

**Form ADV, Part 3 Form CRS, Relationship Summary  
Dumaine Investments LLC – October 7, 2020**

## 1. Introduction

Dumaine Investments LLC is an investment advisory firm registered with the Securities and Exchange Commission. We offer financial planning and investment advisory services whose fee is based upon the amount of assets we manage. There are free and simple tools you can use to research advisory firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS); this website will provide you with educational materials about investment advisors and investing.

## 2. Relationships and Services

**What investment services and advice can you provide to me?** We offer Wealth Management Services, which may include ongoing portfolio management and Financial Consulting Services to retail investors. Detailed information regarding our services, fees and other disclosures can be found in our Form ADV Part 2A Items 4, 7, and 8 by clicking this link <https://adviserinfo.sec.gov/firm/brochure/306481>. As part of our regular services, Dumaine continuously monitors our clients' investments throughout each day. Our client relationships are mostly discretionary, i.e. Dumaine is granted full authority to buy and sell securities on our clients' behalf without their prior consent. However, our clients are closely involved in creating their investments' overall strategy which culminates with a written investment policy (IP) which summarizes a client's overall financial situation, their ability and desire to assume risk, their anticipated financial needs. Finally, the IP spells out the client's targeted allocations of investment assets between the primary investment categories that we invest in, namely: cash/money market mutual funds, fixed income/bonds, stocks/equities, and other various types of investments. Our discretionary authority may be limited by your unique restrictions and guidelines which will be incorporated into the investment policy. In general, we require a minimum of \$500,000 to open and maintain an advisory relationship. At our discretion, this minimum account size may be waived. Account values for clients, their spouses and their children may be combined to meet the above stated minimum.

**Given my financial situation, should I choose an investment advisory service? Why or why not?** In our experience, individuals typically choose to hire an investment advisor for one of three reasons:

- 1) They do not have the interest in analyzing and selecting their investment purchases/sales and then continue to monitor them to determine the appropriate future actions;
- 2) They do not have the time to analyze and select their investment purchases or sales and then continue to monitor these securities to determine the appropriate future actions; or
- 3) They do not have the ability to analyze and select their investment purchases or sales and then continue to monitor these securities to determine the appropriate future actions.

If a prospective client has the interest, the time and the ability to analyze and select their investment purchases or sales and then continue to monitor these securities to determine the appropriate future actions, hiring Dumaine Investments may not be an appropriate decision for them.

**How will Dumaine Investments select investments for you?** Our overall strategy is dictated by the written investment policy crafted around your unique situation. Individual securities are selected based on a top down assessment of the global, political, and economic environment. We then select individual securities based on a bottom up fundamental assessment of a given securities specific risks as well as its appreciation and/or income opportunity. We are an active manager who primarily selects specific individual stocks with a value-oriented bias along with individual pieces of fixed income. We also purchase exchanged traded funds and mutual funds as needed.

**What is our relevant experience, including our licenses, education, and other qualifications?** The president of Dumaine Investments is Cliff Favrot. He has a B.A. in Economics from Williams College and an M.B.A. from the McDonough School of Business at Georgetown University. Cliff has been a Chartered Financial Analyst (CFA) since 2003. This designation is meant to indicate that an individual has demonstrated a proficiency in security analysis and portfolio design. To receive this professional accreditation, three tests must be passed that typically require a minimum of 750 hours of study. Mr. Favrot has practiced as a financial planner for 15+ years and is also a Certified Financial Planner™ (CFP). To achieve the CFP designation, an individual must pass a single test covering the key areas of financial planning, i.e. investments, taxes, estate, insurance, and retirement. To pass this test typically takes 200-250 hours of study. Over the last 20 years, Cliff has worked as a portfolio manager at 3 different SEC registered investment advisory firms. He founded or co-founded two of these firms and served as the Chief Investment Officer at all three organizations. Additionally, he is a past president of the CFA Society of Louisiana, the region's local financial analyst organization.

Dumaine's other portfolio manager, Jo Anne Keck received a B.A. in American Studies from Cornell University. Prior to joining Dumaine 9 months ago, she had 15 years of varied financial industry experience in New York City, Houston, and New Orleans. Jo Anne holds a Series 65 license which requires ~30 hours of study and qualifies an individual to provide investing and general financial advice to clients. Previously, Jo Anne has held the Series 3, 7, 55 and 63 licenses. Additionally, she is a candidate for level 1 of the CFA charter which indicates that she is currently scheduled to take the test soon. To pass the first level of this accreditation's testing typically takes 200-300 hours of study.

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

### What fees will I pay?

The following summarizes the principal fees and costs associated with engaging our firm for investment advisory services. For detailed information, refer to our Form ADV Part 2A, Items 5 and 6 by clicking this link <https://adviserinfo.sec.gov/firm/brochure/306481>.

- Asset Based Fees - Billed and payable quarterly in advance and is calculated based on the account(s) balance(s) at the end of the prior billing period. Since the fees we receive are asset-based (i.e. based on the value of your account), we have an incentive to increase your account value which creates a conflict especially for those accounts holding illiquid or hard-to-value assets;
- Percentage Based Fees - Payable as invoiced;
- Fixed Fees - Due at the inception of the consulting relationship;
- Clients pay the following addition fees and/or expenses. Examples of the most common fees and costs applicable to our clients are:
  - Custodian fees;
  - Account maintenance fees;
  - Fees related to mutual funds and exchange-traded funds;
  - Transaction charges when purchasing or selling securities; and
  - Other product-level fees associated with your investments

In hiring Dumaine, you will pay fees 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 overtime.

**Help me understand how these fees and costs might affect my investments. If I give Dumaine Investments \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?** 100% of your asset-based fees would be invested for you. Separately though, our quarterly management fee would be billed and would be at \$31.25/quarter based on the theoretical \$10,000 amount. There are no other fees or charges levied or received by Dumaine Investments in servicing its clients.

**What are your legal obligations to me when acting as my investment advisor? How else does Dumaine Investments make money and what conflicts of interest do you have in working for its clients?** As an SEC registered investment advisory firm, Dumaine Investments has a fiduciary obligation to all its clients. This means that Dumaine Investments has the absolute highest legal duty of one party to another where we are bound ethically to act in our client's best interests before any other consideration. The sole revenues received by Dumaine Investments are from our clients' quarterly investment management fees. We receive no other fees or consideration of any type, including soft dollars, from any other party.

We do have two primary conflicts of interest: 1) the more assets we manage for a retail client, the more the retail investor will pay us in fees. We may therefore have an incentive to encourage the retail investor to increase the assets in his or her account. Additionally, Dumaine Investments LLC provides advisory services to CDJ Apartments LLC. Cliff Favrot is a non-controlling minority owner of CDJ Apartments LLC with whom he has a family relationship. Mr. Favrot has a duty to treat all clients similarly and will never put his interests ahead of the interests of Dumaine's other clients. Both above referenced risks are mitigated by the fact that Dumaine always acts as a fiduciary to all of its clients. Refer to our Form ADV Part 2A by clicking this link <https://adviserinfo.sec.gov/firm/brochure/306481>.

**When we act as your investment adviser,** we must act in your best interest and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask about these conflicts because they can affect our investment advice. Here are some examples to help you understand what this means. Two examples are the sale of proprietary products which are investments that are issued, sponsored, or managed by Dumaine Investments. We do not offer any proprietary products. Another conflict of interest would be the payments by third parties of compensation to Dumaine Investments. We have never received any third-party payments, nor will we ever, as our sole source of revenue is our clients' quarterly management fees.

**How might your conflicts of interest affect me, and how will you address them?** Our primary conflict of interest is that we are paid more in fees as we manage more assets for our clients. This risk is mitigated by the fact that we are held to a fiduciary legal standard that requires us to look after our clients' best interests first and before any other considerations or concerns.

**How do Dumaine's financial professionals make money?** Our portfolio manager, Ms. Keck is paid a base salary plus a commission on the revenues of the new clients that she acquires. Cliff, as the sole owner of the firm, is paid based on the firm's profits after all other expenses are paid.

#### Item 4. Disciplinary History

**Do you or your financial professionals have legal or disciplinary history?** No financial professional who works for Dumaine Investments has ever had any legal or disciplinary action taken against them. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple research tool.

#### Item 5. Additional Information

Additional information about our services and our regulatory filings may be found at [www.dumaineinvestments.com](http://www.dumaineinvestments.com) and/or click this link <https://adviserinfo.sec.gov/firm/brochure/306481>. Additionally, the most current copy of the Relationship Summary may be requested by calling (504) 521-7350.

**Who is my primary contact person? Is he or she a representative of an investment advisor or a broker dealer? Who can I talk to about how this person is treating me?** Your primary contact person would be your designated portfolio manager, i.e. Ms. Keck or Mr. Favrot. If you were to have any concerns about how your portfolio manager is treating you, you should promptly contact Dumaine's Chief Compliance Officer, Cliff Favrot, at (504) 521-7350 or [cfavrot@dumaineinvestments.com](mailto:cfavrot@dumaineinvestments.com).