



## Part 2A of Form ADV The Brochure

23945 Calabasas Road, Suite 203  
Calabasas, CA 91302  
818-222-4727  
<http://www.mortoncapital.com>

July 18, 2014

This Brochure, the Part 2A of Form ADV (“Disclosure Brochure” or “Brochure”), is required under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). This Brochure provides information about the qualifications and business practices of Morton Capital Management, LLC (referred to as “MCM”, or “Adviser”).

For any questions about the contents of this brochure or to request another copy, please contact Morton Capital at 818-222-4727. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Morton Capital Management is a registered investment adviser with the SEC. However, SEC registration does not imply any level of skill or training.

Additional information about MCM is also available on the SEC’s website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). On the website, select “investment adviser firm” and type in the firm name.

**Item 2. Material Changes**

Effective October 18, 2013, MCM is no longer owned by UnionBanCal. MCM is now owned by members of MCM's management and executive team. All principal members of the firm responsible for ongoing investment management services remained the same throughout the ownership changes and continue to serve. These changes have not materially affected MCM's business operations.

Effective February 10, 2014, Diana H. Pereira, Esq. became MCM's Chief Compliance Officer. Priscilla Brehm, who previously held that position, continues at MCM as Senior Vice President.

Effective July 18, 2014, MCM entered into a new solicitation agreement with Comrie Wealth Management, Inc.

Disclosures regarding affiliated business activities were updated.

**Item 3. Table of Contents**

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

#### **Item 4. Advisory Business**

Morton Capital Management, LLC is a California limited liability company and is owned by members of MCM's management and executive team. The Managing Members of MCM are Lon Morton, Meghan Pinchuk, Jeff Sarti and Eric Selter. MCM was founded in 1981, and registered as an investment adviser with the Securities and Exchange Commission in 1983.

MCM provides customized investment advisory services. The goal is to build long-term relationships based on trust. MCM designs and implements investment strategies that take into account a client's unique objectives including goals, risk tolerance, time horizon, liquidity needs and concerns. MCM places an emphasis on managing risk with the objective of reducing volatility. In order to provide clients with more objective advice, MCM operates on a fee-only basis, and does not accept commissions from any source.

Generally, MCM provides investment services on a discretionary basis<sup>1</sup>. For more information on discretion, please see Item 16, "Investment Discretion." These services usually include, but are not limited to:

- Analyzing a client's current financial situation and prior investment experience;
- Helping clients set goals to determine the appropriate time horizon, investment objectives, and amounts of money needed to accomplish investment goals;
- Reviewing a client's risk profile to help define the tolerance for risk;
- Designing and implementing an asset allocation strategy by selecting appropriate asset classes and determining how to allocate investable funds among those asset classes. (MCM primarily uses no-load mutual funds, structured notes, alternative assets and, at times for larger accounts, separate account money managers);
- Monitoring performance of funds and managers;
- Reporting on a quarterly basis and performing ongoing analysis of a client's portfolio performance;
- Modifying and rebalancing portfolios, based on a client's changing needs and MCM's analysis of individual portfolio performance;
- Assessing applicable market and economic conditions;
- Providing lifestyle and retirement planning, college funding ideas, and charitable giving strategies; and
- Assisting with estate analysis and advice, including multi-generation education and transition planning.

In certain circumstances, MCM may also provide services on a limited discretion or nondiscretionary basis. As described above, MCM customizes its advisory services to a client's individual needs and invests within any reasonable restrictions that are placed on the types of securities invests within a portfolio.

---

<sup>1</sup> "Discretionary basis" means that MCM has the power to buy and sell securities in a client's accounts without previously notifying the client. However, decisions are made based on a client's investment strategy and restrictions.

July 18, 2014

As of December 31, 2013, MCM managed 1,321,263,621 in total assets, \$1,148,961,589 of which is managed on a discretionary basis and \$ 172,302,033 on a non-discretionary basis.

## **Item 5. Fees and Compensation**

MCM is compensated for its services on a fee-only basis. MCM's standard fees are based upon a percentage of assets under management and generally range from .50% to 1.00% on a tiered basis as described below or on occasion, advisory fees may be a flat fixed amount.

Percentage of the Net Asset Value: (Minimum account size \$1,000,000) Based on the net asset value of the account as of the end of the preceding calendar quarter, to be paid quarterly:

100 basis points (1%) per annum on the first \$2,000,000

75 basis points (3/4 of 1%) per annum on the next \$3,000,000

50 basis points (1/2 of 1%) per annum on amounts above \$5,000,000

Fixed Fee. A flat amount per year is determined and paid quarterly in advance. These fees are subject to negotiation.

MCM bills for fees on a quarterly basis, and bases fees on the account's asset value as of the last business day of the prior quarter. The fees are automatically deducted directly from the client's account unless a direct bill is requested. Fees are generally due in advance, on the first day of the quarter. MCM has discretion to enter into a fee agreement other than the standard fee schedule shown above.

When an account is open during the quarter, fees will be prorated for the period it was under MCM management. When an account is closed during the quarter, clients will receive a pro-rata refund of any advisory fees that may have been collected.

The advisory fees charged are in addition to any management or other fees charged internally by the managed separate accounts, mutual funds, structured notes, hedge funds, private money managers, or other investment providers that a client may invest in. Advisory fees are also in addition to any transaction or custodial fees charged by the account's custodian. For more information on custodians and brokerage, please see the "Brokerage" section of this brochure. Advisory fees are never charged more than six months prior to the performance of services. The contract (Investment Advisory Agreement) is terminable at will by either party upon receipt of written notice to the other party.

## **Item 6. Performance Based Fees and Side-by-Side Management**

MCM does not charge any performance based fees. Performance based fees are based on a share of capital gains or capital appreciation of the assets of a client. An adviser charging performance fees to some accounts faces a variety of conflicts because the adviser can potentially receive greater fees from its accounts having a performance-based compensation structure than from those accounts it charges an asset based fee. As a result, the adviser may have an incentive to direct the best investment ideas to, or allocate trades in favor of, the account that pays a performance fee.

## **Item 7. Types of Clients**

MCM's cumulative minimum account requirement for opening and maintaining an account is \$1 million. However, MCM may, at its sole discretion, accept accounts with a lower value. Because MCM's services are targeted mainly for accounts of over \$1,000,000, it may limit the number of smaller accounts that it chooses to accept. MCM may waive the account minimum or change the advisory fee for an account at its discretion.

MCM offers its services to individuals and families (including retirement accounts), pension and profit sharing plans, trusts, estates, charitable organizations, corporations, private funds, and other business entities.

Prior to January 1, 2014, MCM also provided investment advice to one pooled investment vehicle, Negative Correlation Partners, LLC ("NCP"). NCP was closed effective December 31, 2013.

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

MCM's methodology for selecting an appropriate portfolio strategy is based on the understanding of each client's financial circumstances and risk tolerance, combined with widely accepted principles of modern portfolio management as developed since the 1950s. The first step in the process is to have the client complete an investment profile questionnaire, which asks specific questions about his or her financial status, goals, investment experience and attitude towards investing. This questionnaire and a personal interview help MCM establish an asset allocation that it believes to be suitable.

MCM selects asset allocation targets using the principles of modern portfolio management. These principles include concepts such as diversification, statistical measurement of investment volatility and quantification of risk versus reward. Investment portfolios are diversified with respect to asset classes and manager styles to minimize the risks associated with individual securities, specific asset class, style or manager. However, it is worthwhile to note that while diversification can reduce specific investment risk, it cannot eliminate risk entirely. As such, every portfolio will have the potential for loss. Since investing in securities does involve risk of loss, investors should be aware and prepared for losses.

Since MCM is not aligned with any mutual fund, managed account investment companies, or other third-party investment managers, its approach is not influenced by monetary considerations associated with proprietary products.

MCM relies heavily on research materials prepared by others, including corporate rating services, investment banks and third party research firms to stay current with economic and financial-market related news and developments. MCM also utilizes databases and other research services such as Morningstar or Bloomberg to research and gather information on specific investments or market sectors as well as general economic and financial market conditions. Members of the asset management team, advisers and/or Investment Committee members also participate in quarterly or more frequent conference calls with mutual fund managers, market strategists and economists. Members of the research team may also attend conferences or conduct face-to-face interviews with managers.

The majority of clients' portfolios are invested in retail and institutional-class mutual funds and ETFs

(Exchange-Traded Funds). Both quantitative and qualitative research methods are used to evaluate investments and create an approved investment list. From a quantitative methodology, MCM considers such factors as:

- The length of a manager's tenure;
- The investment's track record;
- Its performance versus peers and benchmarks; and
- Fund research capabilities, portfolio concentration, tax-efficiency and expense ratios.

Performance is analyzed using widely accepted statistical measures such as alpha, beta, standard deviation of return, and upside/downside performance over varying timeframes using computer-based, analytical tools. With respect to fixed-income managers, MCM considers additional factors such as credit quality, duration or interest-rate sensitivity and liquidity.

Following a quantitative research process, the qualitative process includes the use of in-depth third party research and personal interviews to evaluate the suitability of the portfolio or fund manager for inclusion on MCM's approved investment list. MCM focuses the qualitative investigation on manager knowledge, discipline, passion, and shareholder orientation. The process is ongoing with analysts carefully monitoring individual investment and total portfolio performance. If there is a change in management or strategy of a particular investment, the qualitative and quantitative assessment is reinitiated to determine if the investment is still suitable for inclusion in client portfolios.

***Private Alternative Investment Strategies:*** MCM believes that alternative investment strategies can add valuable diversification benefits to portfolios that cannot be obtained through investments in only stocks and bonds. Where appropriate, MCM may present certain clients (i.e. Accredited Investors<sup>2</sup> or Qualified Clients<sup>3</sup>) with opportunities to invest in limited liability companies, limited partnerships or other alternative strategies. These investments may include, among other things, hedging strategies, real estate equity, private lending and private equity (together "private funds" or "private investment funds"). These investments, unlike stocks and bonds that are regularly traded, can experience illiquidity and pricing inconsistencies. As a consequence and in compliance with existing regulations, private funds require a client's approval before any investment is made.

Any client who subscribes, or proposes to subscribe, for an investment in a private fund must be able to bear the risks involved and must meet the fund's suitability requirements. Some or all alternative

---

<sup>2</sup> Rule 501 of Regulation D defines "Accredited Investor" as including, but not limited to: (i) a charitable organization, corporation, or partnership with assets exceeding \$5 million; (ii) a director, executive officer, or general partner of the company selling the securities; (iii) a business in which all the equity owners are accredited investors; (iv) a natural person who has individual net worth, or joint net worth with the person's spouse, that exceeds \$1 million at the time of the purchase, excluding the value of the primary residence of such person; (v) a natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year; or (vi) a trust with assets in excess of \$5 million, not formed to acquire the securities offered, whose purchases a sophisticated person makes.

<sup>3</sup> Rule 205-3 defines a "Qualified Client" as including: (i) a natural person or company with at least \$1,000,000 under management of the investment adviser immediately after entering into the contract (the "Assets Under Management Test"); OR (ii) a natural person or company that the investment adviser reasonably believes, immediately prior to entering into the contract has a net worth (together with his or her spouse) of more than \$2,000,000 (excluding the value of their primary residence) at the time the contract is entered into (the "Net Worth Test").

investment programs may not be suitable for certain investors. No assurance can be given that a private fund's investment objectives will be achieved. Private fund investments involve a substantial degree of risk. Private funds are generally highly illiquid. There is generally no secondary market for a private fund and none should be expected to develop. There are restrictions on transferring interests in a private fund. A private fund is subject to various other risk factors and conflicts of interest.

**Structured Notes:** Clients may also be invested in structured notes. Structured notes have a relative lack of liquidity due to the highly customized nature of the investment and rarely trade after issuance. Moreover, the full extent of returns from the complex performance features is not realized until maturity. Selling before maturity may be at a significant discount. Because of this, structured notes tend to be more of a buy-and-hold investment decision. Counterparty risk is another inherent risk with structured notes. A principal protected note is backed by the firm that issued the note. In the case of a bankruptcy of the issuer, the note holder would be repaid at a rate equivalent to other senior unsecured debt holders of the firm. Principal protected notes are not usually FDIC insured. Principal protection may only be partial, or "buffered," or contingent based upon a stated event occurring.

**Interval Funds:** MCM may utilize interval funds for certain clients. An interval fund is a type of investment company that periodically offers to repurchase its shares from shareholders. Shareholders are not required to accept these offers and sell their shares back to the fund. Although classified as closed-end funds, they are very different from traditional closed-end funds in that:

- Their shares typically do not trade on the secondary market. Instead, their shares are subject to periodic repurchase offers by the fund at a price based on net asset value.
- They are permitted to (and many interval funds do) continuously offer their shares at a price based on the fund's net asset value.

An interval fund will make periodic repurchase offers to its shareholders, generally every three, six or twelve months, as disclosed in the fund's prospectus and annual report. Interval funds may have limits on the total amount of shares that can be repurchased at a given date. If more shares are tendered for redemption than the allowable limit, shareholders will not be able to sell all of the shares they want to at that opening.

**Options Strategies:** When appropriate, MCM may employ options strategies for client accounts. Generally, MCM only employs options strategies for large accounts or accounts where there is a specific concentrated stock position. An option is a financial derivative contract which offers the buyer the right, but not the obligation, to buy (call) or sell (put) a security or other financial asset at an agreed-upon price (the strike price) during a certain period of time or on a specific date (exercise date). These strategies may include, but are not limited to, covered calls, which are designed to generate income on an existing equity position, and the purchase of options, which can result in the complete loss of premium paid for the underlying option. Clients must complete the necessary Schwab paperwork and meet certain Schwab thresholds to be qualified for options trading capability. Price movements of options contracts are determined by the price of the underlying security, implied volatility, interest rates and, where applicable, the dividend on the underlying security. Clients are also subject to the risk of the failure of any of the exchanges on which the options are traded or of their clearinghouses or counterparties.



All investing involves a risk of loss and the investment strategies offered could potentially lose money over any given period of time. While diversification is an important tool in reducing the unique risk associated with a single investment, it cannot completely protect against portfolio losses. While research can indicate a reasonable expectation of loss over any 12-month period, stressed markets – as experienced in 2008 and 2009 – can lead to larger than expected losses. MCM maintains regular communication with its clients to better understand their tolerances for risk and any changes to their financial circumstances that may require modification of the portfolio strategies.

Performance could be negatively impacted by a number of different market risks including but not limited to:

- Stock market risk which is the chance that individual stocks will decline as a consequence of a general market decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.
- Non-diversification risk which is the chance that the performance may be hurt disproportionately by the poor performance of relatively few positions or even a single position.
- Interest rate risk which can cause the value of bonds to decline.
- Illiquidity risk which could mean that a particular investment cannot be sold when desired.

## **Item 9. Disciplinary Information**

Neither MCM as a firm, nor any of its current employees have been involved in any legal or disciplinary events in the past 10 years.

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

As of August 29, 2012, Mr. Sarti also serves on the board of LifeStorage Management, LLC, representing the interests of Morton Capital investors in the company. Mr. Sarti currently receives no outside compensation for his board participation.

Mr. Selter manages CMS Inc., a registered investment advisor, which has a written independent contractor relationship with MCM in connection with his role as the COO of MCM and the provision of investment advice to MCM clients.

Mr. Morton is on the Advisory Board of Partner Capital Solutions (a private portfolio lender) a non-voting board created for the purpose of advising the Board of Managers.

MCM has relationships with several entities that solicit or have solicited clients on its behalf. Please see Item 14, “Client Referrals and Other Compensation,” for additional details.

MCM has a relationship with Charles Schwab & Company, Inc. Please see Item 12, “Brokerage Practices” and Item 14, “Client Referrals and Other Compensation” in this Brochure for additional

detail.

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

In order to ensure that MCM maintains high ethical standards in its business practices, MCM has adopted and maintains a regulatory compliance manual which includes a Code of Ethics that sets forth the standards of conduct for acting with competence, dignity, integrity and in an ethical manner. A copy of the Code of Ethics is available to clients upon request by calling the telephone number on the Cover Page of this Brochure.

MCM's Code of Ethics requires, among other things, that employees:

- Act with integrity and competence with the public, clients, prospective clients, employers, employees, colleagues in the investment profession and other participants in the global capital markets;
- Place the integrity of the investment profession, and the interests of clients, above their own personal interests;
- Avoid any actual or potential conflicts of interest;
- Conduct all personal securities transactions in a manner consistent with company policy, applicable laws, and ethical standards;
- Exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions and engaging in other professional activities;
- Maintain reasonable safeguards to protect client privacy; and
- Comply with applicable provisions of federal securities laws.

Employees and their families may sometimes buy and sell the same securities that MCM recommends and purchase for its clients. In fact, MCM believes that it is important that its principals and advisers invest their personal funds in the same securities that are recommended to clients.

However, MCM recognizes there may be a potential conflict of interest if securities are purchased or sold in affiliated accounts on the same day as client accounts. Thus, to ensure that personal trading does not negatively impact clients, MCM has developed trading procedures and oversight for client protection. Details on these procedures can be provided upon request. MCM requires that employees submit quarterly reports with all of their personal securities transactions. Those records are reviewed to identify and resolve any conflicts of interest, to ensure compliance with applicable trading laws and to verify that MCM employees have put clients' interests ahead of their own.

For clients who choose to limit MCM's discretion, any potential delay in approvals may cause employee trades to be placed ahead of client trades and could result in MCM employees receiving a better price.

## **Item 12. Brokerage Practices**

MCM recommends that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a registered broker-dealer and Member SIPC. MCM is independently owned and operated and not affiliated with Schwab or any other broker-dealer.

In selecting Schwab as a primary custodian for client accounts, MCM considered several factors including but not limited to:

- Quality of service
- Quality of execution
- Cost of execution and trading
- Availability of investment products
- Financial stability
- Quality of technical support

For client accounts maintained in Schwab's custody, Schwab generally does not charge separately for custody but is compensated through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts. These commissions are determined by Schwab and are in addition to MCM's investment advisory fees. However, Schwab provides MCM with access to its institutional trading and custody services, which are typically not available to Schwab's retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional, and are not otherwise contingent upon the adviser committing to Schwab any specific amount of business (assets in custody or trading). Schwab's services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

**Soft Dollars:** Schwab makes available to MCM other products and services that benefit MCM but may not benefit all client accounts. Some of these other products and services assist MCM in managing and administering client accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of fees from clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of client accounts, including accounts not maintained at Schwab Institutional. Schwab Institutional also makes available to MCM other services intended to help manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab may make available, arrange and/or pay for fees of a third-party providing these services to us. While as a fiduciary, MCM endeavors to act in its clients' best interests, MCM's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to MCM of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services

provided by Schwab, which may create a potential conflict of interest. MCM acknowledges its fiduciary responsibility to treat clients fairly. Details of soft dollar services will be provided upon written request.

Certain other services that are paid for with soft dollars are considered “mixed use” products, meaning that they are partially allocable to research and partially allocable to non-research products such as software. MCM performs and documents its analysis of the portion of “mixed use” products that are deemed to be appropriate for the use of soft dollars. A conflict of interest may arise in the process of determining the allocation for a “mixed use” product.

MCM believes that all of its advisory clients benefit from the services received through soft dollars and that even though certain securities transactions may be cheaper on a few occasions through another custodian, the overall benefits of the research and brokerage services received through the Schwab relationship likely offsets any savings that would result from the use of a different custodian.

***Directed Brokerage:*** Clients may direct MCM to use a particular broker-dealer (however, MCM has the right to decline to be engaged as the investment adviser based on this circumstance) to execute some or all transactions for their account. In such an event, clients are responsible for negotiating the terms and arrangements for the account with the selected broker-dealer. MCM is not responsible for seeking best execution services or prices from other broker-dealers for those transactions. In addition, MCM will not be able to “batch” those transactions for execution through other broker-dealers with orders for other accounts managed by MCM. As a result, clients may pay higher commissions or otherwise have higher costs, or receive less favorable net prices on transactions for the account than would otherwise be the case. In the event that clients are referred to MCM by a broker-dealer, MCM may have a potential conflict between a client’s interest in obtaining best execution and MCM receiving future referrals from that broker-dealer.

***Aggregated (Block) Trades:*** If the same security is purchased on the same day on behalf of more than one client, the orders may be aggregated (in a block) if MCM believes the aggregation will be in the best interests of the participating clients. Such orders are generally allocated on a pro-rata basis. MCM may use an omnibus account when aggregating client securities transactions.

***Private Funds:*** Certain MCM clients manage private investment funds that MCM may deem to be suitable investments for other clients from time to time. Neither MCM, nor any of its related persons receive compensation from these or any other private investment funds for investing client funds in the private investments.

Certain private money managers may require that trades be done through a broker other than Schwab. In each instance, clients will sign the required paperwork to open an account. Generally, any fees paid by clients to outside managers are equal to or lower than these managers charge others who are not MCM clients.

### **Item 13. Review of Accounts**

Client accounts are reviewed by the MCM investment advisers at least quarterly and within the context of each client’s stated investment objectives. More frequent reviews may be triggered by several

possible events: receipt of quarterly performance reports, client notifications that circumstances have changed, major changes at mutual funds on MCM's approved list, or major economic/market conditions that cause MCM to review a particular asset class or fund and its continued viability for clients.

All individuals performing account reviews are investment advisers or investment officers whose responsibilities include client services and portfolio review. They are instructed to supervise in accordance with:

- The client's investment objectives, financial situation, prior experience and risk profile;
- The asset allocation strategy for the client;
- MCM Investment Committee guidelines as to approved securities; and
- MCM Investment Committee discussions of general economic and market factors.

MCM generally sends clients written performance reports on a quarterly basis (unless requested more frequently). In addition, clients will typically receive monthly or quarterly statements from the custodian who holds the assets. Clients may elect to receive notifications either via the Internet or via hard copy. The custodial reports contain a listing of current holdings with their current market value at the end of each month. MCM usually provides performance both at the account level and at the asset class level. Quarterly reports will also normally include various benchmarks that clients may use to assess account performance.

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

MCM compensates unaffiliated third parties for referring clients. Such referral fees generally consist of a percentage of the advisory fees earned by MCM. The referral fees represent no additional expense to such referred clients. MCM will seek to conform to Rule 206(4)-3 under the Advisers Act in all instances. MCM may also use affiliated persons (e.g., MCM employees) as solicitors and they may receive cash or non-cash compensation for referring clients.

If a client is introduced by an unaffiliated solicitor (i.e., a person or entity that is not an employee, officer or director of MCM), the solicitor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide the client with a copy of MCM's written Brochure, together with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between MCM and the solicitor, including the compensation to be received by the solicitor.

MCM has entered into an agreement with Charles Schwab & Co., Inc, an independent and unaffiliated broker-dealer, to participate in the Schwab Adviser Network ("the Service"), an adviser referral service designed to help investors find an independent personal investment manager in their area. MCM receives client referrals from Schwab through its participation in the Schwab Adviser Network. Although not required by the Service, advisers that receive referrals from the Service are likely to execute transactions for their advisory clients referred through the Service with Schwab. The conflict of interest arises due to the fact that MCM may be more likely to use Schwab due to its interest in receiving referrals from them. This would be in conflict with a client's interest in receiving best

execution. Again, MCM acknowledges its duty of best execution for all of its clients.

Schwab does not supervise MCM and has no responsibility for management of clients' portfolios or other advice or services. MCM pays Schwab fees to receive client referrals through the Service. MCM's participation in the Service may raise potential conflicts of interest as described below.

MCM pays Schwab a quarterly Participation Fee on all referred clients' accounts that are maintained in custody at Schwab and a one-time Non-Schwab Custody Fee (collectively the "Fees") on all accounts that are maintained at, or transferred to, another custodian. The Fees paid by MCM is a percentage of the value of the assets in the clients' accounts. MCM pays Schwab the Participation Fee for so long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to MCM quarterly and may be increased, decreased or waived by Schwab from time to time. The Fees are paid by MCM and not by the referred client. MCM does not charge clients referred through the Service fees or costs greater than the fees or costs MCM charges clients with similar portfolios who were not referred through the Service. The Non-Schwab Custody fee does not apply if the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees that MCM would generally pay in a single year. Thus, MCM will have an incentive to recommend that client accounts be held in custody at Schwab.

MCM has entered into an agreement with Comrie Wealth Management, Inc. ("Comrie") to refer advisory clients to MCM. MCM pays Comrie a quarterly fee on all referred clients' accounts. The Fees paid by MCM are a percentage of the value of the assets in the clients' accounts. The fees are paid by MCM and not by the referred client. MCM does not charge clients referred by Comrie any fees or costs greater than the fees or costs MCM charges clients with similar portfolios who were not referred by Comrie.

## **Item 15. Custody**

MCM does not seek to maintain or exercise control of client assets. However, as previously disclosed, MCM generally debits advisory fees directly from client accounts. Client assets are held in custody by broker-dealers (such as Schwab) or banks who are not affiliated with us. The custodian will send statements directly to clients with a list of the securities owned and the estimated market value. Custodians will also send trade confirmations of account activities such as buys and sells each time that activity takes place. For clarification, certain private investments are either not subject to custody or are exempt from certain custody requirements if the securities are uncertificated, held on the books of the issuer and subject to an annual audit.

Clients should carefully review the statements received from the custodian and compare the custodian's statement with reports they received from MCM. The custodian's statement may be different from MCM's, if clients have invested in private funds, such as hedge funds or real estate, due to customary pricing delays. It should be noted that the custodial statement is the official record of a client's account and assets (for various purposes including taxes).

As part of the billing process, MCM will determine the quarterly advisory fee, will send a statement to the client showing how the fees were calculated and will submit a request to the custodian to debit client accounts in the amount shown on the billing statements. Clients should carefully review the

billing statement as the custodian will not have sufficient information to verify that the fees are correct. If clients have any questions on fees, they should contact their MCM investment adviser or the Chief Compliance Officer at the number shown on the cover of this Brochure.

MCM and its advisers may serve as trustees, or in similar legal capacities, on behalf of clients' accounts. If the arrangement is not based on a personal or family relationship then MCM will arrange for an independent public accountant to conduct a surprise annual examination. MCM will also ensure that an unaffiliated representative of the client in question receives written notification of any change in the affected accounts' custodial arrangements.

If a client invested in NCP, MCM may have access to those accounts as it serves as the investment adviser to NCP. Members of NCP will not receive statements directly from the custodians of the underlying funds. Instead, NCP is subject to an annual audit and the audited financial statements are distributed to each member. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 260 days of NCP's fiscal year end. NCP closed as of 12/31/2013 and the final audit will be distributed in 2014.

### **Item 16. Investment Discretion**

MCM manages most of its clients' investment accounts on a discretionary basis; however in certain circumstances MCM will manage accounts on a non-discretionary basis. Clients may impose reasonable restrictions on their accounts, and/or limit discretionary authority. Discretionary authority authorizes MCM to purchase and sell mutual funds, stocks, bonds, structured notes, interval funds and other assets without contacting the client. However, MCM exercises its discretion consistent with a client's investment objectives.

For the discretionary portion of accounts, clients will be required to sign a discretionary investment advisory agreement with MCM and may impose certain restrictions at that time. Clients may also be asked to open an account with Schwab, which will include signing a document authorizing, among other things, consent to authorize MCM to place trades on a client's behalf. MCM has negotiated a predetermined commission schedule with Schwab for all institutional accounts under its supervision.

### **Item 17. Voting Client Securities**

MCM's policy is to vote proxies on behalf of clients in the interest of maximizing shareholder value. Therefore, MCM will vote in a way that it believes is consistent with its fiduciary duty to clients. MCM will consider how a proxy vote might cause the security to increase or decrease in value, and will consider both the short and long-term implications of the proposal to be voted on when considering the optimal vote. Clients always have the right to direct how MCM votes on their behalf.

MCM has currently identified no conflicts of interest between clients' interests and its own within the proxy voting process. Nevertheless, if MCM determines that a material conflict of interest exists in voting a client proxy, MCM procedures provide for a management review to determine the appropriate vote or, to engage a competent third party, to determine a vote that will maximize shareholder value. MCM's complete proxy voting policy and procedures are available upon request. In addition, MCM's proxy voting record is available to clients and may be requested by calling the telephone number listed on the cover page of this Brochure.

**Item 18. Financial Information**

MCM does not solicit prepayment of fees more than six months in advance.

MCM has never filed for bankruptcy and are not aware of any financial condition that is expected to affect its ability to manage client accounts.





## Part 2B of Form ADV The Brochure Supplement

23945 Calabasas Road, Suite 203  
Calabasas, CA 91302  
818-222-4727  
<http://www.mortoncapital.com>

July 18, 2014

This brochure supplement provides information on certain individuals who have discretionary authority over client assets as part of a team. It supplements the accompanying Form ADV Brochure. The individuals included in this Brochure Supplement have the most significant responsibility for the day-to-day management of client accounts and are employed by Morton Capital Management. Please contact MCM's Chief Compliance Officer, Diana Pereira, Esq., at 818-222-4727 if you have any questions about the Form ADV brochure or this supplement, or if you would like to request additional or updated copies of either document.

July 18, 2014

## **Lon Morton, CEO and Co-Chief Investment Officer**

### Educational Background and Business Experience

Lon Morton, born 1945, has been MCM's CEO since 1983. He is also the co-Chief Investment Officer; a voting member of the MCM Investment Committee; a member of the Board of Managers; and an Executive Officer. He holds an A.A. in general studies from Pierce College. He has extensive business experience in the investment and real estate areas.

### Disciplinary Information

Mr. Morton has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Morton or of MCM.

### Other Business Activities

Mr. Morton is not engaged in any other investment related business. Mr. Morton is on the Advisory Board of Partner Capital Solutions (a private portfolio lender) a non-voting board created for the purpose of advising the Board of Managers. MCM does not believe that Mr. Morton's participation on this board presents any conflicts of interest to MCM and/or its clients and investors.

### Additional Compensation

Mr. Morton does not receive economic benefits from any person or entity other than MCM in connection with the provision of investment advice to clients.

### Supervision

As MCM's Chief Executive Officer and co-Chief Investment Officer, Mr. Morton maintains ultimate responsibility for the Company's operations. Mr. Morton discusses investment decisions with the other Investment Committee members. Operational decisions are discussed with MCM's co-Presidents, Meghan Pinchuk and Jeffrey Sarti; and with Chief Operating Officer, Eric Selter. Mr. Morton's activities are also overseen by the Managing Members of the firm and the Chief Compliance Officer, Diana Pereira. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

July 18, 2014

## **Meghan Pinchuk, CFA, CFP<sup>®</sup>, Co-President**

### Educational Background and Business Experience

Meghan Pinchuk, born in 1984, joined MCM in April 2006 after graduating Summa Cum Laude from the University of California, Los Angeles. Ms. Pinchuk is a Chartered Financial Analyst<sup>®</sup> and a member of the Los Angeles Society of Financial Analysts. She is also a Certified Financial Planner<sup>™</sup> professional. Ms. Pinchuk is currently a co-President and a member of the Board of Managers at MCM. She is also a voting member of the Investment Committee.

### Disciplinary Information

Ms. Pinchuk has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Ms. Pinchuk or of MCM.

### Other Business Activities

Ms. Pinchuk is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of MCM.

### Additional Compensation

Ms. Pinchuk does not receive economic benefits from any person or entity other than MCM in connection with the provision of investment advice to clients.

### Supervision

Ms. Pinchuk's investment recommendations are supervised by MCM's CEO, Lon Morton, and discussed with other members of the Company's Investment Committee. Ms. Pinchuk's activities are also overseen by the Chief Operating Officer, Eric Selter, and the Chief Compliance Officer, Diana Pereira. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

July 18, 2014

## **Jeffrey Sarti, MBA, CFA, Co-President**

### Educational Background and Business Experience

Mr. Sarti, born 1974, rejoined Morton Capital in 2011 after serving as the firm's Chief Investment Officer from 2004 through 2007. Mr. Sarti serves as a co-President of MCM and is a member of the Board of Managers. From 2008 through 2010, Mr. Sarti was co-managing partner of Crosscourt Capital Management, a hedge fund firm specializing in volatility and options trading strategies. In 2002, Mr. Sarti worked at McKee Investment Management where he served as a portfolio manager and credit analyst overseeing \$750 million in assets. From 1999 through 2001, he was employed as a portfolio manager at Joel R. Mogy Investment Counsel overseeing \$1 billion in assets. Mr. Sarti received his Bachelor of Science degree in Biology from Stanford University and his M.B.A. in Finance from the Anderson School of Business at the University of California, Los Angeles. Mr. Sarti is a Chartered Financial Analyst<sup>®</sup> and a member of the Los Angeles Society of Financial Analysts. He is also a voting member of the Investment Committee.

### Disciplinary Information

Mr. Sarti has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Sarti or of MCM.

### Other Business Activities

Mr. Sarti does not receive compensation in connection with any business activity outside of MCM. As of August 29, 2012, Mr. Sarti also serves on the board of LifeStorage Management, LLC, representing the interests of Morton Capital investors in the company. Mr. Sarti currently receives no outside compensation for his board participation.

### Additional Compensation

Mr. Sarti does not receive economic benefits from any person or entity other than MCM in connection with the provision of investment advice to clients.

### Supervision

Mr. Sarti's investment recommendations are supervised by MCM's CEO, Lon Morton, and discussed with other members of the Investment Committee. Mr. Sarti's activities are also overseen by the Chief Operating Officer, Eric Selter, and the Chief Compliance Officer, Diana Pereira. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

July 18, 2014

## **Eric Jay Selter, J.D., Chief Operating Officer and Senior Vice President**

### Educational Background and Business Experience

Eric Selter, born 1957, is a graduate of the University of Southern California and the Loyola Law School in 1982 in Los Angeles. He is a member of the State Bar of California. As Vice President of CMS, Inc., from 1982 through 2006, a broad based management consulting firm, Mr. Selter worked with professionals, including healthcare providers, in the planning and management of their professional corporations including pension and tax planning, as well as investment review. Mr. Selter has been associated with MCM since 1998 and was appointed to be the Chief Operating Officer of MCM in April 1, 2002. He is also a Senior Vice President, a voting member of the Investment Committee and a member of the Board of Managers.

### Disciplinary Information

Mr. Selter has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Selter or of MCM.

### Other Business Activities

Mr. Selter manages CMS Inc., a registered investment advisor, which has a written independent contractor relationship with MCM in connection with his role as the COO of MCM and the provision of investment advice to MCM clients.

### Additional Compensation

Mr. Selter receives compensation from CMS Inc. for its services to MCM.

### Supervision

Mr. Selter's investment recommendations are supervised by MCM's CEO, Lon Morton, and discussed with other members of the Company's Investment Committee. Mr. Selter's activities are also overseen by the Chief Compliance Officer, Diana Pereira. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

July 18, 2014

## **Sasan Faiz, Co-Chief Investment Officer**

### Educational Background and Business Experience

Sasan Faiz, born in 1959, joined MCM in July 2008, and is the Co-Chief Investment Officer. Sasan received both his B.S. & M.S. degrees in Mechanical Engineering (Thermal Sciences) from the University of Michigan. Prior to joining MCM, he was the Chief Investment Officer at Partnervest Advisory Services LLC from June 2004 to June 2008 Advisory Services LLC in Santa Barbara. In that capacity, he designed, developed and managed the STAR Asset Allocation Program. He also led the investment management efforts for the firm's outsourced asset management business. Prior to that, he was the Portfolio Manager for a high-tech hedge fund (CyberFund) in Santa Barbara. He is also a voting member of the Investment Committee.

### Disciplinary Information

Mr. Faiz has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Faiz or of MCM.

### Other Business Activities

Mr. Faiz is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of MCM.

### Additional Compensation

Mr. Faiz does not receive economic benefits from any person or entity other than MCM in connection with the provision of investment advice to clients.

### Supervision

Mr. Faiz's investment recommendations are supervised by MCM's CEO, Lon Morton, and discussed with other members of the Company's Investment Committee. Mr. Faiz's activities are also overseen by the Chief Operating Officer, Eric Selter, and the Chief Compliance Officer, Diana Pereira. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

July 18, 2014

## **Priscilla A. Brehm, Senior Vice President**

### Educational Background and Business Experience

Priscilla A. Brehm, born 1947, is a Senior Vice President of MCM. She attended the University of Northern Iowa. Ms. Brehm also holds certificates in Advanced Estate Planning and Advanced Employee Benefit Planning from the American College in Bryn Mawr, PA. She has been a member of the financial services profession since 1971. Ms. Brehm joined MCM in 1988 and became an officer in January 1990. Her professional designations include Chartered Mutual Fund Counselor and Chartered Financial Consultant. She is also a voting member of the Investment Committee and Senior Vice President.

### Disciplinary Information

Ms. Brehm has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Ms. Brehm or of MCM.

### Other Business Activities

Ms. Brehm is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of MCM.

### Additional Compensation

Ms. Brehm does not receive economic benefits from any person or entity other than MCM in connection with the provision of investment advice to clients.

### Supervision

Ms. Brehm's investment recommendations are supervised by MCM's CEO, Lon Morton, and discussed with other members of the Company's Investment Committee. Ms. Brehm's activities are also overseen by the Chief Operating Officer, Eric Selter and the Chief Compliance Officer, Diana Pereira. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

July 18, 2014

## **Jason R. Naiman, Senior Vice President**

### Educational Background and Business Experience

Jason R. Naiman, born 1945, joined MCM in 1991 and is a Senior Vice President of MCM. Mr. Naiman holds a B.S. degree in Marketing from Jacksonville University. Mr. Naiman entered the financial services industry in 1968 with the Manufacturer's Life Insurance Company. He specialized in financial and estate planning for individual and corporate clients from 1968 to 1982. From 1982 to 1985, he served as Vice President/Marketing for Real Property Services Corporation, a firm which specialized in real estate investments. Mr. Naiman is a Chartered Financial Consultant and a voting member of the Investment Committee.

### Disciplinary Information

Mr. Naiman has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Naiman or of MCM.

### Other Business Activities

Mr. Naiman is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of MCM.

### Additional Compensation

Mr. Naiman does not receive economic benefits from any person or entity other than MCM in connection with the provision of investment advice to clients.

### Supervision

Mr. Naiman's investment recommendations are supervised by MCM's CEO, Lon Morton, and discussed with other members of the Company's Investment Committee. Mr. Naiman's activities are also overseen by the Chief Operating Officer, Eric Selter, and the Chief Compliance Officer, Diana Pereira. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.



July 18, 2014

## **Joseph Alan Seetoo, CFA, CFP<sup>®</sup>, Vice President**

### Educational Background and Business Experience

Joseph Alan Seetoo was born in 1976 and received his Bachelor's Degrees in Economics and International Relations from Randolph-Macon College. Mr. Seetoo is a Chartered Financial Analyst<sup>®</sup>, a member of the CFA Institute, a Certified Financial Planner<sup>™</sup> professional and a member of the Los Angeles Society of Financial Analysts. Prior to joining Morton Capital Management in 2007, he served as the Director of Investment Research for Georgina Asset Management, LLC, an SEC Registered Investment Advisor located in Santa Monica, CA from September 2003 until July 2007 and as the Director of Operations from May 2000 until September 2003. Mr. Seetoo has served as a voting member of MCM's Investment committee since joining the firm and as a Vice President since October of 2013.

### Disciplinary Information

Mr. Seetoo has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Seetoo or of MCM.

### Other Business Activities

Mr. Seetoo is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of MCM.

### Additional Compensation

Mr. Seetoo does not receive economic benefits from any person or entity other than MCM in connection with the provision of investment advice to clients.

### Supervision

Mr. Seetoo's investment recommendations are supervised by MCM's CEO, Lon Morton, and discussed with other members of the Company's Investment Committee. Mr. Seetoo's activities are also overseen by the Chief Operating Officer, Eric Selter, and the Chief Compliance Officer, Diana Pereira. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

July 18, 2014

## **Alan Kane, CFP<sup>®</sup>, Senior Investment Advisor**

### Educational Background and Business Experience

Alan Kane, born 1945, is a CFP<sup>®</sup> and a CMFC. Mr. Kane attended Los Angeles College from 1963-1966. He was an investment broker and Vice President at Drexel Burnham Lambert from 1982 until 1989. He then served for nine years as a manager in the Los Angeles office of Gruntal & Company. He joined MCM in 1997, is a Chartered Financial Consultant, a Certified Financial Planner<sup>™</sup> professional and a voting member of the Investment Committee.

### Disciplinary Information

Mr. Kane has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Kane or of MCM.

### Other Business Activities

Mr. Kane is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of MCM.

### Additional Compensation

Mr. Kane does not receive economic benefits from any person or entity other than MCM in connection with the provision of investment advice to clients.

### Supervision

Mr. Kane's investment recommendations are supervised by MCM's CEO, Lon Morton, and discussed with other members of the Company's Investment Committee. Mr. Kane's activities are also overseen by the Chief Operating Officer, Eric Selter, and the Chief Compliance Officer, Diana Pereira. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

July 18, 2014

## **Paul McDonald, MBA, Investment Advisor**

### Educational Background and Business Experience

Paul McDonald, born in 1949, has been in the financial services business since 1994, including eight years as a Senior Investment Consultant with Charles Schwab & Company. Mr. McDonald holds a B.A. with honors from University of California, Los Angeles, and an M.B.A. from Cal State Northridge. Mr. McDonald joined MCM in October of 2003 and has served as a voting member of the Investment Committee since that time.

### Disciplinary Information

Mr. McDonald has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. McDonald or of MCM.

### Other Business Activities

Mr. McDonald is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of MCM.

### Additional Compensation

Mr. McDonald does not receive economic benefits from any person or entity other than MCM in connection with the provision of investment advice to clients.

### Supervision

Mr. McDonald's investment recommendations are supervised by MCM's CEO, Lon Morton, and discussed with other members of the Company's Investment Committee. Mr. McDonald's activities are also overseen by the Chief Operating Officer, Eric Selter, and the Chief Compliance Officer, Diana Pereira. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

July 18, 2014

## **Cathy Cash, MBA, CFP<sup>®</sup>, Investment Advisor**

### Educational Background and Business Experience

Cathy Cash was born in 1956 and is a CFP<sup>®</sup> professional. She earned her Bachelor of Science Degree in Communications from the University of Tennessee in Knoxville, TN and her Master's Degree in Business from Rockhurst College in Kansas City, MO. Prior to joining MCM in 2007, she worked for Northern Trust from May 2005 to June 2007 as a Wealth Strategist responsible for marketing to affluent individuals, families and organizations in Santa Barbara County. She has over 25 years of experience in finance and investment management. Ms. Cash is a voting member of the Investment Committee.

### Disciplinary Information

Ms. Cash has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Ms. Cash or of MCM.

### Other Business Activities

Ms. Cash is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of MCM.

### Additional Compensation

Ms. Cash does not receive economic benefits from any person or entity other than MCM in connection with the provision of investment advice to clients.

### Supervision

Ms. Cash's investment recommendations are supervised by MCM's CEO, Lon Morton, and discussed with other members of the Company's Investment Committee. Ms. Cash's activities are also overseen by the Chief Operating Officer, Eric Selter, and the Chief Compliance Officer, Diana Pereira. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

July 18, 2014

## **Angela Roper, Senior Research Analyst**

### Educational Background and Business Experience

Angela Roper, born in 1982, joined MCM in December 2006. She is a 2006 graduate of California State University, Northridge with a Bachelors of Science Degree in Business and a minor in Business Law. Ms. Roper is currently attending University of London for a Masters of Science Degree in Finance and Financial Law. Mr. Roper is a Senior Research Analyst with Morton Capital Management and is a voting member of the Investment Committee.

### Disciplinary Information

Ms. Roper has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Ms. Roper or of MCM.

### Other Business Activities

Ms. Roper is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of MCM.

### Additional Compensation

Ms. Roper does not receive economic benefits from any person or entity other than MCM in connection with the provision of investment advice to clients.

### Supervision

Ms. Roper's investment recommendations are supervised by MCM's CEO, Lon Morton, and discussed with other members of the Investment Committee. Ms. Roper's activities are also overseen by the Chief Operating Officer, Eric Selter, and the Chief Compliance Officer, Diana Pereira. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

## **List of Designations Used in this Brochure Supplement:**

### **CFA® - Chartered Financial Analyst**

This is a professional designation related to financial planning. In order to earn a CFA®, a financial professional must have 4 years previous experience, take and pass the required courses in a variety of financial planning areas, and pass all required examinations. The CFA Institute mark is a trademark owned by CFA Institute.

### **CFP® - Certified Financial Planner**

This is a professional designation related to financial planning. In order to earn a CFP® designation, a financial professional must have a bachelor's degree and 3 years previous experience, complete the education requirements of the CFP® Board, and pass the CFP® exam.

### **ChFC® - Chartered Financial Consultant**

This is a professional designation related to financial planning. In order to earn a ChFC®, a financial professional must have 3 years previous experience, take and pass 9 courses in a variety of financial planning areas, and meet continuing education requirements.

### **CMFC® - Chartered Mutual Fund Counselor<sup>SM</sup>**

This is a professional designation related to mutual funds. In order to earn a CMFC®, a financial professional must take and pass all required courses for the designation, pass the examination, and meet continuing education requirements.