



Brochure

Form ADV Part 2A

CRD# 134667

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This Brochure provides information about the qualifications and business practices of Dempsey Investment Management, LLC ("Dempsey"). If you have any questions about the contents of this Brochure, please contact us at (802) 497-1931 or don@feeonlyvt.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state authority.

Dempsey is an investment advisory firm registered with the appropriate regulatory authority. Registration does not imply a certain level of skill or training. Additional information about Dempsey also is available on the SEC's website at www.AdviserInfo.sec.gov.

Item 2 Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment dated January 25, 2018, there are no material changes to report.

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Item 4 Advisory Business

General Information

Dempsey Investment Management, LLC was formed in 2005 and provides financial planning and portfolio management services to its clients.

Donald F. Dempsey is the sole principal owner of Dempsey. Please see **Brochure Supplement**, Exhibit A, for more information on Mr. Dempsey.

SERVICES PROVIDED

At the outset of each client relationship, Dempsey spends time with the client, asking questions, discussing the client's investment experience and financial circumstances, and reviewing options for the client. Based on its reviews, Dempsey generally develops with each client:

- a financial outline for the client based on the client's financial circumstances and goals, and the client's risk tolerance level (the "Financial Profile" or "Profile"); and
- the client's investment objectives and guidelines (the "Investment Plan" or "Plan").

The Financial Profile is a reflection of the client's current financial picture and a look to the future goals of the client. The Investment Plan outlines the types of investments Dempsey will make or recommend on behalf of the client in order to meet those goals. The Profile and the Plan are discussed regularly with each client, but are not necessarily written documents.

Where Dempsey provides general consulting services, Dempsey will work with the client to prepare an appropriate summary of the specific project(s) to the extent necessary or advisable under the circumstances.

With respect to any account for which Dempsey meets the definition of a fiduciary under Department of Labor rules, Dempsey acknowledges that both Dempsey and its Related Persons are acting as fiduciaries. Additional disclosure may be found elsewhere in this Brochure or in the written agreement between Dempsey and Client.

Financial Planning

Dempsey offers limited financial planning services to those clients in need of such service in conjunction with Portfolio Management services or as a stand-alone service. Dempsey's limited financial planning services normally address areas such as general cash flow planning, retirement planning, and insurance analysis. The goal of this service is to assess the financial circumstances of the client in order to more effectively develop the client's Investment Plan or to provide guidance for general planning strategies.

Portfolio Management

As described above, at the beginning of a client relationship, Dempsey meets with the client and performs research and analysis as necessary to develop the client's Investment Plan. The Investment Plan will be updated from time to time when requested by the client, or when determined to be necessary or advisable by Dempsey based on updates to the client's financial or other circumstances.

To implement the client's Investment Plan, Dempsey will manage the client's investment portfolio on a discretionary basis or a non-discretionary basis. As a discretionary investment adviser, Dempsey will have the authority to supervise and direct the portfolio without prior consultation with the client. Under a non-discretionary arrangement, clients must be contacted prior to the execution of any trade in the account(s) under management. This may result in a delay in executing recommended trades, which

could adversely affect the performance of the portfolio. This delay also normally means the affected account(s) will not be able to participate in block trades, a practice designed to enhance the execution quality, timing and/or cost for all accounts included in the block. In a non-discretionary arrangement, the client retains the responsibility for the final decision on all actions taken with respect to the portfolio.

Notwithstanding the foregoing, clients may impose certain written restrictions on Dempsey in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of Dempsey.

Separate Account Managers

When appropriate and in accordance with the Investment Plan for a client, Dempsey may utilize one or more Separate Account Managers, each a "Manager". Having access to various Managers offers a variety of manager styles, and offers clients the opportunity to utilize more than one Manager if necessary to meet the needs and investment objectives of the client. Dempsey will recommend the Manager(s) it deems most appropriate for the client. Factors that Dempsey considers in recommending Managers generally includes the client's stated investment objective(s), management style, performance, risk level, reputation, financial strength, reporting, pricing, and research.

The Manager(s) will generally be granted discretionary trading authority to provide investment supervisory services for the portfolio. Dempsey will not terminate the Manager's relationship or to add new Managers without specific client consent. With respect to assets managed by a Manager, Dempsey's role will be to monitor the overall financial situation of the client, to monitor the investment approach and performance of the Manager(s), and to assist the client in understanding the investments of the portfolio.

Assets Under Management

As of January 9, 2019, we provide continuous management services for \$56,471,832 in client assets on a discretionary basis, and \$14,181,433 in client assets on a non-discretionary basis.

Item 5 Fees and Compensation

General Fee Information

Fees paid to Dempsey are exclusive of all custodial and transaction costs paid to the client's custodian, brokers or other third party consultants. Please see **Item 12 - Brokerage Practices** for additional information. Fees paid to Dempsey are also separate and distinct from the fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund's prospectus or offering materials). The client should review all fees charged by funds, brokers, Dempsey and others to fully understand the total amount of fees paid by the client for investment and financial-related services.

Financial Planning Fees

When Dempsey provides stand-alone financial planning services to clients, these fees are negotiated at the time of the engagement for such services and are normally based on an hourly rate of \$200.

Portfolio Management Fees

The annual fee schedule, based on a percentage of assets under management, is as follows:

\$250,000 - \$500,000	1.00%
\$500,001 - \$2,000,000	0.75%
Balance over \$2,000,000	Negotiable

The minimum portfolio value is generally set at \$250,000. Dempsey may, at its discretion, make exceptions to the foregoing portfolio minimum or negotiate special fee arrangements where Dempsey deems it appropriate under the circumstances. Minimum annual fees may apply. In no case will a client's portfolio management fee exceed 1.50% of assets under management.

Portfolio management fees are generally payable quarterly, in arrears, as agreed upon with each client. If management begins after the start of a quarter, fees will be prorated accordingly. Fees are normally debited directly from client account(s), unless other arrangements are made.

Either Dempsey or the client may terminate their Investment Advisory Agreement at any time, subject to any written notice requirements in the agreement. In the event of termination, any paid but unearned fees, whether calculated based on a percentage of assets under management or as a fixed fee, will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to Dempsey from the client will be invoiced or deducted from the client's account prior to termination.

Fixed Fees: Some clients will contract to have investment advisory advice provided based on a fixed fee arrangement. The fee will be charged quarterly in arrears.

Separate Account Managers Fees

For those clients best served by including the use of Separate Account Manager, the total annual fee, which is shared between Dempsey and the Manager, is based on a percentage of assets under management, and is calculated as follows:

\$250,000 - \$2,000,000	1.30%
\$2,000,001 - \$5,000,000	0.90%
Balance over \$5,000,000	0.80%

The fee schedule demonstrates the total management fee to be paid by client, and represents the maximum management fee to be assessed. (Fees may vary slightly due to Manager selected.) Dempsey and the sub-adviser will determine the division of the total fee collected. The minimum portfolio value for a managed stock/bond portfolio is generally set at \$250,000. Dempsey may, at its discretion, make exceptions to the foregoing or negotiate special fee arrangements where Dempsey deems it appropriate under the circumstances. The maximum portfolio management fee in this arrangement will not exceed 1.50% of assets under management. While Dempsey bills in arrears the separate account managers may bill in advance.

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

Dempsey does not have any performance-based fee arrangements. "Side-by-Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because Dempsey has no performance-based fee accounts, it has no side-by-side management.

Item 7 Types of Clients

Dempsey serves individuals, trusts, estates. With some exceptions, the minimum portfolio value eligible for conventional investment advisory services is \$250,000. Minimum annual fees may apply. For those clients best served by including the use of Separate Account Managers, the minimum portfolio value for a managed stock/bond portfolio is generally set at \$250,000. Under certain circumstances and in its sole discretion, Dempsey may negotiate the portfolio minimums. Minimum annual fees may apply. In no case will a client's portfolio management fee exceed 1.50% of assets under management.

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

Methods of Analysis

In accordance with the Investment Plan, Dempsey will either recommend one or more Managers, or will design a portfolio made up of a combination of mutual funds, ETF's, common stock, and separate account managers. The primary approach is to build a portfolio aimed at reducing risk and increasing performance.

Managers, mutual funds and ETFs are generally evaluated and selected based on a variety of factors, including, as applicable and without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors.

In making stock selections, Dempsey concentrates on fundamental analysis, which involves review and evaluation of the business and financial information about an issuer. Without limitation, the following factors generally will be considered:

- Financial strength ratios;
- Price-to-earnings ratios;
- Dividend yields; and
- Growth rate-to-price earnings ratios
- Analyst ratings or opinions

Investment Strategies

Dempsey's strategic approach is to invest each portfolio in accordance with the Plan that has been developed specifically for each client. Generally, Dempsey will focus on a long term strategy, such that securities are purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year. When appropriate, Dempsey may also employ an options trading/writing strategy. This is a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the expiration of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option.

Risk of Loss

While Dempsey seeks to diversify clients' investment portfolios across various asset classes consistent with their Investment Plans in an effort to reduce risk of loss, all investment portfolios are subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money. As such, investing in securities involves risk of loss that clients should be prepared to bear.

Below is a description of several of the principal risks that client investment portfolios face.

Management Risks. While Dempsey manages client investment portfolios, or recommends one or more Managers, based on Dempsey's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that Dempsey or a Manager allocates client assets to individual securities and/or asset classes that are adversely affected by unanticipated market movements, and the risk that Dempsey's specific investment choices could underperform their relevant indexes.

Risks of Investments in Mutual Funds, ETFs and Other Investment Pools. As described above, Dempsey or a Manager(s) may invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

Equity Market Risks. Dempsey and any Manager (s) will generally invest portions of client assets directly into equity investments, either stocks or pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

Fixed Income Risks. Dempsey and any Manager (s) may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

Foreign Securities Risks. Dempsey and any Manager (s) may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in

investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

Item 9 Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of Dempsey or the integrity of Dempsey's management. Dempsey has no disciplinary events to report.

Item 10 Other Financial Industry Activities and Affiliations

Neither Dempsey nor its Management Person has any other financial industry activities or affiliations to report.

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

Code of Ethics and Personal Trading

Dempsey has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. Dempsey's Code has several goals. First, the Code is designed to assist Dempsey in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, Dempsey owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires Dempsey associated persons to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for Dempsey's associated persons (managers, officers and employees). Under the Code's Professional Standards, Dempsey expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, Dempsey associated persons are not to take inappropriate advantage of their positions in relation to Dempsey clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time Dempsey's associated persons may invest in the same securities recommended to clients. Under its Code, Dempsey has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code's personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading and pre-clearance of certain types of personal trading activities. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. The Code also provides for disciplinary action as appropriate for violations.

Participation or Interest in Client Transactions

As outlined above, Dempsey has adopted procedures to protect client interests when its associated persons invest in the same securities as those selected for or recommended to clients. In the event of any identified potential trading conflicts of interest, Dempsey's goal is to place client interests first.

Consistent with the foregoing, Dempsey maintains policies regarding participation in initial public offerings (IPOs) and private placements in order to comply with applicable laws and avoid conflicts with client transactions. If associated persons trade with client accounts (e.g., in a bundled or aggregated

trade), and the trade is not filled in its entirety, the associated person's shares will be removed from the block, and the balance of shares will be allocated among client accounts in accordance with Dempsey's written policy.

Finally, if associated persons trade with client accounts (i.e., in a bundled or aggregated trade), and the trade is not filled in its entirety, the associated person's shares will be removed from the block, and the balance of shares will be allocated among client accounts in accordance with Dempsey's written policy.

Item 12 Brokerage Practices

Best Execution and Benefits of Brokerage Selection

When given discretion to select the brokerage firm that will execute orders in client accounts, Dempsey seeks "best execution" for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, Dempsey may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of Dempsey's clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

Dempsey recommends that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets. Dempsey may also effect trades for client accounts at Schwab, or may in some instances, consistent with Dempsey's duty of best execution and specific agreement with each client, elect to execute trades elsewhere. Although Dempsey may recommend that clients establish accounts at Schwab, it is ultimately the client's decision to custody assets with Schwab. Dempsey is independently owned and operated and is not affiliated with Schwab.

Schwab provides Dempsey with access to its institutional trading, custody, reporting and related services, which are typically not available to Schwab retail investors. Schwab also makes available various support services. Some of those services help Dempsey manage or administer our clients' accounts while others help Dempsey manage and grow our business. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them. These services are not soft dollar arrangements, but are part of the institutional platform offered by Schwab. Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For Dempsey client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Schwab Advisor Services also makes available to Dempsey other products and services that benefit Dempsey but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Dempsey accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist Dempsey in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade

orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of Dempsey's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Advisor Services also offers other services intended to help Dempsey manage and further develop its business enterprise. These services may include: (i) technology, compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Dempsey. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Dempsey. Schwab Advisor Services may also provide other benefits such as educational events or occasional business entertainment of Dempsey personnel. In evaluating whether to recommend that clients custody their assets at Schwab, Dempsey may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab. Clients should be aware that Dempsey receives a benefit from Schwab because it does not pay (or pays less than full price) for research, services and/or other products. This creates an incentive for Dempsey to recommend the custodial and brokerage services of Schwab to its clients.

Directed Brokerage

Clients may direct Dempsey to use a particular broker for custodial or transaction services on behalf of the client's portfolio. In directed brokerage arrangements, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. Accordingly, a client who directs brokerage should consider whether such designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions or obtain less favorable execution, or the designation limits the investment options available to the client.

The arrangement that Dempsey has with Schwab is designed to maximize efficiency and to be cost effective. By directing brokerage arrangements, the client acknowledges that these economies of scale and levels of efficiency are generally compromised when alternative brokers are used. While every effort is made to treat clients fairly over time, the fact that a client chooses to use the brokerage and/or custodial services of these alternative service providers can in fact result in a certain degree of delay in executing trades for their account(s) and otherwise adversely affect management of their account(s).

By directing Dempsey to use a specific broker or dealer, clients who are subject to ERISA confirm and agree with Dempsey that they have the authority to make the direction, that there are no provisions in any client or plan document which are inconsistent with the direction, that the brokerage and other goods and services provided by the broker or dealer through the brokerage transactions are provided solely to and for the benefit of the client's plan, plan participants and their beneficiaries, that the amount paid for the brokerage and other services have been determined by the client and the plan to be reasonable, that any expenses paid by the broker on behalf of the plan are expenses that the plan would otherwise be obligated to pay, and that the specific broker or dealer is not a party in interest of the client or the plan as defined under applicable ERISA regulations.

Aggregated Trade Policy

Dempsey may enter trades as a block where possible and when advantageous to clients whose accounts have a need to buy or sell shares of the same security. This method permits the trading of aggregate blocks of securities composed of assets from multiple client accounts. It allows Dempsey to execute trades in a timely, equitable manner, and may reduce overall costs to clients.

Dempsey will only aggregate transactions when it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its clients, and is consistent with the terms of Dempsey's Investment Advisory Agreement with each client for which trades are being aggregated. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all Dempsey's transactions in a given security on a given business day, with transaction costs generally shared pro-rata based on each client's participation in the transaction. On occasion, owing to the size of a particular account's pro rata share of an order or other factors, the commission or transaction fee charged could be above or below a breakpoint in a pre-determined commission or fee schedule set by the executing broker, and therefore transaction charges may vary slightly among accounts. Accounts may be excluded from a block due to tax considerations, client direction or other factors making the account's participation ineligible or impractical.

Dempsey will prepare, before entering an aggregated order, a written statement ("Allocation Statement") specifying the participating client accounts and how it intends to allocate the order among those clients. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the Allocation Statement. If the order is partially filled, it will generally be allocated pro-rata, based on the Allocation Statement, or randomly in certain circumstances. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment, and the reason for different allocation is explained in writing and is approved by an appropriate individual/officer of Dempsey. Dempsey's books and records will separately reflect, for each client account included in a block trade, the securities held by and bought and sold for that account. Funds and securities of clients whose orders are aggregated will be deposited with one or more banks or broker-dealers, and neither the clients' cash nor their securities will be held collectively any longer than is necessary to settle the transaction on a delivery versus payment basis; cash or securities held collectively for clients will be delivered out to the custodian bank or broker-dealer as soon as practicable following the settlement, and Dempsey will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation.

Item 13 Review of Accounts

Managed portfolios are reviewed at least annually, but may be reviewed more often if requested by the client, upon receipt of information material to the management of the portfolio, or at any time such review is deemed necessary or advisable by Dempsey. These factors generally include but are not limited to, the following: change in general client circumstances (marriage, divorce, retirement); or economic, political or market conditions. Donald Dempsey, Jr., Dempsey's President and Owner, reviews all accounts.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. Dempsey will provide at least annual portfolio reviews with clients. These written reports will typically include asset allocation, sector weightings, and analysis ratings on mutual funds and stocks of clients' portfolios.

Item 14 Client Referrals and Other Compensation

As noted above, Dempsey receives an economic benefit from Schwab in the form of support products and services it makes available to Dempsey and other independent investment advisors whose clients maintain accounts at Schwab. These products and services, how they benefit our firm, and the related conflicts of interest are described in (**Item 12 - Brokerage Practices**). The availability of Schwab's products and services to Dempsey is based solely on our participation in the program, and not on the provision of any particular investment advice. Neither Schwab nor any other party is paid to refer clients to Dempsey.

Item 15 Custody

Schwab is the custodian of nearly all client accounts at Dempsey. From time to time however, clients may select an alternate broker to hold accounts in custody. In any case, it is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify Dempsey of any questions or concerns. Clients are also asked to promptly notify Dempsey if the custodian fails to provide statements on each account held.

From time to time and in accordance with Dempsey's agreement with clients, Dempsey will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting and pending trades.

Item 16 Investment Discretion

As described in **Item 4 - Advisory Business**, Dempsey will accept clients on either a discretionary or non-discretionary basis. For *discretionary accounts*, a Limited Power of Attorney ("LPOA") is executed by the client, giving Dempsey the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. Dempsey then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory agreement with Dempsey and the requirements of the client's custodian.

For *non-discretionary* accounts, the client also generally normally executes an LPOA, which allows Dempsey to carry out trade recommendations and approved actions in the portfolio. However, in accordance with the investment advisory agreement between Dempsey and the client, Dempsey does not implement trading recommendations or other actions in the account unless and until the client has approved the recommendation or action. As with discretionary accounts, clients may limit the terms of the LPOA, subject to Dempsey's agreement with the client and the requirements of the client's custodian.

Item 17 Voting Client Securities

As a policy and in accordance with Dempsey's client agreement, Dempsey does not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may contact Dempsey with questions relating to proxy procedures and proposals; however, Dempsey generally does not research particular proxy proposals.

Item 18 Financial Information

Dempsey does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance, and therefore has no disclosure required for this item. Additionally, Dempsey has not been the subject of a bankruptcy petition at any time during the past ten years.

Item 19 Requirements for State Registered Advisers

As the principal executive officer and management person of Dempsey, Don's background information is provided elsewhere in this Form ADV. State-registered advisers are required to disclose all material facts regarding any event where the firm was found liable in certain legal or disciplinary proceedings. Dempsey has no such event to disclose.



Brochure Supplement

Form ADV Part 2B

Item 1 - Cover Page

Donald F. Dempsey, Jr., CFP®

CRD# 2524391

of

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January 23, 2019

This Brochure Supplement provides information about Don Dempsey, and supplements the Dempsey Investment Management, LLC ("Dempsey") Brochure. You should have received a copy of that Brochure. Please contact Dempsey at (802) 497-1931 if you did not receive Dempsey's Brochure, or if you have any questions about the contents of this Supplement.

Additional information about Don Dempsey is available on the SEC's website at www.AdviserInfo.sec.gov.

Item 2 Educational Background and Business Experience

Donald F. Dempsey, Jr. (year of birth 1967) founded Dempsey Investment Management, LLC in March of 2005 and serves as Dempsey's Owner and Investment Advisory Representative.

Don earned his B.S. at the University of Vermont and has earned a CERTIFIED FINANCIAL PLANNER™ certification*. He is recognized as a CERTIFIED FINANCIAL PLANNER™ practitioner with Certified Financial Planner Board of Standards, Inc. Don is also an accepted member of the National Association of Personal Financial Advisors (NAPFA). As an independent, Fee-Only advisor, he is held to a fiduciary standard, always putting the client's needs first. Don has been providing financial solutions since 1994.

Don lives in Shelburne with his wife and two children. He is active in Scouting and Toastmasters, enjoys hiking, plays in a pool league and sails the waters of Lake Champlain.

* The CFP certification is granted by Certified Financial Planner Board of Standards, Inc. (CFP Board). To attain the certification, the candidate must complete the required educational, examination, experience and ethics requirements set forth by CFP Board. Certain designations, such as the CPA, CFA and others may satisfy the education component, and allow a candidate to sit for the CFP Certification Examination. A comprehensive examination tests the candidate's ability to apply financial planning knowledge to client situations. Qualifying work experience is also required for certification. Qualifying experience includes work in the area of the delivery of the personal financial planning process to clients, the direct support or supervision of others in the personal financial planning process, or teaching all, or any portion, of the personal financial planning process. CFP professionals must complete 30 hours of continuing education accepted by CFP Board every two years.

Item 3 Disciplinary Information

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however Don has no such disciplinary information to report.

Item 4 Other Business Activities

Don has no other business activities to disclose.

Item 5 Additional Compensation

As stated above, Don has no other income or compensation to disclose.

Item 6 Supervision

As the sole owner of Dempsey, Don supervises all duties and activities of the firm, and is responsible for all advice provided to clients. He can be reached at (802) 497-1931.

Item 7 State Requirements for State-Registered Advisers

In addition to Item 3 above, state-registered advisers are required to disclose all material facts regarding any event in which a supervised person of the firm was found liable in certain legal, arbitration or regulatory proceedings, or was the subject of a bankruptcy petition. Don has no event to disclose with respect to the foregoing. Further, Don has no relationship or arrangement with any issuer of securities.