

Part 2A of Form ADV *Firm Brochure*

March 28, 2024

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This brochure provides information about the qualifications and business practices of Beech Hill Advisors, Inc. If you have any questions about the contents of this brochure, please contact us at 212-350-7250 or vmarton@bh-adv.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Beech Hill Advisors, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 110457.

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Material Changes

Since our last annual amendment on March 28, 2023, Beech Hill Advisors closed our mutual fund, the Beech Hill Total Return Fund. Since the mutual fund is no longer making investments, BHA no longer engages in side-by-side management. In addition, since our prior annual amendment, Vincent Iannuzzi resigned from his position as Chief Operating Officer of BHA. As there are other non-material changes to the information listed in this brochure, we encourage you to read the brochure in its entirety.

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Advisory Business

Beech Hill Advisors, Inc. is a SEC-registered investment adviser with its principal place of business located in New York. Beech Hill Advisors, Inc. began conducting business in 1988. Registration with the SEC does not imply a certain level of skill or training.

Listed below are the firm's principal shareholders (i.e., those individuals controlling 25% or more of the firm).

- Paul Seth Cantor Esq., Chairman & President
- William Robert Wurm, Chief Executive Officer & Chief Investment Officer

Beech Hill Advisors, Inc. offers the following advisory services to our clients:

INDIVIDUAL PORTFOLIO MANAGEMENT

Our firm provides continuous asset management of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on the client's particular circumstances are established, we develop the client's personal investment strategy. We create and manage a portfolio as a direct result of that strategy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background.

We manage advisory accounts primarily on a discretionary basis. Occasionally, we will accept accounts on a non-discretionary basis. Our advisory management services are guided by the client's stated objective(s) (i.e., growth, balanced or income), as well as tax considerations.

On occasion, clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors by contacting us in writing of the restriction request.

Once the client's portfolio has been established, we strive to review the portfolio frequently, but in any event at least quarterly. If necessary, we rebalance the portfolio on an as necessary or annual basis based on the client's individual needs.

Each Beech Hill Advisors, Inc. portfolio manager has his or her own investment philosophy and focus; consequently, portfolio construction will vary among portfolio managers. The portfolio manager will explain his or her own strategies to that client while taking the client's personal situation into account.

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

- Exchange-listed securities
- Securities traded over the counter
- Foreign issuers
- Exchange traded funds
- REITs, MLPs, and other pooled investment vehicles
- Warrants
- Corporate debt securities (other than commercial paper)
- Municipal securities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in securities
- Insurance and annuity products

Because certain investments involve additional degrees of risk, such investments will only be implemented when consistent with the client's individual objectives, time horizons, risk tolerance, and liquidity needs.

MUTUAL FUND PORTFOLIO MANAGEMENT

Due to the increased costs associated with managing the mutual fund, BHA began liquidating the Beech Hill Total Return Fund in November 2023. The mutual fund is closed and distributions to fund investors were completed in December 2023.

FINANCIAL PLANNING

Wealth planning services are also available to our clients at no additional charge. Wealth planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. If a client is receptive to our planning approach, the client will receive a written plan that provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

- *Personal:* We review family records, budgeting, personal liability, estate information and financial goals.

- *Tax and Cash Flow:* We analyze the client's income tax and spending and planning for past, current and future years to determine the impact of various investments on the client's current income tax and future tax liability.
- *Investments:* We analyze investment alternatives and their effect on the client's portfolio.
- *Insurance:* On occasion, at the request of the client, we may review existing policies to ensure proper coverage for life, health, disability, long-term care and liability.
- *Retirement:* We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- *Death and Disability:* We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- *Estate:* We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax and powers of attorney.

We gather required information through in-depth personal interviews, including the client's current financial status, tax status, future goals, returns, objectives and attitudes towards risk. We carefully review documents supplied by the client to assist in the preparation of the Investment Advisory Plan. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

Typically, the financial plan is presented to the client in draft form shortly after the initial client meeting. A final financial plan is generally presented within a few weeks providing that all of the information needed to prepare the financial plan has been promptly supplied by the client. We generate scenarios using eMoney software.

Financial planning recommendations are not limited to any specific product or service offered by a broker-dealer. All recommendations are of a generic nature.

AMOUNT OF MANAGED ASSETS

As of December 31, 2023, we managed approximately \$313,100,000 of clients' assets, of which, approximately \$301,900,000 was managed on a discretionary basis and approximately \$11,200,000 was managed on a non-discretionary basis.

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Fees and Compensation

We manage portfolios consisting primarily of publicly traded equity and fixed-income securities on a discretionary basis. Portfolio transactions are customarily effected through Beech Hill Securities in its capacity as broker-dealer in accordance with the investment advisory contract with each client.

We charge different fees for investments in separately managed mixed security accounts, full fixed-income accounts, and ETF portfolio strategies accounts that we manage on a discretionary basis.

In addition, accounts in a client household are aggregated and added to the tiered rate amount to meet additional portfolio breakpoints.

PORTFOLIO MANAGEMENT SERVICES FEES

Our annualized fees for Portfolio Management Services are based upon a percentage of assets under management and are charged according to the following schedule(s):

Fee Schedule – Mixed Security Accounts

- ¼ of 1.5% (0.375%) per quarter of the first \$1,000,000 value of the account
- ¼ of 1.25% (0.3125%) per quarter of the next \$1,000,000 value of the account
- ¼ of 1% (0.25%) per quarter of the remaining value of the account

Reduced fees may be charged on the value of fixed-income securities in the account.

Fee Schedule – Full Fixed Income Accounts

- ¼ of 0.75% (0.1875%) per quarter of the first \$1,000,000 value of the account
- ¼ of 0.625% (0.15625%) per quarter of the next \$1,000,000 value of the account
- ¼ of 0.50% (0.125%) per quarter of the remaining value of the account

Fee Schedule – ETF Portfolios

- 1% of assets managed, charged quarterly regardless of value of account. For example, if the account had assets of \$1,000,000, the quarterly fee would be $\$1,000,000 \times 1\% \div 4 = \$2,500$ per quarter.

Discounted fees may be available for non-discretionary accounts, and unmanaged legacy assets are normally segregated and not charged a management fee.

Our fees are billed in arrears at the end of each calendar quarter based upon the value (market value or fair value in the absence of market value), of the client's account at the end of the quarter. Fees will be debited from the account in accordance with the client authorization in the investment management agreement with the client.

Clients are billed according to their executed investment management agreement. Some of our longstanding clients may be billed on a prior fee schedule that was in effect when they became clients. This fee schedule, which has lower management fee percentages, results in such clients bearing brokerage commissions charged by Beech Hill Securities in lieu of a \$15 ticket charge for brokerage services. This schedule is not available to new account relationships. We strongly encourage these clients to modify their agreements and move to our current fee schedule.

Limited Negotiability of Advisory Fees and Commissions: Although Beech Hill Advisors, Inc. has established a fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. We generally adhere to the fee schedules listed above with exceptions. Client facts, circumstances and needs are considered in determining exceptions. These include the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition and reports, among other factors.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of supervised persons of our firm.

FINANCIAL PLANNING FEES

Financial Planning Fee Offset: Beech Hill Advisors, Inc. provides financial planning services to both existing and potential clients as a courtesy and therefore charges no fees for this service.

GENERAL INFORMATION

Termination of the Advisory Relationship: An investment management agreement may be canceled at any time, by either party, without penalty for any reason or no reason during the management of the account. Such termination, however, will not have the effect of cancelling any orders to deposit or invest cash or to purchase or sell securities or other properties placed prior to the receipt of such notice.

Mutual Fund Fees: All fees paid to Beech Hill Advisors, Inc. for investment advisory services are separate and distinct from any fees and expenses charged by mutual funds and/or ETF's in which a client invests. These fees and expenses are described in the prospectus for such funds/ETFs. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund

also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services.

Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid or borne by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges or commissions imposed by a broker dealer to implement securities transactions for client accounts, custodian account maintenance fees, wire transfer fees, etc. Clients should note that Beech Hill Securities, Inc. charges a \$15 ticket charge for brokerage services on securities transactions effected in connection with the management of accounts. Please refer to the “Brokerage Practices” section (Item 12) of this Form ADV for additional information.

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Performance-Based Fees and Side-By-Side Management

PERFORMANCE-BASED FEES

Beech Hill Advisors, Inc. does not charge advisory clients any performance-based fees.

SIDE-BY-SIDE MANAGEMENT

Beech Hill Advisors, Inc. began liquidating the Beech Hill Total Return Fund in November 2023. All assets were liquidated and distributed in December 2023. As the fund is no longer making investments, Beech Hill Advisors, Inc. no longer engages in side-by-side management.

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Types of Clients

Beech Hill Advisors, Inc. provides advisory services to the following types of clients:

- Individuals (other than high-net-worth individuals)
- High-net-worth individuals
- Pension and profit-sharing plans
- Corporations or other entities not listed above

Account Minimums: Generally, a minimum of \$200,000 is required for Beech Hill Advisors, Inc. to manage an account as a separate actively managed account which we retain full discretion to adjust or waive at any time. Related client accounts, e.g., household accounts, may be aggregated for purposes of achieving the minimum account size and determining the annualized fee. For accounts with less than the minimum account size, we invest in our ETF strategies.

METHODS OF ANALYSIS

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

Charting: In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

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

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

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

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

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

Quantitative Analysis: We use mathematical models in an attempt to obtain more accurate measurements of an issuer's quantifiable data, such as the value of its share price or earnings per share, and to predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

Qualitative Analysis: We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Asset Allocation: Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis: We look at the experience and track record of the manager of the mutual fund or ETF for a demonstrated ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF for significant overlaps in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs for deviation from their stated investment strategy.

Past performance does not guarantee future results. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

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

INVESTMENT STRATEGIES

We use the following strategies in managing individual client accounts, provided that such strategies are appropriate to the needs of the client and consistent with a client's investment objectives, risk tolerance, and time horizons, among other considerations:

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

- believe the securities to be currently undervalued, and/or

- want exposure to a particular asset class over time, regardless of the current projection for this class.

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

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

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

Short sales: We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.

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

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

Cash accounts: We may place funds in a cash account such as a money market accounts for a period of time. There may be many reasons for this allocation, such as waiting for a good investment opportunity, protecting funds during a turbulent trading period, etc. Funds held in these cash accounts are still subject Beech Hill's management fee. As interest or income from these accounts is minimal, clients could pay more in advisory fees that the account earns in interest or income.

RISK OF LOSS

General Risk: Investing in securities involves risk of loss that clients should be prepared to bear. Beech Hill Advisors, Inc. does not represent or guarantee that we can predict future results, successfully identify market tops or bottoms, or insulate client portfolios and investments from losses. The prices of, and the income generated by, equities and other securities held in your portfolio might decline in response to certain events taking place around the world, including those directly involving the issuers whose securities clients own. Conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; governmental or governmental agency responses to economic conditions; and currency, interest rate and commodity price fluctuations are all risk factors that can affect the valuation of your investments.

Beech Hill Advisors, Inc. cannot offer any guarantees or promises that a client's financial goals and objectives will be met. Past performance is in no way an indication of future performance. The value of a client's investments will be subject to a variety of factors, such as the liquidity and volatility of the securities markets. Portfolio transactions may give rise to tax liability, for which clients are responsible.

Asset Allocation Risk: This is the risk that a client's portfolio may be allocated to an asset class that underperforms other asset classes. For example, fixed-income securities may underperform equities. Accordingly, asset allocation risk will be influenced by the allocation of a client's portfolio among equities, fixed-income, alternative and money market securities.

Investment and Market Risk: Securities purchased in client account(s) are subject to investment risk, including the possible loss of the entire principal amount invested. A recommendation to invest in securities and other instruments may also involve market risk, which is the risk that the value of these positions, like other investments, may move up or down, sometimes rapidly and unpredictably due to adverse market conditions and not necessarily based on the individual merits of the investment. Investment holdings in your account, at any point in time, may be worth less than the original investment, even after taking into account any reinvestment of dividends.

- *Interest Rate Risk:* Fluctuations in interest rates may cause the value of investments to fluctuate. For example, the value of fixed-income instruments will change inversely with changes in interest rates. As interest rates rise, the market value of fixed-income instruments tends to decrease. Conversely, as interest rates fall, the market value of fixed-income instruments tends to increase. This risk will be greater for long-term securities than for short-term securities.
- *Counterparty Risk:* Certain assets will be exposed to the credit risk of the counterparties when engaging in exchange-traded or off-exchange transac-

tions as such counterparties could fail to deliver or otherwise default on their obligations. There may also be a risk of loss of assets on deposit with or in the custody of a broker in the event of the broker's bankruptcy, the bankruptcy of any clearing broker through which the broker executes and clears transactions, or the bankruptcy of an exchange clearinghouse.

- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. When investing in illiquid securities, it may not be possible to sell such securities at the most opportune times or at prices approximating the value at which they were purchased.

Fixed Income Investments Risks

Interest Rate Risk: This is the risk encountered in the relationship between bond prices and interest rates. The price of a bond will change in the opposite direction of movements in prevailing interest rates. For example, as interest rates rise, bond prices will generally fall. If an investor has to sell a bond prior to the maturity date, an increase in interest rates could mean that the bondholder will experience a capital loss (i.e., selling the bond below its original purchase price).

Reinvestment risk: This is the risk that the interest rate at which the interim cash flows can be reinvested will decline and thus reinvestments will receive a lower interest rate. Reinvestment risk is greater for longer holding periods.

Default Risk: This risk is commonly referred to as "credit risk" and is based on the probability that the issuer of the debt obligation may default. Default risk is rated by quality ratings assigned by commercial rating companies.

Call Risk: This is the risk related to call provisions on debt obligations. Clients should be aware of four risks associated with call provisions. 1. The cash flow patterns of callable bonds are not known with certainty. 2. Since the issuer will typically exercise their right to call the bonds when interest rates have dropped, you may be exposed to reinvestment risk. You would have to reinvest the proceeds after the bond is called at relatively lower interest rates. 3. The potential for capital appreciation of a callable bond is reduced relative to that of a non-callable bond because its price may not rise much above the price at which the issuer can call the issue. 4. If the issue is purchased at a premium, you may lose the difference between the purchase price and call price.

Inflation Risk: This risk results from the value of the cash flows being received from fixed income lose purchasing power over the course of time due to the effects of inflation.

Liquidity Risk: This is the risk that an asset cannot be sold at or near its current value. The best indicator to measure an issue's liquidity is the size of the spread

between the bid price and the ask price quoted by a dealer. A wider spread on the asset indicates a greater liquidity risk.

General Risks

Force Majeure Risk: This is the risk that there may be an act of God, terrorist act, global health pandemic, failure of utilities or other similar circumstance not within the reasonable control of BHA that may have an unknown and potentially catastrophic effect on the global markets. BHA has a business continuity plan to mitigate the effects of a force majeure risk, however, these events may still affect BHA, our clients, the financial markets, and securities clients are invested in.

Inflation Risk: Inflation reduced the buying power, thus a dollar today will not buy as much as a dollar next year because purchasing power is eroding at the rate of inflation.

Cybersecurity Risk: BHA, the broker-dealer, service providers, and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect BHA and our ability to service clients, despite the efforts of service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks, and other technology assets, as well as the confidentiality, integrity and availability of information belonging to our clients. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to the brokerage system, service providers, counterparties, or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of such systems to disclose sensitive information to gain access to the confidential data. A successful penetration or circumvention of the security of such systems could result in the loss or theft of data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause BHA to incur regulatory penalties, reputational damage, additional compliance costs or financial loss.

Dependence on Key Personnel: The success of BHA depends heavily on the activities, judgment, and availability of our employees. BHA relies on the ability of the individuals comprising our team to make investment decisions consistent with the clients' investment objectives and policies. Should a key employee of BHA terminate his relationship with BHA, the profitability of BHA's investments may suffer.

Item 9

Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Our firm and our management personnel have no reportable disciplinary events to disclose from the past 10 years.

Item 10

Other Financial Industry Activities and Affiliations

Many of our employees are separately licensed as registered representatives of Beech Hill Securities, Inc., the broker-dealer Beech Hill Advisors, Inc. uses to execute client security transactions. Currently, Beech Hill Securities is the executing broker for all or substantially all securities transactions effected for client accounts. Our employees who make portfolio management decisions for client accounts receive compensation from Beech Hill Securities when executing client transactions through Beech Hill Securities, Inc. Paul Cantor, Beech Hill Advisor, Inc.'s president, has a 39% minority ownership interest in Beech Hill Securities.

Clients should note that Beech Hill Securities charges a \$15 ticket charge to cover brokerage services on securities transactions effected in connection with the management of accounts. As some dually registered Beech Hill Advisors, Inc.'s employees receive compensation for transactions executed through Beech Hill Securities, Inc, this creates a conflict of interest. Beech Hill Advisors, Inc. and its employees who are registered representatives of Beech Hill Securities endeavor at all times to put the interest of the clients first as part of their fiduciary duties.

In addition, certain of our employees have an ownership interest in Beech Hill Financial, the agent of record for insurance sales made by Beech Hill Advisors, Inc.'s employees. As a result, Beech Hill Financial and its owners directly or indirectly, as the case may be, receive compensation from insurance product sales to advisory clients. This creates a conflict of interest as Beech Hill Advisors, Inc. employees with an interest in Beech Hill Financial will receive income or profits from insurance product sales issued through Beech Hill Financial. While Beech Hill Advisors, Inc. employees may recommend that clients purchase insurance products, however, clients are not obligated to purchase those products or to purchase them through Beech Hill Financial. Brad Small is a licensed insurance agent as well as an adviser at Beech Hill.

Item 11

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Beech Hill Advisors, Inc. and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Beech Hill Advisors, Inc.'s Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to vmarton@bh-adv.com, or by calling us at 212-350-7250.

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

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to those recommended to our clients. In addition, any related person(s) may have an interest or position in a security that may also be recommended to a client.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients and employees will be treated the same and trades will be blocked together as described in the following Item 12, including that employee accounts will be included in the pro-rata allocation.

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

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a

result of his or her employment unless the information is also available to the investing public.

3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any private placement or IPO investments by related persons of the firm.
5. Any individual who violates any of the above restrictions may be subject to termination.

Item 12

Brokerage Practices

Beech Hill Advisors, Inc. intends to direct all brokerage transactions to broker-dealer Beech Hill Securities on an agency basis.

By signing our investment management agreement, clients acknowledge that Beech Hill Advisors, Inc. directs their brokerage transactions to Beech Hill Securities. Beech Hill Securities in turn clears all transactions through Pershing, LLC, which, absent unusual circumstances, will be the custodian for all client accounts. As noted in Item 10 above, some Beech Hill Advisors, Inc employees are also licensed with Beech Hill Securities, Inc. and executing brokerage transactions through Beech Hill Securities, Inc. creates a conflict of interest for Beech Hill Advisors, Inc.

Beech Hill Advisors, Inc. believes it is better able to manage client accounts by directing brokerage to Beech Hill Securities. Beech Hill Securities' responsiveness to Beech Hill Advisors, Inc. is almost immediate, and it provides a full range of services that include trading infrastructure and facilities, financial stability and capability, access to a wide range of secondary markets, reliability, speed, confidentiality, expertise, reputation, integrity and fairness in resolving problems and disputes. Other relevant factors are the availability of internal and third-party research services and our ability to aggregate trades efficiently.

Best execution does not mean lowest cost. Many current and all new clients will be charged a flat transaction charge of \$15. Certain legacy clients have elected to remain on a commission schedule, which means that they pay a per share commission based on the commission schedule in effect for them when they became clients.

BLOCK TRADES

Beech Hill Advisors, Inc. will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, and which is designed so that clients receive the same execution price (e.g., share price). Block trading may allow us to execute equity trades in a timelier and more equitable manner. Beech Hill Advisors, Inc.'s block trading policy and procedures are as follows:

1. Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Beech Hill Advisors, Inc.

2. The portfolio manager(s) must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
3. The portfolio manager(s) must reasonably believe that the order aggregation will benefit, and will enable Beech Hill Advisors, Inc. to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, among other things. Clients should note that in the case of managed accounts commissions cannot be specifically calculated as a factor of best execution due to varied circumstances, including different commission schedules or that certain clients pay a flat fee.
4. Prior to entry of an aggregated order, a review of client accounts is undertaken to identify each account participating in the order and the proposed allocation of the order. Upon execution the trade is allocated.
5. If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts. However, adjustments to this pro rata allocation may be made to participating client accounts at the discretion of the investment adviser. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
6. Beech Hill Advisors, Inc.'s client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
7. No client or account will be favored over another.

Item 13

Review of Accounts

PORTFOLIO MANAGEMENT SERVICES

Reviews: While the underlying securities within client accounts are continually monitored, these accounts are reviewed quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by the individual portfolio managers designated by the advisory client. Securities transactions are regularly reviewed by supervisors or compliance systems and personnel.

Reports: In addition to the monthly statements and confirmations of transactions that Investment Advisory clients receive from their custodian, Beech Hill Advisors, Inc. will provide quarterly reports summarizing account performance, balances and holdings.

Item 14

Client Referrals and Other Compensation

CLIENT REFERRALS

Our firm may pay referral fees to independent persons or firms (“Solicitors”) for introducing clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our Firm Brochure) and a separate disclosure statement that includes the following information:

- the Solicitor’s name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

Solicitors are compensated quarterly based on a percentage of the management fee charged to the applicable client accounts. As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

OTHER COMPENSATION

Management personnel and other related persons of our firm are licensed as registered representatives of Beech Hill Securities, Inc., the broker-dealer Beech Hill Advisors, Inc. uses to execute client transactions. In their separate capacities, these individuals are able to effect securities transactions for advisory clients for separate and typical compensation (i.e., brokerage commissions, 12b-1 fees or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which may result in a commission being paid to the individuals. This conflict is disclosed to clients verbally, in this Form ADV Part 2A and in applicable Form ADV Part 2B’s. It is Beech Hill Advisors, Inc.’s policy not to accept or allow our related persons to accept compensation in the form of cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients unless the compensation is fully disclosed to clients along with any conflict of interest the compensation creates.

Beech Hill Securities, Inc. (“BHS”) receives a portion of the revenue earned by BHS’ money market fund from Pershing for funds invested in the money market fund. Beech Hill Advisors, Inc. employees that are also registered with BHS may have an incentive to place client assets in BHS’ money market fund instead of a different money market fund, which creates a conflict of interest. Beech Hill Advisors, Inc. has disclosed this conflict of interest to our clients and also ensures that all investment recommendations and actions taken by Beech Hill Advisors, Inc.

and our employees are suitable for clients based on their investment timelines, risk aversion, investment guidelines and restrictions, etc.

Item 15

Custody

We previously disclosed in the “Fees and Compensation” section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts. This means that we have “constructive custody” of client funds and securities. As part of our billing process, the client’s custodian is advised of the amount of the fee to be deducted from that client’s account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send quarterly account reports directly to our clients. We urge our clients to carefully compare the information provided in these documents to ensure that all account transactions, holdings and values are correct and current.

Item 16

Investment Discretion

Clients normally hire us to provide discretionary asset management services. We typically have complete discretion as to selection and amount of individual securities to be purchased or sold and as to the timing of the buy or sell.

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

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell
- determine the timing of when to buy or sell

Clients give us discretionary authority when they sign a discretionary investment management agreement with our firm. Clients may place reasonable limitations on this authority by giving us written instructions. Clients may also change/amend such limitations providing us with written instructions. Beech Hill Advisors, Inc. reserves the right to reject such limitations and decline to accept a client. In limited circumstances, Beech Hill Advisors, Inc. also accepts clients on a non-discretionary basis.

Item **17**

Voting Client Securities

We do not vote proxies for individual client accounts. Individual clients are responsible for voting their own proxies. We do not offer any consulting assistance regarding proxy issues to clients. To request a copy of our proxy policy and procedures, please email vmarton@bh-adv.com, or call us at 212-350-7250.

Item **18**

Financial Information

Beech Hill Advisors, Inc. does not have any financial conditions that might impair our firm to meet our contractual obligations to our clients.