



INTRODUCTION

Merlin Asset Management (“Merlin”) is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Investment advisory services and fees are different from brokerage services and fees, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at www.investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

Conversation Starter: Given my financial situation, should I choose an investment advisory service? Why or why not?

RELATIONSHIP AND SERVICES

What investment services and advice can you provide me?

We offer investment advisory services to retail investors. Merlin primarily offers investment supervisory services using Separately Managed Accounts (SMA). These services are typically offered on a discretionary basis. Discretionary authority allows Merlin to buy and sell securities without asking in advance and without material limitations whereas non-discretionary authority would be limited to offering advice, but you would make the decision to buy or sell. We specialize in a limited selection of investment strategies consisting of portfolios of individual stocks of small, mid and large capitalization companies. These companies are typically characterized by high expected growth in earnings and what

Conversation Starter: Who is my primary contact person? 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?

we believe are attractive valuations relative to their expected future earnings growth. We attempt to select companies we expect to hold in the portfolio for the next 3-5 years. Merlin’s investment strategies are typically implemented as portfolios of 25 or 50 individual company holdings which are initially equally weighted in the portfolio. The portfolios are continuously

monitored and individual holdings are periodically rebalanced to bring them back to equal weights. Due to potential high share prices of some of the stocks included in Merlin’s investment strategies, it might be difficult to efficiently implement such portfolios for small accounts. Therefore, the minimum account size is \$100,000. For additional information, please see Merlin’s most recent [ADV Part 2 Brochure](#) or [Merlin’s website](#) at www.merlinam.com.

FEES, COSTS, CONFLICTS AND STANDARD OF CONDUCT

What fees will I pay?

We typically offer our investment advisory services for a percentage of assets under management. Our fees are billed quarterly in arrears based on the average of the preceding quarter’s month end values of the account. The fees are typically deducted from your account. You can also request to bill you for the

Account Value	Annual Fee
On the first \$1,000,000	1.35%
On the next \$5,000,000	1.00%
Above \$10,000,000	Negotiable

fees incurred and pay us directly. Our standard investment advisory contract contains a termination clause which states that your account may be terminated upon 30 days prior written notice by either party. Since fees are charged in arrears, we will calculate fees for the quarter on a pro rata basis and submit them to your custodian or issue you an invoice for our services that you

will pay us by check or wire transfer within 15 days of the date of the invoice, or as negotiated and documented in your contract.

Conversation Starter: Help me understand how these fees and costs might affect my investments. If I give you \$100,000 to invest, how much will go to fees and costs, and how much will be invested for me?

The standard advisory fees payable to us do not include such costs as brokerage commissions, transaction charges, transfer taxes, exchange fees, electronic fund and wire transfer fees, account maintenance fees, fees related to exchange traded funds or mutual funds, or charges, taxes, or fees mandated by any federal, state, or other applicable law or regulation. 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 more information on fees and compensation, please see Merlin’s most recent [ADV Part 2 Brochure](#).

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?

As an investment adviser, we have a fiduciary duty 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. For example, since our fees are based on the value of assets in the account, we benefit from higher account values and we may therefore have an incentive to encourage you to increase assets in your account. For more information on conflicts of interest, please see Merlin’s most recent [ADV Part](#)

Conversation Starter:

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

[2 Brochure](#).

How do your financial professionals make money?

We are compensated from the fees received for the investment advisory services provided to individual and institutional investors.

DISCIPLINARY HISTORY

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

Merlin has no disciplinary history to disclose; however, we encourage you to visit www.investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals. To report a problem to the SEC, visit www.investor.gov or call the SEC’s toll-free investor assistance line at (800) 732-0330.

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

ADDITIONAL INFORMATION

For additional information about our investment advisory services and to request a copy of the *relationship summary*, please visit our website at

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

www.merlinam.com. You can also request up-to-date information and request a copy of the *relationship summary* by email at info@merlinam.com or by calling us at 617-366-2650.