

**FORM ADV Uniform Application for Investment Adviser Registration  
Part 2A: Investment Adviser Brochure  
Item 1: Cover Page**

# Ridgewood Investments LLC

**CRD # 121220**

150 JFK Parkway, Suite 100  
Short Hills, NJ 07078  
Phone: (973) 544-6970  
Fax: (973) 544-4026

[www.ridgewoodgrp.com](http://www.ridgewoodgrp.com)

**Issue date: December 31, 2010**

**Revised: August 3, 2011**

*This brochure provides information about the qualifications and business practices of Ridgewood Investments LLC. If you have any questions about the contents of this brochure, please contact us at the phone number listed above.*

*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. Please note, where this brochure may use the terms "registered investment adviser" and/or "registered", registration itself does not imply a certain level of skill or training.*

*Additional information about the firm and its representatives is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)*

## **Item 2: Material Changes**

Due to a series of recent changes in securities regulation, investment advisers are now required to deliver disclosure information in this new narrative format (“Form ADV Part 2”). This brochure incorporates the same features and information provided previously within the Form ADV Part II.

Material updates to the information contained within this brochure will be provided to clients on an immediate basis. This section will be updated to reflect such changes in a summary form. Should you have any questions related to these disclosures, please contact a firm representative at your convenience.

Additional information about Ridgewood Investments LLC and its representatives is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## **Item 3: Table of Contents**

<b>Topic</b>	<b>Page #</b>
<b>Item 1:</b> Cover Page .....	1
<b>Item 2:</b> Material Changes .....	2
<b>Item 3:</b> Table of Contents (this page) .....	2
<b>Item 4:</b> Advisory Business .....	3
<b>Item 5:</b> Fees & Compensation .....	4-5
<b>Item 6:</b> Performance-based Fees and Side by Side Management .....	5
<b>Item 7:</b> Types of Clients .....	6
<b>Item 8:</b> Methods of Analysis, Investment Strategies, & Risk of Loss .....	6-8
<b>Item 9:</b> Disciplinary Information.....	9
<b>Item 10:</b> Other Financial Industry Activities & Affiliations .....	9
<b>Item 11:</b> Code of Ethics, Participation or Interest in Client Transactions, & Personal Trading.....	9-10
<b>Item 12:</b> Brokerage Practices .....	10-11
<b>Item 13:</b> Review of Accounts.....	12
<b>Item 14:</b> Client Referrals & Other Compensation.....	12
<b>Item 15:</b> Custody .....	12
<b>Item 16:</b> Investment Discretion .....	13
<b>Item 17:</b> Voting Client Securities.....	13-14
<b>Item 18:</b> Financial Information.....	14
<b>Part 2B:</b> Brochure Supplements (Items 1-6) .....	15-17

## Item 4: Advisory Business

Ridgewood Investments LLC ("Ridgewood") provides fee-based discretionary and non-discretionary investment advice and portfolio management services to individuals, high net-worth individuals, trusts, estates, charitable organizations, foundations, corporations and other business entities. On occasion, Ridgewood offers consulting services on an hourly, performance based or fixed fee basis. Prior to engaging the firm for services, a client is required to enter into written agreement(s) with the firm setting forth the terms and conditions under which Ridgewood renders its services.

The firm's portfolio management services are provided in accordance with the client's investment objective(s) and time horizon. Management and/or consulting fees are negotiable and dependent upon the scope and complexity of the engagement as well as the amount of assets to be supervised. Services offered may include comprehensive advice and recommendations in the following areas:

- ⤴ Investment research and investment management
- ⤴ Portfolio construction and management
- ⤴ Securities selection
- ⤴ Strategic asset allocation
- ⤴ Cash flow planning
- ⤴ Retirement planning
- ⤴ Income planning
- ⤴ Estate and financial planning

To the extent specifically requested by a client, Ridgewood may provide limited consultation services on a fee for service basis to its clients on investment and non-investment related matters. For example, Ridgewood may render non-discretionary investment management services to clients relative to:

- (1) Their individual employer sponsored retirement plans.
- (2) Trusts, Charitable Trusts, and other accounts managed by third parties
- (3) 401k and other defined contribution or ERISA plans

In doing so, Ridgewood either directs or recommends the allocation of client assets among the various options available to client. The client assets shall be maintained at the custodian, trust company, or plan respectively.

**Assets Under Management:** As of the issue date of this filing, Ridgewood manages \$104,300,000 in 322 accounts. Of the above amount, \$28,300,000 was managed on a non-discretionary basis for 12 accounts. The balance of 76,000,000 was managed on a discretionary basis for 310 accounts. This information was compiled within 90 days from the date of this brochure.

## Item 5: Fees and Compensation

Unless otherwise agreed to in writing, fees are charged quarterly in arrears based on the value of assets under management as of the last day of the calendar quarter. Management fees will be automatically debited from client accounts on a quarterly basis by the advisor at the qualified custodian of record. The custodian maintains possession of client assets in accordance with the client authorization in the Advisory Agreement (“Agreement”).

The fee schedule for discretionary accounts is negotiable and varies based on the strategy being implemented for the client, as well as, client assets under management as follows:

### Core Value Strategy and Quantitative Value Strategies

Assets Under Management	Percentage (fee charged)
\$0-\$5,000,000	1.50%
Over \$5M	1.00%

### Passive and Enhanced Index Strategy

Assets Under Management	Percentage (fee charged)
\$0-\$250,000	1.50%
Next \$1.75 Million	1.00%
Above \$2 Million	0.75%

### Balanced Value Strategies and Total Income Strategies

Assets Under Management	Percentage (fee charged)
\$0-\$250,000	1.50%
Next \$250,000	1.25%
Next \$2.0 Million	1.00%
Above \$2.5 Million	0.75%

See Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss for more details on the investment strategies listed above.

**Fee Calculation:** The fee is calculated as described above. Fees are generally charged in arrears (end of quarter) based upon a percentage of the total assets under management, including money market balances on the last trading day of each calendar quarter.

In any partial calendar quarter, fees are pro-rated based on the number of days in which

the account is open during the quarter. All securities and their values are determined by each custodian or mutual fund, their designee, or other third party sources unless otherwise noted. Fee calculations are derived from these valuations.

Management fees are negotiable under certain circumstances, at the sole discretion of the firm. Ridgewood's fee is separate and distinct from the custodian and execution fees. All commissions, custody, execution fees and other related costs or expenses charged by the qualified custodian and/or executing broker-dealer (or other financial institution(s) involved with the client account) are charged separately.

Such fees may include custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Ridgewood does not receive any portion of these commissions, fees, and costs.

**Termination of Advisory Relationship:** The advisory agreement may be cancelled at any time, by either party, for any reason upon receipt of written notice. Upon termination of an account, any prepaid and/or unearned fees will be promptly refunded. Similarly, any earned and/or unpaid fees will be due and payable. Clients retain the right to terminate the advisory agreement without penalty within five business days after entering into the agreement. The agreement shall remain non-transferable unless authorized by the client in writing.

#### **Item 6: Performance-Based fees and Side-by-Side Management**

Ridgewood offers investment advice to select clients, particularly to several private funds as general partner or sponsor, from which it charges and receives performance based management fees for its services. As a manager of these private funds, in addition to portfolio management services being provided side-by-side to its separately managed accounts on a percentage fee basis, there exists the potential for conflicts of interest to arise, such as where the firm may have an incentive to favor those fund accounts charged a performance fee. Advisor is cognizant of its duty to deal fairly and equitably with all its clients irrespective of the fee arrangement that may apply to their account(s). Among other ways to deal with the possibility of conflicts of interest, Advisor may utilize block trading to buy or sell and then allocate securities respectively to clients across accounts.

## **Item 7: Types of Clients**

Ridgewood provides investment management services to individuals, high net-worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, foundations, corporations and business entities. Clients are required to enter into a written agreement with the firm setting forth the terms and conditions under which Ridgewood renders its services. Ridgewood has a suggested account minimum of \$500,000 which may be waived at the discretion of the Advisor.

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

Ridgewood Investments LLC (“Ridgewood” or the “Advisor”) provides both discretionary and non-discretionary investment management services to individual and institutional clients. Ridgewood focuses on the principles of value investing in an effort to provide rewarding long-term returns.

Our portfolios are constructed based on our proprietary internal analysis and research. Our services include the management of separate accounts whereby client authorizes Advisor in writing to manage client's investments with full discretion to make investment decisions for and on behalf of client without additional ongoing authorization. Advisor provides core, passive/enhanced index, balanced value and total income, quantitative value and alternative investment management strategies and services to its clients with a primary emphasis on investment quality and investment value.

Advisor takes and encourages clients to take a patient long-term value-oriented approach to investing and applies this discipline across the core, balanced and passive portfolios it manages. Advisor believes that successful investing requires a discipline be maintained through various market environments and fluctuations. Our emphasis on long-term investing generally leads to low portfolio turnover though no specific turnover is explicitly targeted.

Investments are generally selected with a five+ year time frame in mind, though shorter or longer holding periods will also occur in practice. While Advisor may report performance more frequently, clients are encouraged whenever possible to adopt a minimum of a five year investment horizon for investment funds managed by Advisor.

Ridgewood uses the following investment strategies in its investment advisory business:

## **Core Value Strategy**

Our core account management services involve a focused approach to purchasing and owning around twenty to thirty individual positions. Advisor selects investments that Advisor believes offer an appropriate risk reward trade-off over the next five years. It is Advisor's policy to focus on the average compound return over time while monitoring and managing the risk of permanent capital impairment over time. Investments often have a significant contrarian or value component involving investments in securities and sectors with near-term factors that have reduced the quoted price and uncertainty as to when or if these factors will reverse.

Investments in our Core Value strategy are selected based on quantitative and qualitative criteria with an emphasis on the following investment criteria:

- a.) Value Investments including growing companies selling at value prices
- b.) Contrarian Investments
- c.) Special Situation, Event Driven, and/or Arbitrage Investments
- d.) Cash Equivalents or Income Investments

## **Passive and Enhanced Indexed Strategy**

Advisor also offers clients passive and indexed accounts featuring enhanced index and value oriented mutual funds with an emphasis on the institutional quality funds offered by Dimensional Fund Advisors, as well as, exchange traded funds. These investments feature a more diversified and passive investment strategy than our core value strategy and are utilized on their own or in conjunction with our core value strategy to manage accounts to meet a variety of client needs. Among other applications, our passive and enhanced indexed strategy can be used to implement asset class exposure and broader diversification. We recommend these accounts to clients for a variety of situations including qualified retirement plans such as 401k plans, as well as, broadly diversified taxable accounts. Passive accounts are also utilized for smaller accounts accepted for supervision by Advisor.

## **Quantitative Value Strategies**

Advisor offers its clients access to several proprietary quantitative value strategies that emphasize an algorithmic approach to investing based on value factors combined with other metrics such as short-term and intermediate term relative strength, business quality as judged by metrics such as returns on invested capital, upwards earnings estimate revisions, and other factors.

## **Balanced Value Strategies and Total Income Strategies**

Advisor offers its clients access to Balanced Value investment strategies that feature a combination of investment in individual securities and funds with an emphasis on

balancing the objectives of growth and long-term compounding with an additional objective of generating a higher level of current income/interest/dividends or lower portfolio volatility through the inclusion of fixed income, bonds, and dividend paying securities and funds. Advisors Total Income strategy emphasizes pursuit of yield and current income as a primary objective through use of bonds, fixed income securities, and some dividend securities, though it may include a portion of investments in equities and other securities as well.

### **Alternative Investments and Strategies**

Advisor offers select clients access (at their own discretion) to one or more private investment partnerships managed by Advisor. These partnerships have a number of features and risks as outlined in their respective information memoranda and subscription documents.

To the extent clients decide to participate in these investments, Advisor may receive management fees and/or performance based fees as general partner or investment advisor to these partnerships. Partnerships are generally accessible only to sophisticated and/or accredited investors as required by law.

### **Investment Strategy Implementation**

It should be noted that Ridgewood's strategies focus on low turnover, low transaction, and low friction (avoiding unnecessary trading activity) approaches to generate returns. Therefore, Ridgewood does not actively rebalance accounts (with the exception of its quantitative based strategies). There is likely to be significant dispersion amongst the performance of individual accounts with the same or similar strategies. This variance may be the result of timing of security sales or purchases, cash holdings/availability, client instructions/limitations, and client status (new/existing client) among other reasons. More detailed description of each investment strategy is available upon request.

**Risk of Loss:** Investing in securities involves a certain amount of risk of loss that clients should be prepared to bear. Questions regarding these risks and/or increased costs may be directed to the firm and its representatives. Ridgewood Investments focus on value investments and utilization of equity securities can create elevated portfolio volatility and exposure to temporary or sometimes permanent loss of capital. Clients should be aware of such risks prior to selecting an appropriate investment strategy or retaining Advisor to provide its discretionary investment strategies to client. Client should also take a long-term view towards their investments supervised by Advisor since Advisor offers strategies designed to seek performance in the long-term.

## **Item 9: Disciplinary Information**

Rule 206(4)-4 of the Investment Advisers Act of 1940 requires investment advisers to provide clients with disclosures as to any legal or disciplinary activities deemed material to the client's evaluation of the adviser. Please note, neither the firm nor its personnel have any disciplinary, regulatory, criminal, civil, or otherwise reportable history to disclose at this time.

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

Ridgewood Investments LLC or its sister company Ridgewood Investments, Inc. is a general partner of several private investment partnerships: Ridgewood Investment Fund LP and Ridgeway Private Equity Partners I. These partnerships are investment vehicles investing in, but not limited to options, stocks, bonds, real estate, commodities, and/or private businesses and other investment opportunities. Ridgewood is currently the only general partner. Ridgewood Investments LLC or a company owned (in part) by one of our principals is also a general partner and/or owner of Freedom Income Fund LLC and Freedom Legal Finance LLC.

At the request of clients, Advisor may refer clients to third party service providers such as estate planning attorneys, certified public accountants, employment attorneys, or others. Advisor recommends that clients always check multiple sources for any products or services being sought and select the provider or providers offering the best combination of service and value for the service or products being requested. To the extent that clients utilize products from firms or service providers introduced to client by Advisor, the decision remains with the client and in their own discretion to use or not use any provider, whether or not introduced to the client by Advisor. However, clients should be aware that in some cases, a referral to an third party might result in additional direct or indirect compensation to Advisor – and this in itself may create a conflict of interest or affect the judgment of individuals making recommendations.

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

As required by Rule 204A-1 of the Investment Advisers Act of 1940, Ridgewood has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the firm. The Code of Ethics describes the firm's fiduciary duties and obligations to clients, and sets forth the firm's practice of supervising the personal securities transactions of employees who maintain access to client information.

Ridgewood and/or its employees may purchase or sell investments for their personal accounts that they similarly recommend to clients subject to certain conditions

as defined in the Code of Ethics and applicable procedures. While Ridgewood endeavors to put the interests of its clients first as part of its fiduciary duty, clients should be aware that personal trading creates the potential for a conflict of interest, and can affect the judgment of the individual making the recommendation.

To supervise compliance with the Code of Ethics, Ridgewood collects and maintains records of securities holdings and securities transactions made by employees (both client related and personal) to identify and resolve any potential conflicts of interest.

A copy of the firm's Code of Ethics will be provided to any client upon request.

## **Item 12: Brokerage Practices**

Client generally selects a custodian (who is usually the broker as well). For accounts with prime brokerage designation, Advisor sometimes has full discretion to select brokers and commission rates in these circumstances. However, Advisor's investment authority may be subject to specified investment objectives, guidelines and/or conditions imposed by the Client.

Client is free to select broker/custodian of their choice. Advisor recommends that clients utilize discount brokers and custodians. The services of TD Ameritrade Advisor Services, Fidelity Institutional, Schwab Institutional, Folio Institutional and Interactive Brokers are generally recommended for ease of administration and efficiency. In choosing to recommend these custodians, Advisor considered a variety of factors including their discount commission rates, trading and technology support, and the quality of customer service. Neither Advisor nor Advisor representatives are registered representatives of these firms nor do they receive commissions or fees for recommending these providers. These firms provide clients with statements for their accounts.

Some clients may instruct Advisor to use one or more particular brokers for the transactions in their accounts. Clients who may want to direct Advisor to use a particular broker should understand that this may prevent Advisor from aggregating orders with other clients or from effectively negotiating brokerage compensation on their behalf. This arrangement may also prevent Advisor from obtaining the most favorable net price and execution. Thus, when directing brokerage business, clients should consider whether the commission expenses, execution, clearance, and settlement capabilities they will obtain through their broker, compare favorably to those that Advisor would otherwise obtain for its clients.

It is Advisor's policy to offer all clients a choice between available custodians and allow

client to make their own decision regarding whether to utilize Ameritrade, Fidelity, Schwab Institutional, Folio Institutional, Interactive Brokers or another custodian based on a variety of factors. Advisor believes that Ameritrade, Fidelity, Schwab Institutional, Folio Institutional and Interactive Brokers continue to offer products and services to clients that are competitive in the marketplace and similar to, if not better than, other options for custody and brokerage services.

As an investment adviser, Ridgewood has a fiduciary duty to seek best execution for client transactions.

Best execution is a collective consideration of factors concerning the trade in question. Such factors include:

- the security being traded,
- the price of the trade,
- the speed of the execution,
- apparent conditions in the market,
- And the specific needs of the client.

Ridgewood's primary objectives when placing orders for the purchase and sale of securities for accounts is to obtain favorable execution for client trades taking into consideration these factors.

Transactions for each client generally will be effected independently, unless the firm decides to buy or sell the same securities for several clients at approximately the same time. In this case, Ridgewood may elect to combine or aggregate orders (i.e. block trading) in order to obtain an average price and allocate shares among several client accounts. Shares will be distributed pro-rata (or other appropriate method depending on the circumstances) and in accordance with Ridgewood's established allocation policy.

Since Ridgewood and its clients utilize multiple custodians and client trades are generally handled by the custodian, Ridgewood will not have the ability to aggregate client transactions or negotiate commissions in this situation, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

Advisor does not receive any research, products, client referrals, or other services from a broker-dealer or third party in connection with client-based securities transactions (i.e. soft dollars).

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

For those clients that receive discretionary investment management services, Ridgewood monitors those portfolios as part of an ongoing process. Regular account reviews are conducted on at least a quarterly basis by Kaushal B. Majmudar, CFA. Clients are encouraged to contact the firm immediately with any changes to their financial situation as such changes may impact the status of their investment account(s). Ridgewood may also contact investment advisory clients from time to time to review its previous services and/or recommendations and to discuss the impact of any changes in the client's financial situation and/or investment objectives.

Clients receive written statements no less than quarterly from the trustee or qualified custodian. In addition, client's may receive other supporting reports from Advisor or asset managers, trust companies or custodians, insurance companies, broker/dealers, and others involved with client accounts.

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

Advisor enters into arrangements with individuals or entities that refer clients and prospective client to Advisor (the "Solicitor") under which the Solicitor agrees to refer potential clients to Advisor for investment advisory services. In return, Advisor will pay to such Solicitor a referral fee, which may be a fixed amount or a percentage of the advisory fee collected. Remuneration to the Solicitor is predicated on the prospect entering into an advisory agreement with Advisor. Such arrangements will comply with the requirements set forth in Rule 206(4)-3 under the Investment Advisers Act of 1940, and/or applicable state statutes, to the extent they apply. Specifically, it is Advisor's practice to disclose, in writing, to its clients that were referred to it by a Solicitor that such Solicitor will receive compensation for referring that client to Advisor.

### **Item 15: Custody**

Other than the client authorized direct deductions of fees from accounts held by a qualified custodian, and its independently audited investment partnerships described above, Ridgewood does not generally maintain or accept custody of client funds or securities. In regard to separately managed accounts, Clients will receive their account statements directly from their qualified custodian. Clients should always carefully review all account statements that they receive for accuracy as well as review any advisor fees that have been deducted to check them for accuracy.

## **Item 16: Investment Discretion**

For most of its managed accounts, Ridgewood has broad discretion over the selection and amount of securities to be bought or sold in client accounts without obtaining prior consent or approval from clients. These accounts require the careful research, selection, and monitoring of individual equities, exchange traded funds, mutual funds, preferred stocks, options, bonds and income securities. As described above, investing involves significant risks.

Discretionary authority will only be authorized upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of a written agreement containing all applicable limitations to such authority. All discretionary trades made by Ridgewood will be in accordance with each client's investment objectives and goals.

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

In general, Advisor will determine how to vote proxies based on its reasonable judgment of that vote most likely to produce favorable financial results for our clients. The Advisor attempts to cast proxy votes in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders; proxy votes generally will be cast against proposals having the opposite effect. However, Advisor will consider both sides of each proxy issue. Moreover, proxy voting can be complicated and judgments made imprecise.

Conflicts of interest between Advisor or a principal of Advisor and Advisor's clients in respect of a proxy issue conceivably may arise, for example, from personal or professional relationships with a company or with the directors, candidates for director, or senior executives of a company that is the issuer of client securities.

If Advisor determines that a material conflict of interest exists, the appropriate procedures shall be followed.

- (a) Advisor may disclose the existence and nature of the conflict to the client(s) owning the client securities, and seek directions on how to vote the proxies;
- (b) Advisor may abstain from voting, particularly if there are conflicting client interests (for example, where client accounts hold different client securities in a competitive merger situation); or

(c) Advisor may follow the recommendations of an independent proxy voting service in voting the proxies.

Advisor keeps certain records required by applicable law in connection with its proxy voting activities for clients and shall provide proxy-voting information to clients upon their written request.

### **Item 18: Financial Information**

Under Rule 206(4)-4 of the Investment Advisers Act of 1940, investment advisers are required to disclose certain financial information about their business practices that might serve as material to the client's decision in choosing an investment adviser.

As of the date of this filing, Ridgewood does not require the pre-payment of any fees or maintain any financial hardships or other conditions that might impair its ability to meet its contractual obligations to clients.

# **Ridgewood Investments LLC**

**CRD # 121220**

150 John F. Kennedy Parkway  
Suite 100  
Short Hills, NJ 07078  
Phone: (973) 544-6970  
Fax: (973) 544-4026

[www.ridgewoodgrp.com](http://www.ridgewoodgrp.com)

**Issue date: December 31, 2010  
Revised: August 3, 2011**

## Item 2: Educational Background and Business Experience

**Kaushal “Ken” Majmudar:** President, Chief Compliance Officer, Investment Adviser Representative (CRD# 2527197)

**Year Born:** 1969

**Education:** Columbia University, B.S. 1991 in Computer Science  
Harvard Law School, J.D. 1994

### **Business Experience:**

09/2002 to Present      Ridgewood Investments/The Ridgewood Group  
Founder, Chief Investment Officer and Portfolio Manager

03/1998 to 02/2002      Merrill Lynch Pierce Fenner & Smith,  
Title: Vice President of Investment Banking

06/1996 to 02/1998      DH Blair Investment Banking Corp., Vice President

08/1994 to 04/1996      Lehman Brothers, Associate in Investment Banking

**Licenses:** Series 65  
Admitted to the practice of law (retired) in NY and NJ since 1994

**Professional Designations:** Chartered Financial Analyst (CFA) awarded in 2005

**Description and minimum requirements to obtain the CFA charter:**

The CFA Charter is a globally respected graduate level credential established in 1962 and awarded by the CFA institute. To earn the CFA charter, candidates must: 1.) pass three sequential six-hour examinations; 2.) have at least four years of qualified professional investment experience; 3.) join CFA institute as members and 4.) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

Passing the three CFA exams is a difficult test that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many advanced skills needed for investment analysis. The three levels of the CFA Program test proficiency in a wide range of fundamental and advanced investment topics including fixed-income and equity analysis, economics, financial reporting standards, portfolio management, and wealth planning. To learn more, visit [www.cfainstitute.org](http://www.cfainstitute.org)

**Item 3: Disciplinary Information**

Ridgewood and Mr. Majmudar do not have any legal, civil, criminal, regulatory, or disciplinary history to report at this time. Further information can be obtained by calling the Securities and Exchange Commission or visiting the SEC Investment Advisor Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

**Item 4: Other Business Activity**

No substantial other business activity to report.

**Item 5: Additional Compensation**

No substantial other compensation to report.

**Item 6: Supervision**

Ridgewood Investments is Limited Liability Company and Kaushal Majmudar holds the responsibility to supervise the operation of the firm. This supervision extends to the ongoing review of the firm's business practices and monitoring the advice given to clients. Questions related to the operation of the firm and the supervision of Mr. Majmudar may be directed to Mr. Majmudar at the phone number listed on the cover of this brochure supplement.