Costello Asset Management, Inc., since 1999, is an independently owned, fee-based SEC registered investment advisory firm for Individuals, Families, Businesses, Estates & Non-Profit Organizations.

**What investment services and advice can you provide me?**
Our investment policy is rooted in growth at a reasonable rate (GARP), giving equal emphasis to current stock valuation and future earnings expectations. We seek bond investments of high quality and ready liquidity.

**Suitable investments include:**
- Equity (stocks), Warrants, Corporate Debt, Securities, Commercial Paper, Certificates of Deposit, Municipal Securities, U.S. Government Securities, Options Contracts, ETF’s, Stock or Bond Mutual Funds, Limited Partnerships, and Public Offerings (IPOs)

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<th>What Portfolio Account Management Fees Will I Pay?</th>
<th>What Are Your Legal Obligations To Me As My Investment Advisor?</th>
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<td>Unlike brokers who earn commissions on sales of investments, Costello Asset Management, Inc. offers <em>fee-based</em> registered investment advisory services. Our clients are charged an annual management fee, paid quarterly.</td>
<td>Our Investment Services are tailored to meet each client’s specific needs such as income, growth, fixed income and short-term cash. Areas of analysis may include: Specific Investment Recommendations, Retirement Income Needs, Employer Sponsored Plan(s), Cash Flow Analysis, Education Funding, and Estate Planning.</td>
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<td>As <em>fee-based</em> investment advisors, our compensation is tied to the growth of your account. We believe this approach puts the incentive where it belongs, on the long-term performance of your investments. We have no incentive to trade your account – just grow your account.</td>
<td>All clients must sign an investment advisory agreement, fee agreement, and answer/sign a client questionnaire that identifies their risk tolerance before the firm manages any client assets. <em>As an independent registered investment advisor (RIA), we are dedicated to serving your interest. We work for you.</em></td>
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Ongoing Account Maintenance
Our investment portfolio manager will continue to monitor the progress of your investments and offer advice on a regular basis. Overtime we’ll make any adjustments that may be necessary. We want you to understand your investment strategy and everything we are doing to help you reach your goals. We provide written quarterly reports and convenient, up-to-date online access (Charles Schwab and TD Ameritrade) to track and monitor your investments on a real-time basis. Our accounts are managed on a discretionary basis which means we don’t need to call you when buying or selling in your account. You will sign an investment advisory agreement, fee agreement, and a client questionnaire giving us this authority. These agreements are updated every five (5) years.

Do you or your financial professionals have legal or disciplinary history?
No, our firm and/or financial professionals do not have any legal or disciplinary history. Visit www.investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.

Additional Information
- You can find additional information about our firm’s investment advisory services one the SEC’s website at www.adviserinfo.sec.gov by searching CRD # 123249. You may also contact our firm at 215.856.9290 and talk with any one of our investment professionals or support staff.
- For additional information on advisory services, see our Form ADV Part 2a brochure available upon request.

Questions to Ask Us
- How do you determine the annual management fee for my account?
- Help me understand how these fees/costs will affect my investments. If I give you $100,000 to invest, how much will go to fees/costs and how much will be invested for me?
- How will you choose investments for my account?
- How often will you monitor my account’s performance and offer investment advice?
- Who is my primary contact person? Is he or she a representative of any investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?
- What is your relevant experience, including your licenses, education, and other qualifications? Please explain what the abbreviations in your education/licenses are and what they mean.