

Part 2A of Form ADV: *Firm Brochure*

Neosho Capital LLC

4250 Executive Square
Suite 545
La Jolla, California 92037

Telephone: 858 657 9040
Email: chris.richey@neoshocapital.com
Web Address: www.neoshocapital.com

March 15, 2011

This brochure provides information about the qualifications and business practices of Neosho Capital LLC. If you have any questions about the contents of this brochure, please contact us at 858 657 9040 or chris.richey@neoshocapital.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 Neosho Capital LLC also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 130779.

Item 2 Material Changes

The SEC adopted "Amendments to Form ADV" in July 2010. This Firm Brochure, dated March 15, 2011, is our new disclosure document prepared according to the SEC's new requirements and rules. As you will see, this document is a narrative that is substantially different in form and content, and includes some new information that we were not previously required to disclose.

After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

Item 3	Table of Contents	Page
Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	6
Item 6	Performance-Based Fees and Side-By-Side Management	9
Item 7	Types of Clients	9
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9	Disciplinary Information	14
Item 10	Other Financial Industry Activities and Affiliations	14
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	14
Item 12	Brokerage Practices	16
Item 13	Review of Accounts	18
Item 14	Client Referrals and Other Compensation	19
Item 15	Custody	19
Item 16	Investment Discretion	19
Item 17	Voting Client Securities	20
Item 18	Financial Information	20

Item 4 Advisory Business

Neosho Capital LLC (hereafter, "Neosho" or "our firm") is a SEC-registered investment adviser incorporated in Delaware with its principal place of business located in La Jolla, California. Neosho began conducting business in 2004. Christopher Richey, Neosho's founder and CEO, owns 100% of the firm 's voting and economic interests.

Neosho offers the following advisory services to our clients:

INDIVIDUAL PORTFOLIO MANAGEMENT

Our firm provides continuous asset management of client funds based on the individual needs of the client. Through discussions with a potential client or their authorized representative, we seek to understand that potential client's goals and objectives so that we can determine if our services are appropriate for that potential client. Given our investment philosophy (see Item 8 below) and the nature of our portfolios, our services may not be appropriate in all cases, in which case we will not undertake an adviser-client relationship. Of primary importance in a potential client's goals is an investment horizon measured in three or more years with a desire for long-term capital appreciation rather than current income.

If there is mutual agreement that Neosho's services are appropriate, we create and manage a portfolio or portfolios based in keeping with those goals and objectives. During our discussions with a data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs.

We manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided primarily by the client's stated objective of capital appreciation over a multi-year period, as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. While we emphasize investing with a multi-year period in mind, clients may withdraw funds or close their account at any time.

Once the client's portfolio has been established, we monitor its individual holdings on an ongoing basis, as news or information is brought to our attention for analysis. In addition, we review the overall portfolio of holdings on a quarterly for performance and attribution characteristics, and if necessary, rebalance the portfolio on an annual basis, based on the client's individual needs.

Our investment recommendations and portfolios are not limited to any specific product or service offered by any third party and will generally include advice regarding the following securities:

- Exchange-listed equities
- Securities traded over-the-counter
- Foreign Issuers
- Money Market Funds or other cash equivalents

Because some types of investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability. Securities investments are not guaranteed and you may lose money on your investments. We ask that you help us understand your tolerance for risk.

MODEL PORTFOLIO MANAGEMENT

Our firm provides non-continuous portfolio management services to clients using model asset allocation portfolios. We currently offer one model portfolio, International ADR-Only Equity, which holds 20 to 40 American Depositary Receipts. This product is not intended or offered to individual investors, but rather to other Registered Investment Advisors for implementation at their discretion in their own clients' portfolios. Neosho does not assess the suitability of this model for the ultimate clients of the Registered Investment Advisor who pays for the model nor do we manage or review the ultimate accounts holdings the recommended securities. .

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

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers

SELECTION AND MONITORING OF THIRD-PARTY FIXED INCOME MANAGERS

We also offer advisory management services to our clients through our Selection and Monitoring of Third-Party Fixed Income Managers programs (hereinafter, "Programs"), though only in the fixed income asset class.

Our firm provides the client with a fixed income asset allocation strategy developed through personal discussions in which goals and objectives based on the client's particular circumstances are established. This fixed income asset allocation strategy is incorporated into the client's Investment Management Agreement ("IMA") in the form of an addendum (the "IMA Addendum") containing the minimum bond ratings, type of bonds, and targeted duration for the client.

Based on the client's individual circumstances and needs (as exhibited in the client's IMA) we will then perform management searches of various unaffiliated registered investment advisers to identify which registered investment adviser's fixed income portfolio management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance, the opinion of each client and the investment philosophy of the selected registered investment adviser. Clients should refer to the selected registered investment adviser's Firm Brochure or other disclosure document for a full description of the services offered. We are available to meet with clients on a regular basis, or as determined by the client, to review the account.

Once we determine the most suitable investment adviser(s) for the client, we provide the selected adviser(s) with the client's IMA Addendum. The adviser(s) then creates and manages the client's portfolio based on the client's individual needs as exhibited in the IMA

Addendum.

We monitor the performance of the selected registered investment adviser(s). If we determine that a particular selected registered investment adviser(s) is not providing sufficient management services to the client, or is not managing the client's portfolio in a manner consistent with the client's IMA Addendum, we may suggest that the client contract with a different registered investment adviser and/or program sponsor. Under this scenario, our firm assists the client in selecting a new registered investment adviser and/or program. However, any move to a new registered investment adviser and/or program is solely at the discretion of the client.

AMOUNT OF MANAGED ASSETS

As of January 1, 2011, we were actively managing:

- \$56,353,505 of clients' assets on a discretionary basis in separate accounts, plus
- \$20,300,000 on a model portfolio, non-discretionary basis, plus
- \$3,842,899 on a non-discretionary basis in separate account basis, plus
- \$0 of Third-Party Money Manager Programs

for a total amount of managed assets of \$80,496,404 in AUM.

Item 5 Fees and Compensation

PORTFOLIO MANAGEMENT SERVICES FEES

The annualized fee for Portfolio Management Services is calculated as a percentage of assets under management, according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$1,000,000	1.00%
\$1,000,001 to \$10,000,000	0.90%
\$10,000,001 and up	0.80%

A minimum of \$1,000,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. Neosho may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee. Neosho also offers a 0.05% discount on the first \$1,000,000 under management to clients who agree to receive their quarterly reports in electronic format delivered via email.

Our fees are billed quarterly, in advance, at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Fees will be debited from the account in accordance with the client authorization in the Client Services Agreement.

Limited Negotiability of Advisory Fees: Although Neosho has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances, and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under

management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

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

MODEL PORTFOLIO MANAGEMENT FEES

Our annual fees for Model Portfolio Management Services are based upon a percentage of assets under management and generally range from 0.35% to 0.75%, depending upon services required and assets under management.

Clients are invoiced in arrears at the end of each calendar quarter based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account at the end of the previous quarter.

Neosho requires a non-negotiable aggregate estimated or actual account size of \$5,000,000 for this service. We may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Limited Negotiability of Advisory Fees: Although Neosho has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances, and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

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

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

SELECTION and MONITORING of THIRD-PARTY FIXED INCOME MANAGERS FEES

Neosho's fee for this service does not include the independent investment adviser's fee for that entity's advisory/management services. The independent investment adviser's management fee is disclosed in the independent investment adviser's Firm Brochure or other disclosure document.

Our annual fee for the Manager Selection Program is charged in arrears on an annual basis as a tiered percentage of the assets under management, according to the following schedule:

<u>Market Value</u>	<u>Annual Fee %</u>
\$1,000,000 to \$50,000,000	0.03%
\$50,000,001 and up	0.01%

GENERAL INFORMATION

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. As disclosed above, management fees are invoiced and paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

Money Market Fund Fees: Cash balances in Neosho portfolios are generally held in money market funds managed and administered by others. All fees paid to Neosho for investment advisory services are separate and distinct from the fees and expenses charged by money market funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a money market fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Pre-existing advisory clients are subject to Neosho's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

Neosho is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"). As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Neosho may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Neosho's advisory fees.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered. As state-registered advisers are subject to the rules and regulations of their home state (i.e., the state in which the firm maintains its principal place of business) these firms should review home state requirements which may limit prepayment of fees in excess of \$500.

Grandfathering of Minimum Account Requirements and Fees: Pre-existing advisory clients are subject to Neosho's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements and fees will differ among clients.

Grandfathering of Portfolio Styles: Pre-existing advisory clients may have portfolios that are not available to new clients because Neosho may no longer offer a particular type of portfolio. Therefore, our firm's product offerings may differ among clients.

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

Neosho does not charge performance-based fees at this time, nor has it in the past; however, we would consider managing assets under such an arrangement. If we do undertake performance-based fees, we will amend this Form ADV and inform our current clients.

Item 7 Types of Clients

Neosho provides advisory services to the following types of clients:

- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above
- State or municipal government entities

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS

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

Fundamental Analysis: We attempt to measure the fair value of a company by looking at economic and financial factors, including the overall economy, industry conditions, and the financial condition and management of the company itself. We define "fair value" as that price that an investor with an investment horizon of 5 or more years would pay to own the entire company. If we determine that the company's shares are selling at a 25% or greater discount to our estimate of the fair value, it may be a good time to buy. Conversely, company shares trading at or above our estimate of their fair value are not candidates for our portfolios. Likewise, when a formerly underpriced stock in our portfolios reaches its fair value, we will sell

it.

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

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

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

Sources of information for Fundamental and Qualitative Analysis: Neosho gathers information to analyze from a variety of sources and using a variety of methods. Company-specific information is sourced directly from the company, generally via its website. We will also access government-required information, such as annual filings by companies. Neosho also receives company and industry specific information from third party researchers, including, but not limited to, consultants and brokerage houses. We will also use published periodicals, including internet-based blogs, to gather information about an enterprise or an industry. Most of our information is received via email and via the internet, and that which we deem useful, we store and back up in electronic form.

Third-Party Fixed Income Manager Analysis. We examine the experience, expertise, investment philosophies, and past performance of independent third-party fixed income investment managers in an attempt to determine if that fixed income manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information. Securities investments are not guaranteed and you may lose money on your investments. We ask that you help us understand your tolerance for risk.

INVESTMENT STRATEGIES

We use a combination of three investment strategies in managing client accounts, provided that this combination is appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases: We purchase securities with the idea of holding them in the client's account for a year or longer, generally in the 3 to 6 year range. We employ this strategy when we believe the securities to be currently undervalued. We do not believe in “timing the market”, i.e. predicting the low or high points in the stock market's pricing of securities.

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

Bargain Hunting: We purchase securities we believe to be selling at a discount to their fair value, generally 25% or more. The underlying theories of our methods come primarily from the work of Benjamin Graham in his books “Security Analysis” and “The Intelligent Investor”. Graham espoused the use of fundamental information such as earnings, revenues, balance sheet liquidity, and asset values to value an enterprise and determine whether the price quoted for the shares in an enterprise is substantially below the analyst's estimate of the enterprise's value.

A risk in bargain hunting is that our estimate of fair value will prove to be too high and expected returns from a rise in price of the shares does not materialize.

Concentration: Portfolios which we create for our clients generally consist of 20 to 40 individual holdings, though we also run portfolios with only 8 to 12 holdings if appropriate and requested by clients. We believe that there are a very limited number of excellent opportunities to produce long-term capital appreciation and that dilution of returns is the result of over-diversification across 50 or more stocks.

A risk of concentrated portfolios is that sharp decline in value of one or two holdings could adversely affect the overall performance of the portfolio.

Cash Levels: Neosho seeks to manage portfolios on a fully invested basis; however, under market conditions where Neosho believes that prices for securities are high, cash levels may temporarily be in excess of 10%. Neosho will not hold or purchase securities it considers over-valued and considers it better to hold temporarily higher amounts of cash while better-priced alternatives are analyzed. As such, securities will be sold when their price reaches its fair value. Neosho believes that active value management necessitates the accumulation of cash balances in times of market turmoil or mass-scale over-pricing of earnings, cash flows, and assets.

Compliance with these investment guidelines, including any limitations or restrictions applicable to a client account shall be determined at the time of purchase (based on the most recent valuation utilized by the Neosho). Subsequent events such as withdrawals, deposits, changes in company, country or industry characterization, of an individual security may affect the targeted allocations discussed above and below this paragraph. In addition, compliance with these measures will also be computed based on the full amount to be funded by the Client, whether or not all such amounts have been received by Neosho. If an account is funded with securities, rather than cash, the transition period for full investment and targeted allocation levels may take up to 180 days while Neosho reviews any securities with which it is less familiar.

INVESTMENT PORTFOLIOS

Neosho offers three basic types of equity portfolios: International (only non-US-domiciled companies), Global (US- and non-US-domiciled companies), and US (only US domiciled companies). We determine whether an enterprise is a US or non-US company by its official place of domicile, not its primary place of stock listing.

International Equity Products

Neosho offers three basic types of International portfolios: International Equity, International ADR-Only Equity, and Focused International Equity.

International Equity

The goal of Neosho's International Equity portfolio is to achieve long-term capital appreciation by investing in the publicly traded equity securities of approximately 20 to 40 non-US-domiciled companies with a market capitalization in excess of \$1 billion at the time of purchase. The shares of these companies may trade as ordinary common shares on foreign stock exchanges, or in the form of American Depositary Receipts ("ADRs") traded in the US, or in Global Depositary Receipts ("GDRs") traded in the U.K.

The individual equity securities are selected based on the margin of safety offered by that particular security as determined via the process described above. The size of each individual equity position in the portfolio will range from approximately 3% to 5% at the time of purchase. Exposure to any single country, including those located in Emerging Markets, will not exceed 25% of the total portfolio at the time of purchase. In order to ensure reasonable diversification on an industry basis, exposure to any single industry will not exceed 25% of the total portfolio value at the time of purchase.

International ADR-Only Equity

Neosho also has an International ADR-Only Equity portfolio, in which all holdings must trade in either ADR form or be listed directly in the U.S., despite being a foreign corporation. The advantage to this approach is that it allows client having custodians that are incapable of holding foreign ordinary shares to participate in international markets. Clients should be aware, however, that this approach significantly reduces the overall universe of equities from which Neosho may select. Nonetheless, the goal of Neosho's ADR-Only International Equity portfolio is to achieve long-term capital appreciation by investing in the publicly traded equity securities of approximately 20 to 40 non-US-domiciled companies generally with a market capitalization in excess of \$1 billion at the time of purchase.

The individual equity securities are selected based on the margin of safety offered by that particular security as determined via the process described above. The size of each individual equity position in the portfolio will range from approximately 3% to 5% at the time of purchase. Exposure to any single country, including those located in Emerging Markets, will not exceed 35% of the total portfolio at the time of purchase. In order to ensure reasonable diversification on an industry basis, exposure to any single industry will not exceed 35% of the total portfolio value at the time of purchase.

International Focused Equity

Neosho also has an International Focused Equity strategy. In this portfolio, holdings are limited to 8 to 12 publicly traded stocks domiciled outside the United States. The goal of Neosho's International Focused Equity portfolio is to achieve long-term capital appreciation by investing in a limited number of non-US-domiciled companies with a market capitalization generally in excess of \$1 billion at the time of purchase. Clients should be aware that this is an undiversified portfolio of equities which seeks to take advantage of deep discounts in a select number of companies in order to produce returns in excess of the MSCI EAFE Index.

The individual equity securities are selected based on the margin of safety offered by that particular security as determined via the process described above. The size of each individual equity position in the portfolio will range from approximately 8% to 13% at the time of purchase, although due to price appreciation or price depreciation over time individual holding levels may rise upwards of 20% or fall below 5%.. Exposure to any single country, including those located in Emerging Markets, will not exceed 50% of the total portfolio at the time of purchase. Exposure to any single industry will not exceed 50% of the total portfolio value at the time of purchase, though due to price appreciation or price depreciation, such exposure may exceed the 50% mark over time.

Global Equity

The goal of Neosho's Global Equity portfolio is to achieve long-term capital appreciation by investing in the publicly traded equity securities of approximately 20 to 40 U.S. and non-U.S. companies generally having a market capitalization in excess of \$1 billion at the time of purchase.

The individual equity securities are selected based on the margin of safety offered by that particular security as determined via the process described above. The size of each individual equity position in the portfolio will range from approximately 3% to 5% at the time of purchase. Exposure to any single country, including those located in Emerging Markets, will not exceed 25% of the total portfolio at the time of purchase, except in the instance of U.S.-based equities, in which instance the total percentage will not exceed 70%. In order to ensure reasonable diversification on an industry basis, exposure to any single industry will not exceed 25% of the total portfolio value at the time of purchase.

U.S. Equity

The goal of Neosho's U.S. Equity portfolio is to achieve long-term capital appreciation by investing in the equity securities of 20 to 40 companies domiciled in the United States with a market capitalization of greater than \$500 million at the time of purchase.

The individual equity securities will be selected based on the margin of safety offered by that particular security as determined via the process described above. The size of each individual equity position in the portfolio will range from approximately 3% to 5% at the time of purchase. In order to ensure reasonable diversification on an industry basis, exposure to any single industry will not exceed 25% of the total portfolio value at the time of purchase.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Clients should be aware that the receipt of additional compensation by Neosho and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. Neosho endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

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

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

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement)

or an initial public offering. Our code also provides for oversight, enforcement, and recordkeeping provisions.

Neosho's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to chris.richey@neoshocapital.com, or by calling us at 858 657 9040.

Neosho and individuals associated with our firm are prohibited from engaging in principal transactions.

Neosho and individuals associated with our firm are prohibited from engaging in agency cross transactions.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

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

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
8. We require delivery and acknowledgement of the Code of Ethics by each supervised

person of our firm.

9. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
10. Any individual who violates any of the above restrictions may be subject to termination.

Item 12 Brokerage Practices

Neosho requires that it be provided with written authority to determine the broker-dealer to use for client transactions and the commission costs that will be charged to our clients for these transactions.

Clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

Neosho will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. Neosho will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day. Neosho's block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Neosho, or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Neosho to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written

statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.

6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.

7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.

8) Neosho's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.

9) Funds and securities for aggregated orders are clearly identified on Neosho's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

10) No client or account will be favored over another.

Neosho participates in the institutional customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers services to independent investment advisers which include custody of securities, trade execution, clearance and settlement of transactions. Neosho receives some benefits from TD Ameritrade through our participation in the program. Our firm's participation in the program does not influence the substance of the advice we give to our clients nor the securities we purchase on our clients' behalves.

These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services ; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain Institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Neosho by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by Neosho.

Some of the products and services made available by TD Ameritrade through the program may benefit Neosho but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by Neosho through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by Neosho or our related persons in and of itself creates a potential conflict of

interest and may indirectly influence our recommendation of TD Ameritrade for custody and brokerage services.

Item 13 Review of Accounts

PORTFOLIO MANAGEMENT SERVICES

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

These accounts are reviewed by: Anthony Waldichuk, Portfolio Manager.

Reports: In addition to the monthly statements and confirmations of transactions that Portfolio Management Services clients receive from their broker-dealer, Neosho will provide quarterly reports summarizing account performance, balances and holdings.

MODEL PORTFOLIO MANAGEMENT SERVICES

Reviews: While the underlying securities within Model Portfolio Management Services accounts are regularly monitored, the model itself is reviewed on a weekly basis. It is the responsibility of the Registered Investment Advisor who is implementing the model on behalf of their own clients to review those accounts regularly for suitability of the model portfolio for their clients.

Reports: The Registered Investment Advisor implementing the model portfolio is also responsible for the production of regular reports for their clients.

SELECTION and MONITORING of THIRD-PARTY FIXED INCOME MANAGERS

Reviews: These client accounts should refer to the independent registered investment adviser's Firm Brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reviews provided by that independent registered investment adviser.

Neosho Capital LLC will provide reviews as contracted for at the inception of the advisory relationship.

These accounts are reviewed by Anthony Waldichuk, Portfolio Manager.

Reports: These clients should refer to the independent registered investment adviser's Firm Brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reports provided by that independent registered investment adviser.

Neosho does not typically provide reports in addition to those provided by the independent registered investment adviser selected to manage the client's assets.

Item 14 Client Referrals and Other Compensation

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

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

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

It is Neosho's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

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

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

Our firm does not have actual or constructive custody of client accounts.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

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

- Determine the security to buy or sell; and/or

- Determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

We vote proxies for all client accounts over which we have discretionary authority and for which we are being paid a fee; however, you always have the right to vote proxies yourself. You can exercise this right by instructing us in writing to not vote proxies in your account.

We will vote proxies in the best interests of its clients and in accordance with our established policies and procedures. Our firm retains its proxy voting records in electronic form through a third party, ProxyEdge, including a copy of each proxy statement received, a record of each vote cast, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting Chris Richey by telephone, email, or in writing. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact Chris Richey by telephone, email, or in writing.

You can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. You can also instruct us on how to cast your vote in a particular proxy contest by contacting us at 858-657-9040, extension 222.

Item 18 Financial Information

Neosho has no additional financial circumstances to report. Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Neosho has not been the subject of a bankruptcy petition at any time during the past ten years.