



Part 2A of Form ADV: Firm Brochure

**Arcadia Investment Management Corporation**

161 East Michigan Avenue  
Suite 500  
Kalamazoo, MI 49007

Telephone: 269/349-0800  
Email: [info@arcimc.com](mailto:info@arcimc.com)

Website: [www.arcimc.com](http://www.arcimc.com)

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This brochure provides information about the qualifications and business practices of Arcadia Investment Management Corporation. If you have any questions about the contents of this brochure or would like additional copies please contact us at 269/349-0800 or [dorsey@arcimc.com](mailto:dorsey@arcimc.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 Arcadia Investment Management Corporation is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by entering a unique identifying number, known as a CRD number. Our firm's CRD number is 104867.

## **Item 2 Material Changes**

This brochure has been updated as follows:

1. Update Assets Under Management as of 12/31/2024 (Item 4).
2. Update assets considered under custody as of 12/31/2024 (Item 15).

Consistent with SEC rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

| <b>Item 3</b> | <b>Table of Contents</b>   | <b>Page</b> |
|---------------|--|-------------|
| Item 1        | Cover Page .....   | 1           |
| Item 2        | Material Changes .....   | 2           |
| Item 3        | Table of Contents .....  | 3           |
| Item 4        | Advisory Business .....  | 4           |
| Item 5        | Fees and Compensation .....  | 5           |
| Item 6        | Performance-Based Fees and Side-By-Side Management .....                                       | 6           |
| Item 7        | Types of Clients .....   | 6           |
| Item 8        | Methods of Analysis, Investment Strategies and Risk of Loss.....                               | 6           |
| Item 9        | Disciplinary Information.....  | 9           |
| Item 10       | Other Financial Industry Activities and Affiliations .....                                     | 9           |
| Item 11       | Code of Ethics, Participation or Interest in Client Transactions and<br>Personal Trading ..... | 9           |
| Item 12       | Brokerage Practices .....  | 11          |
| Item 13       | Review of Accounts.....  | 12          |
| Item 14       | Client Referrals and Other Compensation .....  | 12          |
| Item 15       | Custody .....  | 12          |
| Item 16       | Investment Discretion .....  | 13          |
| Item 17       | Voting Client Securities.....  | 13          |
| Item 18       | Financial Information.....   | 14          |

#### **Item 4    AIMC Fee-Only Advisory Business**

Arcadia Investment Management Corporation (hereinafter referred to as “AIMC”) is a SEC-registered investment advisor with its principal place of business located in Michigan. We opened the firm in 1987.

We are owned by three shareholders, two control 25% or more of the company.

We offer the following advisory services to our clients:

##### *PORTFOLIO MANAGEMENT*

We provide continuous asset management of your funds based on your needs. We learn about your goals and objectives based on your circumstances and develop a personal investment policy. We consider the nature and amount of all assets and sources of income or support, including assets other than those under our management. We create and manage a portfolio based on the investment policy. During our data-gathering process, we determine your objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss your prior investment history, as well as family composition and background.

We manage your accounts on a discretionary or non-discretionary basis. Account management is guided by your stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Once your portfolio has been established, we review the portfolio regularly. Changes are made as appropriate to meet your objectives.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Mutual fund shares

- United States government securities
- Options contracts on securities
- Exchange traded funds

Because some types of investments involve certain additional degrees of risk, they will only be implemented when consistent with your stated investment objectives, tolerance for risk, liquidity and suitability.

### *Fiduciary Status*

Pursuant to the Employee Retirement Income Security Act (“ERISA”), and regulations under the Internal Revenue Code of 1986 (the “Code”), AIMC and individuals providing investment advice on our behalf (“Fiduciary Advisers” or “FAs”) will be deemed to be investment advice fiduciaries (“ERISA Fiduciaries”) when we render individualized investment advice to a plan, plan fiduciary, plan participant or beneficiary, IRA, or IRA owner, Health Savings Accounts (“HSAs”), Archer Medical Savings Accounts and Coverdell Education Savings Accounts (together, “Retirement Accounts”) for a fee or other compensation, whether direct or indirect. While we are already fiduciaries for all of your advisory accounts under the Investment Advisers Act of 1940, we are required to acknowledge this new ERISA Fiduciary status.

### Acknowledgement of Fiduciary Status

Pursuant to the recommendations we provide to your retirement account(s) and your acceptance thereof, we acknowledge that we are acting as Fiduciaries under ERISA with respect to recommended transactions. As ERISA Fiduciaries to our clients, we have an affirmative duty of undivided loyalty to always serve our clients’ best interests and act in utmost good faith, placing our clients’ interests first and foremost without regard to the financial interests of our employees, affiliates, and related entities or other parties. Further, as Fiduciaries we are required to act prudently on our clients’ behalf, exercising care, skill and diligence when providing our services.

As ERISA Fiduciaries, we are committed to these Impartial Conduct Standards:

- (i) providing prudent advice that is, at the time of the recommendation, in the best interest of our client,
- (ii) receiving no more than reasonable compensation, and
- (iii) statements made regarding the recommended transaction, fees and compensation, material conflicts of interest and other matters relevant to the retirement investor’s investment decisions, will not be materially misleading at the time they are made.

### *Managed Assets*

As of 12/31/2024, we were actively managing \$687,890,000 of assets on a discretionary basis.

## **Item 5 Fees and Compensation**

### *INVESTMENT SUPERVISORY SERVICES (“ISS”) PORTFOLIO MANAGEMENT FEES*

Effective July 1, 2011, the annualized fees for Investment Supervisory Services are charged as a percentage of assets under management, as follows:

9/10 of 1% per year for the initial \$1,000,000;

7.5/10 of 1% per year for the next \$4,000,000;

5/10 of 1% per year for the balance of the account.

The minimum annual fee is \$5,000 per family relationship.

This minimum annual fee may be negotiable under certain circumstances. We may group certain related accounts for the purpose of achieving the minimum annual fee.

Fees are calculated on the market value of supervised assets on the effective date of our agreement and quarterly thereafter. You are billed quarterly in advance. You can choose to have invoices sent directly to the custodian, in which case, a copy will be provided to you for information purposes.

***Limited Negotiability of Advisory Fees:*** Although we have established the fee schedule reflected above, we retain the discretion to negotiate alternative fees on a client-by-client basis. Your facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the accounts, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be reflected in your account agreement.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

We do not charge performance-based fees.

## **Item 7 Types of Clients**

We provide advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals

- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations of other businesses not listed above

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

### ***METHODS OF ANALYSIS***

We use the following methods of analysis in formulating our investment advice and/or managing your assets:

*Fundamental Analysis.* We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

*Technical Analysis.* We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

*Cyclical Analysis.* In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

*Risks for All Forms of Analysis.* Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

### ***INVESTMENT STRATEGIES***

We use the following strategy(ies) in managing your accounts, provided that such strategy(ies) are appropriate to your needs and consistent with your investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term Purchases. We purchase securities with the idea of holding them in your account for a year or longer. Typically, we employ this strategy when:

- We believe the securities to be currently undervalued, and/or
- We want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Trading. We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

Margin transactions. We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash and allows us to purchase stock without selling other holdings.

Option writing. We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to “hedge” a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use “covered calls”, in which we sell an option on a security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a “spreading strategy” in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

### **Item 9 Disciplinary Information**

We are required to disclose any legal or disciplinary events that could be material to your evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

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

We are not engaged in other financial industry activities and have no other industry affiliations.

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

We have adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of all employees, including compliance with applicable federal securities laws.

We owe a duty of loyalty, fairness and good faith towards you and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and quarterly securities holdings reports that must be submitted by the firm’s access persons. Among other things, our Code of Ethics also requires the prior approval of any transaction in securities in a limited offering (e.g., private placement), an initial public offering, or any securities on our Approved List. Our code also provides for oversight, enforcement and recordkeeping provisions.

We believe the limited nature of the investments made by our officers, directors, shareholders or investment advisors of securities on the Approved List causes the likelihood of a conflict of interest to be extremely remote. Purchases and sales by officers, directors, shareholders, and

investment advisors in the same securities that are purchased in your account indicates our confidence and commitment to the investment advice we provide. Officers, directors, shareholders and investment advisors are putting their own funds at risk, largely to the same extent your funds are put at risk.

Our Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, we are all reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available if you wish. You may request a copy by email sent to [Dorsey@arcimc.com](mailto:Dorsey@arcimc.com), or by calling us at 800/230-6690.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in your best interest and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

As these situations represent actual or potential conflicts of interest to you, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure we comply with its regulatory obligations and provides you with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above your interest.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is our expressed policy that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents us from benefiting from transactions placed on behalf of your accounts.
4. Our firm requires prior approval for any IPO, private placement investments, or securities on the Approved List by employees of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Office or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.

8. We require annual delivery and acknowledgement of the Code of Ethics by every employee of our firm.
9. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
10. Any individual who violates any of the above restrictions may be subject to termination.

## **Item 12 Brokerage Practices**

In some cases, you direct us to use a particular broker dealer, so we do not have discretionary authority to select a different broker dealer. In these cases, when you direct the use of a particular broker dealer, you may pay higher commissions than if we had discretion to choose the broker dealer. Your commissions may be different than those charged to other client accounts.

In some cases, we may select or suggest a broker dealer where security transactions are executed. Our chief objective in the selection of a broker dealer is the best combination of price and execution. The best price, including commissions and other transaction costs, is normally an important factor in this decision, but we also consider the quality of brokerage services. Factors included in brokerage services are execution capability, willingness to commit capital, financial stability and clearance settlement capability. Given these factors, transactions will not always be executed at the lowest available commission.

Where more than one broker dealer is believed to be capable of providing the best combination of price and execution, we will sometimes select a broker dealer who provides research. Research includes reports on companies, industries and securities; economic and financial data; financial publications; and computer databases.

We do not pay any broker dealer higher commissions to receive research.

We evaluate brokerage commissions on an ongoing basis using our general knowledge of the securities and brokerage industry. From time to time, we make a good faith determination that commissions are reasonable in relation to the value of brokerage services and research received.

AIMC does not receive any non-research products or services from broker dealers.

Research received from broker dealers may be used for any or all accounts.

As a matter of policy and practice, AIMC does not participate in any soft dollar arrangements.

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

#### *INVESTMENT SUPERVISORY SERVICES (“ISS”) PORTFOLIO MANAGEMENT*

REVIEWS: While the underlying securities within accounts are continually monitored, the accounts are also reviewed regularly. Accounts are reviewed in the context of your investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as your circumstances, the market, or the political or economic environments.

Accounts are reviewed by the portfolio manager responsible for the account.

REPORTS: In addition to the monthly statements and confirmations of transactions that you receive from your custodian, we provide quarterly reports summarizing account activity, balances and holdings.

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

As stated in Item 12, our overriding objective in executing transactions, is seeking the best combination of price and execution. We do not have agreements with any broker dealer to compensate the broker dealer for client referrals. If a broker dealer can provide the best price and execution for a transaction, we might select that broker dealer in recognition of a past referral. We do not incur higher commission costs for your account than from other broker dealers.

It is our policy to not accept or allow any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to you.

### **Item 15 Custody**

We previously disclosed in the “Fees and Compensation” section (Item 5) of this Brochure that our firm directly debits advisory fees from your accounts at your direction.

As part of this billing process, your custodian is advised of the amount of the fee to be deducted from your account. Additionally, a copy of the invoice is mailed to you. On at least a quarterly basis, the custodian is required to send to you a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for you to carefully review the copy of the invoice statement to verify the accuracy of the calculation, among other things. You should contact us directly with any questions or if you believe that there may be an error in the fee calculation.

In addition to the periodic statements that you receive directly from the custodian, we also provide account statements to you on a quarterly basis. We urge you to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

For a small number of accounts, portfolio managers are serving as trustee, creating custody for those assets. As of 12/31/2024, there are 29 accounts with assets of \$56,945,000. A surprise exam is conducted on an annual basis by an independent accounting firm.

## **Item 16 Investment Discretion**

You may hire us to provide discretionary asset management services, in which case we place trades in your account without contacting you prior to each trade to obtain permission.

Our discretionary authority includes the ability to do the following without contacting you:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell

You give us discretionary authority when you sign a discretionary agreement with us, and you may limit this authority by giving us written instructions. You may also change/amend such limitations by once again providing us with written instructions.

For non-discretionary accounts, you can decline to implement any advice rendered.

## **Item 17 Voting Client Securities**

You can optionally direct us to vote proxies for your accounts, or you can vote proxies yourself. To make a change to the election selected on the investment management agreement, please instruct us in writing.

We will vote proxies in your best interest and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the required length of time including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material in making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a proxy, we will notify you of the conflict and retain an independent third-party to cast a vote.

You may obtain a copy of our complete proxy voting policies and procedures by contacting your portfolio manager by telephone, email, or in writing. You may also request, in writing, information on how proxies for your shares were voted. If you make such a request, we will promptly provide the information.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, contact your portfolio manager by telephone, email, or in writing.

You can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. You can also instruct us on how to cast your vote in a particular proxy contest by contacting your portfolio manager.

## **Item 18 Financial Information**

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that maintains discretionary authority for accounts or is deemed to have custody, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. We have no additional financial circumstances to report.

We have not been the subject of a bankruptcy petition at any time during the past ten years.