

## Introduction

Cortland Associates is an investment adviser registered with the Securities and Exchange Commission. Investment advisory and brokerage services and fees differ, and it is important for you to understand the differences.

Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing. Our firm and financial professionals' registration information are also publicly available on the Investor.gov website.

## Our Services

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

Cortland Associates offers customized investment advisory services to retail investors. Our services are only provided on a discretionary basis, which means that we have the power to buy and sell securities for your account without your prior consent. This authority is usually unlimited and remains in effect during our entire tenure as your investment counselor.

We provide advice on the most common types of securities described in Item 8 of our Form ADV Part 2A (our "**Disclosure Brochure**"), and we do not give advice on any proprietary investment products. We usually review portfolios at a minimum annually. However, we do monitor accounts on a continuous basis and conduct ad hoc reviews if you change your objectives or risk tolerance, or upon significant market and economic events, or if we change our investment strategy.

We require a minimum account size of \$500,000, which can be waived. You can find additional information about our services under Item 8 of our Disclosure Brochure.

### ***Given my financial situation, should I choose an investment advisory service? Why or why not?***

Advisory services are usually appropriate when you have a portfolio of securities for which you require ongoing advice. Investors who own very few securities and have smaller asset balances are likely best suited for a traditional brokerage account with a FINRA-registered firm.

### ***How will you choose investments to recommend to me?***

Cortland recommends investments based upon your individual circumstances, financial situation, expectation of current and future cash needs, investment objective, and risk tolerance. In addition, we attempt to identify those investments in which we expect to yield an acceptable level of return given the amount of risk you're willing to assume, taking into account the level of diversification and how different securities and asset classes may complement one another.

### ***What is your relevant experience, including your licenses, education and other qualifications?***

William Carey, President and Thomas Podlesny, Chief Operating Officer, our portfolio managers, have been in the financial services industry for 41 and 36 years, respectively. They have worked together at Cortland Associates since 1992. They have applicable securities licenses such as the Series 65 and Series 7 which are required to provide investment advice. You can find their educational information in Form ADV Part 2B ("**Brochure Supplement**") we provide you at the onset of the advisory relationship.

### ***What do these qualifications mean?***

These qualifications assure that our professionals have met specific regulatory exam requirements required to conduct investment activities (e.g., Series 65).

## Our Fees & Costs

### ***What fees will I pay?***

Our fee is calculated as a percentage of the assets under our management, so our fee will rise and fall with the value of the assets we manage for you. While our fee may reduce the amount of your assets available for investment, we believe they are justified by our services and attention to your needs. Moreover, we believe our interests are aligned with yours in this type of fee structure. It should be recognized additional assets placed under our management increases the value of the portfolio thereby also increasing our fee.

In addition to our fees, you may be charged transaction or asset-based fees by your custodian for its services as described in Items 4 & 5 of our Disclosure Brochure. These fees vary depending on the custodian. Under a transaction fee arrangement, the more transactions effected in your account, the more fees you will pay, and high activity in your account does not assure positive portfolio performance. For custodians that charge their fees based upon a percentage of your assets "wrap fees", such fees may be more than would be the case if you are charged a transaction-based fee. Please be mindful of the effect of your portfolio size, the level of activity, and the rate of custodian asset-based pricing.

Generally, larger portfolios and low turnover portfolios would be disadvantaged by paying an asset-based custodian fee versus a transaction-based fee. In addition to advisory and transaction fees, there are additional fees such as postage and handling, transfer taxes, SEC fees for sales of securities, and similar fees. These additional fees are not paid to your advisor, but like advisory fees and custodian fees, they do have a modest adverse impact on the value of your portfolio over time.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. You can find more information about our fees and costs in our Disclosure Brochure.

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

We charge asset-based fees, so our fees are calculated as a percentage of the value of your portfolio we manage. For example, a \$10,000 investment at a 1% annual fee results in an annual deduction of \$100 from your portfolio (meaning only \$9,900 ends up invested). This means that it will take longer for you to realize positive returns than if no fees were charged. In this example, if you generated a 10% return, your net return would be 9%.

### **Our Obligations, Compensation & Conflicts of Interest**

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

When we act as your investment adviser, we must act in your best interest and not put our interests ahead of yours. However, given our fee is directly related to assets under management, we have an inherent conflict of interest if we recommend increasing your asset allocation to our firm. Although we would not provide advice that is not in your best interest, you should be fully aware of this conflict when deciding whether to allocate additional assets to our firm.

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

Conflicts of interest potentially could incentivize us to put our interests ahead of yours. We manage these conflicts through disclosures and employing supervision procedures to ensure our financial advisors are acting in your best interest. Our outside business activities are disclosed in Item 10 of our Disclosure Brochure Supplement. The primary conflict is the allocation of our time between the outside activity and managing your account.

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

Our two financial advisors and principals (William Carey & Thomas Podlesny) are paid a salary and bonus based upon the percentage of the fees we collect from you.

### **Disciplinary Matters**

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

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

### **More Information**

***Who is my primary contact person?***

William Carey or Thomas Podlesny, the two portfolio managers, will be the primary contacts. However, administrative requests may be handled by an administrative assistant or a client service professional.

***Is he or she a representative of an investment adviser or a broker-dealer?***

No.

***Who can I talk to if I have concerns about how this person is treating me?***

In the event you have issues to be addressed, you may contact either William Carey or Thomas Podlesny at 314.726.6164.

**You can find additional information about our investment advisory services at [Investor.gov](http://Investor.gov). You may also request a printed copy of this Relationship Summary or Form ADV by contacting Jennifer Sherron, Cortland Associates, 8000 Maryland Ave., Suite 730, St. Louis, MO 63105, Phone Number: 314.726.6164 or via email at [sherron@cortlandassociates.com](mailto:sherron@cortlandassociates.com).**