

## Item 1 – Cover Page

# CYPRESS CAPITAL MANAGEMENT, LLC

50 East Loucks St., Suite 206  
Sheridan, Wyoming 82801  
February 28, 2011

Principle owners: William B. Ebzery, CPA  
Matthew M. Ebzery, CRPC  
Chief Compliance Officer & (contact person): Evelyn Ebzery

Form ADV, Part 2; as required by the Investment Advisers Act of 1940, is our disclosure document (brochure) which provides information about our qualifications and business practices to you, our client. If you have any questions about the contents of this brochure, please contact us at 307-674-1770. The information in this brochure has not been approved or verified by the United State Securities and Exchange Commission (SEC) or by any state security authority.

Additional information about Cypress Capital Management, LLC is also available at the SEC's website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Simply click on the link, select "investment adviser firm" and type in our firm name. Results will provide you both Part 1 & 2 of our Form ADV.

We are a registered investment adviser with the Securities and Exchange Commission. Our registration as an Investment Adviser does not imply any level of skill or training endorsement by the SEC. The oral and written communications we provide to you, including this brochure, is information for your use.

## Item 2 - Material Changes

This is our “initial” filing of what we regard as “The New Part 2” of our Form ADV. As a result, this document, dated February 28, 2011, is brand new. This document was developed in response to new requirements adopted and imposed by the Securities and Exchange Commission (SEC) under the Investment Advisers Act of 1940. As a result, this “disclosure brochure” is substantially different in format from previous versions and includes a few disclosures not specifically required by the old Part II.

This “brochure” should be considered “materially new” although you will recognize most of the disclosures as similar or identical to what you have read in the past. The biggest change in ADV, Part II, is this document is completely written in a narrative format. This means the old ADV, Part II, pages 1-6 are eliminated and replacing those pages is information written out, hopefully in language easily understood. In addition, under Item 8, “Methods of Analysis, Sources of Information, & Investment Strategies” we have created a heading called “Methodology”, which describes the four funds all of our client’s accounts fall into and what the make-up of these funds are.

In future filings this section of the brochure will address only those material changes that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

We may, at any time, update this brochure and will either send you a copy or offer to send you one.

If you would like another copy of this brochure, please download it from the SEC Website as indicated above or you may contact our Chief Compliance Officer, Evelyn Ebzery, 307-674-1770 or email her at: [ev@cypressmgmt.com](mailto:ev@cypressmgmt.com).

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## **Item 4 - Advisory Business**

### **Advisory Services**

By far the main portion of our business provides investment supervisory services to our clients (95%). In addition, we also manage investment advisory accounts that do not involve investment supervisory services (5%). With all of our clients, our investment process is the same. It is based on the investment return goals set by the client. You appoint us to act on your behalf as your discretionary investment adviser, being guided by the investment strategy previously agreed upon with you. We use an equity approach to investing; individual stocks are purchased in lieu of mutual funds. Ordinarily we invest in growth stocks, value stocks, large cap stocks, mid-cap stocks, and small cap stocks. We take the time to fully understand each of the companies we invest our clients in thereby eliminating the need for additional advisors and their associated costs. For fixed income clients we use preferred stocks, master limited partnerships, real estate investment trusts and some bonds in order to generate income.

We do not furnish investment advice through consultations not included in either of the previous services. We do not issue periodicals about securities by subscription, issue special reports, charts, graphs, formulas, or other devices to aid in the evaluation of securities except in carrying out the services previously mentioned. We do not provide advice to clients on matters not involving securities on any regular basis. We do not provide timing services or furnish advice about securities in any other matter not previously described.

We have been involved in the business of financial planning since 2004. William B. Ebzery, CPA, and Matthew M. Ebzery are the principle owners of Cypress Capital Management, LLC, together owning 100% of the business.

As of January 1, 2011, Cypress Capital Management, LLC managed \$60 million in assets. All of our client's assets are managed on a discretionary basis. We do not offer non-discretionary investment management services. We do all of our own research, ask you, the client, to select a broker to handle the custodianship of your account(s) and after coming to an understanding of your particular investment goals, agree upon an investment strategy and use our skills to carry it out. This is all done for a fee based on the assets under management and not with the use of one comprehensive charge levied on our clients called wrap fees.

## Item 5 - Fees and Compensation

For most accounts Cypress Capital Management, LLC offers investment advisory services for a percentage of assets under management. We do have some fixed fees with a small portion of our clients.

Our fee schedule is from .5% - 1.0% of assets managed (see following fee schedule). Fees are negotiated with each client. For smaller accounts, a fixed annual fee may be charged. In both cases, fees are billed after services are rendered on a quarterly basis. Therefore fees are billed in arrears.

<p style="text-align: center;"><b>CYPRESS CAPITAL MANAGEMENT'S</b> <b>FEE SCHEDULE</b></p>
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<b><u>DOLLARS UNDER MANAGEMENT</u></b>	<b><u>FEE %</u></b>
<b><u>CHARGED</u></b>	
\$0 - \$500,000	1%
\$500,001 – 1,000,000	.85%
\$1,000,001 OR MORE	.80%

There are many clients who Cypress Capital Management began working with in 1998 which were charged .75% regardless of the asset value. These clients are “grandfathered” in on the rate schedule.

**Fee Payment Options** As indicated in our advisory agreement with you, there are two options you may select to pay for our services:

**Direct debiting:** at the end of each quarter, we will notify your chosen custodian of the amount of the fee due and payable to us through our fee schedule and contract. The custodian does not validate or check our fee or the calculation of the assets on which the fee is based. They will deduct the fee from your account, or if you have more than one account, from the account you have designated to pay our advisory fees and issue a check to Cypress Capital Management for the amount of the fee.

Each month, you will receive a statement directly from your custodian showing all transactions, positions and credits/debits into or from your account; the statements after the quarter end will reflect these transactions, including the advisory fee paid by you to us.

**Pay-by-check:** At the end of each quarter, we issue you an invoice for our services and you pay us by check or wire transfer from the amount of the invoice.

**Additional Fees and Expenses:**

Advisory fees payable to us do not include all the fees you will pay when we purchase or sell securities for your account(s). The following list of fees or expenses are what you pay directly to third parties, whether a security is being purchased, sold, or held in your account(s) under our management. Fees charged are by the broker dealer/custodian you have chosen to use. We do not receive, directly or indirectly, any of these fees charged to you. They are paid to your broker or custodian. Fees may include: brokerage commissions, transaction fees, exchange fees, SEC fees, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund processing fees, commissions or mark-ups/markdowns on security transactions, & others that may be incurred.

In addition, we do not have or employ any employee that receives any compensation from the sale of securities or investments that are purchased or sold for your account or to which we provide consulting expertise/services, either directly or indirectly. We therefore do not have any potential conflict of interest that relate to any additional, an undisclosed, compensation from you or your assets that we manage.

## **Item 6 - Performance-Based Fees and Side-By-Side Management**

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance based fees). Our advisory fee compensation is charged only as disclosed previously.

## **Item 7 - Types of Clients**

We provide investment advice to a number of clients including:

- \*Individuals
- \*IRA's and SEP's
- \*Trusts or charitable organizations
- \*Corporations or business entities other than those listed previously

Our clients do not include banks or thrift institutions and investment companies

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

### **Methods of Analysis**

Cypress Capital Management, LLC's security analysis methods include:

- Fundamental analysis
- Technical analysis
- We do not use charting or cyclical analysis

### **Sources of Information**

In our analysis process we use many different sources of information. Our main sources of information include the following:

- Financial newspapers, magazines & television
- Inspections of corporate activities
- Research materials prepared by others
- Corporate rating services
- Annual reports, prospectuses, filings with the Securities & Exchange Commission
- Company press releases
- Research through the Internet
- Research through other periodicals

### **Investment Strategies**

Our investment strategies used to implement any investment advice of course depends on each individual client but include the following:

- Long term purchases – which are securities held at least a year
- Short term purchase – which are securities sold within a year
- Trading – which are securities sold within 30 days
- Option writing – which includes covered options, as well as uncovered options
- We do not employ the use of short sales or margin transactions.

We believe each of these strategies pose some risk under certain economic conditions. By using all of them for our clients we believe we lessen the risk to the client that concentrating in only one strategy could bring. Our client's investment goals are always our first and foremost concern in any investment strategy or combination of such we utilize. Because we offer individualized attention to all of our client's accounts we are able to quickly react to market conditions and therefore attempt to minimize significant losses for our clients. While we ask each of our clients to choose the broker/dealer they prefer we work with we explain the cost of advantages of quality discount brokerages versus full service brokers in terms of transactions fees. In the end, however, it is the client's decision where their funds are placed.

We do allow our clients to instruct us to retain or purchase specific security positions. Furthermore, they can specifically request us to refrain from purchasing or holding specific securities in their portfolio.

## **Methodology**

The investment process used by Cypress Capital Management, LLC is mainly an equity approach to investing. Individual stocks are purchased in lieu of mutual funds. All of our client accounts fall into one of the following four categories:

- Balance Fund - Mixture of the following:
  - 45 – 55 % stock equities
  - 25 – 35% - master limited partnerships and preferred stocks
  - Remainder in cash
- Fixed Income Fund – Mixture of the following
  - Preferred stocks, Master limited partnerships, real estate investment trusts, bonds & cash are used to generate income.
- Growth Fund
  - Up to 95% in stock equities, common stocks, master limited partnerships, preferred stocks & real estate investment trusts
  - Remainder in cash
- IRA Fund
  - 45-55% stock equities
  - 25-35% master limited partnerships and preferred stocks
  - Remainder in cash

## **Risk of Loss**

Despite our best efforts all investments in securities include a risk of loss of your principal (invested amount) and any profits that have not been realized (the securities were not sold to “lock in” the profit). It is well known that stock markets and bond markets fluctuate substantially over time. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. We do our very best in the management of each client’s assets; however, we cannot guarantee any level of performance or that you will not experience a loss of your account assets.

## **Item 9 - Disciplinary Information**

We do not have any legal, financial or other disciplinary item to report. We are obligated to disclose any disciplinary event that would be material to you when evaluating our firm to initiate a Client/Adviser relationship, or to continue a Client/Adviser relationship with us.

This statement applies to our Firm and every employee.

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

Cypress Capital Management, LLC is also engaged in bookkeeping services that are provided to some clients. This represents less than 5% of Cypress Capital Management's overall time spent on asset management.

No one at Cypress Capital Management is registered or has an application pending to register as a broker-dealer. No one at Cypress Capital Management is registered or has an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor or an associated person of any of the foregoing entities. In addition, no one at Cypress Capital Management is paid cash or receives some economic benefit from a non-client in connection with giving advice to clients. No one at Cypress Capital Management is directly or indirectly compensated for client referrals. Only the principle owners of Cypress Capital Management act as investment advisers for our clients.

In the interest of full disclosure, William B. Ebzery is a member of the legal Board of Directors of First Interstate Bank Systems. First Interstate Bank became a publicly traded stock on the NASDAQ (symbol FIBK) in 2010. He does not advise clients to purchase or sell FIBK stock or offer any advice on the stock. For these reasons we do not believe this represents a material conflict of interest with Cypress Capital Management clients.

William B. Ebzery also sits on the Board of Directors of the William F. and Lorraine W. Welch Foundation and the Dodd & Dorothy Bryan Foundation. Both of these are private foundations that employ Cypress Capital Management as one of their investment advisors. In both cases William Ebzery was a member of the board before Cypress Capital Management was hired. Each year both of the Foundations vote whether to retain the services of Cypress Capital Management as the investment advisor. Mr. Ebzery abstains from that vote. As with all of our clients, no funds from these foundations are ever in the custody of Cypress Capital Management. For all of these reasons we do not believe these relationships represent a material conflict of interest.

## Item 11 - Code of Ethics

As required by regulations, and because it is good business, we have adopted a Code of Ethics that governs a number of potential conflicts of interest we have when providing our advisory services. This Code of Ethics is designed to ensure we meet our fiduciary obligation to the client or prospective client and to drive home a culture of compliance within our firm. It was adopted pursuant to SEC rule 204A-1.

An additional benefit of our Code is to detect and prevent violations of securities laws.

Our Code is comprehensive, is distributed to each employee at the time of hire, and annually thereafter (if there are changes). We also supplement the Code with annual training and on-going monitoring of employee activity.

Our Code includes the following:

- \*Requirements related to the confidentiality of our clients
- \*Prohibitions on: Insider trading (if we are in possession of material, non-public information), rumor mongering, the acceptance of gifts and entertainment that exceed our policy standards
- \*Reporting of gifts and business entertainment
- \*Pre-clearance of employee and firm transactions
- \*Reporting, on an on-going and quarterly basis, all personal securities transactions
- \*We require, on an annual basis, all employees to re-certify to our Code, identify members of their household and any account to which they have a beneficial ownership, securities held in certificate form and all securities they own at that time.

Our Code does not prohibit personal trading by employees (or our firm). As you may imagine, as a professional investment adviser, we follow our own advice. As a result, we may purchase or sell the same or similar securities (or securities that are suitable for an employee or related account but not suitable for any client) at nearly the same time that we place transactions for the account of our clients. It is our policy to purchase or sell securities for principle owners, their spouses and children one day prior or one day after that security is purchased for all other clients, in an effort to avoid a conflict of interest. Cypress Capital Management does not offer advice to clients in regard to First Interstate Bank (FIBK) stock. If clients own FIBK, it is in accounts not under management by anyone at Cypress Capital Management. You may request a complete copy of our Code by contact us at: 50 East Loucks Street, Suite 206, Sheridan, Wyoming 82801. The telephone number is: 307-674-1770 or email our Chief Compliance Officer: Evelyn Ebzery ([ev@cypressmgmt.com](mailto:ev@cypressmgmt.com)).

## **Item 12 – Brokerage Practices**

Cypress Capital Management has the authority to determine, without obtaining specific client consent the:

- \*securities to be bought or sold
- \*the amount of the securities to be bought or sold

We do not have the authority to determine the broker or dealer to be used by the client or the commission rates paid to the broker/dealer.

We receive discretionary authority from all of our clients to trade all accounts we manage. We encourage our clients to choose quality discount brokers because of the much lower commission rates they charge. However, the clients have final authority on where they would prefer to custody their accounts.

### **Research and Other Soft Dollar Benefits**

Cypress Capital Management does not receive research or other products or services from any third-party. Therefore this is not a conflict of interest. Research for all of our client's accounts is performed only by William or Matthew Ebzery and clients do not pay any additional fees for that research.

### **Brokerage for Client Referrals**

Cypress Capital Management does not directly or indirectly compensate any person for client referrals.

### **Directed Brokerage**

When Cypress Capital Management begins advising clients on their investments, the client is asked to choose which broker/dealer they would prefer us to use. If the client chooses a full service brokerage to custody their account(s) it is explained to them that their commission fees may be higher than if they used a discount broker/dealer. Cypress Capital Management does not aggregate any orders; therefore it is not possible for us to arrange for a most favorable execution for anyone.

## **Item 13 – Review of Accounts**

We make every attempt to review accounts daily. If this is not possible they are reviewed at least weekly. William Ebzery (Chief Investment Officer) and Matthew Ebzery (Portfolio Manager) both review all of our accounts. Our goal is to maintain our client's accounts in the manner designated by them. We have approximately 150 clients of which all are the responsibility of both of the principle owners.

Through the off-site "back room" services of the Portfolio Center Program, we are able to look at each account posted on the Internet. Trade confirmations are posted daily on the website for use by Cypress Capital Management. They are available the day following the trade. Monthly verification is done on each account and reports are available to CCM for each client account on a monthly, quarterly and yearly basis. All dividends and interest received for the month are posted by Portfolio Center. Through this program it is possible for CCM to confirm that all trade executions are correct. Verification is completed to assure that the client's funds and holdings are correct. It is possible for our clients to also view their monthly statement through the Internet.

Quarterly reports are maintained for each client. A variety of reports have been developed between Portfolio Center and CCM. Among these reports are:

- \*Asset Allocation Reports
- \*Portfolio Performance Reports
- \*Time Weighted Returns
- \*Income & Expense Reports
- \*Diversification Reports
- \*Yield Analysis Reports
- \*Realized Gains & Losses
- \*Graphical Portfolio Statements
- \*Custom Holding Reports
- \*Capital Flows & Valuation

These quarterly reports are sent out to each of our clients, with the option to meet with William Ebzery and Matthew Ebzery to discuss the performance of their portfolios. Billing is done quarterly as the reports are completed. The billing statements computations are created by Portfolio Center, without any manual compilation done by CCM.

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

Cypress Capital Management does not have any arrangements, oral or in writing, where it is paid cash by or receives some economic benefit from a non-client in connection with giving advice to clients. We also do not directly or indirectly compensate any person for client referrals.

## **Item 15 - Custody**

Cypress Capital Management never has custody of any client funds or securities. If a client brings a check to Cypress Capital Management for deposit to their account we require the check be made out to the broker/dealer that the client has chosen to custody their account. A receipt is issued to the client for the amount of the check received. If the client requests money from their account, Cypress Capital Management directs the sale of the securities needed for the cash with the client's broker/dealer. After the securities are sold, a check is issued by the broker/dealer and sent directly to the client. If the client chooses to pay Cypress Capital Management's fee from their broker/dealer account a statement is sent to the client stating the amount needed to pay the fees. The client signs the statement and sends it back to Cypress Capital Management and we then forward the form on to the broker/dealer. The broker/dealer then issues a check for payment to Cypress Capital Management. On a monthly basis we reconcile the statements received from the independent custodial brokerage companies with the Portfolio Center Program which is an entirely independent third party we use to handle our "back room" services. This is a completely automated service that provides us with up-to-date information on all of our client account transactions. If we find discrepancies we investigate the reason and make the necessary corrections. When we send out our quarterly statements we clearly state that we encourage our clients to compare the account statement received from the qualified custodian and the statement provided by Cypress Capital Management and to contact us if they find differences.

## **Item 16 – Investment Discretion**

Cypress Capital Management has the authority to determine, without obtaining specific client consent, the securities to be bought and sold and the amount of the securities to be bought or sold. No one at Cypress Capital Management can or will determine which broker or dealer to be used or the commission rate to be paid. These procedures are laid out in the management agreement between the client and Cypress Capital Management. If a full service broker is chosen, the client will be informed that higher commission rates will likely be charged. The higher commission rates of these full service brokers could negatively influence our trading activity.

## **Item 17 – Voting Client Securities**

Cypress Capital Management, LLC has determined that the cost of voting proxies far outweighs the benefit to the client. In the management agreement with all clients they are asked to determine whether or not they would like to have the proxies voted by Cypress Capital Management, LLC. If they choose to have us vote their proxies we do so. If not, the proxies are not voted by Cypress Capital Management. We encourage clients to contact us if they have questions regarding the proxies.

## **Item 18 – Financial Information**

Cypress Capital Management does not require or solicit prepayment of any fees from our clients. We have not ever been the subject of a bankruptcy petition. As previously stated, we do not have custody of client funds or securities.

## **Item 19 – Requirements for State-Registered Advisers**

Cypress Capital Management has two principal executive officers: William B. Ebzery, CPA and Matthew M. Ebzery.

William B. Ebzery, CPA, graduated from the University of Wyoming with a Bachelor of Science Degree in Accounting. After passing the CPA exam he was a partner in a Certified Public Accounting firm from 1976 to 2004. In June, 2004, he established Cypress Capital Management, LLC. He holds a CPA license, a Series 63 license and a Series 65 license.

Matthew M. Ebzery graduated from the University of Wyoming in 2004 with a Bachelor of Science Degree in Business Finance. From January 2005 to 2006 he worked as a Credit Analyst for First Interstate Bank. From July 2006 to August 2008 he was a Financial Advisor for Merrill Lynch. He holds a Series 66 license and a Life/Health Insurance license and CRPC.

As explained in Item 5 our fees are based on a percentage of total assets as agreed upon with each client. We do not receive any performance-based compensation.

No one at Cypress Capital Management has been found liable involving an investment or invest-related business or activity, fraud, false statement(s) or omissions, theft, embezzlement or other wrongful taking of property, bribery, forgery, counterfeiting, or extortion or dishonest, unfair, or unethical practices.

No one at Cypress Capital Management has been found liable in a civil, self-regulatory organization or administrative proceeding involving any of the following:

- An investment or investment-related business or activity
- Fraud, false statement(s), or omissions
- Theft, embezzlement, or other wrongful taking of property
- Bribery, forgery, counterfeiting, or extortion
- Dishonest, unfair, or unethical practices

All of the relationships or arrangements of the principles of Cypress Capital Management are described in Item 10. C. of ADV Part 2A