

**FIRM BROCHURE**

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**This brochure provides information about the qualifications and business practices of DAVIS INVESTMENT GROUP (DIG). If you have any questions about the contents of this brochure, please contact us at (707)648-2024 or [bob@davisinvestmentgroup.biz](mailto:bob@davisinvestmentgroup.biz). The information in this brochure has not been approved or verified by the United States Securities & Exchange Commission or by any state securities authority.**

**As a Registered Investment Adviser, registered does not imply a certain level of skill or training.**

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**BUSINESS DESCRIPTION.** DIG has a commitment to use their time and talent with integrity to make a positive financial difference in the lives of others.

**OWNER.** Robert Davis is a Registered Adviser (RA) and has been in the financial services industry for 30 years and is the sole owner of Davis Investment Group (DIG).

**ASSOCIATES.** None at this time.

**TYPE OF SERVICES.** DIG offers many advisory services to help individuals gain a more stable financial health that includes, but not limited to:

Debt reduction	Estate Planning	College Savings and Planning
Retirement Planning	Stock Selection	Goals & Objective Setting
Insurance Review	Money Management	Social Security Optimization

Investment Vehicles include, but not limited to:

Stocks	Mutual Funds	Options
Bonds	Annuities	Exchange Traded Funds (ETFs)

**NEEDS OF CLIENTS.** A plan is individually tailored to each client after consultation in which the client has the right to review all investment decisions.

**WRAP-FEE PROGRAM.** DIG does not participate in any wrap-fee programs.

**ASSET MANAGEMENT.** DIG manages all accounts on a discretionary basis and has \$12.5 million assets under management (AUM) as of 12-31-2016.

#### **FEES & COMPENSATION**

**FEE SCHEDULE.** Clients will pay an annualized advisory fee, payable quarterly, based on their account balance and is not negotiable, except family. The schedule is:

1st \$50,000	1.25% annualized
Next \$200,000	1.00% annualized
Next \$250,000	.75% annualized
Next \$500,000	.50% annualized
Assets above \$1,000,000	.30% annualized

**FEE DEDUCTION.** Fees will be deducted from the clients account assets, unless the client prefers to be billed. Fees are deducted at the end of each calendar quarter.

**OTHER TYPES OF FEES.** DIG has no other fees or expenses; however the custodian may charge transaction fees for investments in stocks, bonds, options, ETFs and Alternative Investments. Certain Mutual Funds may charge distribution fees such as 12(b)1 fees, no portion of which will be received by DIG or RA.

**WHEN FEES ARE DUE.** Fees are paid at the end of the quarter, not in advance.

**OTHER COMPENSATION & CONFLICTS.** DIG and RA does not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. All conflicts are disclosed in writing to all clients upon detection of conflict. All mutual fund recommendations are no load funds or fee waived funds, custodian charges fees for selling early. All clients have the option to purchase recommended investment products through other brokers or agents, at their own expense, that are not affiliated with DIG or RA's. DIG or RA does not charge a commission or markup.

**PERFORMANCE BASED FEES.** DIG or RA does not charge a performance-based fee.



**TYPES OF CLIENTS.** DIG or RA provides investment advice only to individuals. There is a \$5,000 minimum, unless a monthly contribution is established and there is no minimum account size for maintaining an account.

**METHOD OF ANALYSIS.** After client completes Investment Policy Statement (IPS) questionnaire, an asset allocation is developed on an age weighted asset allocation based on American Association of Individual Investor models with an annual review. All performance handouts explain that investing in securities involve risk of loss that clients may experience.

**INVESTMENT STRATEGY.** Asset allocation reduces market timing and diversification risks. This method reduces significant or unusual risks. This strategy is long term oriented and avoids frequent trading of securities, which can adversely affect investment performance.

**RISK OF LOSS.** Mutual Funds and Index ETFs are primarily selected to reduce diversification risk and volatility. These investments do not involve significant or unusual risks.

**DISCIPLINARY INFORMATION.** DIG or RA has no CURRENT OR PAST legal or disciplinary events, either criminal or civil in any jurisdiction.

**OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATION.** RA is not, and is not planning to register as a broker-dealer or a registered representative of a broker-dealer, futures commission merchant, commodity pool operation, a commodity trading advisor, or an associated person of the above entities. RA does not have any relationship or arrangement with any related person in the financial industry. RA does not recommend or select other investment advisers for clients, so no compensation is received directly or indirectly, avoiding conflict of interest.

**CODE OF ETHICS.** The client's best interest is unquestionably the highest priority, so a code of ethics is:

Our fiduciary duty to our advisory clients requires that persons associated with this firm always strive to:

- Deal openly and honestly with our clients, putting their interests first
- Be diligent in the knowledgeable execution of our professional duties
- Inform management and clients of conflicts of interest
- Provide current, correct and complete information to clients so that their decisions may be based on the best facts and considerations
- Remain free from any self-dealing
- Maintain the confidentiality of each individual's private information as required and allowed by law, to do no harm to clients other than to provide to legal authorities information that is required by legal subpoenas

**INTEREST IN CLIENT TRANSACTIONS.** RA, which recommends to clients, or buys or sells for client accounts, has no material financial interest in any securities to avoid any conflict of interest. Block trades are utilized to avoid conflicts of interest in transaction when RA invests in the same securities as the client.

**BROKERAGE PRACTICES.** DIG selected the third party broker-dealer based on:

- |                          |                               |
|--------------------------|-------------------------------|
| name recognition         | ease of website navigation    |
| competitive commission   | mutual fund availability      |
| no fee ETFs              | amount of website information |
| back office team support | client support                |

DIG does not receive any research or other products or services (including soft dollar benefits) for its connection with broker-dealer. RA uses multiple free established research websites to verify information. Client referrals are not a consideration for selecting broker-dealer. Not all advisers require their clients to direct brokerage. DIG & RA is not affiliated nor have other economic relationships that create a material conflict of interest. All purchases or sales of stocks and options are aggregated for clients that have the same goals and time frames.

**REVIEW OF ACCOUNTS.** Client accounts and financial plans are reviewed annually, more often subject to market conditions and are conducted by RA. Triggers include, but not limited to, security management changes, sudden market gains or losses, economic news, industry news and earnings reports and guidance. Clients will receive a written report comparing their accounts to various indices.

**CLIENT REFFERALS.** DIG or RA does not receive any economic benefits from a third party for providing investment advice or other advisory services.

**OTHER COMPENSATION.** DIG or RA does not directly or indirectly compensate any person who is not a DIG supervised person for client referrals.

**CUSTODY.** All client accounts are held by a qualified custodian, a broker-dealer, and will receive monthly account statements and should be reviewed carefully for accuracy.

**INVESTMENT DESCRETION.** Although DIG & RA have discretionary authority, transactions are reviewed with clients. This authority is outlined in RIA agreement signed by client prior to opening account.

**VOTING CLIENT SECURITIES.** DIG or RA does not accept authority to vote client securities. Clients will receive written or electronic proxies and other solicitations directly from the custodian. Clients can contact RA to discuss questions about proxies and solicitations.

**FINANCIAL INFORMATION.** DIG or RA is not planning or have ever been the subject of a bankruptcy.

**REQUIREMENTS FOR STATE-REGISTERED ADVISERS.** DIG or RA have not been involved or found liable in any arbitration claim, self-regulatory organization or administrative proceedings

**FORMAL EDUCATION.** Robert Davis

AA, Social Science, Contra Costa College, 1971,

BA, Economics, CSU, Chico, 1973

MBA in Business Management, Golden Gate University, 1979

**BUSINESS BACKGROUND.** Robert Davis

Manufacturing Management 1975 – 1994

Financial Services 1986 - Present

Tax Service 1992 - Present

**OTHER BUSINESSES.** RA listed other business involved in background.

**LEGAL COMPLAINTS.** RA has not been involved or found liable in any arbitration claim, self-regulatory organization or administrative proceedings, civil or criminal.

**RELATIONSHIP WITH SECURITIES ISSUERS.** DIG or RA has no relationship or arrangement with any issuer of securities.