

**Part 2A of Form ADV: *Firm Brochure***

**Prometheus Capital Management Corp.**

30 South Main Street  
Yardley, PA 19067

Telephone: 215-321-9312  
Email: [swetzel@prometheuscapital.net](mailto:swetzel@prometheuscapital.net)  
Web Address: [www.procap.net](http://www.procap.net)

3/17/2020

This brochure provides information about the qualifications and business practices of Prometheus Capital Management Corp. If you have any questions about the contents of this brochure, please contact us at 215-321-9312 or [info@procap.net](mailto:info@procap.net). 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 Prometheus Capital Management Corp. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 121982.

Please Note: Registration as a registered investment adviser does not imply a certain level of skill or training.

## **Item 2 Material Changes**

The SEC adopted "Amendments to Form ADV" in July, 2010. This Firm Brochure, dated 03/17/2020, is our new disclosure document prepared according to the SEC's new requirements and rules. As a SEC registered investment adviser, our firm is required to comply with the new reporting and filing requirements. As you will see, this document is a narrative that is substantially different in form and content, and includes some new information that we were not previously required to disclose.

After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

Prometheus Capital Management Corp. is no longer a PA State Registered Investment Adviser. Prometheus Capital Management Corp is now an SEC Registered Investment Adviser.

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

**Page**

Item 1	Cover Page	1
Item 2	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	11
Item 9	Disciplinary Information	13
Item 10	Other Financial Industry Activities and Affiliations	13
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	21
Item 15	Custody	21
Item 16	Investment Discretion	22
Item 17	Voting Client Securities	22
Item 18	Financial Information	22

## **Item 4    Advisory Business**

Prometheus Capital Management Corp. is a SEC registered investment adviser with its principal place of business located in PA. Prometheus Capital Management Corp. began conducting business in 1994.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Stephen P Wetzel, CFP®, President - 100% Owner

Prometheus Capital Management Corp. offers the following advisory services to our clients:

### **INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT**

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment strategy and create and manage a portfolio based on that strategy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities

- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Interests in partnerships investing in other investments
- Other investments

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

## **PENSION CONSULTING SERVICES**

We also provide several advisory services separately or in combination. While the primary clients for these services will be pension, profit sharing and 401(k) plans, we offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. Pension Consulting Services are comprised of four distinct services. Clients may choose to use any or all of these services.

### *Investment Strategy Selection:*

We will meet with the client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. The strategy also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

### *Selection of Investment Vehicles:*

We assist plan sponsors in constructing appropriate asset allocation models. We will then review various mutual funds (both index and managed) to determine which investments are appropriate to implement the client's investment strategy. The number of investments to be recommended will be determined by the client, based on their investment strategy.

### *Monitoring of Investment Performance:*

We monitor client investments continually, based on the procedures and timing intervals agreed upon with the client. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

### *Employee Communications:*

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we may also provide quarterly educational support and investment workshops designed for the plan participants if requested by the sponsoring firm. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

## 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.

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers

- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Interests in partnerships investing in other investments
- Other investments

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.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

### **CONSULTING SERVICES**

Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

### **AMOUNT OF MANAGED ASSETS**

**As of 12/31/2019, we were actively managing \$128,252,814 of client's assets on a non-discretionary basis.**

## Item 5 Fees and Compensation

### INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT FEES

The annualized fee for Investment Supervisory Services are charged as a percentage of assets under management, according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee as a Percentage of Assets</u>
\$ 0 - \$49,999	1.75%
\$50,000 to \$99,999	1.50%
\$100,000 - \$199,999	1.25%
\$200,000 - \$1,999,999	1.0%
\$2,000,000 - \$4,999,999	0.75%
\$5,000,000 and over	0.70%

Fees are invoiced in arrears at the end of each calendar quarter, at which time client will receive a written invoice itemizing the fees.

The client has the option to have the payment of the Investment Adviser's fees deducted directly from the client's assets being held by the custodian. This is available if:

- a. The Advisor possesses written authorization from the client to deduct advisory fees from an account held by a qualified custodian;
- b. The Advisor will send the qualified custodian written notice of the amount of the fee to be deducted from the client's account; and
- c. The Advisor sends 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.

**Limited Negotiability of Advisory Fees:** Although Prometheus Capital Management Corp. has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

### PENSION CONSULTING FEES

Our fees for Pension Consulting Services are based on a percentage of assets under



advisement, according to the following schedule:

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee as a Percentage of Assets</u></b>
<b>\$ 0 -\$49,999</b>	<b>1.75%</b>
<b>\$50,000 to \$99,999</b>	<b>1.50%</b>
<b>\$100,000 -\$199,999</b>	<b>1.25%</b>
<b>\$200,000 -\$1,999,999</b>	<b>1.0%</b>
<b>\$2,000,000 -\$4,999,999</b>	<b>0.75%</b>
<b>\$5,000,000 and over</b>	<b>0.70%</b>

Plan sponsors are invoiced in arrears at the end of each calendar quarter.

### **FINANCIAL PLANNING FEES**

Prometheus Capital Management Corp.'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 contract with any client.

Our Financial Planning fees are calculated and charged on an hourly basis, \$275 per hour. Although the length of time it will take to provide a Financial Plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship.

Our Financial Planning fees are calculated and charged on a fixed fee basis, typically ranging from \$500 to \$10,000, 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 \$500 for work that will not be completed within six months. The balance is due upon completion of the plan.

The client is billed in arrears based on actual hours accrued or agreed upon plan fee, whichever is less.

Management personnel and other related persons of our firm are licensed as registered representatives of a broker-dealer and/or licensed as insurance agents or brokers. In their separate capacity(ies), these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12b-1 fees or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which results in a commission being paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

### **CONSULTING SERVICES FEES**

Prometheus Capital Management Corp.'s Consulting Services 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 contract with any client.

Our Consulting Services fees are calculated and charged on an hourly basis, which is \$275 per hour. An estimate for the total hours is determined at the start of the advisory relationship.

Our Consulting Services fees are calculated and charged on a fixed fee basis, typically ranging from \$500 to \$10,000, subject to the specific arrangement reached with the client.

Management personnel and other related persons of our firm are licensed as registered representatives of a broker-dealer and/or licensed as insurance agents or brokers. In their separate capacity(ies), these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12b-1 fees or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which results in a commission being paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

## GENERAL INFORMATION

***Termination of the Advisory Relationship:*** A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. If Client terminates contract before its completion, Client will be billed only for services rendered and will be refunded on a pro-rata basis for any fees already paid for services not yet rendered.

If Client terminates the Agreement within five (5) business days of its signing, Client shall receive a full refund of all Planner fees. If the Agreement is terminated after five (5) business days of its signing, any prepaid Planner fees shall be prorated and the unused portion shall be returned to Client.

***Mutual Fund Fees:*** All fees paid to Prometheus Capital Management Corp. 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. 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.

***Wrap Fee Programs and Separately Managed Account Fees:*** Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of

portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

**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 and 12b-1 fees 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.

**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 \$500 more than six months in advance of services rendered.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

Prometheus Capital Management Corp. does not charge performance-based fees.

## **Item 7 Types of Clients**

Prometheus Capital Management Corp. provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit-sharing plans (other than plan participants)
- Corporations or other businesses not listed above
- Trusts, Estates and Charitable Organizations

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

### **METHODS OF ANALYSIS**

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Fundamental Analysis.** We attempt to measure, and we may select money managers that attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis.** We may select money managers that analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor

behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

***Cyclical Analysis.*** In this type of technical analysis, we attempt to measure, and we may select money managers that attempt to measure, the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

***Quantitative Analysis.*** We may select money managers that use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

***Qualitative Analysis.*** We may select money managers that subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data. A risk is using qualitative analysis is that the subjective judgment may prove incorrect.

***Asset Allocation.*** Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance. This is based on an analysis of the client's investment profile and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, may no longer be appropriate for the client's goals. However, due to tax considerations and potential changes to the client's goals and objectives, we will look into, and discuss, with the client the appropriateness of rebalancing the portfolio back to the original Asset Allocation.

***Mutual Fund and/or ETF Analysis.*** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

***Risks for all forms of analysis.*** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be

incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

**Other:** Personal interviews with the client and client-provided data help determine our analysis and strategy as well. We also refer to financial/news media, research materials prepared by others, prospectuses, Morningstar, the Wall Street Journal and other third-party providers for information and investment analysis

### **INVESTMENT STRATEGIES**

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term purchases.** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases.** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

**Risk of Loss.** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

### **Item 9 Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

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

Clients should be aware that the receipt of additional compensation by Prometheus Capital Management Corp. and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. Prometheus Capital Management Corp. endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential

for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;

- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Our firm has adopted a Code of Ethics as part of our Policies and Procedures Manual which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Prometheus Capital Management Corp. and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Prometheus Capital Management Corp.'s Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [info@procap.net](mailto:info@procap.net), or by calling us at 215-321-9312.

Prometheus Capital Management Corp. and individuals associated with our firm are prohibited from engaging in principal transactions.

Prometheus Capital Management Corp. and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities

and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. All clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process. However, then there are no asset management fees.
8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to termination.

## Item 12 Brokerage Practices

Prometheus Capital Management Corp. will endeavor to select those brokers or dealers which will provide the best services at the most reasonable commission rates possible, given the level of service needed or required. The reasonableness of commissions is based on the broker's stability, reputation, ability to provide professional services, competitive commission rates and prices, research, trading platform, and other services which will help Prometheus Capital Management Corp. in providing investment management services to clients.

Prometheus Capital Management Corp. may, therefore recommend (or use) the use of a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance. Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was effected.

Consistent with obtaining best execution for clients, Prometheus Capital Management Corp. may direct brokerage transactions for clients' portfolios to brokers who provide research and execution services to Prometheus Capital Management Corp. and, indirectly, to Prometheus Capital Management Corp.'s clients. These services are of the type described in Section 28(e) of the Securities Exchange Act of 1934 and are designed to augment our own internal research and investment strategy capabilities. This may be done without prior agreement or understanding by the client (and done at our discretion). Research services obtained through the use of soft dollars may be developed by brokers to whom brokerage is directed or by third-parties which are compensated by the broker. Prometheus Capital Management Corp. does not attempt to put a specific dollar value on the services rendered or to allocate the relative costs or benefits of those services among clients, believing that the research we receive will help us to fulfill our overall duty to our clients. Prometheus Capital Management Corp. may not use each particular research service, however, to service each client. As a result, a client may pay brokerage commissions that are used, in part, to purchase research services that are not used to benefit that specific client. Broker-dealers we select may be paid commissions for effecting transactions for our clients that exceed the amounts other broker-dealers would have charged for effecting these transactions if Prometheus Capital Management Corp. determines in good faith that such amounts are reasonable in relation to the value of the brokerage and/or research services provided by those broker-dealers, viewed either in terms of a particular transaction or our overall duty to its ('brokerage') discretionary client accounts.

Certain items obtainable with soft dollars may not be used exclusively for either execution or research services. The cost of such "mixed-use" products or services will be fairly allocated and Prometheus Capital Management Corp. makes a good faith effort to determine the percentage of such products or services which may be considered as investment research. The portions of the costs attributable to non-research usage of such products or services are paid by our firm to the broker-dealer in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934.

When Prometheus Capital Management Corp. uses client brokerage commissions to obtain research or brokerage services, we receive a benefit to the extent that Prometheus Capital Management Corp. does not have to produce such products internally or compensate third-parties with our own money for the delivery of such services. Therefore, such use of client brokerage commissions results in a conflict of interest, because we have an incentive to direct client brokerage to those brokers who provide research and services we utilize, even if



these brokers do not offer the best price or commission rates for our clients.

All clients are always advised that they shall have total freedom to effect securities transactions with any broker/dealer of their choice. Client direction to use a particular broker may limit Advisor's ability to achieve best execution. It may limit; the Advisor's ability to negotiate commissions with other broker on client's behalf; result in inability to obtain volume discounts or limit the client's participation in block trading.

At the present time we are recommending Charles Schwab Institutional for Investment Management Clients. The following factors were taken into consideration in the selection.

- Quality of overall execution services by the broker-dealer
- Promptness of execution; Provided dedicated telephone lines
- Creditworthiness and business reputation of the broker-dealer
- Promptness and accuracy of confirmation statements
- Ability to access various market centers
- The broker-dealer's facilities, including software or hardware provided to the advisor
- Commissions charged by the broker-dealer
- Reliability of the broker-dealer
- Reputation of the broker-dealer
- Execution and operational capabilities of the broker-dealer and its clearing firm
- Financial condition of the broker-dealer
- Tax implications of selected arrangements Individual's preferred method of compensating IAR -fee or commission basis.

Prometheus Capital Management Corp does not maintain custody of your assets that we manage/on which we advise (although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see *Item 15 Custody, below*). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. Prometheus Capital Management Corp. may recommend that Investment Management clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although we recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. Prometheus Capital Management Corp. is independently owned and operated and not affiliated with Schwab.

Schwab provides Prometheus Capital Management Corp. with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly

higher minimum initial investment.

This commitment may benefit you because the overall commission rates and asset-based fees you pay may be lower than they would be if we had not made the commitment. In addition to commissions or asset-based fees Schwab may charge you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we may execute with a different broker-dealer but where the securities bought or the funds from the securities sold are deposited or settled into your Schwab account.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to our firm other products and services that benefit Prometheus Capital Management Corp. but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software 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 clients' accounts; and
- v. assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help us manage and further develop our 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 may make available, arrange and/or pay third-party vendors for the types of services rendered to Prometheus Capital Management Corp. Schwab Institutional 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 our firm. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

Prometheus Capital Management Corp. may recommend that brokerage clients establish brokerage accounts with the Broker-Dealer -The Investment Center (TIC). The following factors were taken into consideration in selection of this Broker-Dealer

- Quality of overall execution services by the broker-dealer
- Promptness of execution; Provided dedicated telephone lines
- Creditworthiness and business reputation of the broker-dealer
- Promptness and accuracy of confirmation statements
- Ability to access various market centers
- The broker-dealer's facilities, including software or hardware provided to the advisor
- Commissions charged by the broker-dealer
- Reliability of the broker-dealer
- Reputation of the broker-dealer
- Execution and operational capabilities of the broker-dealer and its clearing firm
- Financial condition of the broker-dealer;
- Tax implications of selected arrangements Individual's preferred method of compensating IAR -fee or commission basis.

Prometheus Capital Management Corp's associated persons are registered representatives of The Investment Center, Inc. In the event that a client freely chooses to implement the advice through such registered representative, the broker/dealer would be The Investment Center, Inc. In summary, the following statements are also made by Prometheus Capital Management Corp

1. Associated persons of Prometheus Capital Management Corp's are also associates with The Investment Center, Inc.
2. Clients are under no obligation to implement any suggestions made in a written financial plan.
3. If asked to implement the suggestions of the financial plan, we intend to implement the suggestions of the financial plan. We may implement such financial planning, in whole, or in part, through products offered by The Investment Center, Inc.
4. To the extent its associated persons do implement through The Investment Center, Inc., they will be acting as registered representatives for the broker/dealer.
5. Although Prometheus Capital Management Corp's associated persons are registered representatives of The Investment Center, Inc., the advisory services, other than the investment management services, provided herein are basically beyond the scope of employment with the broker/dealer and these services are independent from such association with the broker/dealer.
6. If securities products or insurance are sold, commissions may be received by the Investment Advisor representative.
7. The Investment Center, Inc. offers research reports and quotes, free of charge, on stocks, bonds, mutual funds, etc. to the Advisor's associated persons who are Registered Representatives of The Investment Center, Inc.
8. Clients shall have total freedom to execute securities and/or insurance transactions with any company of their choice.
9. It is likely that, if we are asked to implement, we will recommend or use only the financial products offered by TIC and/or Charles Schwab & Co., and that the financial plan could be limited by such products. Associated persons of Prometheus Capital Management Corp sell investment products and insurance and may receive commission on the sale of such products.

As a result of our professional relationships with Schwab Institutional, and The Investment Center Inc. (TIC) other products and services that benefit Prometheus Capital Management

Corp, but may not benefit its clients' accounts are made available to us. Some of these other products and services assist us in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Prometheus Capital Management Corp. accounts, including accounts not maintained at Schwab Institutional or TIC. Other services and discounts are also made available to Prometheus Capital Management Corp. to help Prometheus Capital Management Corp. manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab and TIC may make available, arrange and/or pay for these types of services rendered to Prometheus Capital Management Corp. by independent third parties. Schwab and TIC 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 Prometheus Capital Management Corp. While as a fiduciary, Prometheus Capital Management Corp. endeavors to act in its clients' best interests, and Prometheus Capital Management Corp. recommendation that clients maintain their assets in accounts at Schwab, may take into account the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab or TIC, which may create a potential conflict of interest.

Prometheus Capital Management Corp. and or its investment advisor representatives are not enrolled in the Schwab Institutional Referral program. The Prometheus Capital Management Corp. and/or its investment advisor representatives do not accept or give referral fees.

## **Item 13 Review of Accounts**

### **INVESTMENT SUPERVISORY SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT**

*REVIEWS:* While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least monthly. 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: Stephen P Wetzel, CFP®, President of Prometheus Capital Management Corp.

*REPORTS:* In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings.

### **PENSION CONSULTING SERVICES**

*REVIEWS:* Prometheus Capital Management Corp. will review the client's investment strategy whenever the client advises us of a change in circumstances regarding the needs of

the plan. Prometheus Capital Management Corp. will also review the investment options of the plan according to the agreed upon time intervals established with the client. Such reviews will generally occur quarterly.

These accounts are reviewed by: Stephen P Wetzel, CFP®, President of Prometheus Capital Management Corp. **REPORTS:** These client accounts will receive reports as contracted for at the inception of the advisory relationship.

### **FINANCIAL PLANNING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

**REPORTS:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

### **CONSULTING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

**REPORTS:** These client accounts will receive reports as contracted for at the inception of the advisory engagement.

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

It is Prometheus Capital Management Corp.'s policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Prometheus Capital Management Corp.'s policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (*see Item 12 – Brokerage Practices*). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

## **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Under government regulations, we are deemed to have custody of your assets if you authorize us to instruct Schwab to deduct our advisory fees directly from your account. Schwab maintains actual custody of your assets. Our firm does not have actual custody of client accounts.

You will receive account statements directly from Schwab at least quarterly. They will be sent to the email or postal mailing address you provided to Schwab. You should carefully review those statements promptly when you receive them.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

## **Item 16 Investment Discretion**

As previously disclosed in Item 4 of this brochure, our firm does not provide discretionary asset management services.

## **Item 17 Voting Client Securities**

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

## **Item 18 Financial Information**

Prometheus Capital Management Corp. has no additional financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$500 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Prometheus Capital Management Corp. has not been the subject of a bankruptcy petition at any time during the past ten years.