

Part 2A of Form ADV: *Firm Brochure*

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March 31, 2011

This brochure provides information about the qualifications and business practices of Independence Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at 626-584-6168 or john@schniederscapital.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 Independence Capital Management, LLC 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. The CRD number for our firm is 133540.

Item 2. Summary of Material Changes

On July 28, 2010, the United State Securities and Exchange Commission (“SEC”) published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Firm Brochure is a new document prepared according to the SEC’s new requirements and rules. As such, this document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss specific material changes that are made to the Firm Brochure and provide clients with a summary of such changes.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

At the time of this Firm Brochure, our firm has no material changes to disclose.

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Item 4. Advisory Business

Investment Advisory Services

Introduction

Independence Capital Management, LLC ("ICM" or "Adviser") is an investment management firm formed in 2004 and located in Pasadena, CA. ICM is an investment advisory firm registered with the U. S. Securities Exchange Commission and manages client assets of \$15 million. ICM is owned by Schnieders Capital Management, LLC, Member, and managed by Donovan T. Garcia, James Schneiders, and John Schnieders, Partners.

INVESTMENT SUPERVISORY SERVICES

ICM provides Investment Supervisory Services, defined as giving continuous advice to a client or making investments for a client based on the individual needs of the client. Through personal discussions and/or meetings ICM determines clients' needs. ICM will manage advisory accounts on a discretionary basis, according to those needs and objectives.

ICM investment supervisory services are offered to private investment funds and individually managed accounts to individuals, including high net worth individuals, and institutions such as pension and profit sharing plans, trusts, estates or charitable organizations and corporations or other business entities.

PRIVATE FUNDS INVESTMENT MANAGEMENT

ICM has organized and serves as General Partner and discretionary investment adviser to a private investment fund, Decathlon Fund, L.P., a Delaware limited partnership (the "Fund"). ICM may decide in the future to sponsor or manage additional private investment funds. ICM intends to restrict the number of investors and will offer the interest in the Fund only through non-public offerings in order to maintain the Fund's exclusion from "investment company" status under the Investment Company Act of 1940, as amended.

The investment objective of the Fund will be to generate capital gains by pairing accelerating growth companies long against decelerating growth companies short, i.e., a strategy that balances long and short equity positions in an effort to reduce volatility. There can be no assurance that the investment objective of the Fund will be achieved. An investment in the Fund is subject to significant risks and conflicts of interest.

ICM generally requires a minimum of \$500,000 for investors in the private investment funds, and those investors generally must be accredited investors under Regulation D and qualified clients to participate in a performance fee arrangement under the Investment Advisers Act in order to invest in the investment funds, which generally requires a net worth that exceeds \$1,500,000 or an investment of \$750,000 in the investment fund. Adviser generally requires such investors to make representations concerning their sophistication as investors and their ability to bear the risk of loss of their entire investment under Adviser's management. These minimums and requirements may be waived by Adviser in its discretion.

Qualified prospective investors should carefully read the Fund's offering memorandum (the "Memorandum") and charter documents. However, prospective investors should consult with their own counsel and tax advisors as to all matters concerning an investment in the Fund.

SEPARATELY MANAGED ACCOUNTS ("SMAs")

ICM also offers discretionary investment advice and management to individually managed accounts.

ICM intends to implement a wide variety of investment strategies based upon the investment objectives and needs of the SMA client.

ICM receives a limited power of attorney to act on a discretionary basis for the investment and reinvestment of client funds.

Item 5. Fees and Compensation

PRIVATE FUNDS INVESTMENT MANAGEMENT SERVICES

Incentive Allocation

ICM will receive an annual incentive allocation of 20% of the net capital appreciation (*i.e.* capital appreciation less capital depreciation and any accumulated net capital depreciation carried forward from prior periods) of each investor's capital account. The incentive allocation is payable only if, and to the extent that, the next capital appreciation of the investor's capital account exceeds any net capital depreciation accumulated in prior years (as adjusted for withdrawal of capital). ICM, in its discretion, may waive all or a portion of the incentive Allocation as to an investor, or may agree with an investor to other changes to the Incentive Allocation as to such investor.

Allocations based on performance will meet all requirements for such allocations as specified under Rule 205-3 under the Investment Advisers Act of 1940.

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Management Fees

ICM will also receive an annual Management Fee of 2% per year of the capital account of each fund investor. The management fee will be paid monthly in arrears. ICM, in its discretion, may waive all or a portion of the management fee as to an investor, or may agree with an investor to other changes to the management fee as to such investor.

SEPARATELY MANAGED ACCOUNTS

The annual fee for investment supervisory services for separately managed accounts will be 2% of assets under management.

Portfolio compensation will be determined based on each client's needs and any applicable portfolio restrictions. A client's needs will be determined through an interview which will be conducted either in person or over the telephone. All fees and account minimums will be negotiable and agreed upon with each client. Fee arrangements may be different or lower due to a number of factors including, but not limited to, type of assets held, time allotted to each client, the depth and frequency of client discussions, meetings, past relationships, and service requirements for each client.

In certain circumstances, all fees and account minimums may be negotiable.

ADDITIONAL INFORMATION ON ADVISORY SERVICES & FEES

Termination

Private Funds

The management agreement between ICM and the Fund may be canceled/dismissed only by ICM in a manner consistent with the Offering Memorandum and organizational documents. Upon termination of any account, any earned, unpaid fees will be due and payable. Investors in the Fund are requested to refer to the applicable Private Placement Memorandum, subscription agreement and Offering Documents of the Fund for complete information on withdrawal and applicable investment "lock-up" periods.

Separately Managed Accounts

Separately managed accounts, termination terms will be as contracted for at the inception of the advisory relationship.

Typically, a client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice

Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

Additional expenses and costs

All fees paid to our firm for investment advisory services are separate and distinct from any fees and expenses charged by mutual funds or exchange traded funds (ETFs) to their shareholders and separate from any management/performance fees charged by any private investment funds to their investors. These fees and expenses are described in each fund's prospectus or offering documents.

These fees will generally include a management fee, other fund expenses, and a possible mutual fund distribution fee or performance fee for private funds. If the mutual fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund, ETF or private investment fund directly, without the services of ICM. 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 mutual fund, ETF or private investment fund(s) are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by ICM to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

As a matter of practice and policy, SCM does not include the value of any ICM advisory client assets invested in the Decathlon Fund, L.P., in the calculation of those clients' ICM advisory fees. The Decathlon Fund, L.P. is a private investment fund managed by ICM. Investments in other unaffiliated private investment funds will be included in an ICM client's assets under management for fee calculation purposes.

Other Fees and Expenses

Clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, any commissions, custody fees, transaction charges or mark-up/mark-downs imposed by a broker-dealer with which our firm effects transactions for a client's account(s).

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

Performance Based Fees

With respect to any private investment fund, all incentive allocations described above are based on the net realized and unrealized gains, income and appreciation of the respective account over a twelve-month period. All incentive allocations are charged in compliance with Section 205(b) of the Investment Advisers Act of 1940, as amended, and Rule 205-3 promulgated by the Securities and Exchange Commission.

Clients should be aware that performance fee arrangements may create an incentive for an investment adviser to make investments that are more speculative than would otherwise be the case in the absence of a performance fee and that, under ICM's performance fee arrangements, the adviser may receive increased compensation with respect to unrealized appreciation as well as actual, realized capital gains.

Clients should also be aware that investment management fees lower than those offered by our firm may be available from other sources.

ICM also offers investment supervisory services to separately managed account clients who do not pay performance-based fees. Therefore, we may have an incentive to favor performance-based fee accounts over non-performance-based fee accounts. Since we endeavor at all times to put the interests of our clients first as part of our fiduciary duty as a registered investment adviser, we take the following steps to address these conflicts:

1. We disclose to investors and prospective clients the existence of material conflicts of interest, including the potential for our firm and its employees to earn more compensation from some clients than others;
2. We collect, maintain and document accurate, complete and relevant investor background information to ensure that investment in the subscribed fund is appropriate for the investor's financial goals, objectives and risk tolerance and that the investor is qualified to invest;
3. We have implemented policies and procedures for fair and consistent allocation of investment opportunities among all funds or other client accounts, subject to the fund's/client's investment strategy, cash availability and other appropriate considerations; and
4. We educate our employees regarding the responsibilities of a fiduciary, including the equitable treatment of all clients, regardless of the fee arrangement.

Performance-based fees will only be charged in accordance with the provisions of Rule 205-3 of the Investment Advisers Act of 1940 and/or applicable state regulations.

Side-by-Side Management

Side-by-Side Management refers to multiple client relationships where an adviser manages advisory client relationships and portfolios on a simultaneous basis for individuals, businesses, institutions and also mutual funds and/or hedge funds. In such circumstances, potential and actual conflicts of interest may arise by and between the clients and the mutual and hedge funds, e.g., performance fee arrangements as disclosed above in this Item 6.

Item 7. Types of Clients

ICM investment supervisory services are offered to private investment funds and individually managed accounts to individuals, including high net worth individuals, and institutions such as pension and profit sharing plans, trusts, estates or charitable organizations and corporations or other business entities.

Item 8. Methods of Analysis, Investment Strategies & Risk of Loss

Methods of Analysis

As part of our methods of analysis, we use the following

Fundamental analysis. Fundamental analysis involves the selection, evaluation, and interpretation of financial data and other pertinent information to assist in evaluating the operating performance and financial condition of a company or an industry. The operating performance of a company is a measure of how well a company has used its resources – its assets, both tangible and intangible – to produce a return on its investment. The financial condition of a company is a measure of its ability to satisfy its obligations, such as the payment of interest in a timely manner.

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

Market regardless of the economic and financial factors considered in evaluation the security.

Technical Analysis: Technical analysis is the discipline for forecasting the direction of prices through the study of past market data, primarily price and volume.

Risk of technical analysis is that history may not repeat itself.

Qualitative analysis: As a part of our fundamental analysis, we subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

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

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

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

Asset Allocation: The purpose of the asset allocation is to diversify funds into asset classes (stocks, bonds, and liquid reserves) according to the client's risk profile and to hedge against uncertainty. Implicit in this approach is that the total portfolio is more important than the underlying securities.

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

Risks for all forms of analysis: The markets are subject to the risks of the unforeseen, including political events, terrorist attacks, fraud, bubbles and panics—more generally, the uncertainty produced by the fact that the future is unknown. In addition, markets are unforgiving and can be perverse and irrational over the short or longer period. Absolute loss can also occur when a client panics and sells out of fear when the market experiences a significant downward movement, waiting to reinvest only when the market recovers. When experiencing market volatility, a client might not have the emotional strength or discipline to ride through the inherent volatility of the market.

Our securities analysis methods for the securities we recommend, purchase and sell, are assisted by but do not rely entirely upon the assumption that the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. Factored into our decision making process is the risk of fraud or that the reporting data may be incorrect, and thus there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Investment Strategies

ICM may recommend to advisory clients investments in private placement offerings and/or limited investment partnerships, including the Fund managed by ICM or other hedge funds and other pooled investment partnerships. Additional information about the fees related to such investments is included in the offering documents provided to prospective investors. Because these 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.

We also use the following strategies in managing client portfolios:

Long-term purchases: We purchase securities with the idea of holding them in a client's portfolio for a year or longer. We may do this because we believe the securities to be currently undervalued. We may do this because we want exposure to a particular asset class over time, regardless of the current projection for this asset class or security.

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 volatility that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: We often purchase securities with the idea of selling them within a relatively short time (typically a year or less).

A risk in a short-term purchase strategy is that, should the anticipated price increase not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

Margin transactions: We do recommend or utilize margin as part of our investment strategies.

Option writing: As a matter of policy and practice, we will not use options or option strategies as an investment strategy for our clients, unless directed to do so by our clients.

For all strategies:

Investments in securities are not guaranteed, and clients may lose money on their investments. We make significant efforts and inquiries to help us understand client's tolerance for risk and any changes in their financial objectives and circumstances. We also request that clients notify us of any such changes promptly.

Item 9. Disciplinary Information

Our firm, its Principals and associated persons have no disciplinary, legal or regulatory events that are required to be disclosed.

Item 10. Other Financial Industry Activities and Affiliations

ICM is a registered investment advisory firm registered with the U.S. Securities and Exchange Commission. ICM is also a wholly owned subsidiary of Schnieders Capital Management, LLC ("SCM"), also a separately SEC-registered investment adviser. ICM serves as the general partner and investment adviser to the Decathlon Fund, L.P., a Delaware limited partnership and may serve as general partner and/or investment adviser of other private investment funds.

Donovan T. Garcia, Partner of ICM, devotes a portion of his time and assists SCM and SCM Principals and Members with the research and analysis processes for SCM's investment strategies.

Jim & John Schnieders, Principals and Members of SCM, are also Partners of ICM. Jim & John Schnieders devote a portion of their efforts and time to the businesses of ICM as

well as the advisory services for SCM's clients. As a Partners of ICM, Jim and John Schnieders receive separate and distinct compensation as Partners which presents a conflict of interest to the extent they may devote additional time and efforts for the management of the business of SCM.

Certain of SCM's associated persons are also advisory representatives of ICM. In these other capacities, these SCM associated persons may also receive separate and distinct information for their services on behalf of ICM.

Advisory clients of ICM and / or SCM may be solicited to invest in LLCs and/or LPs sponsored or offered by ICM. SCM provides certain administrative support services to ICM.

Additional Compensation

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

- We disclose to clients the existence of all material conflicts of interest, including the potential for ICM and management persons to earn compensation from advisory clients in addition to ICM's advisory fees.
- We collect, maintain and document accurate and relevant client background information, including the client's financial goals, objectives and risk tolerance.
- Our management conducts regular reviews of each client portfolio to verify that all recommendations made to a client are appropriate for the client's needs and circumstances.
- We require that employees seek prior approval of any outside employment activity so that ICM may ensure that any conflicts of interests in such activities are disclosed and properly addressed.
- We educate our employees about 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 in Client Transactions and Personal Trading

ICM has adopted a Code of Ethics consistent with the Investment Advisers Act requirements. ICM's Code of Ethics provides for a high ethical standard of conduct for all ICM's professionals and employees, compliance with federal securities laws, and policies and procedures for the reporting of certain personal securities transactions on a quarterly

basis and initial and annual security holdings by ICM's professionals and employees. Among other things, ICM's Code of Ethics also requires the prior approval of any IPO and private placement investments, supervisory reviews, enforcement and recordkeeping. ICM's Code of Ethics also includes the firm's Insider Trading Policy, which prohibits the mis-use of material non-public information.

A copy of ICM's Code of Ethics is available to ICM's advisory clients upon written request to the Chief Compliance Officer at ICM's principal address.

ICM and individuals associated with our firm may buy or sell securities identical to or different than those recommended to clients. In addition, any associated person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. This presents a conflict of interest, to the extent, that an employee of our firm may purchase a security for him/herself prior to that transaction being implemented in a client's account, thus, receiving a more favorable price, commission, or allocation.

It is the expressed policy of ICM that no person employed by ICM may purchase or sell any security from 12 hours before or after a transaction(s) being implemented for an advisory account, unless such trade is placed as part of an aggregated transaction (see ICM's trade aggregation policy and procedures immediate following), thereby preventing such employees from benefiting from transactions placed on behalf of advisory accounts.

ICM has established the following restrictions in order to carry out its fiduciary responsibilities to its clients:

- 1) A member, officer or employee of ICM shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of ICM shall prefer his or her own interest to that of the advisory client.
- 2) ICM maintains records of all securities holdings for itself, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by either Donovan Garcia or John Schnieders, Partners of ICM, or Wanda Bautista.
- 3) ICM emphasizes the unrestricted right of the non-discretionary client to decline to implement any advice rendered.
- 4) ICM requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- 5) Any individual not in observance of the above may be subject to termination.

Trade Allocation Policy & Procedures

ICM may aggregate trades for itself or for its associated person with client trades, providing that the following conditions are met:

- 1) ICM's policies for the aggregation of transactions shall be fully disclosed in this Form ADV and separately to ICM's existing clients (if any) and the broker-dealer(s) through which such transactions will be placed.
- 2) ICM will not aggregate transactions unless it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its clients and is consistent with the terms of ICM 's investment advisory agreement with each client for which trades are being aggregated;
- 3) No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all ICM's transactions in a given security on a given business day, with transaction costs shared pro-rata based on each client's participation in the transaction;
- 4) ICM will prepare an allocation statement ('Allocation Statement') specifying the participating client accounts and how it intends to allocate the order among those clients;
- 5) If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the Allocation Statement; if the order is partially filled, it will be allocated pro-rata based on the Allocation Statement.
- 6) Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment and the reason for different allocation is explained in writing and is approved by ICM 's compliance officer no later than one hour after the opening of the markets on the trading day following the day the order was executed;
- 7) ICM's books and records will separately reflect, for each client account, the orders of which are aggregated, the securities held by, and bought and sold for that account;
- 8) ICM will receive no additional compensation (outside of softdollars)
- 9) Individual advice and treatment will be accorded to each advisory client.

Please refer to Item 12 of this Brochure for aggregation policies.

Item 12. Brokerage Practices

Selection of Broker-Dealers

ICM endeavors to recommend those brokers or dealers which will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's stability, reputation, ability to provide professional services, competitive commission rates and prices, research, trading platform, and other services which will help our firm in providing investment management services to clients.

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, ICM may recommend the use of one of several broker dealers (including, but not limited to Pershing LLC, a subsidiary of The Bank of New York and a member of BNY Securities Group (hereinafter 'Pershing') and Merlin "an introducing broker for" Goldman Sachs (hereinafter 'Merlin') both of which *are* FINRA registered broker dealer firms), provided that such recommendation is consistent with our firm's fiduciary duty to the client.

ICM clients must evaluate these brokers before opening an account. The factors considered by our firm when making this recommendation are the broker's ability to provide professional services, our experience with the broker, the broker's reputation, and the broker's quality of execution services and costs of such services, among other factors. Clients are not under any obligation to effect trades through any recommended broker.

Aggregation of Transactions

ICM will perform investment management services for various clients and will aggregate trades where possible and when advantageous for clients.

This aggregation 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 allows our firm to execute equity trades in a more timely, equitable manner and to seek to reduce overall commission charges to clients.

There will be occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by ICM or its associated person, some of which accounts may have similar investment objectives. Such accounts may include accounts served by Schnieders Capital Management, LLC, the parent company of ICM. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they will be effected only when we believe that to do so will be in the best interest of the affected accounts. When such concurrent authorizations occur, the objective will be to allocate the executions in a manner that is deemed equitable to the accounts involved.

Our firm will not be able to block trades for client accounts who direct the use of a broker other than Pershing or Merlin, and therefore a disparity in commission charges may exist between the commissions charged to other clients.

Trades for affiliated accounts may be included in Adviser client block trades. Please refer to the disclosure under Item 11 above for a description of ICM's aggregation procedures.

Best Execution

ICM will generally seek "best execution" in light of the circumstances involved in transactions. In selecting a broker for any transactions, our firm may consider a number of factors, including, for example, net price, reputation, financial strength and stability, efficiency of execution and error resolution, the size of the transaction and the market for the security. We will not obligate itself to obtain the lowest commission or best net price for an account on any particular transaction.

Research and Soft Dollars

In addition, to execution quality, ICM may consider the value of various products and services a broker-dealer may provide. Selecting a broker-dealer in recognition or services or products other than simply transaction execution is known as paying for those services and products with "soft dollars." Because many of those services could be considered to provide some benefit to ICM and because the "soft dollars" used to acquire them will be assets of our firm's clients, ICM could be considered to have a conflict of interest in allocating client brokerage business. In other words, we could receive valuable benefits by selecting a particular broker or dealer to execute client transactions and the transaction commission charged by that broker or dealer might not be the lowest commission ICM might otherwise be able to negotiate.

In addition, ICM could also have an incentive to cause clients to engage in more securities transactions than would otherwise be optimal in order to generate brokerage commissions with which to acquire products and services.

"Research" products and services provided to our firm may include the following: research reports on or other information about particular companies or industries; economic surveys and analyses; recommendations as to specific securities; specialized financial publications; portfolio evaluation services; financial database software and services; computerized news, pricing and order-entry services; and other products or services that may enhance ICM's investment decision making responsibilities.

Adviser will make decisions involving "soft dollars" in a manner that satisfies the requirements of the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934. That is, we will generally determine, considering all appropriate factors (including those described here), that the commissions paid are reasonable in relation to the value of all the brokerage and research products and services provided by the broker-dealer. In making that determination, ICM may consider not only the particular

transaction or transactions, and not only the value of brokerage and research services and products to a particular client, but also the value of those services in ICM's performance of its overall investment responsibilities to all of its clients.

In some cases, the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge. Additionally, in some cases, a client's transaction may be executed by a broker in recognition of services or products that are not used in managing that client's account.

Where a particular service or product that a broker or dealer is willing to provide for soft dollars has not only a "research" application, but it is also useful to ICM for non-"research" purposes, we may allocate the cost of the product or service between its "research" and non-"research" uses and pay only the "research" portion with soft dollars. ICM's interest in making such an allocation may differ from clients' interests in that our firm has an incentive to designate as great a portion of the cost as "research" as possible in order to permit payment with soft dollars.

When a broker-dealer provides research or other products or services in expectation of brokerage business, it generally suggests the level of business it would like to receive as compensation. In making its brokerage selections, we consider those suggestions as part of its evaluation of the factors described above. Actual transactional business received by a particular broker or dealer during any period may be less than the suggested level, but may - and ICM expects that it often will - exceed that level. This may be in part because the total brokerage business generated by clients may exceed the aggregate amounts requested by all brokers and dealers from which we receive services and products, and in part because the brokers and dealers that provide such services and products may also provide superior execution and may therefore be the most appropriate broker-dealers for particular transactions regardless of whether or not they provided such services or products.

In other cases, a broker or dealer may establish "credits" based on brokerage commissions paid in the past, which may be used to pay, or reimburse ICM, for specified expenses. Brokers and dealers will not be excluded from consideration of receiving brokerage business simply because they have not provided "research" or other services or products, although we may not be willing to pay the same commission to such broker as we might have been willing to pay had the broker provided research products and services.

ICM monitors transaction results as orders are executed to evaluate the quality of execution provided by the various brokers and dealers it uses, to determine that compensation rates are competitive and otherwise to evaluate the reasonableness of the compensation paid to those brokers and dealers in light of all the factors described above.

Brokerage Direction.

In some instances for separately managed accounts, because of a prior relationship between a client and one or more brokers, or for other reasons, a client may instruct Adviser to execute some or all securities transactions for its account with or through one or more brokers designated by the client other than Pershing or Merlin. In such cases, the client is responsible for negotiating the terms and conditions (including, but not limited to, commission rates) relating to all services to be provided by such brokers and the client is satisfied with such terms and conditions. Adviser will assume no responsibility for obtaining the best prices or any particular commission rates for transactions with or through any such broker for such client's account. The client must recognize that it may not obtain rates as low as it might otherwise obtain if Adviser had discretion to select broker/dealers other than those chosen by the client. Any client providing instructions to Adviser regarding direction of brokerage transactions must notify Adviser in writing if the client desires Adviser to cease executing transactions with or through any such broker/dealer.

Allocation of Investment Opportunities

As a matter of firm policy, ICM seeks to allocate investment opportunities and transactions on a fair and equitable basis for all clients over time and to not favor certain clients over others. In the unlikely event that limited investment opportunities or transactions would need to be allocated among advisory clients, ICM would allocate the investments or transactions fairly and equitably and typically on a pro-rata basis. As a matter of investment policy and practice, ICM does not generally seek or participate in initial public offerings.

Item 13. Review of Accounts

Portfolio Reviews

Portfolio securities held by the Funds and SMAs to which ICM provides advice are continuously monitored and reviewed daily by Mr. Donovan Garcia. Accounts are reviewed in the context of each Fund's or SMA's stated investment objectives and guidelines. Account review focuses on the review of all securities using fundamental and technical analysis.

More frequent review may be triggered by material changes in variables such as the Fund's or SMA's individual circumstances, or the market, political or economic environment. Formal account reviews will be conducted each quarter or at the request of the client.

Client Reports

Investors in the Fund managed by ICM are provided unaudited monthly reports to investors discussing general account performance. ICM will also provide investors in the private investment fund managed by our firm with an annual report, containing audited

financial statements and a statement of each investor's capital account in the Fund as of the end of each fiscal year. ICM may also prepare and deliver to fund investors additional information we deems pertinent. ICM may provide additional information by special agreement with investors.

For all Separately Managed Accounts, ICM will provide reports as agreed upon, typically quarterly.

Item 14. Client Referrals

Solicitation

ICM may also employ solicitors to whom it will pay cash or a portion of the advisory fees paid by clients referred to it by those solicitors. In such cases, this practice will be disclosed in writing to the client and ICM will comply with the other applicable requirements under the Investment Advisers Act of 1940, as amended. In particular, we will ensure that associated persons provide clients with a current copy of ICM's written disclosure statement and the solicitor's written disclosure document. ICM's advisory fees will not be increased in any way as a result of any referral arrangements.

Item 15. Custody

Separately Managed Accounts

ICM is deemed to have "constructive custody" under regulatory guidelines as a result of our firm's authority from certain clients for ICM to directly debit client advisory fees from their custodian accounts consistent with industry practices and regulatory guidelines.

The client funds will typically be deposited and maintained with either a qualified brokerage firm or bank custodian. With client consent, ICM may cause fees to be directly debited from individually managed accounts by the client's custodian. When it does so, we will send the client an invoice showing the amount of the fees, the value of the assets on which they are based, and the computation concurrently with billing the custodian.

Separately managed account clients will receive quarterly statements from ICM and are urged to carefully review each statement. In order to ensure that all account transactions, holdings and values are correct and current, we urge clients to compare our firm's statements with the statements you receive directly from your independent brokerage or bank qualified custodian.

Private Funds

ICM also acts as investment manager to the Fund and is deemed to have custody of Fund assets under current applicable regulatory interpretations. As an adviser with custody, we seek to have the Fund audited on an annual basis by an independent public accounting firm that is registered with and subject to regular inspection by the Public Company

Accounting Oversight Board (PCAOB). For the Fund, we seek to send the audited financials to each investor within 120 days of the Fund's fiscal year end.

Item 16. Investment Discretion

Currently, ICM manages client relationships on a discretionary basis. For discretionary client relationships, clients provide written authority to determine the securities and the amounts of securities without obtaining specific client consent. Any client limitations in this discretionary authority are to be provided in writing and any change or amendments in any client limitations are also to be provided in writing.

For discretionary clients whose assets will be custodied at Pershing LLC ("Pershing"), a subsidiary of The Bank of New York and a member of BNY Securities Group, and a FINRA registered broker-dealer firm, ICM requests that it be provided with written authority to negotiate the commission costs that will be charged to our clients for these transactions.

Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be submitted in writing.

Item 17. Voting Client Securities

Proxy Voting

As a matter of firm policy and practice, ICM does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

In the event any client requests ICM's assistance on any proxy voting issue, we may provide assistance or background information about the company or issue, but the client always retains the responsibility for voting any proxies.

Legal Proceedings

Further, we may also assist clients with appropriate research or appropriate information to assist client with any filings for legal proceedings, e.g., class actions, reorganizations, bankruptcies, etc., relating to any portfolio securities.

Item 18. Financial Information

As a matter of firm policy and practice, our firm will not charge or earn advisory fees in excess of \$1,200 more than six months in advance of the services rendered.

Also, our firm and its Partners have no financial events or proceedings to disclose.