

Forest Capital Management, LLC

Item 1 – Cover Page

ADV Part 2A

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This Brochure provides information about the qualifications and business practices of Forest Capital Management, LLC. If you have any questions about the contents of this Brochure, please contact us at olsonbt@gmail.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.

Forest Capital Management, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Forest Capital Management, LLC is available on the SEC's website at www.adviserinfo@sec.gov.

Item 2 – Material Changes

This is the initial registration filing for Forest Capital Management, LLC and therefore a statement of material changes is not applicable.

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Item 4 – Advisory Business

Forest Capital Management, LLC (“Forest” or “FCM”) is a Delaware limited liability company organized in May of 2014 to provide investment advisory services to individuals, high net worth individuals, definite benefit plans and defined contribution plans. The principal owners of the firm are Benjamin T. Olson, Charles M. Waddell and Nicholas Gialamas.

Forest Capital Management, LLC is an independent investment firm and anticipates managing portfolios in the form of separately managed accounts. Our investment philosophy is based on years of practical experience that prevents us from being swayed by short-term market moves. Using a holistic approach to wealth management, Forest works closely with experts across the industry to provide clients a comprehensive approach to managing their assets.

Our retirement plan solutions allow us to provide employee retirement plan sponsors with suggestions regarding appropriate service providers and assist with controlling costs charged to employee retirement plans. Our goal is to mitigate the fiduciary risks of plans sponsors.

To understand our client’s goals and objectives, we anticipate having a comprehensive initial assessment meeting and ongoing communication with clients. If a client desires to impose restrictions on investing in certain securities or types of securities, Forest will maintain the separate account and monitor all purchases and sales to ensure they comply with the requirements of the client.

Each client establishes a custodial relationship with an independent bank or brokerage firm and opens an investment account in the client’s name that is managed by Forest. Forest does not anticipate participation in a wrap fee arrangement.

Forest Capital Management, LLC currently has no assets under management.

The minimum account size is \$1 million. Forest reserves the right to negotiate the minimum investment amount with the client and may have accounts where the initial investment is more or less than \$1 million.

Item 5 – Fees and Compensation

Forest is primarily compensated on the basis of fees calculated as a percentage of assets under management. In limited circumstances, the investment management fee is negotiable depending on many factors including but not limited to the size of the account, the aggregate value of related accounts, the nature of the relationship, the complexity of the services provided and other factors. The specific manner in which fees are charged by Forest Capital Management, LLC shall be established in a client’s written agreement with Forest. Forest reserves the right to negotiate the fee with its clients and may charge a higher or lower fee than the fee described herein.

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In general, Forest anticipates billing clients quarterly in advance of services rendered, based on a calendar quarter. For accounts opened during a quarter, the initial fee shall be pro-rated. Any client has the right to terminate the investment contract without penalty within five business days after entering into the contract. In the event a client terminates their account with Forest, all fees would be pro-rated.

Payment of Forest's investment management fees will be deducted from each client's account on a quarterly basis by their custodian and paid directly to us, unless otherwise directed in writing by a client. The consent for deduction of fees is generally contained in the written agreement the client enters into with Forest. Clients' custodians will deliver a periodic (at least quarterly) account statement directly to clients. The statements will include all transactions that took place in the account during the period covered and reflect any fees deducted and paid to us. Clients are encouraged to review their account statements for accuracy and compare them to the reports received by Forest. Should there be any discrepancies Clients' should rely on the information in their custodian's account statement.

Forest Capital Management, LLC's anticipated fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to Forest's fee.

Specifically, if client assets are invested in shares of mutual funds, these mutual fund shares may have mutual fund 12b-1 fees, mutual fund management fees, early termination fees (which include fees on whole or partial liquidations of an account) and other fees and expenses that may be assessed by the fund sponsor, custodian, transfer agent, adviser or other service providers. Further charges may be found in mutual fund prospectuses, annual report or custodial agreement. These fees are separate from Forest fees.

In general, fees paid to private funds are in addition to wealth management advisory fees. These fees are disclosed in the confidential private placement memorandum for each private fund. In some instances, these fees may be negotiated.

Fee Schedule

Wealth Advisory Fees

First \$1.0 Million	1.00%
Next \$2.0 Million	0.75%
Next \$2.0 Million	0.625%
Over \$5.0 Million	0.50%

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(Wealth Advisory Fees may vary from the tiers shown but will generally be between 0.25% and 1.00% of assets under management and tiers may not be applicable. Fees are applied to all discretionary assets and may be applied to nondiscretionary assets.)

Retirement Plan Fees

The manner in which fees are charged by Forest is established in the written agreement with the client and are negotiable and customized for each client. Forest is compensated for its services on a fixed-fee basis or on a percentage of assets of the employee benefit plan. Fees are payable in advance at the beginning of each quarter. Fees are dependent on the services provided. Clients may pay fees directly to Forest or instruct their retirement plan service providers to deduct the fees from the retirement plan assets or from excess revenue generated by the retirement plan's investments.

Consolidated Reporting

Clients may request Forest to include assets not managed by Forest in its reporting. If this request is made, the client may be charged an additional negotiated fee to report on these non-managed assets.

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

Forest Capital Management, LLC may offer investment products with performance based fee (fees based on a share of capital gains on or capital appreciation of the assets of a client). Performance-based fees can only be offered to “qualified clients” as defined in SEC Section 205-3.

A “qualified client” is a natural person or company that has at least \$1 million under the management of the investment adviser when entering into the contract; a natural person or company that Forest believes has a net worth (together in the case of a natural person, with assets held jointly with a spouse) of more than \$2,000,000, at the time the contract is entered into; or is a qualified purchaser as defined in section 2(a)(51)(AA) of the Investment Company Act of 1940 (15U.S.C. 80a-2(51)(A)) at the time the contract is entered into; or a natural person who immediately prior to entering into the contract is an executive officer, director, trustee, general partner or person serving in similar capacity, of the investment adviser; or an employee of the investment adviser (other than an employee performing solely clerical, secretarial or administrative functions with regard to the investment adviser) who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar functions or duties for or on behalf of another company for at least 12 months.

Performance based fees create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. Forest has procedures to

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help ensure all clients are treated fairly and equally and to help prevent this conflict from influencing the allocation of investment opportunities among clients.

Item 7 – Types of Clients

Forest Capital Management, LLC may provide portfolio management services to individuals, high net worth individuals, pooled investment vehicles, investment companies, pension plans, charitable institutions, foundations, endowments and trust programs.

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

FCM's investment strategy is driven by several fundamental themes that permeate the way we analyze risk, opportunity and long-term market behavior. Our view is centered on the foundation of a long-term perspective that analyzes investments over complete market cycles, measuring returns in years rather than months or quarters. We are generally not short-term traders or market timers. Our independence is central to our ability to be unbiased when analyzing outside managers, risks and overall suitability for FCM client accounts.

FCM's investment process is a mix of active and passive management. We strongly believe in the long-term efficiency of major, highly liquid, open markets. The core of our investment portfolios will generally reflect this passive view. With that said, we do believe there are times when market conditions create opportunity for active management, and where the addition of such management can be diversifying and beneficial to our clients. These may be times of illiquidity, increased market volatility or specific to an asset class less heavily traded among the general public.

In general, FCM focuses on high quality investments that present attractive risk return characteristics for our clients. Every investment we make is made after carefully weighing and understanding the risk we're being compensated for. We take into account a variety of risk/return factors when assessing an investment's suitability for our clients.

FCM believes the foundations of our investment philosophy are time-tested and heavily supported by academic and real world practical application. The open-architecture and wholly independent construction of our firm allow us the luxury of taking the best pieces from all the around the industry when designing client solutions. It is a hybrid model that is dynamic by design even

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if firmly rooted in central investing tenants. It focuses on diversification as the primary guard against volatility, and balances opportunity with prudence to protect clients from unnecessary risk. We work with our clients to establish a clear investment plan, and once it has been formed, we stay true to the philosophy and guidelines that are central to the organization.

Investing in securities involves risk of loss that *clients* should be prepared to bear. To minimize investment risk, Forest will hold a regular dialogue with senior management teams and reevaluate the investment thesis as more information is obtained.

Risk of Loss

The investment advice provided, together with the strategies suggested by Forest may vary depending on each Client's specific financial situation and goals. This brief statement does not disclose all of the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationships into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed will be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

General Investment Risk: All investments come with the risk of losing money. Investing involves substantial risks, including possible loss of principal plus other losses and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments for investment.

Loss of Value: There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and government, economic or monetary policies.

Interest Rate Risk: Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes.

Credit Risk: Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of

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a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

Foreign Exchange Risk: Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation and other economic and political conditions. If the currency in which a security is denominated appreciates against the U.S. dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

Futures and Options in Funds: Funds may invest in options and futures on securities, indices and interest rates for the purpose of efficient portfolio management. Also, Funds may invest in futures, options or forward foreign exchange contracts to hedge market and currency risks. Transactions in futures carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

Transactions in options also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

Sector Risk: Funds which concentrate their portfolio in a specific sector may carry a higher degree of risk due to lower diversification and sector-specific risks. Because these investments are limited to a relatively narrow segment of the economy, the funds' investments are not as diversified as most funds. This means that these funds tend to be more volatile than other funds and their portfolio values can increase or decrease more rapidly. The performance of each fund may differ in direction and degree from that of the overall stock market.

Small Capitalization: Funds which include smaller capitalization companies, may involve greater risk than funds investing in larger, more established companies. For example, small capitalization companies may have limited product lines, markets and

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financial or managerial resources. As a result, price movements in securities of smaller capitalization companies may be more volatile. Transaction costs in securities of smaller capitalization companies can be higher than those of larger capitalization companies and there may be less liquidity.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Forest or the integrity of Forest's management. Forest Capital Management, LLC has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Forest Capital Management, LLC or related persons are not affiliated with other financial firms and does not have any relationship that would impact clients of Forest.

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

Forest Capital Management, LLC has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, and personal securities trading procedures, among other things. All supervised persons at Forest must acknowledge the terms of the Code of Ethics annually, or as amended.

Forest Capital Management, LLC may recommend to clients, directly or indirectly, securities where a related person has a position of interest. In the event this situation arises, Forest's employees and persons associated with Forest are required to follow the Code of Ethics. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Forest Capital Management, LLC will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Forest's clients. The Code requires pre-clearance of private transactions. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Forest and its clients.

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Forest Capital Management, LLC's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Forest at scott@Forestasset.com.

Item 12 – Brokerage Practices

For Forest's portfolio management programs, we recommend and request our clients to implement trades and maintain custody of assets through Charles Schwab Institutional division of Charles Schwab & Co., Inc. (Schwab). Schwab is a registered broker-dealer and member of FINRA and SIPC.

Soft Dollar Benefits

Although not considered "soft dollar" compensation, Charles Schwab provides our Firm and Associated Persons with access to institutional trading and operational services. Charles Schwab's services generally are available at no charge so long as Forest maintains a minimum of \$10 million of Client account assets with the firm. Charles Schwab's services include research, brokerage, custody, access to mutual funds and other investments that are otherwise available only to institutional investors. Charles Schwab also makes available other products and services that benefit the administration of our accounts. These include software, client account access technology, trade confirmations and account statements, trade execution and aggregated trade order allocation technology, back-office support, recordkeeping, client reporting, and business enterprise services which include consulting, publications and practice management presentations, information technology, business succession, regulatory compliance, and marketing information and best practices. Charles Schwab may make available, arrange and/or pay independent third parties for these types of services. Charles Schwab may discount, waive or pay all or part of the third party fees for services provided. There are no contingencies or business volume requirements (assets in custody or trading) associated with the availability of the foregoing products and services. Forest Capital Management, LLC did not acquire products or services with soft dollars in the last fiscal year.

We are not affiliated with Charles Schwab. Our Associated Person are not registered representatives of Charles Schwab and do not receive commissions or other compensation from recommending these services.

In selecting a broker dealer based on discretionary authority, Forest will endeavor to select those brokers or dealers that will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on several factors, including the broker's ability to provide professional services, competitive commission rates, volume discounts, execution price negotiations, the broker's reputation, experience and financial stability of the broker or dealer, and the quality of service rendered by the broker or dealer in other transactions.

Best execution is not measured solely by reference to commission rates. Paying a broker a higher commission rate than another broker might charge is permissible if the difference in cost is reasonably justified by the quality of the brokerage services

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offered. In addition, Forest may cause the account to pay a higher commission in recognition of the value of “research services” and additional brokerage products and services a broker/dealer has provided or may be willing to provide.

Brokerage for Client Referrals

We may receive Client referrals from broker/dealers and custodians with which we have an institutional advisory arrangement. Full disclosure of these referral agreements will be made to the potential investor prior to becoming a Forest client.

Directed Brokerage

The Client may direct brokerage to a specified broker/dealer other than the Firm recommended by Forest. It is up to the Client to negotiate the commission rate, as Forest will not. The Client may not be able to negotiate the most competitive rate. As a result, the Client may pay more than the rate available through the broker/dealer used by Forest. In Client directed brokerage arrangements, the Client may not be able to participate in aggregated (“blocked”) trades, which may help reduce the cost of execution. Where the Client does not otherwise designate a broker/dealer, Forest recommends a broker/dealer with competitive commission rates.

A client who chooses to designate use of a particular broker or dealer on a “restricted” basis, including a client who designates use of a broker or dealer as custodian of the client’s assets, should consider whether such use may result in certain costs or disadvantages to the client, either because the client may pay higher commissions on some transactions that might otherwise be attainable by Forest, or may receive less favorable execution on some transactions or both. A client who “restricts” brokerage may be subjected to the disadvantages discussed below in Trade Aggregation. In determining whether to instruct Forest to utilize a specific broker or dealer in recognition of such services, the client may wish to compare the possible costs or disadvantages of such an arrangement with the value of the custodial or other services provided.

Trade Aggregation

While individual Client advice is provided to each account, Client trades may be executed as a block trade. Only accounts in the custody of Charles Schwab would have the opportunity to participate in aggregated securities transactions. Trades using Charles Schwab may be aggregated and executed in the name of Forest. The executing broker will be informed that the trades are for the account of Forest's Clients and not for Forest itself. No advisory account within the block trade will be favored over any other advisory account, and thus, each account will participate in an aggregated order at the average share price and receive the same commission rate. The aggregation should, on average, reduce slightly the costs of execution, and Forest will not aggregate a Client's order if in a particular instance Forest believes that aggregation would cause the Client's cost of execution to be increased. The executing broker will be notified of the amount of each trade for each account. Forest and/or its IARs may participate in block trades with Clients, and may also participate on a pro rata basis for partial fills, but only after the determination has been made that

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Clients will receive fair and equitable treatment. Forest Capital Management, LLC will be authorized to buy and sell securities, to place portfolio transactions with securities brokers-dealers, and to negotiate the terms of such transactions, including brokerage commissions on brokerage transactions.

The primary responsibility regarding portfolio transactions is to seek the best combination of price and execution. When executing transactions, Forest considers all factors it deems relevant, including breadth in the market in the security, the price of the security, the financial condition and execution capability of the broker or dealer and reasonableness of the commission. Transactions in the over-the-counter market are executed with primary market makers acting as principal except where it is believed better prices or execution may be obtained elsewhere.

Principal & Cross Trades

It is Forest Capital Management, LLC's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Forest will not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

Item 13 – Review of Accounts

All portfolios are monitored by the principals on a regular basis for performance, outlook and suitability based on client objectives. Account reviews with clients may be quarterly, annually or ad hoc, as requested by the client. Clients receive a written review of their current investment holdings, realized and unrealized gains and losses, investment income and investment performance.

Item 14 – Client Referrals and Other Compensation

Forest Capital Management, LLC may use the services of unaffiliated solicitors. Under those circumstances, Forest may pay compensation to the solicitor; however, those arrangements will be effected in accordance with Rule 206(4)-3 under the Advisors Act and the client will not pay a higher fee as a result of any solicitation or referral.

Item 15 – Custody

Forest Capital Management, LLC does not directly have custody of client funds or securities. All client funds and securities will be held by a broker-dealer, bank or other qualified custodian. Clients should receive at least quarterly statements from the

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broker-dealer, bank or other qualified custodian. Forest urges you to carefully review such statements and compare to the account statement we may provide to you. Our statements may vary from the custodial statement based on accounting procedures, reporting dates or valuation methodologies.

Item 16 – Investment Discretion

Forest Capital Management, LLC anticipates providing discretionary and non-discretionary investment advisory services to its clients. In cases where Forest has discretion, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. When selecting securities and determining amounts, Forest Capital Management, LLC observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to Forest in writing.

Generally, trading for discretionary and non-discretionary accounts will not be aggregated. Non-discretionary clients should be aware that if Forest cannot aggregate such trades, discretionary accounts will be traded first which may result in inferior execution prices for those trades.

Item 17 – Voting *Client* Securities

Forest Capital Management, LLC has adopted a proxy voting policy whereby Forest will use its best efforts to vote proxies. Should a conflict of interest arise, Forest will resolve the conflict with the view of the best interest of the investors. Clients may obtain a copy of Forest's complete proxy voting policies and procedures upon request. Clients may also obtain information from Forest about how Forest voted any proxies on behalf of their account(s).

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Forest Capital Management, LLC's financial condition. Forest Capital Management, LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. Forest does not have discretionary authority or custody of client funds or securities or require or solicit prepayment of more than \$500 in fees per client six months in advance.