



# OSBORNE PARTNERS

Capital Management, LLC

## **Firm Brochure** (Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Osborne Partners Capital Management, LLC "OPCM". If you have any questions about the contents of this brochure, please contact us at: (415) 362-5637 or (800) 362-7734, or by email at: [compliance@osbornepartners.com](mailto:compliance@osbornepartners.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 Osborne Partners Capital Management, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

March 27, 2024

## Item 2 - Material Changes

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### Annual Update

The Material Changes section of this brochure will be updated when material changes occur since the previous release of the Firm Brochure. OPCM will ensure that clients receive a summary of any material changes to this Brochure within 120 days of the close of OPCM's fiscal year, along with an offer to deliver the complete Firm Brochure. For more information about the firm, please visit [www.osbornepartners.com](http://www.osbornepartners.com).

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### Material Changes since the Last ADV Update, dated April 14, 2023

*Item 14: Client Referrals and Other Compensation* – removed third party promoters SmartAsset and Indyfin as we no longer have relationships with them.

Also made additional non-material changes to other Items within the Brochure. OPCM encourages you to read the full Firm Brochure.

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### Full Brochure Available

If you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (415) 362-5637 or (800) 362-7734 or by email at: [compliance@osbornepartners.com](mailto:compliance@osbornepartners.com).

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## Item 4 - Advisory Business

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### Firm Description

Our firm was founded in 1937 and has been registered under various names since the original inception. In 2001, the firm transitioned to OSBORNE PARTNERS CAPITAL MANAGEMENT, LLC (“OPCM”). The firm has two chief offices, one located in San Francisco and one located in Menlo Park. In 2021, a branch office was opened in West Linn, Oregon. The San Francisco office is the main headquarters.

#### San Francisco Office

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San Francisco, CA 94111

Phone: (415) 362-5637/(800) 362-7734

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#### Silicon Valley Office

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Phone: (650) 854-5100/(800) 397-5101

Fax: (650) 854-5661

#### Oregon Office

West Linn, OR 97068

Phone: (503) 757-4584

Fax: (650) 223-6268

The firm is a Registered Investment Adviser (“RIA”) with the Securities and Exchange Commission (“SEC”). However, being registered with the SEC is not meant to imply a specific level of training or skill and is not meant to denote any form of recommendation or endorsement by the SEC of state securities regulators.

We encourage the reader to carefully read this document to examine OPCM and our practices, and to discuss any potential business relationship with your own knowledgeable business advisers and legal counsel.

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### Principal Owners

The majority ownership of the firm is held by employees of the firm. The allocations for employees and owners of more than 5% are as follows:

Daniel M. Haut: less than 5%

Jay M. Skaalen: less than 5%

Alicia W. Cheng: less than 5%

Sonia J. Von Berg: less than 5%

Charles J. Else: less than 5%

Focus Financial Partners, LLC\*: 10% but less than 25%

Justin W. McNichols: 25% but less than 50%

OPCM Holdings, LLC\*\*: 25% but less than 50%

\* Focus Financial Partners Inc. is the entity that owns the interest above.

\*\* Norman D. Villarina is a Managing Partner of Industry Capital Partners II, LLC., which is the entity that owns the interest listed above.

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### Tailored Relationships

OPCM provides personalized investment management to individuals, families, trusts, estates, conservatorships, foundations, endowments, corporations or business entities and pension and profit-sharing plans, charitable organizations, public funds, investment limited partnerships, 401(k) plans, 401(k) self-directed accounts, IRAs and other retirement plans, through direct advisory relationships and via a sub-advisory arrangement. All

portfolios are actively managed by our investment team and are tailored and managed according to an individually prepared client Investment Policy Guidelines, which reflects the specific financial objectives, taxability, and risk tolerance of the client.

OPCM does not assume any responsibility for the accuracy of the information provided by the client and is not obligated to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.). Under all circumstances, clients are responsible for promptly notifying OPCM in writing of any material changes to the client's financial and investment objectives, taxability, time horizon, or risk tolerance.

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#### Client Imposed Restrictions

Clients can impose restrictions on investing in certain securities, types of securities or asset classes, in accordance with their values, beliefs or employer requirements. When imposing a restriction, we require restrictions be given at the start of the relationship, be focused, naming specific securities and detailed in writing and approved by OPCM and the client. Our view is that certain types of restrictions requested by a client can be vague, broad in nature, and be very subjective. One such example of a vague restriction is "no sin stocks". Due to the vague nature of what a "sin stock" is, the firm cannot enforce such restrictions. The restriction must detail the specific securities that OPCM would be prohibited from purchasing.

It is OPCM's policy to not purchase any tobacco related stocks. Clients who request a tobacco restriction will have their account(s) restricted but will not be prohibited from inclusion in the composite performance.

Our first priority is to purchase securities in client accounts that we believe will provide the best overall growth for the client to reach their investment objectives and goals, while taking into consideration the client's tolerance for risk.

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#### Types of Advisory Services

##### *Investment Management Services*

OPCM offers investment management services directly to clients on a discretionary and non-discretionary basis. We tailor and manage each portfolio according to individually prepared Investment Policy Guidelines, which reflects the specific financial objectives, taxability, and risk tolerance of the client.

The six types of investment strategies OPCM offers are as follows: Global Equity Strategy, Global Growth Strategy, Global Moderate Growth Strategy, Global Balanced Strategy, Global Income Strategy, and the Fixed Income Strategy.

Our Global Growth, Global Moderate Growth, Global Balanced, and Global Income strategies are allocated over two or more of the following asset classes: equities (domestic and foreign), fixed income, natural resources, real estate, and alternative asset classes. Strategies are comprised of publicly traded securities.

For our Global Equity Strategy, we use a bottom-up fundamental discipline with a quantitative overlay to provide a value approach to growth investing. We use deep fundamental research to focus on a company's earnings quality and growth, balance sheet quality and trends, and absolute and relative valuation.

For our Fixed Income Strategy, our discipline typically revolves around high quality issues with the highest yield for the lowest maturity and duration. Portfolios can include fixed income funds and fixed income ETFs.

OPCM also provides investment management services to 401k plans, wherein OPCM provides management for three types of plan account offerings. The plan account types include:

- Traditional – managing a menu of Exchange Traded Funds that can be chosen for investment by plan participants
- Model portfolios – managing certain asset allocation portfolios, which can be selected by a plan participant
- Self-directed – managing plan participant accounts based on individual investment objectives utilizing various asset classes.

#### *Sub-Advisory Arrangement*

OPCM is engaged as a sub-adviser by an unaffiliated investment adviser. As a sub-adviser, OPCM does not enter into a contract with clients. The agreement is entered between OPCM and the unaffiliated investment adviser to hire OPCM to provide investment management services to certain clients of the investment adviser that are delegated to OPCM (“Sub-Advisory Client”). In a sub-advisory relationship, each Sub-Advisory Client enters into an investment advisory agreement with the unaffiliated investment adviser. The agreement gives the unaffiliated investment adviser the authority to hire, monitor, and fire sub-advisers on behalf of a Sub-Advisory Client. The Sub-Advisory Client is not a direct client of OPCM and remains solely the client of the unaffiliated adviser.

OPCM, in its capacity as a sub-adviser, delivers its investment management services through its arrangement with the unaffiliated investment adviser. Under the sub-advisory agreement, OPCM is granted discretionary authority to invest a Sub-Advisory Client’s assets based on the investment strategy selected by the unaffiliated investment adviser. The unaffiliated investment adviser is responsible for determining if the Sub-Advisory Client is suitable for receiving OPCM services.

#### *Wrap Programs*

We currently do not participate in any Wrap Fee Programs. A Wrap Fee Program is an arrangement between a broker-dealer and other financial institutions, who act as the sponsor of an investment program through which their clients can receive discretionary investment advisory services. The wrap program sponsor provides the investment platform, execution services, clearing, and custodial services in a “bundled” form, meaning the client is charged one fee for all services. The fee charged is usually based on a percentage of the assets held in the account. When OPCM decides to participate in a wrap program, we will manage the accounts in the same manner as our advisory clients with the investment and financial objectives provided by the broker-dealer.

#### *Affiliated Private Hedge Fund*

Finally, the firm manages an Absolute Return Strategy, which is only provided through the OPCM Absolute Return, L.P., an affiliated private hedge fund (“OPCM Fund”). The OPCM Fund is only open to individuals who meet the accredited investor and qualified client standards. The OPCM Fund invests in and trades securities, consisting principally, but not solely, of equity and equity related securities that are traded publicly in U.S. markets. The OPCM Fund can invest in other types of securities and engages in short selling and hedging, margin trading, and other investment strategies. Prospective investors are provided with an offering circular and other documentation that detail the investment objectives, risks, fees, and other important information about the OPCM Fund. It is important that each potential investor fully read all the offering documents prior to investing. Investing in the OPCM Fund is only available to persons who are deemed “accredited investors” under the Securities Act of 1940, as amended and “qualified client” as defined in Rule 205(3) of the Investment Advisers Act of 1940. The OPCM Fund is not made available to the public and is not a registered investment company. The OPCM Fund can be offered to current clients meeting the required qualifications, in conjunction with the overall asset allocation and management of the client’s account.

OPCM’s disclosure of information within this Brochure that pertains to the OPCM Fund is not intended to be a solicitation for or an advertisement of the fund. Instead, such disclosures have been made to provide important information about the services provided by OPCM and the overall risks involved in these types of activities as they relate to OPCM’s advisory business.

OPCM has in the past, but no longer recommends that a portion of such client's assets be invested in certain non-affiliated private pooled investment vehicles (e.g., private funds, limited partnerships). These included private hedge funds that invest in alternative type investments, real estate funds, oil and gas partnerships, and other types of private investment vehicles (collectively "Private Funds"). Prior to investing, clients were provided with private placement memorandums and other offering and subscription documentation that detail the nature, risks, and associated fees of each Private Fund.

OPCM's strategies are based on long-term investing, and we are dedicated to achieving our clients' goals and objectives. Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for further details on the above-mentioned investment strategies and services.

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#### Assets Under Management

OPCM manages approximately \$2,169,812,155 in assets for approximately 699 client relationships as of December 31, 2023. The assets are broken down as follows:

OPCM manages \$2,124,124,147 on a discretionary basis.

OPCM manages \$45,688,008 on a non-discretionary basis.

Discretionary assets under management include the assets managed in the OPCM Fund and sub-advisory clients.

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#### Types of Agreements

OPCM provides investment advisory services on a discretionary basis for the majority of our clients; however, we do provide non-discretionary asset management services under certain circumstances.

OPCM's advisory agreement gives us the authority to buy and sell securities for our designated client accounts. In addition to our agreement, the custodian requires a limited power of attorney signed by the client to allow us to transact within our client accounts.

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#### Termination of Agreement

A client or unaffiliated investment adviser in which OPCM has a sub-advisory agreement with can terminate any of the aforementioned agreements at any time by notifying us 30 days in advance, either in writing or electronically via email. The termination notice will not affect commitments actually made prior to receiving the termination notice. At termination, fees will be billed on a pro rata basis for the portion of the quarter completed. The portfolio value as of the termination date will be used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination.

For clients billed in arrears, we will issue a closing fee bill based on the number of days you received investment management services in the current quarter. If we are authorized to debit the fee directly from your account at the time of termination, we will debit the fee from your account for the balance due. If we are not able to debit your account directly or if you have not authorized us to debit the account directly, we will issue you a closing bill for payment. You are responsible for paying any balance due to OPCM. In either instance, we will provide you a copy of the closing fee bill for your records.

For clients billed in advance, we will issue you a refund based on the number of days you received investment management services in the current quarter. We will either credit your account directly for the refund or issue your account a refund in the form of a check to your address of record.

OPCM can terminate any of the agreements at any time by notifying you in writing. In addition, OPCM reserves the right to terminate any investment advisory services when a client fails to provide pertinent information



about their account or financial situation when it is necessary and appropriate, and in our judgment, when the lack of information impairs us from properly providing prudent investment and or financial advice.

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#### 401k Participant Accounts

When we manage a client's 401K participant account, if such account is held at a custodian that is not directly accessible by OPCM ("Held Away Account"), we will request permission from such client to use a platform that is administered by a third-party service provider. The platform gives OPCM the ability to view the 401K account assets in real time and effectively place transactions.

OPCM has entered into a subscription agreement with the third-party service provider and when a client agrees to OPCM's use of the platform, the service provider's terms and conditions agreement for users will be made available within the platform. It is important for clients to review the agreement in its entirety in order to be fully aware of all conditions and requirements. For example, the terms and conditions include, but are not limited to, the client agreeing to provide the third-party service provider with access to all account information in their 401K account and authorizing OPCM to use the platform to facilitate the investment management of your 401K account. OPCM will be granted access to view and manage the client's 401K account assets via a platform login. The login access does not give OPCM the authority or ability to transfer or withdraw any assets in a client's 401K account.

OPCM is not affiliated with the third-party service provider, and we do not receive any compensation from them for using their platform. There is a fee charged by the third-party service provider for the use of the platform, which is paid by OPCM, not our clients.

### Item 5 - Fees and Compensation

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#### Description

OPCM manages separate accounts with a minimum relationship requirement of \$500,000 in assets for both advisory and sub-advisory services.

#### *Investment Management Services*

OPCM will primarily manage accounts on a fully discretionary basis; however, the firm will manage accounts on a non-discretionary basis under special circumstances. OPCM's investment management services incorporate investment strategies specifically tailored to reflect each client's individual circumstances. The management fee OPCM charges is a percentage of the market value of the managed assets held in the client's account as of the last business day of the quarter. Fees are billed in arrears, however some legacy clients are billed in advance based on the market value of the managed assets held in the account as of the last business day of the prior quarter end. We generally will invoice our clients in the month of the following quarter. In most cases, client fees are debited directly from their managed account, after we receive written authorization from the client. Some clients choose to pay their fees directly and not have them debited from their account. In those cases, we issue an invoice directly to the client. Legacy and current clients of the firm have different fee schedules, with some being higher and some lower than the firm's current fee schedule reflected below. This is generally due to the timing of when the client's account(s) were established. Listed below is the firm's current fee schedule:

1.00% on the first \$5,000,000  
0.50% on assets above \$5,000,000  
(Relationships with total Assets below \$1,000,000 = 1.25%)

The fee schedule is subject to change and also can be negotiated by OPCM under certain circumstances, and at the sole discretion of OPCM. Multiple portfolios with a common interest (such as a family relationship) can be combined as one for billing purposes. The firm has in the past and can in the future in its sole discretion waive

the minimum asset requirement and charge a minimum fee for providing investment management services based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.). As a benefit to employees and former employees, the firm offers discretionary investment management services to such individuals, their families and their estates at a discounted fee or for no fees.

If a client requests the firm to hold cash for a special purpose, has a concentrated position or has low cost securities that the client desires periodic counsel on but does not want day to day discretionary management, the firm usually requests clients maintain a non-discretionary service account and charges an annual fee of 0.25% of assets under management. The fee is calculated and payable on a quarterly basis in the same manner as described above.

OPCM's fees for managing 401K plans range from 0.50% to 1.00% of the plan assets. The fee schedule is subject to change and can be negotiated by OPCM at our sole discretion. Fees are billed quarterly in arrears based on the assets in the plan as of the last business day of the prior quarter end. An invoice is sent directly to the plan sponsor for payment and is due upon receipt.

OPCM determines the market value of the account based on a hierarchy of data price files we receive from our clients' custodians. We use the data files for the pricing of securities held in client portfolios. We periodically review the accuracy of data received by each custodian. In determining the net asset value of a portfolio, OPCM uses the following guidelines: (a) for marketable securities, we will use the current market price, (b) for securities for which there exists no active market (including unsupervised assets, privately or closely held securities and limited partnerships, real estate, and other fixed asset securities that are not priced via a national exchange), we shall use such information as we deem in good faith relevant to determine the value thereof and value the security periodically, which means the value shown on reports can lag the current market value (in the absence of a readily determinable value, such securities will be valued at cost), and (c) we will value cash at its dollar value. OPCM shall use all information in good faith to determine the market value of the account for billing.

#### *Sub-Advisory Arrangement*

OPCM is currently a sub-adviser for an unaffiliated investment adviser. The annual fee for investment management services OPCM provides to Non-ERISA Sub-Advisory Clients is 0.45% and 0.25% for ERISA Sub-Advisory Clients. Both fees are paid quarterly in arrears. OPCM will calculate its quarterly fee for each Sub-Advisory Client, which is to be based on the account value (including any cash, cash equivalents, accrued interest and dividends) at the end of each calendar quarter and then send a spreadsheet that outlines the fees to the unaffiliated investment adviser. The unaffiliated investment adviser will send an invoice that reflects both the adviser's and OPCM's fee to the Sub-Advisory Clients' custodian, who will debit the aggregated fee from each Sub-Advisory client's account and pay the third-party adviser and OPCM separately.

#### *OPCM Fund:*

The firm acts as the General Partner and is the primary adviser for the OPCM Fund. The firm receives an annual management fee of 1% of assets under management and reserves the right to waive the annual management fee paid by the fund at any time. The fee is payable in quarterly installments at the beginning of each calendar quarter, is based on the net market value of each limited partner's capital account on the date the fee accrues and becomes payable.

#### *Performance Based Investment Management Fees:*

##### *OPCM Fund:*

In addition to an annual investment management fee, the firm also is allocated an annual performance-based fee allocation equal to 20% of the annual net profits (including both realized and unrealized gains and losses) otherwise allocable to that limited partner from each qualifying limited partner. Performance fee allocations are

assessed in arrears on an annual basis and are only applied to profits that exceed the cumulative losses previously incurred by or allocated to the respective limited partners. In the case where the annual management fee and the performance fee are taken, the total fee percentage will be higher than the management fee charged by the firm.

#### Separately Managed Advisory Accounts

OPCM offers performance-based fee management for clients that meet certain criteria. Specifically, clients must be in a global equity exposure allocation target of 65% or more as agreed upon in the IPG and the client must also have \$2 million or more in assets under management. Importantly, clients that meet these criteria have a choice of whether to participate in this performance-based fee arrangement.

The first component of the arrangement is an annual asset-based management fee, as follows:

0.60% on assets between \$2 million - \$5 million

0.40% on assets above \$5 million

In addition to the above tiered management fee, OPCM will charge an annual performance fee of 10% of the net profit over a hurdle rate of 2%. The asset-based management fee will be charged quarterly in arrears and the performance-based fee will be charged each year using year-end market values. If a client terminates their relationship or changes to a more conservative allocation, the management and performance fees will be prorated and charged at the time of the termination or change. New clients' fees will also be prorated.

Please refer to Item 6 below for further information on performance-based fees, including information on the conflicts surrounding such fees and how OPCM addresses the conflicts.

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#### Fee Billing

OPCM will bill our investment management fees quarterly, either in arrears or for some legacy clients, in advance. The firm will invoice the client AFTER the three-month billing period has ended. For those legacy clients billed in advance, the client will be invoiced BEFORE the period has been completed. We will expect payment in full upon receipt. OPCM usually deducts fees directly from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account. If the client has not given the firm direct debit authorization, the invoice will be mailed to the client at their address of record.

Initial Billing - We do not receive fees for exploratory meetings with you as the client to determine the extent to which the firm's investment management services can be beneficial to you prior to entering into our investment management agreement. We will begin billing your account for investment management services on the date the firm receives and executes the signed investment management agreement. The initial billing date will generally begin prior to the first trade ever being place in the account, due to the internal set-up required for each account.

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#### Other Fees

Custodians recommended by OPCM charge transaction fees on certain purchases and sales of securities, mutual funds and exchange-traded funds. Our investment team feels the selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security. Client assets invested in mutual funds will be subject to certain fees and expenses imposed directly by each mutual fund to their shareholders, which shall be described in each fund's prospectus. Clients should read each prospectus to get a clear understanding of the additional fees they are paying on their managed assets.

Custodians can also charge other fees to maintain the account or fees for additional services. Examples of such fees include wire fees and alternative investment custody fees. As of January 1, 2021, managed accounts that are

custodied at Fidelity will be charged by Fidelity a \$100 quarterly custody fee (\$400 annually). This fee will be debited directly from the client accounts. All clients have the discretion to choose which custodian to use from the established custodian relationships available to OPCM. Clients that select Fidelity will be charged a custody fee.

Additionally, clients incur brokerage commissions and other execution costs charged by the custodian or executing broker-dealer in connection with transactions for a client's account. Clients should further understand that all custodial fees and any other charges, fees, and commissions incurred in connection with transactions for a client's account will be paid out of the assets in the account and are exclusive of and in addition to the fees charged by OPCM. Please refer to Item 12 – Brokerage Practices for additional important information about the brokerage and transactional practices of OPCM.

The firm does not receive any additional compensation from the sale of securities or other products from brokers or mutual fund companies.

## **Item 6 - Performance-Based Fees & Side by Side Management**

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### **Performance-Based Fees**

As outlined in Item 5 above, OPCM charges a performance-based fee to separately managed account clients that meet certain criteria and to the OPCM Fund.

Clients should understand that certain conflicts of interest exist due to the above-described performance fee arrangements, which include the fact that such arrangements within the OPCM Fund can create an incentive for OPCM to recommend and/or make investments for those clients that are more risky or more speculative than might be the case in the absence of a fee based on performance. In addition, charging performance-based fees can incentivize OPCM to trade more frequently and/or allocate more favorable investments to performance fee accounts vs. non-performance fee accounts. Separately managed account clients that are charged a performance-based fee are traded the same way as asset-based fee accounts by the investment team.

Importantly, as a fiduciary, OPCM owes a duty of loyalty to our clients, which means we must put the interests of clients ahead of our own. Therefore, the firm will only recommend and/or make investments for clients that are believed to be suitable and in the clients' best interest. In addition, to further mitigate these conflicts, OPCM has adopted certain policies and procedures regarding portfolio management and trading, and have implemented the following:

- OPCM's portfolio management process is designed to ensure the fair allocation of investment opportunities among clients of every type and the consistency of portfolios with clients' investment objectives.
- Every effort is made to aggregate trade orders, with each participating account receiving the same share price for executed trades.
- Compliance personnel perform periodic sampling reviews of the firm's investment and trade allocations to confirm such allocations were completed in line with requirements.

OPCM believes it is also important to note that the fees charged by us can be higher or lower than fees charged by other advisers for comparable services. Therefore, clients should carefully review and consider all fees charged by OPCM, along with applicable third-party fees (see Item 5) to fully understand the total amount of fees to be paid and to evaluate the services being provided.

Please also refer to Item 8 for a discussion on the risks pertaining to the types of securities utilized by OPCM.

### *Side by Side Management*

Justin W. McNichols, is the CIO and a portfolio manager of the firm, and manages accounts for our advisory clients and the OPCM Fund portfolio. A potential conflict of interest arises in that securities purchased/sold in the OPCM Fund portfolio are also, from time to time, purchased/sold in accounts for our advisory clients and the firm does not specify a specific order to which trading for advisory clients or the OPCM Fund should occur. Another potential conflict of interest is the OPCM Fund purchases or sells certain securities contrary to the securities being purchased or sold for our advisory client relationships.

Given the firm charges a performance-based fee to the OPCM Fund and certain separately managed advisory clients, the portfolio manager has an incentive to trade in these accounts before our advisory clients that are not charged a performance-based fee. In order to address this conflict, Mr. McNichols will on a best effort basis, use a rotation system for accounts held at different custodians when the same security is being traded on the same day. In addition, the firm will try to aggregate trades for multiple accounts, when appropriate, and allocate the trades using an average share price when trading in the same security on the same day. Please refer to Item 12 for further detail on our trading practices.

The majority of the investors in the OPCM Fund are also our advisory clients and for those clients, the fund is used in conjunction with the overall asset allocation and management of the client's account. For those clients that hold the OPCM Fund and are an advisory client, the firm does not charge the advisory client a management or performance fee for those assets invested in the fund. The market value of the OPCM Fund is excluded from the market value used for the fee calculation.

The OPCM Fund's investment strategy and the performance-based compensation the firm receives, create an incentive for the portfolio manager to recommend the OPCM Fund to our clients that meet the qualification requirements. Clients should be aware that the OPCM Fund carries a higher degree of risk than that of our actively managed portfolios. Please refer to Item 8 – Method of Analysis, Investment Strategies, and Risk of Loss for further information.

As described above, investment management fee schedules can vary from client to client, depending on account circumstances. OPCM's fees also vary by account size. Thus, there are potential conflicts of interest over a portfolio manager's time that is devoted to managing any one account and allocating investment opportunities among our client accounts. Furthermore, the portfolio managers of the firm, have in the past and can in the future give advice and take action with respect to any of our clients that differs from advice given or the timing or nature of action taken with respect to any other advisory client. When the firm trades in any given security, not all clients will participate in the execution of the trades or receive a pro-rata allocation if they have different investment objectives, risk characteristics and restrictions, varying cash flow, portfolio composition and tax considerations at the time the trades are executed. In addition, not all securities considered for purchase and sale by the firm will be considered for all clients and investment products. A client's investment objective or the firm product objective could not be appropriate for all clients or products.

Also, importantly, some of the unaffiliated private funds that OPCM's clients invest in also charge performance-based fees. OPCM does not receive any portion of these fees. Detailed information regarding the performance-based fees charges is outlined in each private fund's offering documents, which are provided to clients prior to investing. As outlined in Item 4 – Advisory Business, OPCM no longer recommends outside private funds to clients.

## Item 7 - Types of Clients

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Description

OPCM generally offers investment management services to the following:

Individuals, families, trusts, estates, conservatorships, foundations, endowments, corporations or business entities and pension and profit-sharing plans, charitable organizations, public funds, investment limited partnerships, 401(k) self-directed accounts, IRAs and retirement plans.

If a client's account is a pension plan or other employee benefit plan governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), OPCM could be a fiduciary to the plan. In providing our investment management services, the sole standard of care imposed upon us is to act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. OPCM will provide certain required disclosures to the "responsible plan fiduciary" (as such term is defined in ERISA) in accordance with Section 408(b)(2), regarding the services we provide and the direct and indirect compensation we receive by such clients. Generally, these disclosures are contained in this Form ADV Part 2A, the client agreement and/or in separate ERISA disclosure documents and are designed to enable the ERISA plan's fiduciary to: 1. determine the reasonableness of all compensation received by OPCM; 2. identify any potential conflicts of interests; and 3. satisfy reporting and disclosure requirements to plan participants.

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#### Account Minimums

Our minimum client relationship size is \$500,000 of assets under management for both advisory and sub-advisory services. For our advisory services, this equates to an annual fee of \$6,250.

OPCM has the discretion to waive the client relationship minimum. Clients with assets below the minimum relationship size usually pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management. Please see Item 5 – Fees and Compensation for our current fee schedule.

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

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#### Methods of Analysis

OPCM's security analysis methods generally include charting, fundamental analysis, technical analysis, and cyclical analysis.

The main sources of information include financial newspapers and magazines, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the SEC, and company press releases. OPCM also uses our portfolio managers and analysts to gather information by attending Analyst Day Conferences sponsored by companies or virtually attend via video conference presentations.

Other sources of information that OPCM uses include, but are not limited to: FactSet, LSEG, Bloomberg Research Terminals, Morningstar Principia mutual fund information, and the internet.

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#### Investment Strategies

OPCM believes that an actively managed, diversified portfolio of multiple asset classes, results in long-term, risk-adjusted performance over time. We believe that individuals should have access to multi-asset class portfolios, without higher fees, higher volatility, low liquidity, no customization, and poor tax efficiency.

We also believe a skilled investment management team adds value to portfolio management and over time, losing less in down markets is the most important ingredient for long-term performance. Portfolios are globally diversified to help control the risk associated with traditional markets.

The investment strategy for a specific client is based upon the objectives stated by the client during the initial stages of establishing our relationship. The client can change these objectives at any time. The Investment Policy Guidelines (IPG) documents our client's objectives and their desired investment strategy. Depending on market conditions in each asset class, we will typically construct a portfolio with the client's specific asset allocation over a four month time period.

If margin is enabled on your account to purchase additional securities, the total value of eligible account assets increases. Clients will be charged margin interest by their custodian on the debit balance in their account. Please note that using margin is not suitable for all investors; the use of margin increases leverage in a client's account and therefore increases overall risk.

Each asset class in our client portfolios are actively managed and with long-term trading strategies. Below is a description of the various types of asset classes utilized, depending on the type of investment strategy selected by each client:

### **Equities**

OPCM purchases individual stocks and Exchange-Traded Funds ("ETF") in this asset class. We research the equities we consider for investment in our client portfolios using a team approach.

For individual stocks, OPCM uses a methodical three-stage discipline, described as "a value approach to growth investing" to actively manage the equity asset class - Quantitative, Fundamental, and Valuation. The investment team quantitatively screens a large universe of companies for high quality, industry leadership, and higher growth. The universe is further screened through deep fundamental analysis. On a valuation basis, we require a 2 to 1 reward to risk ratio with low downside risk. The equity asset class is used for growth in a customized portfolio.

We can also choose to purchase an ETF rather than an individual common stock position to provide broader investing opportunities in our client portfolios. ETFs serve to augment our core holdings with specialized investing opportunities in small cap stocks, particular sectors, foreign and emerging markets. ETFs provide exposure to all the underlying stocks within an index, while offsetting the risks of owning individual stocks and providing immediate diversification.

### **Fixed Income**

The OPCM investment team uses a yield curve approach to capture what they believe are the best combination of yield, maturity, and duration typically using high quality individual bonds. We usually invest where the yield curve is steepest (modified ladder), and tactically add on high yield exposure when spreads are temporarily wide. We use almost entirely individual bonds. The fixed income asset class is used for income generation and risk reduction.

### **Natural Resources**

OPCM's investment team actively manages this asset class with allocations to three subclasses – hard commodities, soft commodities, and energy. Weightings depend on the team's thesis on the future level of inflation, fundamentals of the subclasses, and estimated future currency movements. The natural resource asset class is used for an inflation hedge, growth, and the lower correlation to other asset classes.

### **Real Estate**

OPCM's investment team divides this asset class into three sub-asset classes – REITs, commercial real estate, and residential real estate. The team uses individual, publicly traded securities or ETFs for this asset class. This strategy increases liquidity, reduces risk, and can increase income. The investment team analyzes the macro and micro aspects of the global real estate market to first isolate a macro overweight, neutral, or underweight stance on the asset class. Next, the team targets allocations to the three sub-asset classes, and the allocation between domestic versus foreign holdings. The real estate asset class is used for income generation, growth and the lower correlation to other asset classes.

## Alternative Investments

OPCM's investment team adds hedges and exposure to niche investments to round out the multi-asset class portfolio. Positions are owned to either hedge currency, interest rates, and volatility, or to provide exposure to sub-asset classes such as private equity or distressed assets. The alternatives asset class is used for hedging and risk reduction.

## OPCM Fund

The OPCM Fund's strategy allows short-term purchases, frequent trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies). The OPCM Fund is available to accredited investors and qualified clients only and this strategy is not appropriate for all clients.

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## Risk of Loss

All investment programs have certain risks that are borne by the client. Our investment approach focuses on minimizing loss for our clients in a down market, which we believe to be one of the most important aspects for longer-term performance; however, we are not implying that a client will not experience a loss. Clients face the investment risks and our job as the adviser is to minimize the risk to the extent that is possible by purchasing securities that we feel addresses the following risks:

- *Interest-rate Risk:* Fluctuations in interest rates can cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risk:* The price of a security, bond, or mutual fund can drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions can trigger market events.
- *Inflation Risk:* When any type of inflation is present, a dollar tomorrow will not buy as much as a dollar today, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments can have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *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. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations can result in bankruptcy and/or a declining market value.
- *Volatility Risk:* Investing in public markets involves risk and price volatility in the various asset classes. Though we strive to balance our investments with lowly correlated assets to mitigate excessive volatility, there are times when asset class correlations are high and volatility can thus be high as well.
- *Material Risks:* Material risks involved can be due to broad economic weakness, company specific issues, and/or a lack of liquidity in public markets.
- *ETF Risk:* ETFs have the same risks of the underlying assets classes they represent. The ETF fund managers might not be able to replicate the performance of the respective markets they are investing



in. Additionally, in times of market volatility, liquidity issues can cause difficulties in efficiently trading the fund which can result in a deflated value upon the sale.

- *ETN Risk:* Our strategies in some cases use Exchange Traded Notes (ETN). These are vehicles whereby the performance is matched against a particular index and/or group of securities. In effect, this securities creditworthiness is based on the credit of the issuer.
- **Leverage Risk: Unusual risks are present in the OPCM Fund, whereby the fund is allowed to use leverage for its strategy. Leverage can cause positive or negative returns to be exacerbated.**
- **Trading Risk: More frequent trading strategies are used in the OPCM Fund. This can adversely affect performance due to higher trading commissions and short-term gains being generated from security sales.**

Investors in the OPCM Fund should understand that certain conflicts of interest exist due to this performance-based fee arrangement, which include:

- (i) Performance fee arrangements create an incentive for OPCM to make investments that are more risky or more speculative than might be the case in the absence of this type of fee; and
- (ii) The fees charged by us could be higher or lower than fees charged by other advisers for comparable services.

To address these conflicts, OPCM has implemented certain procedures designed to mitigate the effects of these conflicts. For example, as part of our fiduciary duty to clients, OPCM and our employees will put the interests of our clients first, and investments will only be made to the extent that they are reasonably believed to be in the best interests of our clients.

Prior to entering into an agreement with OPCM, a client should carefully consider: (1) committing to management only those assets that the client believes will not be needed for current purposes and that can be invested on a long-term basis, usually a minimum of three to seven years, (2) that volatility from investing in the stock market can occur, and (3) that over time the client's assets can fluctuate and at any time be worth more or less than the amount invested.

Investing in securities is subject to various risks. Clients should be aware that there could be a loss or depreciation to the value of their original investment, which clients should be prepared to bear. There can be no assurance that a client's investment objectives will be obtained and no inference to the contrary is being made.

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#### Asset Management Process

OPCM believes in managing our client portfolios based on the following criteria:

- **Accumulate Client Characteristics Through Meetings**  
Through our meetings, completing a risk profile and using the OPCM client questionnaire, your assigned team creates a profile which includes your ability and willingness to assume risk, potential return target, time horizon, taxation issues, income and liquidity needs, and total portfolio allocation, including portfolios held outside of OPCM.
- **Create Customized Investment Policy Guidelines (IPG)**  
Our wealth counselors and our investment team create a customized IPG suited to your individual variables. The IPG includes information obtained during meetings, along with permitted ranges and targets for each actively managed OPCM asset class. The IPG confirms you and the investment team agree on the proper asset allocation and variables. Once the IPG is signed by you and a member of our investment team, the portfolio construction begins.
- **Build A Customized Portfolio**

Depending on market conditions in each asset class, along with capital gains considerations, your portfolio will typically be constructed over the course of four months. Your portfolio is built to your customized IPG.

- **Actively Manage Portfolio To Target Asset Class Ranges**

Each asset class in your portfolio will be actively managed and allocated within your IPG asset class ranges. Asset class allocation changes will be made per the investment team's fundamental and valuation outlook for the asset class. Our investment team will work to keep the asset allocations and cash balance at or around the target percentage, however market conditions and tactical decisions can result in movement between the minimum and maximum of the stated ranges. In some instances, the stated range for the cash allocation can exceed the maximum ranges for a short period of time due to portfolio consideration which could include a bond maturity, a position being sold and the reinvestment of the proceeds not occurring simultaneously.

## **Item 9 - Disciplinary Information**

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### Legal and Disciplinary

We have nothing to report in response to this item.

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

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### Financial Industry Activities

Neither OPCM nor any of its key staff is registered as a broker-dealer or as a representative of a broker-dealer.

Neither OPCM nor any of its key staff is registered as a futures commission merchant, commodity pool operator or a commodity trading adviser.

OPCM does not use or select other advisers or third-party managers. OPCM manages all its client assets in house.

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### Affiliations

OPCM acts as a general partner to the OPCM Fund, as described in Item 4 – Advisory Business. Please refer to Items 4, 5, 6, and 8 above for further information regarding the OPCM Fund and the potential conflicts of interest.

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

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### Code of Ethics

OPCM has adopted a Code of Ethics ("Code"), which establishes standards of conduct for our employees. The Code includes general requirements that employees have an obligation to put the client's interest first, as well as be fair and honest in working with our clients. We address applicable securities laws in our Code, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. Our Code requires employees to report their personal securities transactions quarterly and holdings annually to OPCM's CCO, and requires our CCO to review those reports. OPCM also requires employees to report any violations of the Code promptly to the CCO. Each employee receives a copy of the Code. Employees certify annually that they will adhere to our Code.

The employees of OPCM are committed to our Code of Ethics and the policy in full is available for review by clients and prospective clients upon request.

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#### Favoritism, Entertainment and Gifts

An employee cannot seek or accept gifts, favors, preferential treatment, or valuable consideration of any kind offered from clients, brokers or other companies or persons involved in the securities industry over \$250. Limited exceptions to this policy can be made with the approval of the CCO. An employee will not offer or give any gift, favor, preferential treatment or other valuable consideration of any kind in connection with OPCM's business, except for occasional and reasonable gifts and entertainment (if the employee is present). The CCO must report payments (including each gift and all entertainment) made in connection to a labor organization (including any union-affiliated pension plan (a "Taft-Hartley Plan") and its officers, agents, shop stewards, employees or other representatives (such as union-appointed trustees) if over \$250. The CCO tracks all such payments by OPCM and its employees.

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#### Participation or Interest in Client Transactions

From time to time, employees buy, sell and/or hold the same securities for their own accounts which are recommended for purchase or sale for our clients and held in their accounts. Employee securities transactions and transactions by accounts over which employees have influence over are subject to policies and procedures, restrictions and reporting requirements as described below.

For specific investment strategies offered by the firm, employees will be allowed to invest their portfolios assets in the same manner as for our clients and in doing so, the employee accounts will not be subject to the same reporting requirements and pre-clearance procedures as detailed below. The firm believes that employees should be able to experience the same performance that our clients experience and we feel this demonstrates to our clients that we believe in the fundamental investment strategies that are being used for our clients. In order to avoid any potential conflicts of interest that could arise in trading with the clients in any particular investment strategy, employee accounts will be required to trade their assets according to the same investment policy discipline and guidelines for the investment strategy. The firm believes that the trades will not be favored over client trades, as all trades will generally be placed as block trades, or grouped with client trades and fairly allocated over all client accounts within the investment strategy. Employees have up to 4 months to have their accounts allocated to the portfolio holdings according to the investment strategy. For new clients, it will generally take up to 4 months, depending on the market volatility to full allocate their portfolios so we feel this is a reasonable time frame for the portfolio managers to follow.

Supervised employees of the firm cannot directly or indirectly purchase from or sell to a client of OPCM any security, unless the transaction is pre-approved in writing by the CCO. Employees are prohibited from ever holding customer funds or securities or acting in any capacity as custodian for a client account. Moreover, employees are prohibited from borrowing money or securities from any client of the firm and also from lending money to any client of the firm, unless the client is a member of the employee's immediate family. OPCM requires any deviation of this policy be approved in writing by the CCO.

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#### Personal Trading

Our policies and procedures are based upon the principle that the firm and our employees have a responsibility to place the interests of our clients ahead of our own. Given that supervised employees of OPCM are allowed to buy, sell or hold the same securities in their own accounts or accounts that they have a beneficial interest in that the firm recommends to clients or that our clients hold in their accounts, the firm requires supervised employees to receive pre-approval for their personal securities transactions. Under the Code, certain classes of securities, primarily ETFs, mutual funds and bonds have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of clients.

OPCM requires supervised employees to receive approval for all securities transactions that are not exempt. We take steps in order to avoid any potential conflict of interest between the firm and our clients. We prohibit supervised employees from purchasing or selling the same securities on the same day if we execute any of those same securities in our client accounts. Approval remains in effect until the end of the business day requested. A violation in the policy results in a \$500 penalty per trade, per account in the form of a donation to a charity by the employee.

All supervised employees are also subject to quarterly and annual reporting requirements. Employees must file their reports with the CCO.

The firm views an employee having a beneficial interest in a personal account if the securities held are in their name, the name of their spouse, and the names of their children who reside within the same household. Security transactions in accounts in which a supervised employee has a beneficial interest, but over which they have no direct or indirect control, are not subject to the trading restrictions of this Code, however, supervised employees should advise OPCM in writing, giving the name of the account, the person(s) or firm(s) responsible for its management, and the reason for believing that the account should be exempt from reporting requirements under this Code.

The CCO of OPCM is Alicia W. Cheng. Ms. Cheng reviews all employee trades each quarter. The Operations Specialist reviews her quarterly trades. The personal trading reviews ensure that employees are not front running by placing their trades ahead of our clients in order to get better prices or execution and that employees are not trading based on insider information. The firm feels the exemptions outlined for personal trading by employees do not affect the markets. Clients of the firm always receive preferential treatment and their financial interests always come first.

## **Item 12 - Brokerage Practices**

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### Selecting Brokerage Firms

OPCM does not maintain physical custody of your assets, although we will be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15 – Custody). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. OPCM does not have any affiliation with any custodian. OPCM recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders with reasonable transaction rates. Our recommendations are also based on specific custodian data we are able to obtain using electronic trading and transaction data. In using a particular custodian, we believe the use of electronic trading allows for better execution of trades and receiving electronic transaction data allows for closer monitoring of the portfolio transactions on an ongoing basis. In light of the total services the client receives, we believe the particular custodian’s services, directly or indirectly, benefits our clients. The firm acknowledges that in recommending a specific custodian to our clients, we also have a duty in executing client securities transactions to obtain the best net price reasonably available under the circumstances.

Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage - trading, custody, reporting, and related services - many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Schwab’s support services generally are available on an unsolicited basis (we don’t have to request them) and at no charge to us as long as our clients collectively maintain a total of at least \$10 million of their assets in accounts at Schwab. If our clients collectively have less than \$10 million in assets at Schwab, Schwab can charge us quarterly service fee. The following is a more detailed description of Schwab’s support services:

**Services That Benefit You.** Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

**Services That Do Not Directly Benefit You.** Schwab also makes available to us other products and services that benefit us but are not a direct benefit to you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

**Services That Generally Benefit Only Us.** Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab, at its discretion, can also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab will also provide us with other benefits, such as occasional business entertainment for our personnel.

OPCM also recommends Pershing to maintain custody of client assets and to execute trades for our client accounts. Pershing services include brokerage and custody. Pershing also makes other products and services available that benefit the firm but do not benefit our clients' individual accounts like Schwab's services previously mentioned. Some of the other products and services assist the firm in managing and administering clients' accounts. These include software or other technology that provide access to client data such as trade confirmations and account statements, facilitate trade execution, pricing information and other market data, facilitate payment of management fees from client accounts and assist with back-office support, record keeping and client reporting.

Although OPCM recommends certain brokerage firms to our clients, clients are not obligated to use the recommended firm. Clients can direct OPCM to use another firm to custody their account assets. In most instances, OPCM will still be able to receive electronic trading and transaction data from the custodian selected by client. OPCM feels it is extremely important to receive electronic trading and transaction data from a client's custodian as it helps to facilitate the administration of the account as well as allows OPCM to closely monitor the portfolio transactions within the account on a continual and timely basis.

OPCM retains Interactive Brokers, LLC to serve as the prime broker and JP Morgan Chase to serve as the custodian of the OPCM Fund assets. The firm can replace Interactive Brokers as prime broker and JP Morgan Chase as custodian or appoint an additional prime broker and custodian at any time. The services that Interactive Brokers provides as prime broker and that JP Morgan Chase provides as custodian usually include custody, margin financing, clearing, settlement and stock borrowing in accordance with the terms of the prime

brokerage agreement entered into between the OPCM Fund and Interactive Brokers and the OPCM Fund and JP Morgan Chase. Interactive Brokers and JP Morgan Chase have custody of a portion of the OPCM Fund's assets. Interactive Brokers and JP Morgan Chase also provide the firm with other services, which include: technology services, capital introduction services, portfolio reporting and access to electronic communications networks. OPCM expects to use a substantial portion of these services for research and trading on behalf of the OPCM Fund and OPCM's other accounts, but any used for administrative purposes would not be within the safe harbor of section 28(e). Although many prime brokers provide similar services to investment advisers in exchange for brokerage, custody and clearance fees and other charges, if OPCM did not receive these services from the Fund's prime broker, OPCM would be required to pay for all or some portion of them. OPCM is not required to direct a particular number of trades to Interactive Brokers or JP Morgan Chase or to continue to use the firm as the OPCM Fund's prime broker or custodian, but it has an incentive to do so based on the prior and continued services provided by the firm.

The OPCM Fund's obligations to JP Morgan Chase and any other custodian are secured by way of a first priority perfected security interest over all of the OPCM Fund's assets held in custody by that custodian. A custodian can transfer to itself all rights, title and interest in and to those assets as collateral and deal with, lend, dispose of, pledge or otherwise use all such collateral for its own purposes.

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#### Best Execution

OPCM conducts periodic Best Execution meetings during the year. The purpose of the meetings is to review the various factors that are relevant to best execution such as efficiency of execution, timing of transactions, price, commission rate, financial responsibility of the broker-dealer as well as the broker-dealer's responsiveness to OPCM. Best Execution meetings are conducted with our CCO, trader and a senior portfolio manager. We document the reviews in our Best Execution Meeting Minutes.

Factors that we consider in the execution of trades can be special execution capabilities, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future and order of call. In evaluating brokerage firms to execute our client trades, we will consider the following factors: online access to computerized data for our clients' accounts, clearance, settlement, reputation, financial strength and stability, efficiency of execution and error resolution, the availability of stocks to borrow for short trades, custody, recordkeeping and similar services, involved in the receipt of brokerage services.

The firm will request clients complete Prime Brokerage paperwork that gives the firm the option and authorizes the firm to "trade away" or execute trades with brokerage firms other than the client's custodian. The firm will trade away to allow our clients to participate in block trades, to execute trades of securities that are thinly traded, to get a better execution price, to purchase a bond that the brokerage firm does not hold in their inventory.

Trade away trades from the brokerage firm that has custody of the assets will incur an additional charge to the client's account. Charles Schwab charges a fee of \$25 and Pershing charges a fee of \$10 to settle the trade. If the trades are placed with the brokerage firm that has custody of the client's account, the client would otherwise not be charged the additional fee.

OPCM will generally have complete discretion over the selection of the broker to be used and be able to negotiate the commission rates to be paid with respect to a select group of clients. Other clients have directed the firm to use a specific broker. When the firm selects the broker-dealer being utilized to execute the trades, we will consider the overall execution of the transaction and services provided by the broker-dealer in conjunction with the commissions paid. We do however anticipate that some clients will direct the firm to buy and sell securities through or to a specific broker-dealer.

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## Soft Dollars

From time to time, Osborne Partners places trades with certain broker-dealers in recognition of the value of various brokerage services and/or products (including research) that such broker-dealers provides to OPCM. This is commonly referred to as “soft dollar” or “commission sharing” arrangements. OPCM only does this when we have considered all relevant factors and we believe the selected broker-dealer can provide the overall best execution. These arrangements are permitted under Section 28(e) of the Securities Exchange Act of 1934 (“Section 28(e)”), so long as the brokerage services and research products assist us in our investment decision-making process and we have determined, in good faith, that the commission/transaction costs paid are reasonable in relation to the value of the brokerage services and products received. For this section, “research” means services or products used to provide lawful and appropriate assistance to OPCM in making investment decisions for its clients. “Brokerage” services and products are those used to effect securities transactions for our clients or to assist in effecting those transactions.

The following is intended to provide clients with certain important information regarding these practices, including the conflicts of interest that arise under soft dollar arrangements. Under these arrangements, OPCM benefits because we do not have to pay for the products and services being provided since the costs are covered by using client commissions/transaction fees. Although customary, these arrangements present conflicts of interest in allocating securities transactional business to broker-dealers in exchange for soft dollar benefits, including an incentive to select or recommend a broker-dealer based on our interests rather than purely on clients’ interests. Additionally, we have an incentive to effect more transactions than might otherwise be the case in order to obtain extra benefits. The extent of the conflict depends in large part on the nature and uses of the services and products acquired under soft dollar arrangements. Section 28(e) recognizes the conflicts of interest involved in this activity, but generally provides a safe harbor to investment advisers that use client commissions/transaction fees to pay for certain research products and brokerage services, so long as certain criteria is met.

Under soft dollar arrangements, the research and other products and services obtained will generally be used to service all our clients; however, as permitted under Section 28(e) commissions/transaction costs paid by one client can be used to pay for research that is not used in managing that client’s portfolio. In other words, there can be certain client accounts that benefit from the research services, which did not make the payment of commissions to the broker-dealer providing the services.

Brokerage services obtained under soft dollar arrangements can include, for example, quotation and communication equipment and services, trade order management systems, trade analysis software, on-line pricing services, communication services relating to execution, clearing and settlement and message services used to transmit orders.

Research and related services furnished by broker-dealers can include, but are not limited to, written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; financial publications; recommendations as to specific securities; portfolio evaluation services; financial database software and services; pricing and statistical services; and discussions with research personnel. Research received under soft dollar arrangements can include both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

OPCM currently has a third-party soft dollar arrangement in place with Cowen Westminster Research Associates. Under this arrangement, OPCM directs certain clients’ trades to this broker-dealer for execution and in exchange receives soft dollar credits that are used to pay for certain research products. The amount of the commissions/transaction fees paid under this arrangement is more than the total cost of the research products being received. As required under Section 28(e), OPCM has made a good faith determination that the total costs are reasonable in relation to the value of the brokerage services and research products received under this arrangement. In addition, the research received provides information that assists us with our investment decisions. Below is more specific information on the arrangement and products received by us.

Cowen allocates a portion of the commissions received through transactions placed by OPCM, as a credit that is currently used to pay for our LSEG subscription. The firm uses LSEG to gather a portion of the information that our investment team and our portfolio managers use in the analysis of the securities that we buy or sell for our clients' accounts.

At times we will recommend that clients open custodial accounts with Pershing or Schwab to maintain custody of clients' assets and to effect trades for their accounts. Pershing and Schwab are SEC-registered broker-dealers and members FINRA/SIPC. While there is no direct link between the investment advice given to clients and OPCM's recommendation to use the custodial or brokerage services of these custodians, certain benefits are received by us due to these arrangements, which are outlined above under "Selecting Brokerage Firms" and in Item 14.

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#### Trade Error Correction

In the event a trade error is made by OPCM when trading in a client's account, the firm believes in the principal to make the client whole. Reimbursement from losses due to OPCM's error will be provided to the client from OPCM, while any gains received from a trade error by OPCM will be credited to the client's account, if available.

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#### Client Directed Brokerage Accounts

OPCM anticipates that some clients will direct the firm to buy and sell securities through or to a specific broker-dealer. Because the firm recognizes that clients have a variety of reasons for instructing the use of a specific broker-dealer, the firm will not actively negotiate commission rates with directed broker-dealers or monitor or evaluate them on a regular basis the rates being paid by such clients, or the nature, quality or value of any service or benefits the client receives from such broker-dealers. Since the firm cannot trade with other brokers, we are not able to obtain volume discounts for our Client Directed Brokerage clients and they could pay higher fees and commissions.

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#### Order Aggregation

When deemed appropriate and in the best interest of clients, OPCM will aggregate buy and sell orders for client accounts trading in the same security on the same day. In such an event that we aggregate trades, we will use the average price of all securities received from the executed trades and the individual client accounts will receive the average transaction price. In aggregating trades, there are times when the price could be less favorable to the client than it would be if similar transactions were not being executed concurrently for other accounts.

When the firm trades in any given security, not all clients will participate in the execution of a bunched trade or receive a pro-rata allocation if they have different investment objectives, risk characteristics, restrictions, varying cash flow, portfolio composition and tax considerations at the time the trades are executed. In addition, not all securities considered for purchase and sale by the firm will be considered for all clients due to their investment objectives.

In the case of mutual funds or exchange-traded funds, trade aggregation does not garner a significant client benefit.

When we aggregate trades, we will allocate fairly among our clients so that over time, all clients are treated fairly and consistently accordingly with their investment objectives.



## Item 13 - Review of Accounts

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### Periodic Reviews

OPCM has Investment Team members and Wealth Counselors (“WCs”) who review accounts and conduct client meetings. Investment Team members are primarily responsible for regularly reviewing and managing client portfolios. WCs are primarily responsible for creating and managing financial plans, discussing portfolios with clients, and maintaining the client relationship as the main point of contact at OPCM.

WCs and in some cases Investment Team members will meet with clients on an annual, semi-annual, or quarterly basis, or as requested by the client, either in person or via conference or video calls. During an account review with a client, the WCs or Investment Team members can provide clients with an account appraisal which facilitates a discussion regarding changes in the portfolio, economic and market conditions as well as any other items that need to be reviewed with the client.

Most client accounts are reviewed at least monthly, and more frequently depending on market conditions.

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### Review Triggers

Tax laws, new investment information, and changes in a client's own personal or financial situation can trigger an account review.

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### Regular Reports

At a minimum, clients receive our quarterly appraisal report which we provide in hard copy, mailed to their address of record, or in an electronic format, which is uploaded to our secure client portal at [www.osbornepartners.com](http://www.osbornepartners.com). For our electronic clients, we will notify them with an e-mail when we post their reports for their review. The quarterly reports generally will include a portfolio appraisal detailing the number of shares held of each security, cost basis information and market value as of the quarter end date. The quarterly reports also contain: a purchase and sale report, realized gain and loss report, transaction summary, performance report, quarterly management fee invoice, quarterly wealth report and commentary from the investment team.

Clients also have the option of viewing their account(s) daily via the client portal or via the custodian’s website.

The custodian of record will also provide statements to the client, at a minimum quarterly. Clients will normally receive monthly statements unless an account does not have security transactions to report on a monthly basis. OPCM urges you to compare the reports that you receive from our firm with account statements received from your custodian. If you are not receiving your custodian statements, please let us know.

## Item 14 - Client Referrals and Other Compensation

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### Incoming Referrals

OPCM does provide compensation to third party promoters. OPCM can pay third party promoters a referral fee in the form of a retainer, a flat fee per referral and/or a percentage of introduced capital, or a percentage fee on the life of the client relationship. The third party promoters are not affiliated with OPCM and do not perform investment advisory services on behalf of the firm. The compensation provided does not relate directly to any investment advisory services rendered. Payment of such compensation by a potential client will not differ from those clients that were not solicited. OPCM does and can charge different fees to different clients but the firm **does not** charge a client that was referred to the firm a higher advisory fee than another client who was not referred to the firm through a third party promoter.

In the past, OPCM received client referrals through Charles Schwab's Advisor Network™ Program ("SAN"). Charles Schwab is a broker-dealer independent of and unaffiliated with OPCM. Schwab does not supervise OPCM and has no responsibility for OPCM's management of clients' portfolios or other advice or services.

OPCM will compensate Charles Schwab for clients referred through the SAN Program typically with 15%-25% of the advisory fees that OPCM receives pursuant to the client's written advisory agreement. OPCM pays Schwab in two manners. Schwab will deduct a percentage of our fees charged to our client accounts or they will charge the firm a percentage fee based on the daily household balance of the client relationship. The fee Schwab charges the firm is dependent upon when the client was referred to the firm through the SAN Program. OPCM will also pay a Non-Schwab Custody fee on all accounts that are maintained at, or transferred to another custodian that were originally referred to OPCM through the SAN Program. This raises potential conflicts of interest as OPCM is likely to execute transactions for our advisory clients referred through the program with Schwab, although it is not required by the program. OPCM pays Schwab the participation fee for so long as the referred client's account remains in custody at Schwab. Charles Schwab bills the participation fee quarterly and can increase, decrease or they can waive the fee from time to time. OPCM, not the client, pays the participation fee. OPCM agrees not to charge clients referred through the service fees or costs greater than the fees or costs we charge clients with similar portfolios who were not referred to us through the program.

OPCM generally pays Schwab a Non-Schwab custody fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from Schwab. This fee does not apply if the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab custody fee is a one-time payment equal to a percentage of assets placed with a custodian other than Schwab. The Non-Schwab fee is higher than the participation fees OPCM generally would pay in a single year. Thus, OPCM will have an incentive to recommend client accounts be held in custody at Schwab.

The participation fee and Non-Schwab custody fees will be based on assets in accounts of OPCM's clients referred by Schwab and those referred client's family members living in the same household. Thus, OPCM will have incentives to encourage household members of clients referred through the service to maintain custody of their accounts and execute transactions at Schwab and to instruct Schwab to debit OPCM's fees directly from the accounts.

For clients' accounts maintained at Schwab, Schwab will not charge the client separately for custody but will receive compensation from OPCM's clients in the form of commissions or other transaction related compensation on securities trades executed through Schwab. Schwab will also receive a fee for trades executed at other broker-dealers other than Schwab. Schwab's fees for trades executed through other broker-dealers are in addition to the other broker-dealer's fees. Thus, OPCM has an incentive to cause trades to be executed at Schwab rather than another broker-dealer. OPCM nevertheless acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody with Schwab can be executed through a different broker-dealer than trades for OPCM's other clients. Thus, trades for accounts custodied at Schwab can be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

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#### Referrals Out

OPCM does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

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#### Other Compensation

We receive an economic benefit from Schwab and Pershing in the form of the support products and services they make available to us and other independent investment advisers whose clients maintain their accounts at Schwab and Pershing. These products and services, how they benefit us, and the related conflicts of interest are

described in Item 12 – Brokerage Practices. The availability to us of Schwab and Pershing’s products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

## **Item 15 - Custody**

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### Account Statements

OPCM is required to maintain client funds and securities with a broker-dealer, bank, or other qualified custodian. Qualified custodians hold all client assets. The qualified custodians provide account statements independent of OPCM and they provide them directly to the client at their address or email of record. Custodians issue statements at least quarterly, with most custodians providing monthly statements. Clients will only receive statements on a quarterly basis if the account does not have security transaction activity. OPCM urges you to compare the reports that you receive from our firm with account statements received from your custodian. Please contact OPCM if you are not receiving account statements from your custodian.

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### Reporting Custody

Under government regulations, OPCM is deemed to have custody of client assets; however, OPCM will not be required to indicate custody based solely on the deduction of advisory fees. OPCM is the general partner of the OPCM Fund and due to that role, OPCM is deemed to have custody of the fund’s assets. We have policies and procedures in place to address the risks and to ensure the safeguarding of clients assets.

OPCM is currently the Registered Investment Adviser for client accounts in which an OPCM employee is a trustee on, and therefore deemed to have custody of the accounts. OPCM is also deemed to have custody on accounts in which we have bill pay and standing authority to withdraw funds. According to rule 206(4)-2 under the Investment Advisers Act of 1940 and the 2/21/2018 SEC No Action Letter, OPCM will have an independent third party public accountant conduct a surprise audit on an annual basis. Our independent public accountant firm is Baker Tilly located in San Francisco, CA.

## **Item 16 - Investment Discretion**

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### Discretionary Authority for Trading

OPCM accepts discretionary authority to manage accounts on behalf of clients. OPCM has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. However, in the event OPCM executes a contract with a client on a non-discretionary basis, OPCM consults with the client prior to each trade to obtain trading approval.

Generally, we will buy and sell securities for advisory and sub-advisory client accounts on a fully discretionary basis. For advisory clients, OPCM will have complete discretion over the selection of the broker to be used and the commission rates to be paid with respect to our discretionary clients. Other clients have directed OPCM to use a specific broker or specific brokers. For the most part, we will buy and sell securities through broker-dealers selected by OPCM. When OPCM selects the broker-dealer being utilized to execute the trades, OPCM will consider the overall execution of the transaction and services provided by the broker-dealer in conjunction with the commissions paid.

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### Limited Power of Attorney

A limited power of attorney is required by custodians to allow trading authorization for our client accounts and to allow us to complete specific transactions in client accounts. Each custodian has their own limited power of

attorney form that they require clients to sign so that we can execute the trades and transactions on behalf of our clients.

## **Item 17 - Voting Client Securities**

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### Proxy Votes

OPCM is not obligated to vote, can refrain from voting and will not be required to direct the client's agent to vote proxies on behalf of our clients or clients of manager selected programs, unless otherwise agreed to in writing. The only accounts OPCM will be required to vote proxies for will be for those accounts that have given the firm voting authority. OPCM does not vote proxies for Sub-Advisory Clients.

OPCM uses Broadridge's ProxyEdge to vote proxies. Broadridge manages the process of meeting notifications, voting, tracking, mailing, reporting, record maintenance and the vote disclosure rules enacted by the SEC. In instances where clients vote their own proxies, the custodian will forward all proxy materials to the client directly.

It is OPCM's overall policy to vote in the best interest of the clients. OPCM has a designated proxy administrator who is responsible for overseeing the proxy voting process. Broadridge has been instructed to vote proxies in accordance with OPCM's pre-determined proxy policy. In the event a non-standard voting issue is solicited, analysis by the investment team will be done to ensure the proper vote is cast to benefit our clients' best economic interest. Broadridge maintains electronic copies of annual reports for viewing. On a quarterly basis, OPCM's proxy voting record will be reviewed.

Clients can contact our CCO to obtain information on the proxies voted on their behalf as well as to request a copy of OPCM's policies and procedures for proxy voting.

## **Item 18 - Financial Information**

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### Financial Condition

OPCM does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients. OPCM does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet.

## **Item 19 - Class Action Lawsuits**

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### Claim Filing

OPCM engages Chicago Clearing Corporation ("CCC") to provide class action litigation monitoring and securities claim filing services on behalf of our clients. CCC monitors each claim our clients have, collects the applicable documentation, interprets the terms of each settlement, files the appropriate claim form, interacts with the administrators and distributes the client awards on the client's behalf. CCC charges a contingency fee of 17.50% which is subtracted from each client settlement award. Clients will be responsible for filing their own class action claims for any securities that were held prior to the commencement of the relationship with the firm. Unless you affirmatively "Opt-Out" from the service, we will provide our client data to CCC on a semi-annual basis for class action filing services. OPCM does not provide claim filing for Sub-Advisory Clients.

## **Item 20 - Business Continuity**

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### General

OPCM has a Business Continuity Plan in place that provides steps to mitigate and recover from the loss of office space, communications, services or key people. OPCM understands our clients rely on our systems and services for the management of their portfolios.

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#### Disasters

The Business Continuity Plan covers natural disasters and man-made disasters such as loss of electrical power, fire, bomb threats, communications line outage, and Internet outage. We back up electronic files daily and archive offsite.

OPCM will notify our clients in the event of an emergency as follows:

- We will record a message on our main telephone lines.
- We will post a message on OPCM's Website.
- We will send clients who have elected electronic communications, an e-mail message to their e-mail address on file.

In the event of an emergency, OPCM employees have remote access to e-mails and have remote access to OPCM's communication system to stay in contact with our clients until our systems are restored.

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#### Alternate Offices

In the event one of our main offices is unavailable, the other can take over its operations. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

OPCM's Primary Offices:

One Embarcadero Center, Ste. 4100  
San Francisco, CA 94111  
Phone: (415) 362-5637/(800) 362-7734  
Fax: (415) 362-5996

545 Middlefield Road, Ste. 165  
Menlo Park, CA 94025  
Phone: (650) 854-5100/(800) 397-5101  
Fax: (650) 854-5661

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#### Loss of Key Personnel

OPCM uses a team structure to manage client portfolios. This negates any potential issues if any investment team member is unable to fulfill their investment functions due to sickness, disability or death. In the event of a loss of personnel, the firm has cross trained our operations staff, client service staff and investment management staff. Employees in other offices would be able to cover the responsibilities of the key employee until the firm is able to hire a replacement for the position.

## Item 21 – Privacy Policy

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#### Privacy Policy

For the information you entrust to us, we are committed to maintaining the confidentiality, integrity and security of your personal information. We are required by law to deliver this *Privacy Policy* to you annually, in writing, either electronically or in physical copy.

**WHY?** Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

**WHAT?** The types of information we receive and collect from clients can include the following:

- Social security/tax identification numbers
- Financial/Income information - banks, account numbers, credit history
- Household and contact information
- Investment experience and risk tolerance

**HOW DO WE COLLECT INFORMATION?** As a client, it is necessary to provide non-public personal financial information to us to ensure that your account(s) is/are managed in a manner consistent with your investment objectives and personal financial goals. Below we list how information is collected, if we share information and if you can limit this sharing:

For our everyday business purposes, we collect your personal information as follows:

- Information we receive from our investment advisory contracts, account questionnaires, custodial account applications and related forms.
- Information we receive from you during meetings, telephone conversations, email or through our website.
- Your securities transactions with us or other advisory firms including broker/dealers/financial service firms that may be providing services to you or for your account.
- Information we receive on your behalf from other third-party service providers.

Who and when do we share your personal information?

- We share information with the companies you authorize us to use in order to manage your account, for example, the custodian of your account.
- We share information with the companies we use in conjunction with managing your account, for example, broker-dealers and service providers.
- We share information when authorized by you with other investment advisers, accountants or estate attorneys that also provide advice to you in connection with your investments.
- We share information for legal proceedings when permitted or required by law or regulation.

**WHAT WE DO TO PROTECT YOUR INFORMATION** OPCM will not disclose any non-public personal information about you to anyone while you are an active, inactive or former client, except as permitted or required by law, or as required to maintain and manage the account(s) in accordance with the investment management objectives and guidelines agreed upon.

To protect your personal information from unauthorized access and use, our firm maintains physical, electronic, and procedural safeguards to protect your non-public personal information that complies with federal law. OPCM has access controls on client information systems, including controls to authenticate and permit access only to authorized individuals. The firm also has access restrictions at physical locations containing client information, such as buildings, computer facilities and records storage facilities to permit access only to authorized individuals. In addition, dual control procedures and segregation of duties are in place for individuals who maintain and manage client portfolios. The firm also monitors systems with client information.

**TO LIMIT SHARING**

We **do not share** your information for:

- Marketing purposes to offer you products and services outside of our investment management.
- Joint marketing with other financial companies.
- Non-affiliates for marketing purposes.

**WHY CAN'T I LIMIT ALL SHARING?**

Federal law gives you the right to limit only:

- Sharing for affiliates' everyday business purposes.
- Sharing for non-affiliates to market to you.
- Information about your creditworthiness.
- Affiliates from using your information to market to you.

State laws and individual companies may give you additional rights to limit sharing.

**QUESTIONS?**

If you have any questions regarding our policy, please call (415) 362-5637 or (800) 362-7734 or email: [compliance@osbornepartners.com](mailto:compliance@osbornepartners.com). Our website is [www.osbornepartners.com](http://www.osbornepartners.com).



**OSBORNE PARTNERS**  
Capital Management, LLC

**Firm Brochure Supplement**  
(Part 2B of Form ADV)

**Osborne Partners Capital Management, LLC**  
**One Embarcadero Center, Suite 4100**  
**San Francisco, CA 94111**  
**Phone: (415) 362-5637/(800) 362-7734**  
**FAX: (415) 362-5996**  
**Website: [www.osbornepartners.com](http://www.osbornepartners.com)**

This brochure supplement provides information that complements the OSBORNE PARTNERS CAPITAL MANAGEMENT, LLC Brochure. This supplement includes all investment professionals and supervised personnel providing investment advice on behalf of the firm. Please contact Alicia Cheng, CCO if you did not receive Osborne Partners Capital Management, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about our investment professionals is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

April 16, 2024



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## Education and Business Standards

Most Osborne Partners Capital Management, LLC employees have a bachelor's degree and further coursework demonstrating knowledge of investment management. Examples of acceptable coursework include: a Master's degree, MBA, CFA<sup>®</sup>, CFP<sup>®</sup>, JD, or CPA. Additionally, advisors must have work experience that demonstrates their aptitude for investment management.

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## Professional Certifications

Certain investment professionals have earned the credentials and certifications of:

- Chartered Financial Analyst, CFA<sup>®</sup>
- Certified Financial Planner, CFP<sup>®</sup>
- Certified Investment Management Analyst, CIMA<sup>®</sup>
- Enrolled Agent

These credentials and certifications are required to be explained in further detail. Please see the Addendum at the end of the document for additional information regarding the credentials and certifications.

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## Justin W. McNichols, CFA

**Date of birth:** May 1969

**Educational Background:**

- BA: University of California Irvine (1990)
- MBA: University of California Irvine (1992)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2001– Present)  
CIO, Managing Principal, Portfolio Manager and Investment Committee Member
- Berry, Hartell, Evers & Osborne (2000–2001)
- Wells Fargo Asset Management (1997-2000)

**Licenses/Designations:**

- CFA<sup>®</sup>

**Disciplinary Information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Justin McNichols is the Managing Principal and a member of the Investment Committee and Executive Team. Mr. McNichols is supervised by the Executive Team and Board of Directors. The Executive Team meets weekly, and the Board of Directors meets quarterly. Mr. McNichols has assigned a backup manager for each of his clients' accounts. The backup manager assigned may periodically review the portfolio activity. Mr. McNichols' activities are also monitored through frequent office/remote interactions, email and client relationship management system by the CCO. Alicia Cheng's contact information: Phone: 415-362-5637 Email: Alicia@osbornepartners.com

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## Mark J. Melanson, CFA

**Date of birth:** July 1956

**Educational Background:**

- BS: University of the Pacific (1978)
- MBA: Claremont Graduate School (1980)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2009 – Present)  
Managing Director, Portfolio Manager and Investment Committee Member
- Northern Trust Bank (2003 – 2009)
- Citibank (1985 - 2003)

**Licenses/Designations:**

- CFA®

**Disciplinary Information:** None**Other Business Activities:** None**Additional Compensation:** None

**Supervision:** Mark Melanson is supervised by Justin McNichols. Mr. McNichols supervises Mr. Melanson through daily office interactions as well as remote interactions. Mr. Melanson is a member of the Investment Committee and his actions and participation are monitored by the Investment Committee. Mr. Melanson has assigned a backup manager for each of his clients' accounts. The backup manager assigned may periodically review the portfolio activity. Mr. Melanson's client activities are also monitored through our e-mail and client relationship management system by the CCO. Justin McNichols' contact information: Phone: 415-362-5637  
Email: Justin@osbornepartners.com

**Paul G. Resnick****Date of birth:** May 1948**Educational Background:**

- BA: Claremont McKenna College (1970)
- MBA: University of California at Los Angeles (1972)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2013 – Present)  
Portfolio Manager
- AKJ Asset Management (1989-2012)

**Disciplinary Information:** None

**Other Business Activities:** Paul is the Trustee of a non-family related account, which is managed by OPCM. Please see Item 15 – Custody in our ADV Part 2A for details and conflicts surrounding this activity. Paul is also the Immediate Past President of the Board and member of the executive and investment committees for the Jewish Community Relations Council of San Francisco, the Peninsula, Marin, Sonoma, Alameda and Contra Costa Counties. He is a member of the audit committee for Alta Housing. He is a Board member, and on the investment, fund development and finance committees for the Legal Aid Society of San Mateo County. He is a Board member, Vice Chair and Treasurer and on the executive, finance, fund development, strategic planning, and nominating/governance committees for the Foundation for a College Education. Paul does not have sole authority in any investment decisions in any of his roles on the audit, investment, or finance committees. Paul is also an election poll worker in the state of California.

**Additional Compensation:** Approximately 4% of his annual income comes from trustee fees. He is not compensated for any of the board member or committee positions. Paul also receives a small stipend for his election poll work.

**Supervision:** Paul Resnick is supervised by Justin McNichols. Mr. McNichols supervises Mr. Resnick through his frequent office interactions as well as remote interactions. Mr. Resnick has assigned a backup manager for each of his clients' accounts. The backup manager assigned may periodically review the portfolio activity. Mr.

Resnick's client activities are also monitored through our e-mail and client relationship management system by the CCO. Justin McNichols' contact information: Phone: 415-362-5637 Email: Justin@osbornepartners.com

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## **Jay M. Skaalen, CFA, CFP®**

**Date of birth:** February 1985

**Educational Background:**

- BS: California Polytechnic State University, San Luis Obispo (2007)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2013 – Present)  
Principal (2020 – Present)  
Analyst and Investment Committee Member (2013 – Present)
- Wells Fargo (2010-2013)  
Assistant Vice President, Investment Manager
- Qualcomm Incorporated (2007-2010)

**Licenses/Designations:**

- CFA®
- CFP®

**Disciplinary Information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Jay Skaalen is supervised by Justin McNichols. Mr. McNichols supervises Mr. Skaalen through his frequent office interactions as well as remote interactions. Mr. Skaalen has assigned a backup manager for each of his clients' accounts. The backup manager assigned may periodically review the portfolio activity. Mr. Skaalen's client activities are also monitored through our e-mail and client relationship management system by the CCO. Justin McNichols' contact information: Phone: 415-362-5637 Email: Justin@osbornepartners.com

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## **Benjamin T. Viemeister, CFA**

**Date of birth:** August 1985

**Educational Background:**

- BA: Lynchburg College (2007)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2015 – Present)  
Analyst and Investment Committee Member
- The Connable Office, Inc. (2007-2015)  
Portfolio Strategist (2012-2015)  
Senior Investment Analyst (2010-2012)  
Investment Analyst (2007-2010)

**Licenses/Designations:**

- CFA®

**Disciplinary Information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Benjamin Viemeister is supervised by Justin McNichols. Mr. McNichols supervises Mr. Viemeister through his frequent office interactions as well as remote interactions. Mr. Viemeister has assigned a backup manager for each of his clients' accounts. The backup manager assigned may periodically review the portfolio activity. Mr. Viemeister's client activities are also monitored through our e-mail and client relationship management system by the CCO. Justin McNichols' contact information: Phone: 415-362-5637 Email: Justin@osbornepartners.com

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## **Jason P. Rodnick, CFA**

**Date of birth:** March 1984

**Educational Background:**

- BA: San Francisco State University (2006)
- Certificate of Advanced Accounting Proficiency: Santa Clara University (2009)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2018 – Present)  
Analyst and Investment Committee Member
- Raub Brock Capital Management (2010-2018)  
Analyst
- Pacific Crest Group (2010)  
Client Accounting Associate

**Licenses/Designations:**

- CFA®

**Disciplinary Information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Jason Rodnick is supervised by Justin McNichols. Mr. McNichols supervises Mr. Rodnick through his frequent office interactions as well as remote interactions. Mr. Rodnick has assigned a backup manager for each of his clients' accounts. The backup manager assigned may periodically review the portfolio activity. Mr. Rodnick's client activities are also monitored through our e-mail and client relationship management system by the CCO. Justin McNichols' contact information: Phone: 415-362-5637 Email: Justin@osbornepartners.com

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## **John "Jack" P. Fagan, CFA**

**Date of birth:** August 1995

**Educational Background:**

- BS: Carnegie Mellon University (2017)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2022 – Present)  
Associate Investment Analyst
- PNC Bank (2017-2022)  
Associate Director, Derivative Products Group

**Licenses/Designations:**

- CFA®

**Disciplinary Information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Jack Fagan is supervised by Justin McNichols. Mr. McNichols supervises Mr. Fagan through his frequent office interactions as well as remote interactions. Mr. McNichols also reviews Mr. Fagan's activities through our trading platform. Justin McNichols' contact information: Phone: 415-362-5637 Email: Justin@osbornepartners.com

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## **Cameron C. Wadsworth, CFA**

**Date of birth:** May 1996

**Educational Background:**

- BS: Florida State University (2018)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2024 – Present)  
Associate Investment Analyst
- AssetMark (2021-2024)  
Portfolio Analyst (2022-2024)  
New Business Case Manager (2021-2022)
- Sprott Global Resource Investments (2019-2020)  
Investment Executive (2020-2020)  
Assistant (2019-2020)

**Licenses/Designations:**

- CFA®
- Series 66

**Disciplinary Information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Cameron Wadsworth is supervised by Justin McNichols. Mr. McNichols supervises Mr. Wadsworth through his frequent office interactions as well as remote interactions. Mr. McNichols also reviews Mr. Wadsworth's activities through our trading platform. Justin McNichols' contact information: Phone: 415-362-5637 Email: Justin@osbornepartners.com

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## **Charles J. Else**

**Date of birth:** November 1973

**Educational Background:**

- BS: University of Vermont (1995)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2007 – Present)  
Principal (2013 – Present)  
Director (2007-2013)
- S&Y Asset Management (2006-2007)

Managing Director

- Fisher Investments, Inc. (1997-2004)
- Hahn Capital Management (1996-1997)

**Licenses/Designations:**

- Series 65

**Disciplinary Information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Charles Else is supervised by the Executive Team and the Board of Directors. Mr. Else is a member of the Executive Team. The Executive Team meets weekly, and the Board of Directors meets quarterly. The CCO also reviews Mr. Else's activities through frequent office/remote interactions, email and our client relationship management system. Alicia Cheng's contact information: Phone: 650-854-5100 Email: Alicia@osbornepartners.com

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**Joseph M. Conachy, CFP®**

**Date of birth:** May 1975

**Educational Background:**

- BA: University of Colorado (1998)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2020 – Present)  
Managing Director - Marketing (2020 – Present)
- Empirical Wealth Management (2015-2020)  
Director of Business Development
- Charles Schwab & Co., Inc. (2003-2015)  
Regional Manager

**Licenses/Designations:**

- Series 66
- CFP®

**Disciplinary Information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Joseph Conachy is supervised by Charles Else. Mr. Else supervises Mr. Conachy through his frequent office and remote interactions. Mr. Else also reviews Mr. Conachy's activities through email and our client relationship management system. Charles Else's contact information: Phone: 415-362-5637 Email: Chuck@osbornepartners.com

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**James W. Baer**

**Date of birth:** May 1955

**Educational Background:**

- BA: University of California at Berkeley (1977)
- MS: San Jose State University (1986)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2013 – Present)  
Wealth Counselor
- AKJ Asset Management (1990-2012)

**Licenses/Designations:**

- Series 65

**Disciplinary Information:** None**Other Business Activities:** None**Additional Compensation:** None

**Supervision:** Jim Baer is supervised by Sonia Von Berg. Ms. Von Berg supervises Mr. Baer through her frequent office interactions as well as remote interactions. Ms. Von Berg also reviews Mr. Baer's activities through our client relationship management system. Sonia Von Berg's contact information: Phone: 415-362-5637 Email: [Sonia@osbornepartners.com](mailto:Sonia@osbornepartners.com)

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**Dan M. Haut, CFP<sup>®</sup>, CIMA<sup>®</sup>****Date of birth:** April 1977**Educational Background:**

- BA: University of California, Davis (2001)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2013 – Present)  
Principal (2021 – Present)  
Wealth Counselor (2013 – Present)
- Merrill Lynch/Bank of America (2003-2013)  
Senior Wealth Advisor, Global Private Client Group
- Morgan Stanley (2002-2003)

**Licenses/Designations:**

- Series 66
- CFP<sup>®</sup>
- CIMA<sup>®</sup>
- CFA Level III Candidate

**Disciplinary Information:** None**Other Business Activities:** None**Additional Compensation:** None

**Supervision:** Dan Haut is supervised by Sonia Von Berg. Ms. Von Berg supervises Mr. Haut through her frequent office interactions as well as remote interactions. Ms. Von Berg also reviews Mr. Haut's activities through our client relationship management system. Sonia Von Berg's contact information: Phone: 415-362-5637 Email: [Sonia@osbornepartners.com](mailto:Sonia@osbornepartners.com)

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**Karen J. McMillan, CFP<sup>®</sup>****Date of birth:** November 1960

**Educational Background:**

Ms. McMillan did not complete any formal education after high school. Ms. McMillan holds professional designations which are listed below, and the details in which the designations were achieved are described in the Addendum at the end of this brochure.

**Business Experience:**

- Osborne Partners Capital Management, LLC (2017 – Present)  
Wealth Counselor
- Merrill Lynch/Bank of America (2009-2017)  
Senior Wealth Advisor
- UBS Financial Services (2007-2009)

**Licenses/Designations:**

- Series 66
- CFP®

**Disciplinary Information:** None

**Other Business Activities:** Karen is the Treasurer of the Istituto Italiano Scuola. Karen does not have authority for investment related decisions in her position.

**Additional Compensation:** None

**Supervision:** Karen McMillan is supervised by Sonia Von Berg. Ms. Von Berg supervises Ms. McMillan through her frequent office interactions as well as remote interactions. Ms. Von Berg also reviews Ms. McMillan's activities through our client relationship management system. Sonia Von Berg's contact information: Phone: 415-362-5637 Email: Sonia@osbornepartners.com

**Tom A. Piro, CFP®, Enrolled Agent**

**Date of birth:** May 1976

**Educational Background:**

BA: Saint Mary's (1998)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2021 – Present)  
Wealth Counselor
- Baker Avenue (2017-2021)  
Wealth Advisor
- The McBride Group (2015-2016)  
Wealth Advisor
- Wells Fargo Advisors (2014-2015)  
Financial Advisor

**Licenses/Designations:**

- CFP®
- Enrolled Agent
- Series 66

**Disciplinary Information:** None

**Other Business Activities:** Tom is on the board of the Italian Athletic Club Foundation and does not have authority for investment related decisions in his position.



**Additional Compensation:** None

**Supervision:** Tom Piro is supervised by Sonia Von Berg. Ms. Von Berg supervises Mr. Piro through her frequent office interactions as well as remote interactions. Ms. Von Berg also reviews Mr. Piro's activities through our client relationship management system. Sonia Von Berg's contact information: Phone: 415-362-5637 Email: Sonia@osbornepartners.com

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## **Aaron M. Szager, CFP®**

**Date of birth:** September 1978

**Educational Background:**

BA: Salisbury University (2000)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2022 – Present)  
Wealth Counselor
- Summitry, LLC (2018-2022)  
Advisor Group Manager
- Bluesky Wealth Advisors, LLC (2016-2018)  
Senior Wealth Advisor
- Delta Financial Advisors, Inc. (2011-2016)  
Partner, Director of Financial Planning

**Licenses/Designations:**

- CFP®
- Series 65

**Disciplinary Information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Aaron Szager is supervised by Sonia Von Berg. Ms. Von Berg supervises Mr. Szager through her frequent office interactions as well as remote interactions. Ms. Von Berg also reviews Mr. Szager's activities through our client relationship management system. Sonia Von Berg's contact information: Phone: 415-362-5637 Email: Sonia@osbornepartners.com

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## **Alexandra O. Sandberg, CFP®, ChFC®**

**Date of birth:** September 1986

**Educational Background:**

BA: University of California, Davis (2008)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2024 – Present)  
Wealth Counselor
- Moss Adams (2022-2024)  
Financial Advisor
- TIAA (2018-2022)  
Advisory Consultant (2020-2022)

- Institutional Financial Consultant (2018-2020)
- UBS Private Wealth Management (2016-2018)  
Client Service Associate
- Morgan Stanley (2015-2016)  
Wealth Advisor
- Sharespost (2014-2015)  
Fund Specialist (2014-2015)

**Licenses/Designations:**

- CFP®
- ChFC®
- ECA
- Series 63
- Series 65

**Disciplinary Information:** None

**Other Business Activities:** Alexandra is a Board member of the Kentfield Invests in Kids (KIK) foundation. Alexandra does not have authority for investment related decisions in her position and spends approximately 0-3 hours per month.

**Additional Compensation:** None

**Supervision:** Alexandra Sandberg is supervised by Sonia Von Berg. Ms. Von Berg supervises Ms. Sandberg through her frequent office interactions as well as remote interactions. Ms. Von Berg also reviews Ms. Sandberg's activities through our client relationship management system. Sonia Von Berg's contact information: Phone: 415-362-5637 Email: Sonia@osbornepartners.com

## Sonia J. Von Berg

**Date of birth:** November 1988

**Educational Background:**

BA and BS: Santa Clara University (2011)

**Business Experience:**

- Osborne Partners Capital Management, LLC (2011 – Present)  
Chief Operating Officer/Principal (2018 – Present)  
Director of Operations (2015–2018)  
Operations Manager (2014-2015)  
Operations Specialist (2011-2014)

**Licenses/Designations:** None

**Disciplinary Information:** None

**Other Business Activities:** None

**Additional Compensation:** None

**Supervision:** Sonia Von Berg is supervised by the Executive Team and the Board of Directors. Ms. Von Berg is a member of the Executive Team. The Executive Team meets weekly, and the Board of Directors meets quarterly. The CCO also reviews Ms. Von Berg's activities through frequent office/remote interactions, email and our client relationship management system. Alicia Cheng's contact information: Phone: 650-854-5100 Email: Alicia@osbornepartners.com

## **ADDENDUM:**

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### **CHARTERED FINANCIAL ANALYST® (CFA®)**

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

CFA Institute does not endorse, promote or warrant the accuracy or quality of Osborne Partners Capital Management LLC. CFA® and Chartered Financial Analyst® are registered trademarks owned by CFA Institute. Chartered Financial Analysts are licensed by the CFA Institute to use the CFA mark. CFA certification requirements:

- Pass three sequential, six-hour examinations
- Have at least four years of qualified professional investment experience
- Join CFA Institute as members
- Commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

#### **High Ethical Standards**

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

#### **Global Recognition**

Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. Regulatory bodies in 23 countries/territories recognize the CFA charter as a proxy for meeting certain requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

#### **Comprehensive and Current Knowledge**

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession. To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org)

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### **CERTIFIED FINANCIAL PLANNER™ (CFP®)**

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

Certified Financial Planner Board of Standards, Inc. owns the certification marks CFP<sup>®</sup>, CERTIFIED FINANCIAL PLANNER<sup>™</sup> and federally registered CFP (with flame design) in the U.S., which it awards to individuals who successfully complete the CFP Board's initial and ongoing certification requirements. CFP certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board ([www.cfp.net](http://www.cfp.net)).
- CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP<sup>®</sup> Certification Examination. The examination includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP<sup>®</sup> professionals.
- Successfully pass the Candidate Fitness Standards and background check.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP<sup>®</sup> marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP<sup>®</sup> professionals provide financial planning services at a fiduciary standard of care. This means CFP<sup>®</sup> professionals must provide financial planning services in the best interests of their clients.

CFP<sup>®</sup> professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP<sup>®</sup> certification.

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## **CERTIFIED INVESTMENT MANAGEMENT ANALYST<sup>®</sup> (CIMA<sup>®</sup>)**

The CIMA<sup>®</sup> is a professional designation representing completion of a comprehensive course consisting of financial education, examinations and practical experience. Those who earn the designation are understood to be knowledgeable in financial matters and to have the ability to provide objective advice and guidance to both individual and institutional investors. The CIMA certification signifies that an individual has met initial and ongoing experience, ethical, education, and examination requirements for investment management consulting, including advanced investment management theory and application. To earn CIMA certification, candidates must: submit an application, pass a background check and have an acceptable regulatory history; pass an online Qualification Examination; complete an in-person or online executive education program at an AACSB accredited university business school; pass an online Certification Examination; and have an acceptable regulatory history as evidenced by FINRA Form U-4 or other regulatory requirements and have three years of financial services experience at the time of certification.

CIMA certificants must adhere to IMCA's Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks. CIMA designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification. The designation is administered through Investment Management Consultants Association (IMCA).

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## **CHARTERED FINANCIAL CONSULTANT® (ChFC®)**

A Chartered Financial Consultant is a professional designation representing the completion of a comprehensive course consisting of financial education, examinations, and practical experience. Chartered Financial Consultant designations are granted by the American College upon completion of seven required courses and two elective courses. To be considered for the program, the applicant must already have a minimum of three years working full-time in the financial industry. Those who earn the designation are understood to be knowledgeable in financial matters and to have the ability to provide sound advice. Those who have received this credential may work with individuals to assist them with retirement savings, in particular for early retirement, and budget planning, or with companies to assess their investment strategies.

Once the ChFC® designation has been earned, there is also a requirement for continuing education credits to maintain the credential. Holders of the ChFC® designation must complete 30 hours of continuing education every two years to maintain the designation, as well as adhering to The American College Code of Ethics and Procedures.

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## **Equity Compensation Associate (ECA)**

The Certified Equity Professional Institute (CEPI), at Santa Clara University, is the only certification body for equity compensation professionals. The ECA Exam teaches the fundamentals in equity compensation. Candidates are introduced to the terminology and are given a basic understanding of policy, procedures and routine transactions. Fundamentals covered in the Equity Compensation (ECA Exam) include: A basic understanding of corporations and the frameworks for corporate governance and finance; An understanding of why corporations use equity compensation; The ability to differentiate between types of equity compensation; A working knowledge of equity compensation terminology; A familiarity with the basic procedures necessary to effectively administer an equity compensation program; The ability to read and interpret plan documents.

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## **Series 65**

The Series 65 is a "criterion based" minimum competency examination. The exam is administered to professionals within the investment industry. The Series 65 exam covers laws, regulations, ethics, and knowledge on specific investment products. The exam focuses on topic areas that are important for an investment advisor to know when providing investment advice. These areas include topics such as retirement planning, portfolio management strategies, and fiduciary obligations. The exam is administered by the Financial Industry Regulatory Authority (FINRA).

## **Series 66**

The Series 66 is the Uniform Combined State Law Exam and administered by the Financial Industry Regulatory Authority (FINRA). It is designed to qualify candidates as both securities agents and investment advisor representatives. Successful completion of the Series 66 exam is equivalent to successful completion of both the Series 63 and Series 65 exams.

## **Series 63**

The Series 63 exam is designed to qualify candidates as securities agents. The exam covers the principles of state securities regulation reflected in the Uniform Securities Act (with the amendments adopted by NASAA and rules prohibiting dishonest and unethical business practices). The exam is intended to provide a basis for state securities administrators to determine an applicant's knowledge and understanding of state law and regulations.

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## **Enrolled Agent**

An enrolled agent is a federally authorized tax adviser who has earned the privilege of representing taxpayers before the IRS by either passing a three-part comprehensive IRS test covering individual and business tax returns, or through experience as a former IRS employee. This includes audits, collections and appeals. Enrolled

agent status is the highest credential the IRS awards. Individuals who obtain this elite status must adhere to ethical standards and complete 72 hours of continuing education courses every three years.

Enrolled agents, like attorneys and certified public accountants (CPAs), have unlimited practice rights. This means they are unrestricted as to which taxpayers they can represent, what types of tax matters they can handle, and which IRS offices they can represent clients before.