered to clients that maintain assets at these custodians. The support provided may benefit us, but not clients directly. In fulfilling our duties to our clients, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that receipt of economic benefits from a custodian may create a

conflict of interest since these benefits could potentially influence our choice of custodian over another custodian that does not furnish similar services, software and systems support.

### **Best Execution**

The commissions paid by our clients shall comply with our duty to obtain “best execution.” However, a client may pay a commission that is higher than another qualified broker/dealer might charge to effect the same transaction where we have determined, in good faith, that the commission is reasonable.

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker/dealer’s services, including among others, overall reputation, execution capability, transaction costs, reliability and responsiveness. Consistent with the foregoing, while we will seek to ensure you receive competitive rates, you may not necessarily obtain the lowest possible transaction cost for any given securities transaction.

If you request we arrange for the custody of your account, the execution of securities brokerage transactions shall be directed through the broker/dealer affiliated with the custodian selected. We shall periodically review our policies and procedures regarding recommending custodians, and their affiliated broker/dealers, to clients in light of our duty to ensure you are receiving best execution services.

Typically, you do not have the ability to direct us to use a particular broker-dealer to execute transactions for your account, unless you have selected a custodian that allows you to do so. In that case, you will negotiate terms and arrangements for the account with that broker-dealer, and we will be under no obligation to seek better execution services or prices from other broker/dealers or be able to “batch” client transactions for execution through other broker/dealers with orders for other accounts managed by us. As a result, you may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

We do not have arrangements (often referred to as “soft dollar” arrangements), either orally or in writing, where we are paid cash by or receive commissions, or equipment, from a non-client in connection with giving advice to clients. However, we do recommend that clients establish brokerage accounts with certain broker/dealers to maintain custody of clients’ assets and to effect trades for their accounts. These broker/dealers may provide us with access to trading and operations services, which may not typically be available to retail investors, and which facilitate our ability to serve you using that custodian.

These services generally are available to independent investment advisers at no charge to them so long as some minimum amount of the adviser’s client assets are maintained

at the custodian. These services include research, performance reports, discount brokerage, custody, access to certain mutual funds and money managers and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment.

Additionally, benefits include websites and software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution, provide pricing information, performance reporting and other market data, and facilitate payment of the Firm's fees from client accounts. Services that we may avail ourselves of may include publications and presentations on investment issues that may benefit all clients, not just those of that custodian. Although the custodian or broker/dealer may discount or waive fees it would otherwise charge for some of these services, if there is such a fee waiver or discount for a product or service not within the "Section 28(e) safe harbor," we will either refuse the benefit or pay the full undiscounted fee that would otherwise be charged if we did not have clients using that custodian or broker/dealer.

Finally, it is usual for these custodians or broker/dealers, fund companies or management firms to provide investment education opportunities and custodian updates with certain expenses paid for by the custodian. Expenses may include room and board and certain ground transportation reimbursements only. We may participate in these programs from time to time.

The availability of these products and services is *not* contingent upon our committing to any broker/dealer any specific amount of trading, although there is typically a minimum asset level required to qualify for certain of the institutional services detailed above. These services are typical of many discount brokerage firms and other custodians serving the adviser marketplace. While these services may provide benefits to us, and in most cases to our clients, such services do not constitute a determining factor for us in the selection and recommendation of a particular firm as custodian and/or broker/dealer. If we believed another custodian or broker/dealer would provide better, safer, superior service to you and our other clients, we would recommend them.

We do not use brokerage commissions to obtain research or other products or services. Commissions paid by our clients represent fair and reasonable discount brokerage firm rates when held at Schwab.

The benefits received from the custodians we use for asset custody are relatively minor. Our first consideration is the low cost of trades and quality of custody services and quality of the monthly statements received by our clients.

Research from Schwab does not constitute an important source of information for us as we do not select individual stocks and bonds. We avail ourselves of other outside, independent sources for manager and mutual fund information as well as for market and economic analysis. We consider the value of such information from custodians to be inconsequential to our decision making process.

We do not and will not cause you to pay commissions higher than those charged by other broker/dealers in return for “soft dollar” benefits. Clients pay standard discount brokerage rates at Schwab Institutional.

You do not pay for any potential “soft dollar” benefits we may receive from the custodians/discount brokers we use. We use custodians and their related broker/dealers because they provide safety, security, low cost competitive trades and clear and accurate monthly statements to you. They do not charge you more than their other customers because of benefits we might receive from them. You do not pay higher than market commissions for trades so that we can receive benefits from a custodian.

We do not consider, in selecting or recommending broker/dealers, whether we receive client referrals from a broker-dealer or third party. We do not have any arrangements with any third parties relating to receiving referrals of clients.

You may use the custodian and broker/dealer of your choice. We do not dictate the custodian to be used, though we will recommend the custodians we believe will be beneficial to your best interest. Once a custodian is selected, it is anticipated that this custodian will execute any and all trades we submit to them. Essentially, we trade in mutual funds almost exclusively with very minor and rare exceptions.

Therefore, trade execution is not an issue, only the cost of the trade which has been addressed above.

Rich Investments, Inc. only trades in mutual funds and only very occasionally, short term Treasury securities. Clients are not involved in directing brokerage beyond selecting a custodian or discount broker to maintain custody of their securities.

Given the nature of the securities we use for your account(s), we do not aggregate the purchase or sale of securities. We do not have opportunities to benefit from aggregate trades, as we trade only in mutual funds and Treasuries at this time.

13 Rich Investments, Inc., March 31, 2016

### **Item 13: Review of Accounts**

**REVIEWS:** While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: Richard Raymond Rich, President and CEO and Matthew R. Falvey, Chief Investment Officer.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide you access to quarterly reports summarizing account performance, balances and holdings. You can view this quarterly portfolio profile report from the broker-dealer website.

You may request a review at any time, whether this is an investment policy statement review, other financial planning issue review or a portfolio performance review. In addition, if an event comes to our attention we may also initiate a review if, in our opinion, the event warrants such action.

14 Rich Investments, Inc., March 31, 2016

### **Item 14: Client Referrals and Other Compensation**

We receive no cash payments from any party, affiliated or unaffiliated with us, for providing investment or any financial related services to our clients. If monetary benefits are offered by any custodian or other service provider for any reason, other than as a reasonable affinity discount from independent service providers who support our client service model, it is against our stated policies and procedures to accept such payments (e.g. we will not accept money or money's worth for marketing related activities if and when offered).

We do have the opportunity to receive traditional "non-cash benefits" from Schwab Institutional (Schwab). These non-cash benefits may include customized statements for you, receipt of client confirmations of contributions and distributions from your account(s) and bundled duplicate electronic statement downloads; ability to have investment advisory fees deducted directly from your account(s); access to an electronic communication network for accessing your account information; access to mutual funds which generally require significantly higher minimum initial investments or those that are otherwise only generally available to institutional investors or other limited distribution channels; reporting features; receipt of industry communications; and reasonable discounts on business-related products ("affinity discounts") from time to time.

Schwab may also provide cash and other non-cash benefits relating to marketing of our services from time to time, however, we do not take advantage of any such benefits.

Schwab may also provide general access to research and discounts on research related products from time to time. Any research received is used for the benefit of all clients. We have no formal written or verbal arrangements/agreements whereby we receive “soft dollar” benefits. From time to time, Schwab Institutional may offer to us the opportunity to attend industry-related conferences or other similar benefits; however, we do not believe that such incentives impair our independence or objectivity.

We will generally recommend that you establish custody/brokerage accounts with the Schwab Institutional® division of Charles Schwab & Co., Inc. (Schwab), to maintain custody of your assets and to effect trades for your account(s). This firm provide us with access to institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a certain minimum amount of an adviser’s clients’ assets are maintained with them. These services are not contingent upon us committing to any specific amount of transaction business (trading commissions).

For our client’s accounts in Schwab’s custody, Schwab will generally not charge separately for custody services. They are compensated by account holders through commissions and other transaction-related or asset-based fees. Schwab Institutional makes available to us other products and services that benefit us but may not directly benefit client accounts. Many of these products and services may be used to service all or some substantial number of our accounts, including accounts not maintained at Schwab.

Schwab’s products and services that assist us in managing and administering clients’ accounts can include website access and other technology that (i) provide 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; (iv) facilitate payment of our fees from our clients’ accounts; and (v) assist with back-office functions, recordkeeping and client reporting. We do not avail ourselves of all of these potential benefits though they are available to us.

Schwab Institutional also offers other services intended to help us manage our business enterprise. These services may include: (i) compliance, legal and business consulting, research and advice; and (ii) publications and conferences on practice management and business succession. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to us, although we do not presently avail ourselves of such benefits from Schwab. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third party providing these services to us.

Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of Rich Investments, Inc. personnel (e.g., a dinner or local sporting event - none of our personnel have participated in such an event since the inception of the firm). In evaluating whether to recommend or require that clients custody their assets at Schwab, we will not take into account the availability of the foregoing products and services and other arrangements as part of the total mix of factors we consider, but instead will solely consider the nature, cost and/or quality of custody and brokerage services provided by Schwab. These ancillary services provided by Schwab are not unique to Schwab, and other custodians provide similar if not identical support service to advisers.

Although we may recommend that clients establish custody/brokerage accounts at Schwab Institutional (a FINRA-registered broker-dealer, member SIPC), it is the client's decision to custody assets with Schwab . We are independently owned and operated and not affiliated with Charles Schwab & Co., Schwab Institutional.

We do not, directly or indirectly, compensate any person for client referrals.

15 Rich Investments, Inc., March 31, 2016

### **Item 15: Custody**

We do not take custody of your assets. Your assets are held in the custody of a bank, trust company or segregated brokerage firm account, selected by you and agreed to by us. You would authorize us (in our agreement) to debit fees directly from your account at the selected custodian. The custodian is advised in writing of the limitations of our access to your account.

The custodian sends a "value and activity" statement to you, at least quarterly, indicating all amounts disbursed from your account(s), including the amount of advisory fees paid directly to us, as well as all contributions made and other transactions during the period, as well as a detail of account holdings at the end of the period.

Statements from the custodian containing the fee distribution activity (the first month of every calendar quarter) should be carefully reviewed for appropriateness of the fee calculation. The custodian is not responsible for the fees paid to us, therefore, you are responsible for ensuring the amounts are correct.

While we will assist clients in establishing and maintaining accounts at the custodian, we shall have no responsibility or liability with respect to custodial arrangements or the acts, omissions or other conduct of the custodian.

You will not receive "value and activity" account statements directly from us. They will be mailed to you by the custodian.

Rich Investments, Inc. possesses written authorization from the client to deduct advisory fees from the account held by a qualified custodian. Rich Investments, Inc. sends the qualified custodian written notice of the amount of the fee to be deducted from the client's account. Rich Investments, Inc. send the client a written invoice itemizing the fee, including any formula used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based.

16 Rich Investments, Inc., March 31, 2016

### **Item 16: Investment Discretion**

We typically are given a limited power of attorney to act on a discretionary basis on your behalf for purposes of selling and buying mutual funds and other securities in certain limited circumstances. When such limited powers exist between us, we have the power to choose both the amount and type of publicly traded mutual funds to be bought and sold to satisfy client account objectives, without your explicit approval, but within the defined limits agreed to in your investment policy statement.

Generally, these powers are as described in the custodial agreement, as your agreement with us does not, in and of itself, provide for powers of attorney or for any discretion over assets. In practice, we will follow the investment policy statement regarding the types of funds and assets to use and the amounts of your assets committed to each fund or asset type. No new investment will be purchased in your account without first documenting your agreement to this change in your signed investment policy statement, or other written communication. In practice, typically only rebalancing will take place without your explicit consent and approval.

Additionally, we will accept any reasonable limitation or restriction to such authority on the account by you, though modification of certain discretionary powers may require selection of a custodian other than Schwab Institutional.

All modifications to limitations and restrictions on accounts must be presented to us, and agreed to, in writing. In addition, you may specifically restrict the types of investments which may be purchased for your account and these restrictions shall be specified and documented in an investment policy statement specifically created for you.

17 Rich Investments, Inc., March 31, 2016

### **Item 17: Voting Client Securities**

We do not have any authority to, and consequently do not, vote proxies on your behalf. You retain the responsibility for receiving and voting proxies for any and all securities maintained in your portfolio(s).

In addition, we will neither advise nor act on your behalf in legal proceedings involving companies whose securities are held or previously were held in your account(s), including, but not limited to, the filing of Proofs of Claim in class action settlements. If desired, you may direct us to transmit copies of class action notices to you or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

You will receive proxy voting requests and information from the custodian that holds your securities. We may provide advice to you regarding your voting of proxies if you request such advice. You may contact us by telephone or email with questions regarding such proxies.

18 Rich Investments, Inc., March 31, 2016

### **Item 18: Financial Information**

We will never require an advance prepayment of any amount that covers a six month or greater period of time. Though you will pay in arrears for advisory services, that period will never cover more than a three month period. There is no financial condition of the firm that would likely impair our ability to meet contractual commitments to you or to any of our clients.

We have limited discretionary authority over trades in your account(s) as described above in Item 16. In addition, we have authority to instruct the custodian to pay your quarterly fee from your account to us. By specific agreement with Schwab we cannot transfer your assets to any other accounts (including your own) without your signature approval.

We (meaning the firm, its principals, officers and advisers), have never been the subject of a bankruptcy petition.

19 Rich Investments, Inc., March 31, 2016

### **Item 19: Requirements for State Registered Advisers**

**1. Executive officers and/or management persons not otherwise listed** in the ADV 2B Supplement attached to this document:

Karen E Rich-Falvey is Chief Operating Officer of Rich Investments, Inc.. She has experience in project management, technology utilization, budgeting, forecasting, financial management, computer infrastructure and client service initiatives before joining the firm. Her responsibilities include managing the administrative and certain operational aspects of the firm, and teaming with the firm's president to ensure daily and long term client service requirements are met.

Karen's formal training includes an Accounting/Business and Finance business degree from the College of Business at the Mount Saint Mary's University. She received her degree in two major areas of study, obtaining recognition for concentrated studies in both Accounting and Finance Information Systems.

**2. Karen Rich-Falvey does provide Tax preparation services to some clients.** We do not engage in any other business that is not directly connected to providing investment and financial advice and services to clients. This may include financial planning as discussed above, or in very limited cases bookkeeping services may be provided. However, these are part and parcel of the investment supervisory services we provide and are not separately available to individuals who are not investment supervisory clients.

**2. Matthew R. Falvey does sell Insurance Products to some Rich Investments Inc. clients.** As a licensed insurance agent, Matthew R. Falvey may offer insurance products and receive normal and customary commissions as a result of these transactions. A conflict of interest may arise as these commissionable sales may create an incentive to recommend products based on the compensation Matt may earn. It is

our fiduciary duty to make every effort to put our client's best interest before our own and to comply with our firm's Code of Ethics.

While we may recommend or select other investment advisers (money managers) for you, we do not receive any compensation for making these recommendations, thus eliminating any potential conflict of interest. Nor do we have any business relationships with advisers that would create a potential conflict of interest.

**3.** We do not, nor do any of our supervised persons, receive "performance based" fees. Performance based fees are generally defined as those additional and incremental fees paid for a period of time (typically a quarter or year) on performance that exceeds some predetermined amount (a "benchmark"). Although our fees will increase and decrease as your portfolio size increases or decreases based on performance, or from contributions and distributions, these are not considered "performance based" fees.

**4.** Neither we, nor any of our owners or management persons, have been involved in any of the events listed below:

a. An award, or otherwise being found liable, in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

b. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

**5.** Neither we, nor any of our owners or management personnel, have any arrangements or relationships with any issuer of securities.

20 Rich Investments, Inc., March 31, 2016

## **Item 20: Our Privacy Policy and Trade Error Policy**

### ***Your Privacy***

We are committed to keeping the personal information collected from our potential, current and former clients confidential and secure. The proper handling of personal information is one of our highest priorities. We want to be sure that you know why we need to collect personal information from you. We also want to explain to you our commitment to protect the information you provide to us. We never sell your information to any outside parties.

## **Client Information**

We collect and keep only information that is necessary for us to provide services requested by you and to administer your business with us. We may collect nonpublic personal information:

- from you when you complete an application, subscription documents or other forms. This includes information such as name, address, social security number, assets, income, net worth and other information deemed necessary to evaluate your financial needs.
- as a result of transactions with us or others. This could include transactions completed with us, information received from outside vendors to complete transactions or to effect financial goals.

**Sharing Information:** We only share your nonpublic personal information with other companies or individuals as permitted by law, such as your representative within our firm, custodian or broker/dealer firm, issuer, mutual funds, insurance companies and other service support vendors, or to comply with legal or regulatory requirements. In the normal course of our business, we may disclose information we collect about you to companies or individuals that contract with us to perform servicing functions such as:

- Record keeping and performance reporting
- Computer related services
- Good faith disclosure to regulators who have regulatory authority over the company

Companies we hire to provide support services are not allowed to use your personal information for their own purposes and are contractually obligated to maintain strict confidentiality. We limit their use of your personal information to the performance of the specific service we have requested.

We do not provide your personally identifiable information, or any information for that matter, to mailing list vendors or solicitors for any purpose.

When we provide personal information to a service provider, we require these providers to agree to safeguard your information, to use the information only for the intended purpose, and to abide by applicable law.

The law allows you to "opt out" of certain kinds of information sharing with unaffiliated third parties. The Firm does not share personal information about you with any third parties that triggers this opt-out right. This means **YOU ARE ALREADY OPTED OUT.** Only employees and direct service providers with a valid business reason have access to your personal information. All such access organizations understand the importance of maintaining the confidentiality and security of this information.

We maintain security standards to protect your information, whether written, spoken, or electronic.

Our goal is to maintain accurate, up-to-date client records in accordance with industry standards and regulatory requirements. We have procedures in place to keep information current and complete, including timely correction of inaccurate information.

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If the trade error is the responsibility of the executing broker, and the corrected trade error results in a profit, the trade error will be corrected in the trade error account of the executing broker-dealer and you will not keep the profit. If the trade error is the responsibility of Rich Investments, Inc., a determination will be made as to whether the error was a detriment or a benefit to you. If to your benefit, then no trade error correction will take place and you will keep the profit from the error.

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# Rich Investments, Inc. Form ADV Part 2B Investment Adviser Brochure Supplement

Richard Raymond Rich  
11 East Market Street, Suite 202A  
800.290.7424

March 31, 2016

This brochure supplement provides information about Richard Raymond Rich that supplements the Rich Investments, Inc. brochure. This brochure supplement provides information about Richard Raymond Rich that supplements the Rich Investments, Inc. brochure. You should have received a copy of that brochure. Please contact Richard Raymond Rich, President, if you did not receive Rich Investments, Inc. brochure or if you have any questions about the contents of this supplement.

If you have any questions about the contents of this brochure, please contact us at 800.290.7424 and/or [krich-falvey@richinvest.com](mailto:krich-falvey@richinvest.com)

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Richard Raymond Rich is also available on Rich Investments, Inc. Website, [www.richinvest.com](http://www.richinvest.com) and also the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Rich Investments, Inc.  
11 East Market Street, Suite 202A  
York, PA 17401  
800-290-7424  
[krich-falvey@richinvest.com](mailto:krich-falvey@richinvest.com)  
[www.richinvest.com](http://www.richinvest.com)

**Item 2: Educational Background and Business Experience**

**RICHARD RAYMOND RICH** - President/CEO, Investment Advisor

**Year of Birth: 1942**

**EDUCATION, DESIGNATIONS AND PREVIOUS EMPLOYMENT,****Education:*****Widener University, Chester, PA:***

1976 Bachelor of Business Administration – Majors: Finance,

**Employment History:**

Rich Investments, Inc. President, CEO

1987 - Present

Engravers Text Company, President/CEO

1976 - 1987

Sun Shipbuilder Company & United Engineers

1964 - 1976

**Description of Designations:**

**None**

**Item 3: Disciplinary Information**

There exist no legal or disciplinary events that you should be aware of in your evaluation of Richard Raymond Rich.

**Item 4: Other Business Activities**

**None**

**Item 5: Additional Compensation**

Mr Rich does not receive economic benefits other than salary (and owner distributions) for providing advisory services through the firm.

**Item 6: Supervision**

Richard Raymond Rich, as the president, chief investment officer supervises himself. All advice is continually reviewed by and meets the approval of the president and CEO of the firm.

The name, title and telephone number of the person responsible for supervising Richard Raymond Rich advisory activities on behalf of our firm is as follows:

Richard Raymond Rich, President, CEO, may be reached at 800.290.7424

**Item 7: Requirements for State Registered Advisers**

Richard Raymond Rich has NOT been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

(a) an investment or an investment-related business or activity;

(b) fraud, false statement(s), or omissions;

(c) theft, embezzlement, or other wrongful taking of property;

(d) bribery, forgery, counterfeiting, or extortion;

or

(e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

(a) an investment or an investment-related business or activity;

(b) fraud, false statement(s), or omissions;

(c) theft, embezzlement, or other wrongful taking of property;

(d) bribery, forgery, counterfeiting, or extortion;

or

(e) dishonest, unfair, or unethical practices.

Richard Raymond Rich has never been the subject of a bankruptcy petition.

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# Rich Investments, Inc. Form ADV Part 2B Investment Adviser Brochure Supplement

Matthew Robert Falvey  
11 East Market Street, Suite 202A  
800.290.7424

March 31, 2016

This brochure supplement provides information about Matthew Robert Falvey that supplements the Rich Investments, Inc. brochure. This brochure supplement provides information about Matthew Robert Falvey that supplements the Rich Investments, Inc. brochure. You should have received a copy of that brochure. Please contact Richard Raymond Rich, President, if you did not receive Rich Investments, Inc. brochure or if you have any questions about the contents of this supplement.

If you have any questions about the contents of this brochure, please contact us at 800.290.7424 and/or [krich-falvey@richinvest.com](mailto:krich-falvey@richinvest.com)

Additional information about Matthew Robert Falvey is also available on Rich Investments, Inc. Website, [www.richinvest.com](http://www.richinvest.com) and also the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Rich Investments, Inc.  
11 East Market Street, Suite 202A  
York, PA 17401  
800-290-7424  
[krich-falvey@richinvest.com](mailto:krich-falvey@richinvest.com)  
[www.richinvest.com](http://www.richinvest.com)

## **Item 2: Educational Background and Business Experience**

**MATTHEW ROBERT FALVEY** – Chief Investment Officer

**Year of Birth: 1970**

### **EDUCATION, DESIGNATIONS AND PREVIOUS EMPLOYMENT,**

#### **Education**

***Mount Saint Mary's University, Emmitsburg, MD:***

1993 Bachelor of Science – Majors: Business and Finance,

#### **Employment History:**

Rich Investments, Inc. CIO

2002 - Present

Schering Plough, Medical Device Sales

1999 - 2002

Pfizer Pharmaceuticals, Sales Rep

1996 – 1999

United States Army, 82<sup>nd</sup> Airborne Division, Second Lieutenant

#### **Description of Designations:**

**None**

## **Item 3: Disciplinary Information**

There exist no legal or disciplinary events that you should be aware of in your evaluation of Matthew Robert Falvey.

## **Item 4: Other Business Activities**

**Matthew R. Falvey does sell Insurance Products to some Rich Investments Inc. clients.** As a licensed insurance agent, Matthew R. Falvey may offer insurance products and receive normal and customary commissions as a result of these transactions. A conflict of interest may arise as these commissionable sales may create an incentive to recommend products based on the compensation Matt may earn. It is our fiduciary duty to make every effort to put our client's best interest before our own and to comply with our firm's Code of Ethics.

While we may recommend or select other investment advisers (money managers) for you, we do not receive any compensation for making these recommendations, thus eliminating any potential conflict of interest. Nor do we have any business relationships with advisers that would create a potential conflict of interest.

## **Item 5: Additional Compensation**

Matthew Robert Falvey does not receive economic benefits other than salary for providing advisory services through the firm.

**Item 6: Supervision**

Matthew Robert Falvey, as the Chief Investment Officer is supervised by Richard Raymond Rich, president, CEO.

All advice is continually reviewed by and meets the approval of the president and CCO of the firm.

The name, title and telephone number of the person responsible for supervising Matthew Robert Falvey advisory activities on behalf of our firm is as follows:  
Richard Raymond Rich, President, CEO, may be reached at 800.290.7424

**Item 7: Requirements for State Registered Advisers**

Matthew Robert Falvey has NOT been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion;

or

(e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion;

or

(e) dishonest, unfair, or unethical practices.

Matthew Robert Falvey has never been the subject of a bankruptcy petition.

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# Rich Investments, Inc. Form ADV Part 2B Investment Adviser Brochure Supplement

Karen E. Rich-Falvey  
11 East Market Street, Suite 202A  
800.290.7424

March 31, 2016

This brochure supplement provides information about Karen E. Rich-Falvey that supplements the Rich Investments, Inc. brochure. This brochure supplement provides information about Karen E Rich-Falvey that supplements the Rich Investments, Inc. brochure. You should have received a copy of that brochure. Please contact Richard Raymond Rich, President, if you did not receive Rich Investments, Inc. brochure or if you have any questions about the contents of this supplement.

If you have any questions about the contents of this brochure, please contact us at 800.290.7424 and/or [krich-falvey@richinvest.com](mailto:krich-falvey@richinvest.com)

Additional information about Karen E Rich-Falvey is also available on Rich Investments, Inc. Website, [www.richinvest.com](http://www.richinvest.com) and also the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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[www.richinvest.com](http://www.richinvest.com)

**Item 2: Educational Background and Business Experience**  
**KAREN E RICH-FALVEY – Chief Administration Officer, CCO**

**Year of Birth: 1972**

**EDUCATION, DESIGNATIONS AND PREVIOUS EMPLOYMENT,**  
**Education**

***Mount Saint Mary's University, Emmitsburg, MD:***

1994 Bachelor of Science – Majors: Business and Finance,

1994 Bachelor of Science – Majors: Accounting,

**Employment History:**

Rich Investments, Inc. CCO, CAO

1996 - Present

Rhone-Poulenc Ag, Assistant to VP of Finance

1995 - 1997

**Description of Designations:**

**None**

**Item 3: Disciplinary Information**

There exist no legal or disciplinary events that you should be aware of in your evaluation of Karen E Rich-Falvey.

**Item 4: Other Business Activities**

**Karen Rich-Falvey does provide Tax preparation services to some clients.** We do not engage in any other business that is not directly connected to providing investment and financial advice and services to clients. This may include financial planning as discussed above, or in very limited cases bookkeeping services may be provided. However, these are part and parcel of the investment supervisory services we provide and are not separately available to individuals who are not investment supervisory clients.

**Item 5: Additional Compensation**

Karen E Rich-Falvey does not receive economic benefits other than salary for providing advisory services through the firm.

**Item 6: Supervision**

Karen E Rich-Falvey, as the CCO, Chief Administrative Officer is supervised by Richard Raymond Rich, President, CEO.

All advice is continually reviewed by and meets the approval of the president of the firm.

The name, title and telephone number of the person responsible for supervising Karen E Rich-Falvey advisory activities on behalf of our firm is as follows:

Richard Raymond Rich, President, CEO, may be reached at 800.290.7424

**Item 7: Requirements for State Registered Advisers**

Karen E Rich-Falvey has NOT been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion;

or

(e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion;

or

(e) dishonest, unfair, or unethical practices.

Karen E Rich-Falvey has never been the subject of a bankruptcy petition.

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