

## **Bigelow Investment Advisors**

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10/16/2023

### **FORM ADV PART 2 BROCHURE**

This brochure provides information about the qualifications and business practices of Bigelow Investment Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 207-772-2900 or [www.bigelowadvisors.com](http://www.bigelowadvisors.com) or [rtibbetts@bigelowadvisors.com](mailto:rtibbetts@bigelowadvisors.com). 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 Bigelow Investment Advisors is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Bigelow Investment Advisors is 143733.

Bigelow Investment Advisors is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

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## ***SUMMARY OF MATERIAL CHANGES***

**10/16/2023**

- **Bigelow does not provide investment advice on an hourly basis.**

## Advisory Business

Form ADV Part 2A, Item 4

Bigelow Investment Advisors provides fee only investment management services to individuals, institutions, retirement plans, trusts and estates and non-profit organizations. The firm was established in April 2007 by Kathryn M. Dion and Gary L. Robinson. Principal owners of the firm changed as of January 2022. Michael Christopher Moore, Patrick Benjamin Flood, and Racquel Heath Tibbetts, together are minority owners of Bigelow. Gorham Savings Bank is a majority owner in Bigelow as of January 2022. Gorham Savings Bank is a Maine-based mutual savings community bank.

The primary advisory service offered by Bigelow is fee-based portfolio management and investment advice. Clients enter into an investment management agreement that gives the firm discretionary authority over assets held by the client in designated accounts. Some clients receive advisory services on a non-discretionary basis. Non-discretionary clients authorize trading decisions in writing prior to the execution of buy or sell orders.

Bigelow offers financial planning advice to clients as part of the firm's overall investment advisory services. Bigelow does offer financial planning services as a separate, stand-alone service.

Bigelow is dedicated to providing investment advice tailored to the identified needs of our clients. The firm uses historical measures of risk and return, financial projections, and occasionally, questionnaires to understand and clarify financial goals.

Clients identify an investment objective in consultation with their investment advisor. The investment objective includes various asset allocation ranges and is agreed to by both the client and the firm. An initialed and dated Investment Objective form is kept on file.

Clients may customize their investment portfolios further by:

- specifying the amount of cash equivalents to be held;
- specifying the use of socially responsible investments (often referred to as ESG);
- restrictions on the ownership of certain stocks or fixed income investments; and
- other unique requirements.

Managed client portfolios cannot include investments that are not publicly traded, denominated in a currency other than US dollars or that would violate our code of ethics.

### Written Acknowledgement of Fiduciary Status

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

Bigelow does not participate in wrap fee programs.

As of March 31, 2023, Bigelow had the following amounts of regulatory assets under management:

Discretionary: \$340,259,586.

Non-Discretionary: \$63,446,187.

Total: \$403,705,773.

## ***Fees and Compensation***

Form ADV Part 2A, Item 5

Fees are based on the market value of assets under management. Market values are based on prices reported by the account custodian on the last business day of each calendar quarter. The fee schedule for the firm is as follows: 1% on the first \$1,000,000 of assets, 0.6% on the next \$1,000,000 of assets, 0.5% on the next \$3,000,000 and 0.4% on any assets in excess of the preceding asset amounts. Fees may be offered to clients at a discount from the firm fee schedule. Some clients are charged fees based on earlier versions of the fee schedule. There is an account minimum of \$500 per quarter, which may be waived by Bigelow in its discretion. Fees are charged quarterly in advance. Bigelow may change the firm fee schedule for new clients and existing clients with prior written notice.

Fees for individuals normally are deducted from client's managed investment accounts. Fees for retirement accounts or other qualified retirement plans may be billed for services or deducted from the managed accounts. We expect our clients to pay their invoices for services rendered promptly, but in any event within 30 days.

If a client joins the firm during a calendar quarter, fees will be charged in arrears for those months prior to the next calendar quarter in which advisory services were provided. If a client terminates an investment advisory contract during a calendar quarter, fees will be refunded to the client for the portion of the quarter during which services were not provided. Fee calculations for intra-quarter periods are based on calendar months.

Bigelow clients hold their accounts at one of two discount brokerage firms. Those firms do not charge custody fees for accounts held under the management of Registered Investment Advisory firms. The custodians do charge fees or commissions for certain types of trades and some trades are not charged commissions. In addition, clients who hold mutual funds or exchange traded funds are incurring fees and expenses charged by the fund companies. These fund expenses are deducted by the fund management companies directly and reduce the total return to investors. Details about exchange traded or mutual fund expenses and fees are contained in the fund prospectus.

No one at Bigelow Investment Advisors receives compensation for the sale of securities or other investment products. Bigelow is not a securities broker or dealer.

Infrequently, the firm offers financial planning services on a flat fee basis that is not tied to assets managed by the firm. Basic fee for stand-alone financial planning services is billed at \$165 per month on a 12 month contract.

***Performance-Based Fees and Side-By-Side Management***

Form ADV Part 2A, Item 6

Bigelow Investment Advisors does not charge performance-based fees for any client accounts. This item is not applicable.

## ***Types of Clients***

Form ADV Part 2A, Item 7

The firm's clientele includes individuals, institutions, retirement plans, trusts and estates, non-profit groups, and small business organizations.

Minimum dollar value of assets for a family or household is \$300,000. Clients whose accounts fall below that level may continue as clients of the firm at Bigelow's discretion. Clients who expect to add assets to accounts to achieve the minimum dollar value may be taken on as clients of the firm at the discretion of the firm.



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

Form ADV Part 2A, Item 8

In formulating investment advice, Bigelow emphasizes the importance of asset allocation and diversification across multiple asset classes and, in the case of fixed income investments, across multiple maturities. The investment management process used by Bigelow focuses on long-term objectives. The long-term, diversified portfolio strategy is implemented using a range of investment vehicles. Bigelow uses individual stocks and bonds, exchange traded funds, mutual funds, real estate investment trusts and cash equivalents. The firm does not use frequent trading, trading on margin or market timing strategies.

Bigelow Investment Advisors uses information purchased from investment research services, corporate rating services, annual reports, prospectuses, financial newspapers and magazines, seminars, conferences and presentations on investments and portfolio management topics and electronically maintained databases. Within each asset class, the firm uses a variety of methods of analysis. Bigelow uses fundamental analysis, which is a method of evaluating the financial statements and operations of a firm. Bigelow also uses technical analysis, which looks at measures of trading activity such as moving averages or trading volume. In addition, Bigelow evaluates overall market and economic conditions. Liquidity and potential for growth in client portfolios are also important factors.

The firm may sell investments from client portfolios for a variety of reasons. Investments may be sold as part of the process of rebalancing the overall portfolio. A change in the investment outlook, deterioration in the price of an investment or a dramatic increase in price may prompt a reduction or outright sale of an asset. Investing in securities involves risk of loss. Bigelow works with clients to understand the risks inherent in any broadly based investment portfolio.

There are material risks involved in any investment strategy. Some of the risks include the following:

- the general level of asset prices will decline;
- the financial condition of the issuers of individual securities may decline;
- various and unpredictable factors such as inflation, interest rates, economic expansion or contraction, global, regional, economic, political or banking crises;
- lack of liquidity or active trading or other market disruptions;
- clearing and settlement of transactions may be delayed or disrupted; and
- fees and commissions for trading may change without notice.

Individual stocks or bonds have more company specific risk than investments in a pool of securities like an exchange traded fund or a mutual fund. Securities invested in a narrow asset category such as gold or a single country or economic sector have more risk individually than a combination of investments in a more diversified portfolio. Bigelow uses individual securities as part of a broader strategy involving the use of a range of assets to create diversified portfolios for clients.

Primarily, Bigelow does not recommend any particular type of security. Bigelow does not purchase for its clients the following types of stand-alone investments: initial public offerings (IPO's), options, futures contracts, hedge funds, private equity funds, closely held or non-publicly traded equities. Bigelow does invest in mutual funds and exchange traded funds that may use these types of investment vehicles.

### ***Disciplinary Information***

Form ADV Part 2A, Item 9

In the past ten years, neither Bigelow Investment Advisors nor its managers, owners or supervisors have been involved in any legal or disciplinary actions that involved investments or financial wrongdoing.

In the past ten years, neither Bigelow Investment Advisors nor its managers, owners or supervisors have been involved in any administrative proceedings that involved a violation of an investment-related statute or regulation or were the subject of an order by any agency or authority.

In the past ten years, neither Bigelow Investment Advisors nor its managers, owners or supervisors have been involved in any proceedings of a self-regulatory organization (SRO) that caused an investment related business to lose its authorization to do business or violated the SRO's rules.

***Other Financial Industry Activities and Affiliations***

Form ADV Part 2A, Item 10

Gorham Savings Bank (GSB) became an investor in Bigelow in August 2008. GSB is a majority owner in Bigelow as of January 2022. GSB is a Maine based mutual savings community bank. GSB refers potential clients to Bigelow for fee-based investment advisory services.

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

Form ADV Part 2A, Item 11

All employees, including the principal executive officers of the firm and members of the firm who determine general investment advice are subject to the firm's Code of Ethics. The Bigelow Code of Ethics sets out the firm's commitment to high standards of ethical conduct. It covers such areas as personal securities transactions, client confidentiality, insider trading, outside business activities, gifts and entertainment and conflicts of interest. Bigelow Investment Advisors requires all employees to acknowledge in writing the receipt and acceptance of the firm's Code of Ethics, annually.

A copy of the Code of Ethics is available to any client or prospective client upon request.

The internal procedures of the firm require that all Investment Adviser Representatives, access persons or supervised persons dealing with or having access to client files and other public or non-public information must disclose all holdings in financial assets. Members of the firm who are required to disclose personal investment holdings are also required to provide documentation of any securities transactions using third party trade monitoring software.

Transactions in no-load mutual funds, open-end exchange traded funds, treasury, agency or municipal notes or bonds, bank Certificates of Deposit do not require pre-clearance. Trades valued at \$50,000 or less in equity securities having a market capitalization in excess of two billion dollars do not require pre-clearance by the firm. Trades in corporate debt and trades in equity securities in excess of \$50,000 or in equity securities having a market capitalization below two billion dollars do require preclearance by the firm.

Bigelow Investment Advisors does not engage in cross trading between client accounts. The firm does not buy securities from or sell securities to its clients. The firm does not solicit investments on behalf of any other investment companies or partnerships.

## **Brokerage Practices**

Form ADV Part 2A, Item 12

Bigelow Investment Advisors does not engage in any commission markups or markdowns, often described as “soft dollar” arrangements with any broker, broker-dealer or research firm. No trading activity is directed to any particular broker in exchange for particular research or products. All trade allocation is done without discrimination among clients. The firm does negotiate with brokers on commission rates paid to ensure that pricing is competitive for the type of clientele and average account size of the firm.

Bigelow Investment Advisors receives access to products and services that benefit the firm as a whole but may not directly benefit clients’ accounts. These products and services 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, provide research, pricing and other market data, facilitate payment of the firm’s fees, and assist with back-office functions, recordkeeping and client reporting. These services are made available on an unsolicited basis and are not tied to any particular amount of trading activity.

In evaluating whether to recommend that clients use a particular custodian such as Charles Schwab, the firm may consider the quality and availability of some of the products and services described above as part of the total mix of factors it considers and not solely the cost or quality of custody and brokerage services. This may create a potential conflict of interest.

If Bigelow receives products and services from its custodian, it benefits the firm because the firm pays a reduced price or does not have to pay for the products or services. Bigelow also pays directly for research and software, often called “hard dollar” purchases.

Because Bigelow does not direct client transactions to a particular broker-dealer in return for soft dollar benefits, soft dollar benefits are not a factor in recommending a custodian or in any trading activity. Factors considered in selecting a custodian, include the pricing, accuracy and responsiveness of trading activity, availability of mutual funds and other investment vehicles, as well as the use of technology and software that provide access to client account data, facilitates trade execution, facilitates payment of applicant’s fees from its client’s accounts and assistance with recordkeeping and client reporting.

Bigelow does not select or recommend broker-dealers in return for client referrals.

Clients may require that accounts be held in custody at another broker-dealer or bank for the convenience of the client or to satisfy a security interest. Absent such considerations, the firm will recommend custody relationships with Charles Schwab for reasons of economy and efficiency of the firm. Bigelow is independently owned and operated and is not affiliated with Schwab. The firm may use a variety of brokers to purchase fixed income or equity securities and the firm does not consult with clients on the choice of counterparties.

Bigelow may aggregate purchases or sales of fixed income or equity type securities. Aggregating purchases or sales of fixed income securities generally results in more favorable pricing. Large and mid-capitalization equity purchases and sales are of a size that generally does not affect the pricing of securities. Aggregated purchases or sales may be made by the firm to enter or exit a particular security.

## ***Review of Accounts***

Form ADV Part 2A, Item 13

Formal reviews are conducted annually. Reviews are conducted by an advisor other than the portfolio manager assigned to the account. The review will include a check for appropriateness of investments, risk tolerance, investment objective and concentrated holdings. Reviews are conducted by investment advisors of the company.

An account review on other than the normal periodic basis may be triggered if there has been a significant change in the client's financial circumstances.

Clients receive custodial statements from Charles Schwab or another custodian monthly. These reports include income, deposits, withdrawals, asset valuations, transactions, and corporate actions. Clients also receive quarterly portfolio reports from Bigelow Investment Advisors, LLC, which include a listing of all assets, valuations, and performance.

Quarterly reports from Bigelow contain the following disclosure on the first page:

"Federal Regulators recommend that you compare statements received from your custodian with statements separately received from Bigelow Investment Advisors."

At the end of the calendar year, clients may request a summary report of realized gains and losses, and expenses in addition to the regular quarterly reports. Gain and loss information and expense information is provided for informational purposes and does not replace Form 1099 reports from clients' custodian.

### ***Client Referrals and Other Compensation***

Form ADV Part 2A, Item 14

Our professionals are compensated by salary and shared participation in a company level incentive program based on how the whole company performs. The advisors at our firm are not compensated based on product sales or commissions. The advisors at our firm may be compensated based on the amount of client assets they manage, the time and complexity required to meet a client's needs, or any revenue the firm earns from the advisors' services or recommendations.

Bigelow does not compensate non-advisory personnel (solicitors) for client referrals.

Supervised persons may attend educational programs, events, or conferences where expenses may be paid in full or partially by a company or other third parties whose products and services BIA may use while managing client accounts. This represents a conflict of interest in using and promoting their products and services. BIA, including advisors and staff, do not receive any additional sales incentive to recommend that company or third party.

## ***Custody***

Form ADV Part 2A, Item 15

Bigelow Investment Advisors requires its clients to maintain an account with a “qualified” custodian, generally a broker-dealer or a bank that will hold financial assets, execute transactions and accept limited authority from a client authorizing Bigelow to manage the account and deduct advisory fees from the custody account directly.

Under SEC rule 206(4)-2, Bigelow may be deemed to have custody of certain client accounts if the client has granted the advisor written authorization to move funds between accounts that are not identically registered. An example of this definition of custody would be the movement of retirement account funds into a joint account with a spouse or other family member.

Bigelow has developed policies and procedures to ensure that its practices comply with current guidance from the Securities and Exchange Commission regarding custody of client funds.



***Investment Discretion***

Form ADV Part 2A, Item 16

Bigelow Investment Advisors accepts discretionary authority over client accounts as part of its investment advisory service. Information on discretionary authority and any client limitations is located in the section entitled "Advisory Business."

### ***Voting Client Securities***

Form ADV Part 2A, Item 17

As part of its investment management service, Bigelow does not vote proxy statements on behalf of advisory clients.

The contract between Bigelow and all other non-institutional clients clearly discloses the fact that the firm does not take responsibility for voting client proxy ballots. Clients receive proxy and other voting materials directly from their custodian or transfer agent. Clients may contact the firm with questions about a particular solicitation but the ultimate decision of whether and how to vote rests with the client.

***Financial Information***

Form ADV Part 2A, Item 18

This section is not applicable.