



**Form ADV Part 2A  
Firm Brochure  
March 24, 2022**

This Brochure provides information about the qualifications and business practices of Danda Trouvé Investment Management, Inc. If you have any questions about the contents of this Brochure, please contact us at 913.262.1108, or via email at [mtrouve@dandatrouve.com](mailto:mtrouve@dandatrouve.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.

Danda Trouvé Investment Management, Inc. is a registered investment advisory firm. Registration of an investment advisory firm does not imply a particular level of skill or training.

Additional information about Danda Trouvé Investment Management, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Danda Trouvé Investment Management, Inc.**

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## **Item 2: Material Changes**

### **Annual Update**

The Material Changes section of this brochure will be updated annually, or when material changes occur since the previous release of our Firm Brochure. This Item discusses only specific material changes that are made to this Brochure and provides our clients with a summary of such changes.

### **Material Changes since the Last Update**

Since our last amendment filed on March 22, 2021, we have updated our brochure to include information regarding the use of Third Party Investment Management, DTIM oversight of such third parties, and their associated fees. We have updated our AUM and sources of revenue as required annually. No other material changes have been made.

### **Full Brochure and Additional Information**

Full Brochure and additional information about Danda Trouvé Investment Management, Inc. are available via the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website also provides information about any persons affiliated with us who are registered or are required to be registered, as investment adviser representatives ("IAR").

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## Item 4: Advisory Business

### FIRM INFORMATION

Danda Trouvé Investment Management, Inc. (“DTIM,” “we,” “us,” “our”), formed in 1987, is a registered investment advisory firm located in Prairie Village, Kansas.

### PRINCIPAL OWNERS

DTIM is owned and controlled by Michelle Trouvé, its President and Chief Compliance Officer.

### INVESTMENT ADVISORY SERVICES

DTIM believes in long-term investing with an investment strategy that is first focused on asset allocation, or the mix of stocks, fixed income and cash in a portfolio. DTIM provides portfolio management services in which the asset allocation for each client is established based on their specific return and risk objectives. The client asset allocations are routinely reviewed to make sure they remain aligned with the client's long-term goals. Our services provide additional investment opportunities among stocks, bonds, exchange-traded funds (ETFs), Real Estate Investment Trusts (REITs), Exchange Traded Notes (ETNs), Master Limited Partnerships (MLPs), Third-Party Investment Management, and additional securities. Our portfolio management services involve providing you with the continuous and ongoing supervision of your custodial accounts.

### CLIENT INVESTMENT OBJECTIVES/RESTRICTIONS

DTIM offers the same suite of services to all our clients. On a case by case basis, our clients may impose restrictions on investing in certain securities or types of securities in accordance with their values or beliefs. The investment objectives and restrictions for each client are documented in their Investment Policy Statement (IPS). We may request additional information and documentation such as current investments, tax returns, insurance policies, and estate plan. We will discuss your investment objectives, needs, and goals, but you must inform us of any changes. Unless directed by you, we do not independently verify any information provided to us by you or your attorney, accountant or other professionals.

### WRAP FEE PROGRAMS

DTIM does not participate in, recommend, or offer wrap fee programs.

### THIRD PARTY INVESTMENT MANAGEMENT

DTIM offers our clients access to third-party managers and has a procedure in place that details how we manage third-party providers and supervise the activities they perform for the firm. The third-party manager shall have discretionary authority for the day to day management of the assets allocated to it by DTIM or the client. The third-party manager shall continue in such capacity until such arrangement is terminated or modified by DTIM.

### ASSETS UNDER MANAGEMENT

As of December 31, 2021, DTIM actively manages \$135,720,144 in client assets for 104 clients on a discretionary basis.

## Item 5: Fees and Compensation

### ANNUAL FEES FOR ADVISORY SERVICES

DTIM is compensated for providing portfolio management services by charging a fee based on the total assets under management. The fee for a portfolio of stocks and bonds ranges from 0.7% to 1.0% annualized, depending on total

assets under management. The fee for accounts under the minimum size of \$350,000 is the lesser of \$3,500 annually or 2% of assets under management annualized. All fees are subject to negotiation.

### **THIRD PARTY MANAGEMENT FEES**

DTIM offer our clients access to third-party managers. The fees payable to a third-party will be set forth in a written agreement and are in addition to the advisory fee payable to DTIM.

### **FEE BILLING & PAYMENT**

Advisory fees are invoiced and billed directly to you on a quarterly basis in arrears. The fee billing will be pre-determined in writing in the investment advisory agreement that is executed by you and DTIM. We will deduct our portfolio management fee only when in receipt of your written authorization by executing an investment advisory agreement permitting the fees to be paid directly from your account. We will send a detailed copy of your invoice each quarter. The qualified custodian will deliver an account statement to you at least quarterly which will show all disbursements from your account. We urge you to review all statements for accuracy.

Accounts initiated or terminated during a calendar quarter will be charged a prorated fee, based on the actual time the accounts were managed during the quarter. Management fees are prorated for contributions and withdrawals made during the last 10 days of the quarter if they represent a significant portion of the account (defined as being greater than 10% of the household balance).

### **TERMINATION OF AGREEMENT**

Either party may terminate investment management agreement by providing 30-day advance written notice. Upon termination of any account, any earned, unpaid fees will be due and payable up to and including the effective date of termination.

Notwithstanding the above, if we do not deliver the appropriate disclosure statement to you at least 48 hours prior to you entering into any written or oral advisory contract with this us, then you have the right to terminate the contract without penalty within five (5) business days after entering into the contract.

### **OTHER EXPENSES AND FEES**

The fees discussed above include payment solely for our portfolio management services provided by us and are separate from certain fees or charges charged by third parties in connection with investments made on your behalf for your account. Third-party fees may include, brokerage commissions, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, other transaction costs and/or custodial fees.

Also, all fees paid to us for portfolio management services are separate from the expenses charged by exchange-traded funds and mutual funds to their shareholders. These fees and expenses will be used to pay management fees for the funds, other fund expenses, account administration, and a possible distribution fee. Exchanged traded funds can be invested in directly by you without our services. However, you would not receive our services to assist you in determining which products or services are most suitable for your financial situation and objectives. You should review both the fees we charge and the fees charged by the fund(s) to understand the total fees to be paid fully.

DTIM also provides financial consulting services and trustee services. Approximately 98% of DTIM's annual revenue is generated from portfolio management, while approximately 2% of revenue is generated from consulting and trustee services. Financial consulting and trustee services are provided at an hourly rate of \$150 to \$200, depending on the services provided. These services are not considered to be part of DTIM's portfolio management services, and are managed separately from the advisory services offered.

## Item 6: Performance-Based Fees

We do not charge any performance-based fees which are fees based on a share of capital gains on or capital appreciation of your assets.

## Item 7: Types of Clients Description

We provide our investment advisory services to:

- Individuals
- Trusts
- Estates

Our minimum account size requirements for opening an account with us is \$350,000. This minimum is negotiable on a case-by-case basis.

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

### METHODS OF ANALYSIS

We use various methods of analysis and investment strategies. Methods and strategies will vary based on the client's investment objectives, constraints, risk tolerance.

**Fundamental Analysis** – We evaluate economic and financial factors to determine if a security may be underpriced, overpriced or fairly priced. This method entails assessing a security by attempting to determine its intrinsic value by examining related financial, economic, and other qualitative and quantitative factors. Fundamental analysis requires an in-depth look at all factors that can affect the security's value, from macroeconomic factors (like the overall economy and industry conditions) to individually specific factors (like the financial situation and management of companies). The overall objective of performing the fundamental analysis is to determine a value that an investor can use to determine what sort of position to take with that security. This method of security analysis is contrary to technical analysis. Fundamental analysis involves using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

**Technical Analysis** – This method involves the evaluation of securities by performing an analysis of static information that is generated by market activity, such as past prices and volume. Technical analysis does not attempt to measure a security's intrinsic value but instead, use charts and other tools to determine the patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

**Use of Professional Market Research** – We utilize professional market research to provide us with a more detailed technical analysis. Services and research provided to DITM is determined by the subscription service DTIM selects.

### INVESTMENT STRATEGIES

DTIM believes in long-term investing (meaning expected holding periods to last greater than one year) with an investment strategy that is first focused on establishing the appropriate asset allocation, or the mix of equities, fixed income and cash securities in a client portfolio. The client's asset allocation is established based on their specific

investment objectives and constraints as well as their risk tolerance. The client asset allocations are routinely reviewed to make sure they remain aligned with the client's long-term goals.

DTIM uses a “top-down” strategy for equity investments. The investment strategy begins with a look at the overall economic picture of the US and the World and then narrows it down to sectors, industries and companies that are expected to perform well. Analysis of the fundamentals of a given security is the final step. When possible, sector-based ETFs are the preferred equity choice. ETFs have lower downside volatility compared to single stocks within a given industry.

## POTENTIAL RISKS

Investing involves different levels of risk that can result in loss of any profits and/or principal you have not realized. We manage your account in a manner consistent with your pre-determined risk tolerance and suitability profile. However, we cannot guarantee that our efforts will be successful. Investing in securities involves the risk of loss clients should be prepared to bear.

### **Investing involves the assumption of risk including:**

**Financial Risk:** which is the risk that the companies we recommend to you perform poorly, which affect the price of your investment.

**Market Risk:** which is the risk that the stock market will decline, decreasing the value of the securities we recommend to you with it.

**Inflation Risk:** which is the risk that the rate of price increases in the economy deteriorates the returns associated with the stock.

**Political and Governmental Risk:** which is the risk that the value of your investment will be affected by the introduction of new laws or regulations.

**Interest Rate Risk:** which is the risk that the value of the investments we recommend to you will fall if interest rates rise.

**Call Risk:** which is the risk that your investment will be called or purchased back from you when conditions are favorable to the bond issuer and unfavorable to you.

**Credit Risk:** which is the risk that the issuer of the bond will default on all or part of their interest and principal obligations.

**Default Risk:** which is the risk that issuer is unable to pay the contractual interest or principal on the investment promptly or at all.

**Manager Risk:** which is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.

**Industry Risk:** which is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.

**Real Estate Investment Trusts (REITs):** The primary risk involved with this type of investment is liquidity risk. Non-traded REITs are long-term investments. As such, you may not be able to sell at the time you desire without adversely affecting the price of your original investment. Risks associated with publicly-traded REITs are similar to those of other publicly trading equities.

## **Item 9: Disciplinary Information**

As of the date of this brochure, we have not been subject to any disciplinary, legal, or regulatory events related to past or present investment clients. There have been no disciplinary, legal, or regulatory events related to us or any of our management persons.

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

### **FINANCIAL INDUSTRY ACTIVITIES**

Neither DTIM nor its management persons are registered or has an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

Neither DTIM nor its management persons are registered or has an application pending to register as a futures commission merchant, commodity pool operator or commodity trading advisor. DTIM is not registered as a securities broker-dealer, or a futures commission merchant, commodity pool operator or commodity trading advisor.

### **AFFILIATIONS**

In addition to portfolio management, DTIM provides financial consulting and trustee services. DTIM earns approximately 2% from financial consulting and trustee services.

### **SELECTION OF OTHER INVESTMENT ADVISERS**

We do not recommend or select other investment advisers for our clients.

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

### **CODE OF ETHICS**

DTIM has developed a code of ethics that will apply to all of our supervised persons. Our IARs and we must act in a fiduciary capacity when providing investment advisory services to you. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. DTIM has a fiduciary duty to all clients. This fiduciary duty is considered the core underlying principle of our code of ethics, which also covers our insider trading, and personal securities transactions policies and procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will acknowledge that they have read, understand and agree to comply with our Code of Ethics.

Our Code of Ethics is available to clients and prospective clients upon request.

### **RECOMMENDATIONS INVOLVING A MATERIAL FINANCIAL INTEREST**

Neither we nor any related person recommend to clients, or buys or sells for clients' accounts, securities in which we or a related person has a material financial interest.



## **PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**

There may be instances where an IAR will recommend to investment advisory clients or prospective clients the purchase or sale of securities in which an IAR, its affiliates or other clients may also have a position or interest. Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis.

## **PERSONAL TRADING**

Employees are permitted to have personal securities accounts as long as personal investing practices are in line with fiduciary standards and regulatory requirements, and do not conflict with their duty to DTIM and our clients. DTIM monitors and controls personal trading by regular review of all personal securities transactions. We forbid any officer or employee, either personally or on behalf of others, to trade on material, nonpublic information or to communicate such information to others in violation of the law.

## **Item 12: Brokerage Practices**

DTIM strongly recommends, but does not require, that clients establish brokerage accounts with the Schwab Institutional® division of Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC, to maintain custody of client's assets and to effect trades for their accounts. Although DTIM may recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. DTIM is independently owned and operated and not affiliated with Schwab.

As a fiduciary, we are obligated to seek out the best execution of client transactions for the accounts that we manage. In general, the execution of securities transactions is at a total cost and the proceeds in each transaction are the most favorable under the circumstances. However, we do not limit the best execution to the lowest available price. Additional factors are taken into consideration when determining the arrangement and services in the selection of a broker-dealer or qualified custodian. Our review consists of reviewing the commission and fee structures of various broker/dealers, research platform, and execution services. Accordingly, while we do consider competitive rates, we do not necessarily obtain the lowest possible commission rates for account transactions. Therefore, the overall services provided by our affiliated broker-dealers and qualified custodians are evaluated to determine the best execution. You may pay trade execution charges and higher commissions through the trading platforms approved by us than through platforms that have not been approved by us. Not all investment advisers restrict or limit the broker/dealers their clients can use. Some investment advisers permit their clients to select any broker/dealer of the client's choosing.

## **RESEARCH AND OTHER SOFT DOLLAR BENEFITS**

We do not receive soft dollar benefits; however, Schwab provides DTIM with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's client's assets are maintained in accounts at Schwab Institutional. These services are not contingent on DTIM committing to Schwab any specific amount of business (assets in custody or trading commissions). 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 investment.

For DTIM 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's products and services that assist DTIM in managing and administering client's accounts include software and other technology to (1) provide access to client account data (such as trade confirmations and account statements); (2) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (3)

provide research, pricing, and other market data; (4) facilitate payment of DTIM fees from its client's accounts; and (5) assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help DTIM manage and further develop its business enterprise. These services may include: (1) compliance, legal and business consulting; (2) publications and conferences on practice management and business succession; and (3) access to employee benefits providers, human capital consultants, and insurance providers. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of DTIM personnel

## **BROKERAGE FOR CLIENT REFERRALS**

We do not receive client referrals from broker/dealers.

## **DIRECTED BROKERAGE**

Clients will be permitted to select any broker/dealer of their choosing. In these situations, we may be unable to achieve most favorable execution for client transactions. Directing brokerage may cost clients more money in that the client may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.

## **TRADE AGGREGATION**

We attempt to allocate trade executions in the most equitable manner possible, taking into consideration current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation. We may aggregate orders in order to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our clients' differences in prices and commission or other transaction costs. In aggregated orders, transactions will be price-averaged and allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day. In the case of limited availability of shares, shares are allocated to the client accounts first according to the allocation formulas below. Shares are then purchased under a separate trade for the owners, employees, and their families once shares again become available at a price near to the original price the block trade was made.

Allocation Formula 1: the case that the trade is made over several days given lack of market liquidity. The formula is based on determining which client is farthest away from the target portfolio % for the security type being purchased. First allocations will be made to those qualified clients who need the greatest amount (%) of the security type traded.

Allocation Formula 2: the case where only a limited number of shares is available. The formula is based upon dividing the total shares allocated to the Company by the total number of qualified client's and their assets under management.

# **Item 13: Review of Accounts**

## **PERIODIC REVIEWS**

We review client accounts quarterly while all major stock and bond holdings are reviewed daily. Michelle Trouvé reviews all client accounts. Accounts are reviewed to evaluate asset allocation, investment strategy and objectives, cash balance, and performance as well as the general economic outlook and current investment trends.

## **REVIEW TRIGGERS**

We conduct periodic reviews to evaluate current market, economic and political events and how these may affect client accounts. Additional reviews may be triggered by these events or by events in the client's financial or personal status.

## **REGULAR REPORTS**

We provide detailed account reports to clients on a quarterly basis which lists all security holdings, including cash and cash equivalents. The report is accompanied by a statement that shows valuation of the previous quarter, valuation of the current quarter, deposits and withdrawals, and the net change. Clients are urged to review the quarterly reports provided by us with those provided by their custodian and notify us of any differences. Clients are encouraged to phone or email us as often as they deem necessary to receive information regarding the investment tactics and strategies being followed.

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

Please see Item 12 Brokerage Practices for information regarding benefits we receive from Schwab.

We do not pay a referral fee to third party solicitors.

## **Item 15: Custody**

We are deemed to have custody of client funds and securities due to our ability to deduct management fees from clients' accounts. We will not take physical custody of clients' funds and will not assign or transfer trading authorization to another advisor. Clients will receive account statements from the qualified custodian(s) holding their funds and securities at least quarterly. The custodian's account statements will indicate the amount of our advisory fees deducted from the clients' account(s) each billing period. These statements should be carefully reviewed by the client for accuracy. Item 5 – Fees and Compensation has additional information regarding our ability to deduct management fees from clients' accounts.

## **Item 16: Investment Discretion**

### **DISCRETIONARY AUTHORITY FOR TRADING**

If you are participating in our asset management services, upon receiving your written authorization via our executed investment advisory agreement, we will maintain trading authorization over your designated account and may also implement trades on a discretionary basis.

When discretionary authority is granted, we will have the limited authority to determine the type of securities to be purchased, sold or exchanged and a number of securities that can be bought, sold or exchanged for your portfolio without obtaining your consent for each transaction.

On a case by case basis, you may place reasonable restrictions on the types of investments that may be purchased or sold in your account so long as the restrictions are explicitly set forth or included in the client's Investment Policy Statement.

## **Item 17: Voting Client Securities**

DTIM accepts the authority to vote proxies on behalf of clients. When we accept such responsibility, we will only cast proxy votes in a manner consistent with the best interest of our clients. Absent special circumstances, all proxies will be voted consistent with guidelines established and described in our Proxy Voting Policies and Procedures, as they may be amended from time to time. Clients may contact DTIM to request information about how we voted proxies for that client's securities or to get a copy of our Proxy Voting Policies and Procedures.

In situations where there is a conflict of interest in the voting of proxies due to business or personal relationships that DTIM maintains with persons having an interest in the outcome of certain votes, we will take appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict.

## **Item 18: Financial Information**

DTIM is not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

We are currently not in, nor have been historically in a financially precarious situation or the subject of a bankruptcy petition.