

## **Item 1. Introduction**

HAMEL ASSOCIATES, INC. is registered with the Securities and Exchange Commission (SEC) as an investment adviser and provides advisory services for a fee rather than for brokerage commissions. As an investor it is important for you to understand the differences. [Investor.gov/CRS](http://Investor.gov/CRS) provides free and simple tools to research firms and financial advisors and also provides educational materials about broker-dealers, investment advisers, and investing.

## **Item 2. Relationships and Services**

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

We develop investment portfolios focused on meeting each client's goals and objectives. We ordinarily create portfolios containing a mixture of dividend paying stocks with strong balance sheets and cash flow and government and /or investment grade corporate bonds. These holdings may consist of individual stocks, bonds or securities held indirectly through mutual funds or exchange traded funds. We may also recommend investments in precious metals, commodities, and other alternative investments. Additionally, we may introduce various private equity, venture capital, and real estate deals to our very high net worth clients and may also review similar deals upon a client's request. We usually manage accounts on a discretionary basis commencing at the outset of an advisory relationship. We exercise this discretion consistent with the stated investment objectives and limitations set by the client. At times, we manage accounts on a nondiscretionary basis upon the request of a client. In those circumstances, the client makes the ultimate decision regarding the purchase and/or sale of your investments. We monitor all the accounts we manage. The frequency of the monitoring depends upon the manner in which we manage the account. We continuously monitor the accounts that we manage on a discretionary basis. We periodically review the accounts that we manage on a nondiscretionary basis as agreed upon by us and the client. We do not mandate that clients maintain a minimum account balance to retain us; however, our typical client has assets under management in excess of \$1,000,000.00.

We also provide financial planning services to certain clients. These services are designed to develop an overall financial plan for clients. We review various areas of financial planning, including income tax planning, cash management, investments, insurance, employee benefits, debt management, insurance, and estate planning.

***For additional information,*** we recommend that you consult our ADV Part II Brochure.

### ***CONVERSATION STARTER: Ask your financial professional:***

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

## **Item 3. Fees, Costs, Conflicts, and Standard of Conduct**

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

We typically charge a percentage fee based upon the amount of assets under management. From time to time we may negotiate a different fee structure, such as a fixed retainer. In either case, our fee is expressly set forth in our written agreement with the client. We do not charge any other fees such as wrap-fees or fees for making transactions on behalf of clients. Nor do we charge performance based fees. Our fees do not include brokerage commissions, transaction fees, other related costs and expenses, or management fees charged by funds in which the account is invested. These fees are paid directly to the third-party. We do not receive any commission from any brokers. Generally, the more assets you have in the advisory account, the more you will pay in total fees. We therefore have an incentive to encourage you to increase the assets in your account. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

***For additional information,*** we recommend that you consult our ADV Part II Brochure.

**CONVERSATION STARTER:** *Ask your financial professional:*

- Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?
- What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means: We have access to third-party research materials from various brokers to which we refer clients. We do not receive any commission from the brokers and we have access to these research materials regardless of the number of accounts we manage at each respective dealer. While our employees are permitted to trade securities, our code of ethics ensures that we always put clients first. Our employees are prohibited from buying or selling securities from/to our clients and if an employee wishes to make a similar transaction as we are making for a client on a particular day, all client transactions are filled that day prior to our employees execution of a transaction.

***For additional information, we recommend you consult our ADV Part II Brochure.***

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

Our financial professionals are paid a salary, and may receive bonuses. Neither salaries nor bonuses are based upon assets under management, revenue generated, or number of accounts opened.

#### **Item 4. Disciplinary History**

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

Neither our firm nor any of our financial professionals have legal or disciplinary history. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

**CONVERSATION STARTER:** *Ask your financial professional:*

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

#### **Item 5. Additional Information**

For additional information about our services, our brochure or to request a copy of the relationship summary, please visit [www.HamelAssociatesInc.com](http://www.HamelAssociatesInc.com), or by e-mailing [info@hamelassociatesinc.com](mailto:info@hamelassociatesinc.com). If you would like to request up-to-date information or prefer to request a copy of the relationship summary by phone, feel free to call us at (973) 665-1400.

**CONVERSATION STARTER:** *Ask your financial professional:*

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