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**Item 1**

**ADV, Part 2A**  
**Investment Advisory Services Brochure**  
3/24/2025

This brochure provides information about the qualifications and business practices of Bard Associates, Inc. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Registration with the SEC or any state securities authority does not imply that Bard Associates, Inc. possesses a particular level of skill or training. Bard Associates, Inc. cannot guarantee that the objectives of its advisory services will be achieved. Investments in securities involve risk, including the loss of principal. If you have any questions about the contents of this brochure, please contact us at 312-782-9600 or info@bardassociatesinc.com.

Additional information about Bard Associates, Inc. is available on the Internet at [www.bardassociatesinc.com](http://www.bardassociatesinc.com) and <http://www.adviserinfo.sec.gov>.

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

The following material changes have been made to this brochure since our last filing on March 12, 2024:

- Item 8 has been amended to reflect our current investment strategies and the risks associated.
- Item 10 has been amended to reflect other financial industry activities of our firm and its affiliates.
- Item 11 has been amended to disclose our affiliate fund.
- Item 16 has been amended to accurately reflect our discretionary authority.

This Form ADV Part 2A is available on the internet by accessing <http://www.adviserinfo.sec.gov> and following the on-screen instructions to locate information about Bard Associates, Inc.

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## Advisory Business

### **Item 4: Investment Advisory Services**

Bard Associates, Inc. (“BAI”) is an investment advisor registered with the Securities and Exchange Commission (“SEC”), under the Investment Advisors Act of 1940. We have been managing client money since 1983. BAI was founded by Timothy B. Johnson and led by Timothy B. Johnson and Michael Y. Demaray.

We invest your money in stocks, bonds, and other types of investments, using a long-term, buy-and-hold strategy. Each account is managed individually. When you open an account with us, you will fill out a “Confidential Client Profile,” which tells us about your financial goals, investment time frame, liquidity needs, any restrictions on companies, industries, or types of securities you do not want to invest in, and, most importantly, your risk tolerance level. Your risk tolerance level is rated on a scale of 1 to 10. We consider all the information in your client profile before investing your money.

Although we do not limit our advisory services to any type of security, our preference is to invest, for the “aggressive portion” of your portfolios, in the common stocks of smaller companies, because we believe that over longer periods of time smaller-company stocks provide higher returns than large-company stocks. Also, we believe that we can better assess the management of smaller companies and better analyze their financial statements, because they are simpler than those of large companies. We also invest in other instruments that we consider “defensive” in nature. These are appropriate for our more conservative clients and may include:

Cash Equivalents	Foreign Bonds
Certificates of Deposit	Real Estate Investment Trusts
Government Bonds	Royalty and Income Trusts
Preferred Stocks	Master Limited Partnerships
Corporate Bonds	Foreign Common Stocks
Business Development Companies	Commodities
Utilities	

Lastly, for clients who would like exposure to larger companies, we do offer portfolios that consist of mid-cap and large-cap stocks.

We target the mix of aggressive and defensive assets depending on your risk tolerance for each portfolio, as follows:

<u>Risk Tolerance</u>	<u>Description</u>	<u>% Invested in Micro-Cap Stocks</u>	<u>% Invested In Other Lower-Risk “Defensive” Investments</u>
1	No risk	0	100
2	Very Low Risk	0	100
3	Low Risk	0	100
4	Modest Risk	10	90
5	Medium Risk	20	80
6	Moderate Risk	30	70

7	Significant Risk	45	55
8	High Risk	60	40
9	Very High Risk	80	20
10	Maximum Risk	100	0

These are targets, not strict guidelines. We calculate and monitor this mix on an ongoing basis, managing your portfolios with these targets in mind. The actual mix of assets may vary from these targets for a variety of good reasons. The most common reason for this is if we manage a given portfolio to the defensive side of your guidance to lower risk. Also, major cash flows, in or out, can temporarily affect the asset mix of any portfolio, and it may take time to adjust it.

### **Portfolio Monitoring Service**

We also provide a portfolio monitoring service to some clients. If you choose this service, we will track one or more portfolio(s) that you manage.

### **Bard Micro-Cap Value Fund**

At the end of 1999, BAI began offering the Bard Micro-Cap Value Fund, L.P. to clients. This is a limited partnership that invests in the smallest of companies (micro-caps) to achieve long-term capital growth. It often holds these stocks for years, during which period the companies may have grown beyond micro-cap size. BAI is the general partner of this partnership. Investors have been provided a Private Offering Memorandum prior to investing in this fund. The fund is not accepting new investors at this time. This fund may not be available to everyone because of various state laws, investor limitations, and other factors.

### **Other Investments**

We do not participate in any wrap fee programs.

### **Amount Under Management**

We managed \$384,627,788 of our clients' money as of 12/31/2024 on a discretionary basis. BAI's clients own many other self-managed accounts for which BAI provides only a portfolio monitoring service, or, in some cases, no service.

### **Item 5: Fees and Compensation**

BAI is compensated for its advisory services by charging a percentage of assets under management.

### **Investment Advisory Service**

BAI charges fees for our investment advisory services based on a percentage of assets under management. The fee schedule on an annual basis is:

<u>Account Assets</u>	<u>Annual Fee</u>
First \$1 million	1.00%
Next \$1 million	0.90%
Next \$1 million	0.80%
Next \$1 million	0.70%
Next \$1 million	0.60%
Balance	0.50%

Fees are payable quarterly in advance based upon Account asset value on the last day of the previous quarter. We may negotiate some discounts for large accounts. If several members of your family use our services, we may add your accounts together to calculate your fees.

### **Portfolio Monitoring Service**

Portfolio monitoring services are only for self-managed accounts. BAI does not charge for this service.

### **Bard Micro-Cap Value Fund, L.P.**

The minimum investment in this fund is \$20,000, although we may accept smaller investments at times. We charge investors a management fee of 1% per year that is payable quarterly. You can only invest in this fund at the end of each calendar quarter (March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, or December 31<sup>st</sup>). We will charge you 5% if you withdraw your money less than one year after its investment. You may withdraw part or all of your investment in the Bard Fund only at the end of a quarter, with one month's written notice.

### **Billing**

We will send you four invoices each year, near the end of the month following the end of each calendar quarter. Each invoice will cover the current calendar quarter and will show you the value of your account and how we calculated your advisory fee. For example, we will send you an invoice at the end of July, using the portfolio value on June 30<sup>th</sup>, and payment of that invoice will be due on September 30<sup>th</sup>.

As of January 1, 2019, advisory fees are no longer tax-deductible for Federal taxes. With this change, it has become advantageous for many clients to have their relevant fees taken from their IRAs. This is because it avoids having this portion of such IRAs become taxable income when distributed.

You may pay BAI directly, or, by your prior written authorization, you may choose to have your fees deducted directly from your accounts. This will be done about one month after the invoice is sent to you. For example, the invoice we send you in July will be deducted from your account in late August. The reason we wait a month to deduct our fee is to give you time to verify that the fee was calculated properly and to ask any questions you may

have about it. *Please note that it is your responsibility to verify the accuracy of our fees. Your custodian will not do this for you.*

### **Other Fees and Expenses**

We may invest some of your money in mutual funds. We would do this to add diversification to your account or to provide exposure to a market sector which may not otherwise be available directly at a reasonable cost. This is particularly likely for smaller accounts. Mutual funds charge their own fees, and we charge our fee based on your account value, so you will be paying two levels of advisory fees on this portion of your account, one directly to us and one to the mutual fund company.

You may also pay transaction fees to brokers to execute trades and other trade-related fees. These are described in more detail in the section titled “Brokerage Practices.”

### **Refunds**

You may cancel your Investment Management Agreement with us at any time, immediately, by giving us written notice. We may cancel our agreement with you by giving you a 60-day written notice. Your fees will be prorated to the termination date, and we will return any unearned portion of your fees to you. For example, if services are terminated on September 1<sup>st</sup>, you will receive a refund of one-third of your third-quarter fee.

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

Performance-based fees are fees assessed on capital gains or appreciation. We do not charge performance-based fees. Our investment services fees are based solely on assets under management and/or flat or fixed fees.

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

We provide investment advice to:

- Individuals.
- IRAs and Pension and Profit-Sharing Accounts.
- Bard Micro-Cap Value Fund.
- Trusts, estates, and charitable organizations.
- Other business entities.

The minimum account size for individually managed accounts is \$500,000. We may allow smaller accounts at BAI’s discretion. Lower fees for comparable services may be available elsewhere. The minimum initial investment in the Bard Micro-Cap Value Fund is \$20,000. This, also, may be waived at BAI’s discretion.

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

### **Methods of Analysis and Investment Strategies**

We believe that shareholder value is created by:

1. The ability of a company to earn high rates of return on its own investments
2. The ability to sustain these returns for long periods of time
3. The ability to invest large sums at these high rates of return

We believe these factors, plus any change in valuation, determine an investor's return.

Lastly, we believe that non-operating assets and liabilities add (and subtract) from shareholder value.

Given these beliefs, we choose investments for you by studying and analyzing many sources of information. Our fundamental approach to possible investments includes analyzing financial statements, management strengths, competitive advantages, industry conditions, and markets.

Our sources of information primarily include:

- Reports filed by companies with the SEC.
- Conference calls, meetings, and interviews with management.
- Press releases.
- Annual reports.
- Financial newspapers, magazines, and investment newsletters.
- Investment conferences.
- Company site visits.
- Quantitative tools and screens.
- Research supplied to us by brokers or other third-party analysts.

We employ a long-term, buy-and-hold strategy when we purchase investments for you, which allows us to participate in the value creation of the business itself. Ideally, we hold our investments for many years. Sometimes, we sell call options or, buy put options against long positions for some clients if we feel a stock is temporarily overpriced. Selling calls "captures" an option's premium, whereas buying puts pays it. We rarely buy puts.

We may employ "margin" borrowing in your direct account(s). (Margin is not allowed in IRAs.) The use of margin increases the risk of your account, so it is generally used sparingly. We also may sell securities short (selling borrowed stock in the hope that its price will decline). This technique was rendered tax-inefficient by a change in the tax law in 1997, so we have not used it since then. Still, it is theoretically available for short-term use.

When we choose company investments for the aggressive portion of your portfolio, we primarily use the stocks of smaller companies, because we believe smaller-companies have longer reinvestment runways and are often available at lower valuations than larger counterparts. Investing in smaller companies entails risk. Such stocks will fluctuate, both



up and down. When they go down, you lose money. We invest in a variety of industries and buy stocks that we believe are well valued in relation to their growth potential. We review your selected risk tolerance level before making any investments and use it to guide both the selection of small-company stocks and the mix of such stocks and defensive investments.

## **Risk of Loss**

Investing inherently involves risk up to and including loss of the principal sum. Further, past performance of any security is not necessarily indicative of future results. Therefore, future performance of any specific investment or investment strategy based on past performance should not be assumed as a guarantee. Fiduciary Architects does not provide any representation or guarantee that the financial goals of clients will be achieved.

The potential return or gain and potential risk or loss of an investment varies with the type of product invested in. Below is an overview of the types of products available on the market and the associated risks of each:

General Risks. Investing in securities always involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives can or will be met. Past performance is in no way an indication of future performance. We also cannot assure that third parties will satisfy their obligations in a timely manner or perform as expected or marketed.

General Market Risk. Investment returns will fluctuate based upon changes in the value of the portfolio securities. Certain securities held may be worth less than the price originally paid for them, or less than they were worth at an earlier time.

Common Stocks. Investments in common stocks, both directly and indirectly through investment in shares of ETFs, may fluctuate in value in response to many factors, including, but not limited to, the activities of the individual companies, general market and economic conditions, interest rates, and specific industry changes. Such price fluctuations subject certain strategies to potential losses. During temporary or extended bear markets, the value of common stocks will decline, which could also result in losses for each strategy.

Portfolio Turnover Risk. High rates of portfolio turnover could lower performance of an investment strategy due to increased costs and may result in the realization of capital gains. If an investment strategy realizes capital gains when it sells its portfolio investments, it will increase taxable distributions to you. High rates of portfolio turnover in a given year would likely result in short-term capital gains and under current tax law you

would be taxed on short-term capital gains at ordinary income tax rates, if held in a taxable account.

Non-Diversified Strategy Risk. Some investment strategies may be non-diversified (e.g., investing a greater percentage of portfolio assets in a particular issuer and owning fewer securities than a diversified strategy). Accordingly, each such strategy is subject to the risk that a large loss in an individual issuer will cause a greater loss than it would if the strategy held a larger number of securities or smaller positions sizes.

Model Risk. Financial and economic data series are subject to regime shifts, meaning past information may lack value under future market conditions. Models are based upon assumptions that may prove invalid or incorrect under many market environments. We may use certain model outputs to help identify market opportunities and/or to make certain asset allocation decisions.

There is no guarantee any model will work under all market conditions. For this reason, we include model related results as part of our investment decision process but we often weigh professional judgment more heavily in making trades or asset allocations.

ETF Risks, including Net Asset Valuations and Tracking Error. An ETF's performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate.

Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by Fiduciary Architects plus any advisory fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a Client purchased the ETF directly. An ETF typically includes embedded expenses that may reduce the ETF's net asset value, and therefore directly affect the ETF's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the ETF may include investment advisor management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

Inflation, Currency, and Interest Rate Risks. Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's

future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by Fiduciary Architects may be affected by the risk that currency devaluations affect Client purchasing power.

Liquidity Risk. Liquidity is the ability to readily convert an investment into cash to prevent a loss, realize an anticipated profit, or otherwise transfer funds out of the particular investment. Generally, investments are more liquid if the investment has an established market of purchasers and sellers, such as a stock or bond listed on a national securities exchange. Conversely, investments that do not have an established market of purchasers and sellers may be considered illiquid. Your investment in illiquid investments may be for an indefinite time, because of the lack of purchasers willing to convert your investment to cash or other assets.

Legislative and Tax Risk. Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment advisor or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations, particularly for options, swaps, master limited partnerships, Real Estate Investment Trust, Exchange Traded Products/Funds/Securities. We do not engage in tax planning, and in certain circumstances a Client may incur taxable income on their investments without a cash distribution to pay the tax due. Clients and their personal tax advisors are responsible for how the transactions in their account are reported to the IRS or any other taxing authority.

Foreign Investing and Emerging Markets Risk. Foreign investing involves risks not typically associated with U.S. investments, and the risks maybe exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social, and economic developments affecting one or more foreign countries.

In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.

Information Security Risk. We may be susceptible to risks to the confidentiality and security of its operations and proprietary and customer information. Information risks,

including theft or corruption of electronically stored data, denial of service attacks on our website or websites of our third-party service providers, and the unauthorized release of confidential information are a few of the more common risks faced by us and other investment advisers. Data security breaches of our electronic data infrastructure could have the effect of disrupting our operations and compromising our customers' confidential and personally identifiable information. Such breaches could result in an inability of us to conduct business, potential losses, including identity theft and theft of investment funds from customers, and other adverse consequences to customers. We have taken and will continue to take steps to detect and limit the risks associated with these threats.

**Tax Risks.** Tax laws and regulations applicable to an account with Fiduciary Architects may be subject to change and unanticipated tax liabilities may be incurred by an investor as a result of such changes. In addition, customers may experience adverse tax consequences from the early assignment of options purchased for a customer's account. Customers should consult their own tax advisers and counsel to determine the potential tax-related consequences of investing.

**Advisory Risk.** There is no guarantee that our judgment or investment decisions on behalf of particular any account will necessarily produce the intended results. Our judgment may prove to be incorrect, and an account might not achieve her investment objectives. In addition, it is possible that we may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to accounts' custodians' software. Fiduciary Architects and its representatives are not responsible to any account for losses unless caused by Fiduciary Architects breaching our fiduciary duty.

**Dependence on Key Employees.** An accounts success depends, in part, upon the ability of our key professionals to achieve the targeted investment goals. The loss of any of these key personnel could adversely impact the ability to achieve such investment goals and objectives of the account.

*Investing in securities involves the risk of loss that you must be prepared to bear.*

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

Neither BAI nor its employees have been involved in any legal or disciplinary events relating to past or present investment advisory clients. Also, there are none pending of which we are aware.

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

##### **Registration as a Broker/Dealer or Broker/Dealer Representative**

BAI is not registered and does not have an application pending to register, as a broker dealer and its management persons are not registered as broker/dealer representative.

## **Registration as a Futures Commission merchant, Commodity Pool Operator**

BAI and its management persons are not registered and do not have application pending to register, as a futures commission merchant, commodity pool operator/advisor.

## **Relationships Material to this Advisory Business and Possible Conflicts of Interest**

BAI is also the general partner and manager of Bard Micro-Cap Value Fund. As such, we are incentivized to recommend this fund to clients of BAI, but are not recommending or accepting new investors at this time. This incentive is mitigated by our fiduciary duty to act in your best interest.

Vishal Mishra, a research analyst of BAI, is the owner of Mishra Capital Partners, LLC. Mishra Capital Partners is the general partner of a pooled investment vehicle. Mr. Mishra's activities within his role at Mishra Capital Partners, LLC, do not currently implicate any advisory clients of BAI.

## **Selection of other Advisors**

BAI does not recommend or select other investment advisers for its clients.

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

### **Code of Ethics**

Our Code of Ethics requires that every aspect of our business be conducted in a fair, lawful, and professional manner. We strictly obey the laws and regulations that govern the securities industry. We will only offer you investment management services that are appropriate for your needs and financial goals. We will always respect and protect your right to privacy. If we obtain confidential or proprietary information, we will not use it for personal gain or share it with others, except as required by law or specifically authorized by you.

Our Code of Ethics includes:

- Business conduct standards that we require of our employees to uphold our fiduciary obligation to you.
- Provisions requiring our employees to comply with applicable Federal securities laws.
- Policies and procedures related to reporting certain securities transactions and investment holdings of our employees.
- Policies and procedures for reporting violations of our Code of Ethics.
- Policies and procedures regarding gifts to employees.
- Procedures for the receipt and acknowledgement of our Code of Ethics by all employees.

All efforts are made to avoid actual or potential conflicts of interest. A copy of BAI's Code of Ethics is available to any client or prospective client upon request to BAI. Use the address and phone number shown on the cover page of this brochure.

### **Participation or Interest in Client Transactions and Personal Trading**

Tim Johnson, Founder of BAI, and Michael Demaray, President of BAI, are active investors for their own accounts and for other accounts in which they or their immediate family members have a beneficial interest. They generally invest in the same securities as clients. Also, employees of BAI may invest in the same securities we purchase for you. There is a potential for a conflict of interest between these family/employee accounts and client accounts.

We want to manage this conflict of interest, so we have written policies and procedures that apply to all family/employee transactions. When a decision is made to buy or sell a given security, client accounts always get priority in making trades. A buy or sell program must be complete for all clients before the same transactions are made for family/employee accounts. The same goes for securities under active consideration for purchase or sale in client accounts.

There is a two-day "blackout period" after transactions for family/employee accounts. This means that for seven calendar days after a family/employee trade, no similar trades will be made for client accounts unless the Chief Compliance Officer (CCO) gives written approval in advance. We might do this at times. As an example, assume we sold some shares of a particular company stock for some clients, ending with family/employee accounts. If the stock price then went up significantly, we might want to sell more of its stock for more of our clients, and we might need to do that before the "blackout period" is over. Such occurrences are rare.

As disclosed above, we are the investment adviser to the Bard Micro-Cap Value Fund (the "Fund"), affiliated through common ownership and control with BAI. Advisory clients of BAI are invested in the Fund, but the Fund is not accepting new investors at this time.

Our Chief Compliance Officer monitors all trades for all family/employee accounts on an ongoing basis to be sure we are complying with our policies and procedures. All our employees report all security transactions to the CCO every quarter. Our CCO reviews these reports to ensure ongoing compliance with our policies applying to family/employee transactions and Code of Ethics.

Another potential conflict of interest associated with trading involves cross transactions. BAI never did many of these, but in a policy change effective 1/1/2019, we no longer cross securities between clients.

## **Item 12: Brokerage Practices**

Generally, the securities we manage for you will be held at one or more brokers in “street name,” which means that they are held by the broker in its name for your benefit. This helps to protect your assets from being lost, misused, or misappropriated. When you sign an Investment Management Agreement, we will discuss the selection of brokers with you. We consider many factors when recommending a broker to hold your investments.

These include:

- Commissions.
- Execution capability.
- Positioning and distribution capability.
- Back-office efficiency.
- Ability to handle difficult trades.
- Financial stability.
- Prior performance.
- Special account features, such as check-writing and credit card availability, and the cost of such features.

We domicile most accounts at Charles Schwab & Company and Fidelity. Both Schwab and Fidelity have demonstrated that they can provide good execution of trades, useful and user-friendly system platforms for you and us, responsiveness to errors, accurate and timely reports, and low commissions.

Both Schwab and Fidelity’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through both include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. The services described in this paragraph generally benefit you and your account.

Schwab and Fidelity also make available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts. They include investment research, both proprietary, and that of third parties. In addition to investment research, they also make available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements).
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts.
- Provide pricing and other market data.
- Facilitate payment of our fees from our clients’ accounts.
- Assist with back-office functions, recordkeeping, and client reporting.

Both Schwab and Fidelity offer other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events.
- Technology, compliance, legal, and business consulting.
- Publications and conferences on practice management and business succession.

The availability of these services benefits us because we do not have to produce or purchase them.

Some clients have asked that we use a particular broker to execute trades in their accounts. When we do this, our ability to execute trades at the best price or most efficiently may be limited or eliminated. If you direct us to use a particular broker, you may pay higher commissions or you may receive less favorable trade prices.

Sometimes in exchange for directing trades to through a specific broker, we may receive certain benefits. Examples of the benefits we receive at BAI include:

- Research reports and updates.
- Investment ideas.
- Access to company management.
- Invitations to investment conferences.
- Meetings with security analysts.
- Access to direct offerings by companies, which may or may not be “hot.” (“Hot” means the stock went up on its first day of trading.)
- Extra effort on difficult block trades.

If a block trade is executed at several different prices, or only part of a block trade is executed, we will allocate the most favorable prices on the executed portion as fairly as possible. The portion of a block trade executed each day, at each brokerage firm, will generally be allocated at an average price so that all clients in that block receive the same price. If the executing broker receives a commission, that charge will be shared pro-rata by all clients in that block. The prime broker fee is over and above this commission charge, and it is the same amount for each transaction.

If your account does not qualify for prime brokerage (less than \$100,000), you will not have the benefits of prime broker trades or access to direct offerings, including hot issues. However, you will not pay the higher commissions of trades done to compensate executing brokers. We use research and other services generally to benefit all clients, even those not paying up for commissions. There may be cases, however, in which research may be used to service only some accounts or the research may not be used in connection with the accounts paying the higher commissions. Also, we pay some brokers directly, with Bard Associates Inc. funds, for some research and other services. Then, the cost is on us, not you.

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

We use a computerized system to track and value client portfolios. Trades and dividends and interest are posted automatically, as received or paid. Our outside service provider,



Tamarac, reconciles cash or debt balances and securities positions to brokerage statements daily.

We monitor individual securities on a continuous basis, with particular scrutiny when quarterly earnings are announced or when company-specific announcements are made.

We produce client account portfolio valuations and review them as appropriate. We calculate and review total investment performance for each account as needed, following up with investigation and action as appropriate.

The Founder of BAI, Tim Johnson, and President, Michael Demaray, are responsible for reviewing all accounts.

All clients receive mailed or emailed confirmations of purchases and sales in their accounts from their brokers on an ongoing basis. Brokers also send clients monthly or quarterly statements showing all transactions for each account and month-end values. We send written evaluations to clients every quarter, or more frequently if requested. We provide clients with the following information for each security they hold in these written reports:

- Tax cost of each position.
- Total cost and cost per share.
- Number of shares.
- Date of purchase.
- Current value, both total and per share.
- Percentage of portfolio that each position comprises.
- Annual income, both total for each position and per share.
- Percentage performance of each position by account, both since purchase and year to date.
- Asset allocation chart.
- Holdings report for Section 1202-qualifying investments for those accounts that have them.

This report also includes a cover letter describing our current views on the economy and markets, aggregate performance information, and a summary of recent purchase and sale activity.

BAI is currently offering online access to quarterly reports via the Tamarac portfolio management system. You can sign up for this by contacting BAI directly, and a staff member will arrange for portal access from Tamarac. You will then be given a temporary password via email by Tamarac. You decide whether you require dual-factor authorization, which we highly recommend (password and security question) or password only. Passwords must meet the criteria set by Tamarac. After portal access is granted, we will confirm that your reports are accessible to you. The quarterly reports are housed in the cloud and managed by Tamarac. You will only have access to quarterly reports and do not have the ability to make changes to account information or effect transfers or

trades. If you do not access your quarterly reports through the portal after you have signed up for it, we may mail you these documents to ensure you receive them.

For accounts with a greater than two-year history, we also produce an Account History once each year for each account and send that to clients. This report shows the results of the account since inception and shows account values at the end of each year, cash flows into and out of the account, and performance results, by year, compared to relevant indexes.

For taxable accounts requiring adjustments to broker-provided 1099 forms, we produce and send an annual tax package which includes a letter and Form 8949.

Partners in the Bard Micro-Cap Value Fund receive two reports each quarter and two other reports each year. Soon after the end of each quarter, they receive an initial report, giving the performance results of the Fund for the quarter and year-to-date period. Later in the quarter, they receive a two-page report about the Fund's performance and selected holdings, with an update of performance as of then. Each March, we send a K-1 to the partners of the Fund, which they use to prepare their tax returns. Finally, each April, we send the financial statements of the Fund, audited by a "Public Company Accounting Oversight Board" registered firm, together with a cover letter.

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

BAI does not pay any fees for referrals.

#### **Item 15: Custody**

As described above, your assets managed by BAI are held at one or more brokers, otherwise known as your custodians, to protect your assets from being lost, misused, or misappropriated. We will not accept stock certificates or client funds under any circumstances. Any stock certificates must be sent directly to your custodian. Checks for deposit into a client's account must also be sent directly by you to your custodian. Instructions on how to do this have been sent to all clients and are available by contacting our office. We will promptly return or destroy any checks or certificates sent to us in error.

We are considered to have technical custody of client assets because of the following.

- In some cases, clients have granted us the authority to have our investment advisory fees withdrawn directly from their accounts, and
- BAI is the General Partner of the Bard Micro-Cap Value Fund L.P. As such, we have the authority to dispose of funds and securities in this account.

During 2019, BAI made a policy change regarding standings letters of authorization ("SLOAs") at our custodians. An SLOA gives BAI the power to move cash or assets as you have authorized in advance. We have eliminated all "third-party" SLOAs, i.e. those that would allow us to transfer assets from your account to that of someone else. You are still welcome to establish periodic distributions to such recipients, but BAI will not have any authority to direct, modify, or cancel them.

We will take your authorization to handle “first-party” SLOAs for you, which are transfers to like-named accounts. For all of these “first party” SLOAs, information about the account from which the funds are being sent and the account where the funds are going must be specified in detail.

For accounts other than the Bard Micro-Cap Value Fund, you will receive monthly statements from your broker. You should carefully review those statements. When we send you our quarterly report, there is a reminder in the letter urging you to compare the account statements you receive from your custodian to our quarterly report.

Partners in the Bard Micro-Cap Value Fund do not receive monthly statements from the custodian. However, invoices for the Fund are approved in writing by our attorney. Partners do receive financial statements for the Fund annually, audited by a firm subject to oversight by the Public Company Accounting Oversight Board (“PCAOB”).

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

When you sign an Investment Management Agreement with us, you grant us discretionary authority to purchase and sell investments for your portfolio(s). As noted above, we use the risk tolerance you select to guide the mix of investments for your account(s). When you complete that profile, you have an opportunity to indicate any sectors, industries, or particular companies you do not wish us to invest in on your behalf.

If you have accounts subject to the Portfolio Monitoring Service, we will have the power to place trades for you to facilitate your management of these accounts, but we will take direction from you regarding all trades.

We also have discretion to implement investment decisions and select custodians to execute such decisions without prior consultation with the client. Such investment decisions are made in the client’s best interest and in accordance with the client’s investment objectives.

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

When you sign an Investment Management Agreement with us, you acknowledge that we will not take any action with respect to the voting of proxies.. As of July 1, 2023, we do not vote any proxies for the Bard Micro-Cap Value Fund L.P. A copy of our Proxy Voting Procedures is also available from BAI at your request. Clients are welcome to call us for advice on how to vote their proxies.

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

The SEC requires that BAI disclose its own financial statements if BAI solicits prepayment of any fees six months or more in advance. BAI does not do this, so financial information about BAI is not required. BAI does not have any financial impairment that would preclude the Firm from meeting contractual commitments to clients. BAI has not been the subject of a bankruptcy petition at any time during the last 10 years.