

Item 1 – Cover Page

Hollencrest Capital Management
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December 31, 2014

This is Form ADV, Part 2 A, the “Disclosure Brochure” or “Brochure” for Hollencrest Capital Management, as required by the Investment Advisers Act of 1940. This is a very important document between Clients (you, your) and Hollencrest Capital Management (us, we, our, Hollencrest). This Brochure provides information about our qualifications and business practices.

If you have any questions about the contents of this Brochure, please contact Peter Pellizzon, Chief Compliance Officer at 949-823-7700 or via email at peterp@hollencrest.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 Regulatory Authority.

We are a registered investment adviser with the Securities and Exchange Commission. Our registration as an Investment Adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, is information you use to evaluate us (and other advisers) which are factors in your decision to hire us.

Additional information about our firm (and our employees) is available to you for free, by using a Securities and Exchange Commission “public disclosure” website. This site is called “Investment Adviser Public Disclosure” and is available at www.adviserinfo.sec.gov.

Item 2 – Material Changes

There have been no material changes in Hollencrest's ADV Part 2 A and B Brochure effective December 31, 2014 from the prior brochure effective October 20, 2014, or from the brochure as of the prior annual update effective December 31, 2013.

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Item 4 – Advisory Business

Overview of our Firm:

Hollencrest Capital Management is the “doing business as” name (DBA) for Hollencrest Securities, LLC (the legal entity name of Hollencrest Capital Management). Consistent with regulatory requirements, Hollencrest Capital Management (Hollencrest, HCM, us, we, our) is used throughout this Part 2 A Brochure.

Hollencrest Securities, LLC / Hollencrest Capital Management was established in 1999, and became operational on April 23, 1999.

Principal Owners / Executive Officers:

Hollencrest’s principal owners include the following individuals:

Gregory Pellizzon, Member, Chief Executive Officer, Chief Investment Officer
Peter Pellizzon, Managing Member, Chief Operating Officer, Chief Compliance Officer
Robert Wolford, Member, Municipal Securities Principal, FINOP, Director of Marketing
Michael Schulman, Member

Broker Dealer, Futures, and Investment Adviser Registration

Hollencrest, a California LLC, is registered for various lines of business and associated with industry regulatory bodies, including the following.

- A securities broker dealer registered with the Financial Industry Regulatory Authority (FINRA)
- A Registered Investment Advisor registered with the Securities and Exchange Commission (SEC)
- A member of the National Futures Association (NFA)
- A member of the Securities Investor Protection Corporation (SIPC)
- We are a fully disclosed introducing broker dealer through JP Morgan Clearing Corp., LLC (JPMCC), a registered broker dealer affiliate of JPMorgan Chase & Co., and member of FINRA, SIPC, the SEC, and the New York Stock Exchange (NYSE)
- We are a fully disclosed introducing broker dealer for Futures transactions, in conjunction with our strategic partner and introducing broker Paragon Global

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Markets, through Rosenthal Collins Group, a member of the NFA and our Futures Commodity Merchant

Our employees, depending on their specific activity, may be required to be registered (licensed) as a registered representative (for broker dealer activity), as an investment adviser representative (for investment adviser activity), or as a registered person with the National Futures Association (for futures or related activity).

Hollencrest Securities, LLC - Broker Dealer Activities

As a FINRA member and registered broker dealer, Hollencrest and certain of our employees are licensed to receive customary and typical commission compensation for the purchase and sale of securities, including variable annuities, commodities, and other forms of security and non-security transactions on behalf of Hollencrest's brokerage clients. In addition to the purchase or sale of securities, Hollencrest offers the following brokerage services:

Margin Loans against Restricted and Unrestricted Securities: Expertise is offered in enhanced liquidity and investment alternatives through the use of margin. Our professionals can explain the risks and benefits of margin to help our brokerage clients reduce risk and increase economic flexibility.

Corporate Finance: Our corporate clients seek assistance with financial objectives such as raising capital with debt or equity, selling a business, or other transactions. Clients can obtain expertise through our relationship with third party firms and professionals, including investment banks and bankers, attorneys, tax or accounting advice, real estate, and other specific areas related to business financial needs.

Administrative Services: Hollencrest is the administrator for the National Philanthropic Trust (NPT) through the Administrative Service Program (DAF Administrative Services). Under this program, Hollencrest provides asset allocation changes, administrative services to execute trades as part of NPT's asset allocation process and to facilitate payments to third party broker dealers and/or investment advisers (Third Parties) for their services related to selecting and facilitating donations to NPT from individuals, trusts, or legal entities who donate cash or securities to NPT, a Donor Advised Fund and Not For Profit Organization. For its administrative services, Hollencrest receives from 5 to 25 basis points of the total assets introduced to NPT by the Third Parties. At NPT's instructions (and after

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entering into an Administrative Service Agreement with each Third Party), Hollencrest will direct payments to the Third Parties from NPT assets held at JP Morgan (the third party custodian).

If you have any questions related to this Form ADV, Part 2 A, we encourage you to contact your relationship manager at Hollencrest by telephone or e-mail, or through our website on the cover page of this Brochure. Thank you.

The balance of this Form ADV, Part 2 A will discuss the investment adviser services of Hollencrest and the actual and potential conflicts of interest due to our other business activities.

Investment Advisory Services Offered / Provided

Hollencrest Capital Management (Hollencrest, HCM, us, we, our) provides two distinct advisory services to our Clients (you, your):

1. Discretionary Portfolio Management Services
2. Consulting services

Discretionary Portfolio Management Services

Discretionary portfolio management services are provided to Clients based on the individual Client profile, which may be different from profiles of other Clients to whom we provide services. We take into account (and document) specific information for each Client relationship, whether individuals or institutional. This personal Client information drives the recommendations and security selections. We document the following with our Clients:

- Individual needs
- Total return objectives
- Risk tolerance
- Complete financial picture (including other assets, tax liabilities, cash flow needs financial obligations, etc.)
- Personal and family obligations
- Any other information that may apply to the Client's financial profile

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We then use this information in our process to design and implement investment portfolios to achieve the Client's stated objectives with appropriate levels of risk.

Hollencrest uses our highly disciplined and proprietary processes (including asset allocation) to invest in a number of security types, including but not limited to the following:

- Equity securities
- Fixed income securities (taxable and non-taxable)
- Cash (or cash equivalents)
- Alternative Securities
 - Hedge funds
 - Commodities
 - Real Estate oriented
 - Private Equity
 - Others investment opportunities that may be appropriate

Portfolios may be customized for clients and may be all equity, all fixed income, concentrated (if deemed suitable), or blended to a balanced allocation across equity, fixed income, and cash; such accounts may also include an allocation to one or more alternative asset classes. Client assets (securities and cash) are held at independent, third party qualified custodians (please see Item 12, below).

Investment Approach

We have developed a portfolio management approach based upon Modern Portfolio Theory, in which we work with Clients to assess the kind and amount of expected risk and return that are believed reasonable based upon the Client's circumstances. As indicated above, we use a Client's specific situation (risk profile, assets owned, income needs, lifestyle choices, family characteristics) and other quantitative and qualitative elements in order to determine the optimal portfolio structure.

We use a matrix of 18 different optimal investment portfolios, ranging from Moderately Aggressive to Conservative risk profiles, including Moderate and Moderately Conservative. Risks change across this range as we determine to use (or not to use) hedge funds (higher risk) or the degree of use of municipal or US Government bonds (lower risk) in portfolios. Although these 18 optimal portfolios meet most of our Client's investment needs and

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objectives, when required, we will create a fully customized portfolio to meet a Client's need that is quite specialized. Hollencrest has formalized our process as CASPer (Client Allocation and Security Parameters).

We then capture the Client's unique needs and obligations, the optimal asset mix (based on goals and risk tolerances) into an Investment Policy Statement (IPS) which governs the management of the portfolio. This IPS is then used to measure the portfolio construction, asset allocation, and associated holdings. We also monitor the securities we use in all of our portfolios on a continual basis; should changes occur to our knowledge or assumptions on specific securities, we will make changes in a Client's portfolio accordingly.

Of course, knowledge of a Client's personal and family obligation is critically important to the portfolio management services we provide. Each Client is asked to notify us immediately when a significant life event occurs that could cause a change (or re-evaluation) of the Client's circumstances and the IPS. Examples include: the death of a spouse, an inheritance, a change of or loss of a job, lawsuits, birth of a child, the need for dependent care (for the client or a parent), etc.

We may use a number of securities within a Client's account, including but not limited to:

- Mutual funds
- Closed-end funds
- Exchange Traded Funds (ETFs)
- Individual equity securities
- Individual Fixed Income securities
- FOREX (foreign currency exchange market in currencies)
- Alternative investments (hedge funds, real estate trusts, etc.)

Please Note: Investment Risk: Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Hollencrest) will be profitable or equal any specific or historical performance level(s). As with all investments and investment portfolios, it is possible for an investor to lose part or all of their original investment.

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Portfolio Management Services to Hedge Funds

Affiliated Investment Adviser / Hedge Fund

Hollencrest Capital Management has been hired to provide services to an affiliated hedge fund by the fund's investment adviser and general partner, Double Eagle Partners, LP (DEP). DEP's only Client is Hollencrest Bayview Partners, LP, a privately offered Hedge Fund (Bayview Partners Fund).

Under the agreement between Hollencrest and DEP, Hollencrest will provide portfolio management services (as a registered investment adviser) to Bayview Partners Fund and also act as the placement agent for the fund.

The Fund's investment activity is described in the private offering memorandum provided to prospective investors and in the advisory agreement between Hollencrest and DEP (permissible investments include publicly traded securities and private transactions, including loans originated by DEP).

Unaffiliated General Partner / Hedge Fund

In addition, Double Eagle Partners, LP is a thirty percent (30%) owner of an un-affiliated entity, Emerald Crest Capital II, LLC, a Delaware Limited Liability Company (and General Partner) to the Sovereign – Emerald Crest Capital Partners II, LP (Delaware Limited Partnership; the Fund or Emerald Crest Fund). The members / owners of Double Eagle are principals of Hollencrest, Mr. Greg Pellizzon, Mr. Peter Pellizzon, Mr. Robert Wolford, and Mr. Michael Schulman.

- Mr. Greg Pellizzon and Mr. Michael Schulman will also have credit committee observer rights and Mr. Greg Pellizzon and Mr. Michael Schulman will serve as two thirds of the Senior Advisory Committee to the General Partner.
- Emerald Crest Capital Partners, the General Partner, is not registered as an investment adviser with the Securities and Exchange Commission.
- Hollencrest and Double Eagle Partners will not provide investment advice (directly or indirectly) to the Sovereign - Emerald Crest Capital Partners II, LP Fund.
- Hollencrest may introduce its clients to Emerald Crest Capital II, LLC the General Partner to the Fund. There is no stated or implied obligation whatsoever for Hollencrest clients to invest in the Fund.

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As indicated above, Hollencrest and/or its principal executive officers are affiliated with two private investment funds (the “Funds”): (1) Hollencrest Bayview Partners, a private fund for which Hollencrest serves as the investment manager at the direction of the General Partner, Double Eagle Partners, LP, a Hollencrest affiliated entity and an SEC registered investment adviser; and (2) Emerald Crest Capital Partners II, LP Fund, a private investment fund partially owned and operated by Double Eagle Partners and Hollencrest’s principal executive officers. Discussions of the investment strategy, terms, conditions, conflicts of interests, risks and fees [including incentive compensation] associated with each of the Funds is set forth in the Fund’s offering documents. Hollencrest, on a non-discretionary basis, may recommend that qualified clients consider allocating a portion of their investment assets to either or both of the Funds. Hollencrest’s clients are under absolutely no obligation to consider or make an investment in a private investment fund(s).

Please Note: Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints, and lack of transparency, a complete discussion of which is set forth in each fund’s offering documents, which will be provided to each client for review and consideration. Unlike other liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

Please Also Note: Conflict Of Interest. Because Hollencrest and/or its affiliates can earn compensation from the Funds (both management fees and incentive compensation) that may exceed the fee that the Hollencrest would earn under its standard asset based fee schedule referenced above, the recommendation that a client become a *fund* investor presents a **conflict of interest**. No client is under any obligation to become a Fund investor. **Hollencrest’s Chief Compliance Officer, Peter Pellizzon, remains available to address any questions regarding this conflict of interest.**

Consulting Services

Hollencrest also provides consulting services to Clients in need of specific services related to all or parts of their assets. The assets for which we provide consulting services may reside in accounts (advisory or brokerage) with us (held at JP Morgan) or at other:

- Custodians
- Money Managers / Investment Advisers
- Insurance companies
- Financial services firms
- Other third party or outside investments as designated by the Client

Consulting Clients have the sole authority to follow or disregard any Consulting recommendations that are made from time to time. Services may include the following areas of our expertise or additional areas as requested by a Client:

- The development of investment policy statements, guidelines, objectives, or risk tolerances
- Preparation of an asset allocation study for a Client's long-term assets or particular strategy for a Client (including specific securities used, for example ETFs issued by one or more securities firms)
- Research and / or recommendations of Third Party Money Managers for a Client's specific needs / assets
- Investment Review services
- Investment performance measurement of third party money managers
- Performance monitoring of specific accounts or pools of assets
- Third party money manager monitoring and / or consolidated reporting
- Transaction and position reconciliations (via electronic access to a Client's custodial data or information)
- Portfolio rebalancing transactions at the Client's specific request and authorization. When placing transactions for Consulting Clients, Hollencrest is acting solely as a broker dealer to rebalance the assets (not as an investment adviser).
- Assistance in the evaluation and selection of a trustee, custodian, actuary, administrator, or other advisory or service provider (as the case may be) for a Client's unique circumstances

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Administrative Services to the National Philanthropic Trust (NPT)

Hollencrest also provides Consulting Services to NPT under a separate Administrative Agreement (in addition to the Administrative Agreement described above on page 5 under broker dealer / administrative services).

Consulting Arrangement With CWS Apartment Homes, LLC (CWS)

Hollencrest has entered into a consulting arrangement with CWS, an affiliate of a real estate investment sponsor to whom Hollencrest may recommend its clients. Under these arrangements CWS will pay Hollencrest a set fee for assisting it with evaluating investment structures and formulating plans related to financing, marketing, and pricing real estate investment projects and client communications. From time to time, Hollencrest may enter into similar arrangements with other sponsors, which may include Hollencrest taking an ownership position in the general partner of the real estate investment partnership. For any such arrangement where Hollencrest receives income of this nature related to an offered investment, if a Hollencrest client participates in that investment, Hollencrest will not charge the client any advisory or consulting fee on that investment.

General Information on Advisory Services

Termination: Client or Hollencrest may terminate the advisory agreement between the parties at any time by providing written notice five (5) business days prior to the effective date of termination; the termination is effective on the 5th business day after receipt.

For Portfolio Management Clients, all transactions placed at your Custodian up to our receipt of the termination notice will be completed by your broker custodian; no other transactions will be placed by us after receipt of the termination notice. Fees due and payable to Hollencrest will be invoiced or deducted prior to the termination of our relationship; fees are due and payable for services we have provided to you. Termination of our advisory relationship is completed as soon as practically possible.

No Financial Planning / Other Non-Investment Consulting Services. Hollencrest **does not** hold itself out as providing, nor does it provide, any financial planning or other types of non-investment consulting services. Neither Hollencrest, nor any of its representatives, serve as an attorney or accountant, and no portion of Hollencrest's services should be construed as same. To the extent requested by a client, Hollencrest may recommend the

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services of other professionals for certain non-investment purposes (i.e. attorneys, accountants, insurance, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Hollencrest. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

Client's Obligation: It remains the client's responsibility to promptly notify Hollencrest if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Hollencrest's previous recommendations and/or services.

Services available from other sources: Clients should also be aware that similar advisory services may be available from other sources at fee levels higher or lower than those charged by HCM.

Services to Family and Friends of HCM: Family members or friends of HCM principals and employees may receive the same or similar advisory services as Clients for advisory fees that are zero or negotiated at a rate lower than available to our Clients. These lower advisory fees charged to family or friends are not available to Clients. In addition, Hollencrest employees may invest in our affiliated limited partnership (Bayview Partners, LP) without having to qualify as a Qualified Client due to their employment with us (or be charged the performance fee by the investment adviser / GP).

Privacy

Each Client will receive initially and on a calendar year basis, Hollencrest's then current Privacy Notice as required by Federal Regulation (Regulation S-P and S-AM). This notice describes Hollencrest's privacy standards, how we protect your confidential, private (non-public) information and how important the protection of your information is to us. We also describe when we are obligated to share this information, among other specific information. If you would like a copy of our current Privacy Notice, please contact Peter Pellizzon, Chief Compliance Officer at 949-737-7700 or via email at peterp@hollencrest.com.

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Assets Under Management (as of December 31, 2014):

Type	AUM in US Dollars
Discretionary	\$793,000,000.00
Non-Discretionary	\$360,000,000.00

These Assets Under Management (AUM) figures listed here are the gross market values available at the time of fee calculations for the period ending 12/31/14 of the accounts and assets (which may include assets on which no fees are assessed) designated as discretionary and non-discretionary in the agreements between Hollencrest and its Clients.

Item 5 – Fees and Compensation

Fee Schedule for Discretionary Portfolio Management Services

Annual fees are billed quarterly in arrears, and are based upon the value of the assets under our management at the end of the quarter, as stipulated in the Discretionary Portfolio Management agreement we have with each Client. Our standard asset based fee schedule is as follows:

Assets Under Management	Tiered Annual Fee
On the first \$5,000,000	1.00% (one hundred basis points)
On the assets from \$5,000,001 to \$10,000,000	0.85% (eighty-five basis points)
On the assets from \$10,000,001 to \$20,000,000	0.75% (seventy-five basis points)
On the assets from \$20,000,001 and above	0.65% (sixty-five basis points)

This tiered fee schedule means that, for example, a Client with \$25 million in assets managed by Hollencrest would pay 1% on the first \$5 million, 0.85% on the next \$5 million, 0.75% on the next \$10 million, and then 0.65% on the remaining \$5 million.

Although Hollencrest does not have or impose a minimum account size or minimum annual fee, we recommend Clients open (and maintain) accounts with a minimum of \$3 million of assets under our management. The fees paid by specific Clients may be negotiated and differ from the above schedule, per specific circumstances and attributes of the Client and

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its relationship with Hollencrest, and as agreed upon and documented in the Discretionary Portfolio Management Agreement between Hollencrest and that specific Client.

Portfolio Management fees (described above) do not include service charges (commissions) or other transaction costs which are borne solely by Client (see General Information on fees, below, and Item 12, Brokerage Practices, below). **Please Note:** Hollencrest's annual advisory fee is exclusive of commission and transaction fees payable to the Hollencrest in its separate registered capacity as an SEC registered and FINRA member broker-dealer. Thus, on certain transactions, the Advisor shall receive both an advisory fee **and** a commission, transaction fee, or 12b-1 mutual fund compensation. **Hollencrest's Chief Compliance Officer, Peter Pellizon, remains available to address any questions regarding the compensation and corresponding conflict of interest.**

For Portfolio Management Clients, when transactions are executed by Hollencrest through JP Morgan they are conducted as agency transactions. This means that the service fees you pay for these transactions are clearly indicated on the confirmations of the transaction to you when we use ourselves as broker dealer.

Fee Payment

We request that portfolio management Clients provide written authorization to us for the direct debit of advisory fees due from your custodial account. Such authorization is provided in the advisory agreement you have entered into with us. For accounts opened or closed during a calendar quarter, the advisory fee charged (since fees are payable in arrears) is pro-rated for the actual number of days in the quarter that our portfolio management services were provided. Refunds of pre-paid but un-earned fees are not applicable. Under certain circumstances, a Client may request that a payable invoice be submitted to the Client for payment of fees, instead of the fees being withdrawn.

Assets excluded from the Advisory Fee

Advisory fees are not charged on the following assets:

1. Assets under a Consulting agreement you have with us
2. Assets invested by a Client in the Hollencrest Bayview Partners Hedge Fund
3. Assets invested by a Client in the Sovereign – Emerald Crest Capital Partners II, LP

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4. Assets invested in other products where Hollencrest provides management services and control
5. Assets invested in other products where Hollencrest has entered into a consulting agreement with another entity wherein Hollencrest receives consulting fees for services provided to the entity offering the product (see references to CWS Apartment Homes, LLC in Item 4, 5, 10, and 14)
6. Other assets excluded by mutual agreement between Hollencrest and an Advisory Client

Fees for Portfolio Management Services to Hedge Funds

Affiliated Investment Adviser / Hedge Fund

Hollencrest Capital Management is compensated for its services to Double Eagle Partners, LP the investment adviser and general partner to Hollencrest Bayview Partners, LP, a privately offered Hedge Fund (Bayview Partners Fund).

Under the agreement between Hollencrest and DEP, Hollencrest will provide portfolio management services (as a registered investment adviser) to Bayview Partners Fund and also act as the placement agent for the fund. Our compensation (as described in the written agreement with Double Eagle Partners) is for Hollencrest Capital Management to receive a portion of the base (percentage of assets) and performance fee compensation paid to Double Eagle Partners by the Bayview Partner Fund. The actual advisory fees payable to Double Eagle Partners by the Bayview Partner Fund is described in the private offering memorandum.

Unaffiliated General Partner / Hedge Fund

In addition, Double Eagle Partners, LP is a thirty percent (30%) owner of an un-affiliated entity, Emerald Crest Capital II, LLC, a Delaware Limited Liability Company (and General Partner) to the Sovereign – Emerald Crest Capital Partners II, LP (Delaware Limited Partnership; Emerald Crest Fund). Through its ownership in the General Partner, Double Eagle will participate in a portion of the income from the Fund (Carried Interest and Management Fees). Compensation is not paid directly to Hollencrest Capital Management.

Fee Schedule for Consulting Services:

Fees are typically based upon the value of the assets to which we provide Consulting Services. Assets may include assets in real estate, retirement plans, life insurance cash values, trusts, or estates, among other assets.

Annual Consulting Fees are negotiated on a client-by-client basis and are billed quarterly, in arrears for the number of days in a calendar quarter that we provide the services. The fees charged may be derived per one of the following:

- Asset Based
- Annual Fixed Fee
- Asset Based Fee plus Commissions

Each is described below. The Consulting Agreement we execute with a Client will identify all assets of the Client covered by the Agreement (via Exhibit A to that agreement) and the consulting fee you will pay (as mutually agreed upon).

The Consulting fees paid by specific Clients may be negotiated and differ from the fee descriptions presented below, per specific circumstances and attributes of the Client and its relationship with Hollencrest, and as agreed upon and documented in the Consulting Agreement between Hollencrest and that specific Client.

Asset Based Consulting Fee

0.35% (thirty-five basis points) on the first \$50 million

0.25% (twenty-five basis points) on assets over \$50 million

Annual Fixed Fee

Minimum annual fees may apply based upon inception values of the Consulted Assets. Due to the customized nature of Consulting Services, a range for the Minimum Annual Fee is broad and ranges from a low of \$10,000 to as high as \$250,000 or more; Client requests (such as unique or manual asset reporting, monthly reports, or other variables) may increase our Minimum Annual Fee. An agreed upon minimum annual fee will be documented in the Consulting Agreement.

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Asset Based Fee plus Commissions

Hollencrest, as a dually licensed securities broker dealer and registered investment adviser, will provide Consulting Services as a registered investment adviser where the total compensation payable to Hollencrest is derived from an asset based fee (as described above) plus commission compensation we earn on securities transactions placed with or through us by a Consulting Client. Currently no clients have this fee arrangement.

In some, but not all, cases for example, principal transactions executed by our custodian and clearing firm, JP Morgan allows Hollencrest as a broker dealer to receive a portion of the principal mark-up or mark-down on principal transactions executed by third-party broker dealers on a Consulting Client's behalf. Unlike agency transactions, where the commission charged is identified on the transaction confirmation provided by JP Morgan to our Clients, principal transactions do not identify the amount of mark-up (purchase) or mark-down (sale) on specific transactions. Principal trading is conducted for fixed income transactions in which third party broker dealers, including JP Morgan, act as a market-maker.

As a result, the Asset Based Fee schedule identified above may be negotiated to levels lower than 35 basis points on the first \$50 million of assets consulted upon due to the Consulting Client's agreement that commissions for recommended and "authorized" security transactions (including principal transactions) are "compensation due to Hollencrest" for Consulting Services. Consulting Clients who agree to the Asset Based Fee plus Commissions should be aware that the total compensation payable to Hollencrest for Consulting Services when using the Asset Based plus Commission Fees may be higher or lower than a pure asset based fee (the commissions we earn under this fee schedule are not disclosed to a Consulting Client).

Fee Payment

Clients may pay consulting fees as follows; the fee payment option will be identified in the Consulting Agreement we enter into with you:

- **Directly Debit**: Designate an account in which you authorize Hollencrest to make a direct debit request from your broker / custodian (primarily JP Morgan);
- **Invoicing**: We calculate the fee and send to the Consulting Client an invoice (bill); we request that any manual billing be paid within 30 days of the invoice. Past due

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amounts (over 90 days) may cause us to terminate this service or charge late payment interest at a rate we will disclose to you.

Assets excluded from the Consulting Fee

Consulting fees are not charged on the following assets:

1. Assets under a Discretionary Investment Management agreement you have with us
2. Assets invested by a Client in the Hollencrest Bayview Partners Hedge Fund
3. Assets invested by a Client in the Sovereign – Emerald Crest Capital Partners II, LP
4. Assets invested in other products where Hollencrest provides management services and control,
5. Assets invested in other products where Hollencrest has entered into a consulting agreement with another entity wherein Hollencrest receives consulting fees for services provided to the entity offering the product (see references to CWS Apartment Homes, LLC in Item 4, 5, 10, and 14)
6. Other assets excluded by mutual agreement between Hollencrest and a Consulting Client

Consulting Services to the National Philanthropic Trust (NPT)

There are no additional fees paid to Hollencrest by NPT for these consulting services; the fee payable under the Administrative Services Agreement is considered payment for both the Administrative and Consulting Services.

Consulting Services to CWS Apartment Homes, LLC (CWS)

Hollencrest has entered into a consulting arrangement with CWS, under which CWS will pay Hollencrest a set fee for assisting it with evaluating investment structures and formulating plans related to financing, marketing, and pricing real estate investment projects and client communications. Hollencrest will not receive any other income relative to the specific investments governed by this consulting agreement with CWS.

General Information on Advisory and Consulting Fees

Portfolio Valuation for Fee Calculation and Performance Purposes:

We use a combination of individual security prices to value your portfolio management accounts that we manage. We primarily use the prices as provided by qualified custodians. Hollencrest maintains a single price for each security, although we may receive pricing data from multiple custodians, if the security is held by multiple Hollencrest clients with accounts at more than one custodian. In that case, the price used by Hollencrest will be dictated by the systematic download of data into our system, depending on the custodians involved. If we discover issues or errors in the pricing file delivered to us from the custodian, we may utilize a third party source to value the security and override the original price in our portfolio accounting system (sometimes there are file or price errors experienced by custodians). For assets with periodic or no reporting of current valuation, Hollencrest uses 1) the most recently available valuation from a) the appropriate reporting entity or b) the Client, or if necessary 2) the original investment value, or in certain situations 3) an agreed upon valuation between Hollencrest and the Client.

In addition, Clients may have in their portfolio certain securities that we do not manage, and/or charge advisory fees upon, and/or include in performance calculations, depending on the specific attributes of the Client, their assets, and their relationship with Hollencrest. These may be called un-managed or un-supervised assets and are arranged and documented between the Client and Hollencrest.

For some Consulting Clients and some Discretionary Client accounts, we may not be able to access directly Client data or information on the assets to which our services apply. As a result, we may receive information electronically (via online access or e-mail from you, your bank, broker, custodian, etc.), or, we may receive hard copy holdings and activity reports, which we then manually input to our portfolio accounting system. If we do not receive updated reports directly from you, the valuations used in the reports we provide are those most recently provided to Hollencrest.

Additional Expenses: The portfolio management services provided by HCM include those individual securities we believe are the most suitable to meet your investment objectives (and may include mutual funds, exchange traded funds, closed-end funds, or other funds and securities). In addition to transaction costs borne by you (the Client / Investor), these

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securities also charge additional fees and expenses to their shareholders. These are in the form of:

- Advisory / management fees
- Distribution fees (in the case of mutual funds)
- Administrative and operational expenses (in the case of exchange traded or closed-end funds)
- Other possible fees and expenses

Therefore, in evaluating our Portfolio Management and Consulting Services, please take into consideration not only HCM's fee, but also the fees and expenses of the exchange traded, closed-end fund, open-end mutual funds, and other fund investments that we purchase or arrange on your behalf. This information is available from the mutual fund or closed end fund prospectuses or, you may contact HCM to discuss these additional expenses or costs. In your account opening paperwork with your custodian, you will be authorizing the custodian to invest your cash balances into shares of money market mutual funds; these funds incur separate fees and expenses in addition to the fees paid to HCM.

Additional Compensation (see also Item 14, below): As a registered broker dealer and investment adviser, Hollencrest is licensed to receive additional compensation from brokerage and advisory clients when providing brokerage (or advisory services) to Clients. This additional compensation is primarily part of our broker dealer and may include:

- 12b-1 fees paid by mutual funds to broker dealers
- Front end or rear end loads (note: for Discretionary Portfolio Management Accounts, we endeavor to use institutional shares that do not charge loads or fees)
- Other forms of typical and customary commission compensation, which may include commissions on variable annuities
- Other related costs and expenses

As a result, Clients need to understand that HCM does not reduce our advisory fees to offset the commissions or other forms of payment Hollencrest receives due to our broker dealer registration on securities we purchase on your behalf (or that you may transfer into Discretionary Portfolio Management Accounts).

Exception for Client accounts subject to ERISA: The receipt of additional compensation as described above that we may receive as a securities broker dealer

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(12b-1 fees) are credited back to each ERISA portfolio management services account each year. The credit received is the rebate of the commission we may earn on those funds in your portfolio management account.

Additional compensation you may pay (imposed by some, not all, custodians, brokers, third party investment advisers, and other third parties) may include, but are not limited to, the following:

- Advisory fees and administrative fees charged by Mutual Funds (MF), Exchange Traded Funds (ETFs)
- Custodial Fees
- Odd-Lot differentials
- Transfer taxes
- Wire transfer and electronic fund processing fees
- Other fees and expenses that may be applicable and incurred

Other Items in this Brochure provide additional information and disclosure related to “other costs” you may incur. Please see Item 12.

Insurance Services: Hollencrest has an affiliated Insurance Agency, Hollencrest Insurance Services, LLC, where principals of the firm are licensed as insurance agents. As described below, Hollencrest Insurance Services (and its agents) will participate in Life Insurance commissions on policies purchased by our Clients when introduced to a third party Insurance Agency / Broker.

Official record of your Account(s): For income, holdings, and cost basis information, including capital gains or loss information, the “official” record-keeper of your account data and information is your third party qualified custodian (bank, broker, trust company, insurance company, mutual fund administrator, etc.). As a result, although we try to manage tax lots (in taxable portfolios) for long term gains or losses, the official record-keeper is your custodian. If you have questions on our tax lot management and how that compares with your custodian, please contact your relationship manager or portfolio manager to discuss tax lot management, as applicable.

Conflict of Interest: The recommendation by Hollencrest representatives that a client purchase a securities or insurance commission product from the firm and/or its affiliated insurance agency presents a ***conflict of interest***, as the receipt of

commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any securities or insurance commission products from Hollencrest and/or its representatives. Clients are reminded that they may purchase securities and insurance products recommended by Hollencrest through other, non-affiliated broker-dealers and/or insurance agencies. **Hollencrest's Chief Compliance Officer, Peter Pellizzon, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

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

Hollencrest Capital Management, itself, does not charge performance-based fees to any of our Clients. However, we do provide services to Double Eagle Partners (pursuant to a written agreement). Double Eagle Partners (as the adviser and general partner to the Fund) may receive a performance-based fee (also called an incentive fee) consistent with the Private Offering Memorandum with Hollencrest Bayview Fund. Hollencrest Capital Management does not receive a portion of the performance-based fee which may be earned by Double Eagle Partners for services provided to Bayview Partners (the Fund). Hollencrest Capital Management's fees are charged as described (see Item 5).

Item 7 – Types of Clients

Portfolio Management Services and Consulting Services may be offered to:

- Individuals and high net worth individuals
- Trusts, estates
- Corporate pension and profit sharing plans
- Not for profit entities
- Foundations, endowments
- Corporations or other institutional entities
- Private equity funds or limited partnerships
- Among others

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

Method of Analysis:

Hollencrest incorporates a wide range of data and attributes in conducting its analysis for the purposes of asset allocation and security selection. We utilize data from a number of sources (as identified below). We then apply our proprietary screens and analysis methodologies to the data gathered. The output of this analysis is the securities, asset classes, industries, and asset allocation weights that we use to guide our investment decisions. We then implement this information for investment or recommendation to our Clients.

Sources of Information:

Information sources we use to gather information to provide advice include the following:

- Bloomberg
- BCA Research
- Lombard
- Investors Business Daily
- Yardeni Research
- William O'Neil
- Other similar services and resources

Investment Strategies:

We then employ various trading strategies (position acquisition or liquidation) to generate the greatest value possible with the securities we recommend. Strategies include but are not limited to the following:

- Long term purchases (held over 1 year)
- Short term purchases (held under 1 year)
- Trading securities that may be liquidated within approximately 30 days of purchase
- Short sales
- Margin

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- Option writing or strategies
- Hedging through the use of Futures on oil, gold, the S&P 500 index, the US Dollar, and other Futures contracts

Margin: Margin is a loan on your account's assets, provided by your custodian. The use of margin increases the expenses charged to your account, because interest ("margin interest") is calculated on the margin (negative or short) balance. For Clients with margin account balances larger than \$1 million at JP Morgan or Charles Schwab, Hollencrest can negotiate a lower margin interest rate. Clients electing to have their accounts go "on margin" should contact their Client Representative to discuss all of the details and effects of that arrangement. If JP Morgan provides you a margin loan, Hollencrest may receive (as a broker dealer) a portion of the margin interest you pay to JP Morgan.

Taxability: Some accounts, assets, and transactions can generate taxable activity that can affect the Client or the client's accounts or assets. Hollencrest may offer recommendations designed to help meet your specific tax related needs, although Hollencrest does not in any way qualify itself as a tax advisor or expert. Any tax effects on your assets should be discussed with a tax professional. You will need to identify in the written portfolio management agreement and/or in the IPS with Hollencrest any tax sensitive strategy that is desired or not desired to be applied to your accounts, assets, and transactions. If you do not do so, we will not know to incorporate any tax sensitive awareness in the management of your account(s). Some tax related issues may include, but are not limited to:

- Realized gains and losses may be deliberately generated to meet specific Client needs (typically known as "harvesting" gains or losses)
- Securities held for less than one calendar year may when sold generate additional expense to you in the form of Federal and/or state taxes on short term gains or losses
- Securities sold and then bought again in less than 30 days (known as the "wash sale rule") may generate specific tax effects
- Some securities have special tax status –
 - Income from municipal bonds generally is tax-exempt
 - Gains on zero coupon bonds are generally treated as income

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Risk of Loss:

Investing in securities has associated “investment and market” risk. This means that you may lose a portion of the assets you invest with Hollencrest Capital Management. We do not, directly or indirectly, suggest or imply any level of performance, or that your specific investment objectives will be achieved. Any investment bears the potential for loss of some or all of the invested amount. Risk of loss also means that there is the potential for you to lose those investments which may have appreciated in value but were not sold to realize the appreciation or gain.

Item 9 – Disciplinary Information

We are required for Hollencrest Capital Management and our senior executives to disclose any disciplinary events or information that are material to your evaluation of Hollencrest and our advisory business.

As of the date of this Brochure we do not have any of the following events to disclose that would likely be material to your evaluation of Hollencrest and the services we provide to Clients and Prospective Clients:

- Criminal or civil events
- Administrative proceeding before the SEC or any other federal regulatory agency or financial regulatory authority
- Self-regulatory authority (FINRA or the NFA)

Item 10 – Other Financial Industry Activities and Affiliations

As disclosed under Items 4 and 5 Hollencrest and our employees are actively engaged in other financial services activities, in addition to being a registered investment adviser. This additional activity creates a material conflict of interest in the providing of investment advice and other services to you. We manage these conflicts of interests through various means, including but not limited to the following:

1. Disclosure (this Form ADV, Part 2 A) of the outside business activity
2. Certain contractual provisions related to Investment Advice and brokerage activity

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3. Internal controls, including Policies and Procedures for all aspects of our various services
4. The designation of a Chief Compliance Officer (CCO), as required by FINRA and SEC rules applicable to broker dealers and registered investment advisers.
5. Compliance Program Administration (administered by the CCO and designated managers and supervisors)
6. Compliance monitoring and exception reporting to the CCO and the Managing Members
7. Periodic compliance training for all employees (at least annually)
8. A Code of Ethics which includes prohibitions on insider trading, reporting of all brokerage accounts and securities holdings, and restrictions on gifts, entertainment, and gratuities, among other provisions, as well as monitoring of all personal trading and outside business activity for registered employees and non-registered employees
9. An annual “review and assessment” of our broker dealer and investment adviser compliance programs, assessing the adequacy of the programs and their implementation
10. Other processes and procedures as may be applicable and relevant to the objective of managing potential conflicts of interest and other compliance requirements

We also ensure our Clients know the following:

1. An Advisory Client is not obligated to use Hollencrest (or Hollencrest Insurance) or any employees who are licensed as registered representatives or insurance agents to implement recommended transactions in our separate capacities.
2. The receipt of commission compensation is not part of the advisory services we provide, (except as previously described above and in Items 12 and 14).
3. We may receive additional compensation as a securities broker dealer for the placement (as an investment adviser) of Clients in various mutual funds, including money market mutual funds that pay up front or trailing commissions. To the extent possible, Hollencrest endeavors to arrange the ability to purchase varying classes of mutual fund shares to avoid up front or front-end loads on mutual funds (load waived or institutional share classes of mutual funds).
4. Hollencrest is actively engaged in businesses other than providing investment advice through the dual registration as a securities broker dealer and as an NFA (National Futures Association) member providing limited services related to futures and options securities for brokerage and advisory clients.

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5. As disclosed under Item 4 (Advisory Services) and Item 5 (Fees and Compensation), the principal executive officers are also Members of an affiliated registered investment adviser (Double Eagle Partners, LP) the adviser and general partner to the Bayview Fund.
6. Principal executive officers are also Indirect Owners (through Double Eagle Partners) of an un-affiliated General Partnership, Emerald Crest Capital II, LLC the general partner to an unaffiliated hedge fund. These same individuals are also Senior Advisor Committee Members to that un-affiliated fund.
7. Principal executive officers are also executive officers of Hollencrest Insurance Services, LLC, a licensed insurance agency in the State of California. These executive officers are licensed as insurance agents and will recommend, when appropriate, to Advisory or Brokerage Clients the services of an un-affiliated third party insurance agent and broker for life insurance purchase or evaluation.
 - a. If an Advisory or Brokerage Client purchases or modifies life insurance, Hollencrest Insurance (and thus, our principals) will receive a portion of the commissions earned by the third party insurance agents / brokers for the introduction / referral.
8. Hollencrest has entered into consulting arrangements with CWS Apartment Homes, LLC (CWS), an affiliate of a real estate investment sponsor to whom Hollencrest may recommend its clients. Under these arrangements CWS Apartment Homes pays Hollencrest a set fee for assisting it with evaluating investment structures and formulating plans related to financing, marketing, and pricing real estate investment projects and client communications for specified investments. For any such arrangement where Hollencrest receives income of this nature related to an offered investment, if a Hollencrest client participates in that investment, Hollencrest will not charge the client any advisory or consulting fee on that investment. From time to time, Hollencrest will enter into similar arrangements with CWS and other sponsors, which may include Hollencrest taking an ownership position in the general partner of the real estate investment partnership.

The principal executive officers may spend as much as 20% of their time on business related activities other than providing investment advice to Clients as described in this Form ADV, Part 2 A.

Item 11 – Code of Ethics

Personal and Proprietary Trading

Hollencrest, like many investment advisers, follows our own advice. However, we recognize:

First, we are a fiduciary to you, our Client, not only due to Regulations and Rules under the Advisers Act which govern our relationship with you, but because it is also the best way to conduct good business.

Second, our fiduciary obligations mean that when providing Investment Advisory services to you, we place your interests first and disclose actual and potential conflicts of interests.

Third, following our own advice (as investors, including beneficial ownership accounts, i.e., family and other similar account) presents a potential conflict of interest with our personal interests and those of each Client to whom we provide advisory services.

As a result, the following statements apply to this potential conflict of interest, and the steps we take to protect your interests:

- We have developed and implemented controls to address this potential conflict of interest. We also allow our employees and their family members to purchase or sell securities, including products that Hollencrest has selected to purchase or sell for you. These controls are intended to allow our firm, executives or employees to have a financial interest in securities we recommend (buy, sell, or recommend) to you. Our controls include:
 - The maintenance of a restricted security list – we require any person employed by Hollencrest to obtain pre-clearance and prior approval to purchase or sell any security while a security is on the list.
 - a. The Portfolio Management team may also be consulted before granting permission to an Employee to conduct trades in securities on the restricted security list.
 - b. There is no restriction regarding Employee transactions in open-end mutual funds and ETFs.

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- A Code of Ethics which defines the desire and requirement for ethical behavior by all employees, affirms our goal of meeting our fiduciary obligations to Clients and, and defines our restrictions on insider trading (trading while in possession of material, non-public information). Additional sections of the Code include the following:
 - a. Personal securities trading and restrictions – requiring all new employees to disclose members of their households, all beneficially owned securities, including securities in certificate form (not held by a custodian), all brokerage accounts and all outside business activities. This initial disclosure is also required to be updated and affirmed by each employee on a quarterly basis.
 - i. Our Personal Trading process:
 1. Prohibits employees from participation in new issue securities (Initial Public Offerings, or IPO).
 2. Prohibits employees from investing in private placement or private offering securities unless pre-cleared and approved by our CCO or CIO prior to investment.
 3. Requires pre-clearance (approval) of all reportable transactions prior to purchase or sale.
 4. Requires a report, on a quarterly basis, of all reportable transactions (or none, if no transactions are conducted).
 - b. Gifts and Entertainment – disclosure of gifts and entertainment provided to Clients, Prospective Clients, Vendors, etc., including the refusal of gifts or entertainment deemed to be excessive or to which an expectation of a favor or a compromise of our objective assessment as a fiduciary.
 - c. Client Confidentiality – requiring all employees to safeguard material, non-public information on all of our Clients.
 - d. Disclosure of all outside business activities of all employees, including service as a director or employee of outside entities, including public stock companies, charity organizations, etc.
 - e. Disclosure of all political contributions made by employees.
 - f. Compliance procedures related to the Code (including forms and submission requirements), such as quarterly reports of all “reportable securities transactions” among others.
 - g. Violations and sanctions that are imposed on employees by the CCO (and Firm) for violations of the Code and its requirements.

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- h. Allows employees to purchase, sell, or own the same securities recommended to our Clients.
- i. Allows employees to own securities that are not suitable for our Advisory Clients.
- j. Prohibits employees from giving preference to employee or affiliated trades over our Clients.
- k. Requires, when Client and personal (employee) trades are aggregated (blocked) together, that the shares purchased over time to fill the block are “average priced” so all block participants receive the same average price.
 - i. If partial fills are completed, Client orders (non-employee, non-related) are completely filled before employee trades.
- l. Requires employees to act with integrity, competence, diligence, respect and in an ethical manner with the public, colleagues, Clients, Prospective Clients, HCM and affiliates, vendors / suppliers, and other industry professionals.
- m. Prohibits the use of an individual’s employment at HCM (or affiliates) to enrich themselves or any party.
- n. Upon identification of compliance related issues or conflicts of interest (actual or potential) to contact our Chief Compliance Officer.
- o. Conduct personal trading in compliance with our Code and its requirements.
- p. Promote the integrity of HCM and the profession by complying with these standards as developed and implemented by HCM.

You may request a copy of the Hollencrest Code of Ethics by contacting Peter Pellizzon, Chief Compliance Officer at 949-737-7700 or via email at peterp@hollencrest.com.

Item 12 – Brokerage Practices

Brokerage Discretionary Authority:

HCM, through the Discretionary Portfolio Management Agreement, has the discretionary authority to pick the broker dealer to use and negotiate transaction fees (commissions) on your behalf. We may use this authority, subject to our obligation of best execution to use ourselves to execute portfolio transactions (and through individuals associated with us). When we use this authority to select ourselves to implement security transactions for your account(s), we do so at a pre-determined and fixed cost per transaction as described below, based on negotiations with JP Morgan Clearing Corp. and other applicable brokerage relationships. All transactions are on an agency basis, meaning the transaction or service fee (commission) charges are disclosed on the confirmation of the transaction you receive from the broker custodian (JP Morgan):

Bond / Fixed Income Transactions

\$50 per transaction for 25 bonds or less

\$100 per transaction for 26 to 100 bonds or less

\$250 per transaction for 101 bonds or more

Note – In specific situations where a bond trade is conducted at a significant discount, Hollencrest may reduce the transaction fee to the level of a smaller amount of bonds.

Non-Bond Transactions (Equities, Exchange Traded Funds, Mutual Funds, Closed End Funds, Other Equity Securities)

JP Morgan trades have a \$15 minimum charge. This amount may differ for different attributes of the security or trade involved. This amount may also differ if Hollencrest and the Client have negotiated an alternative transaction fee structure.

Charles Schwab & Company – The minimum commission is \$8.95 per trade, but the actual commission will be affected by different attributes of the trade or the security involved – please see the Charles Schwab & Company website for their Charles Schwab Pricing Guide, as the commission charge may be higher.

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In addition, Hollencrest may negotiate specific service fee charges (commission), which may be lower, for specific or unique transactions determined by the characteristics of the Client and/or account and/or assets to be invested and/or the transaction in question.

Recommendations of Broker Dealer / Custodian

HCM currently and generally recommends three broker dealer / custodians to our Clients in need of such services, although we have many Clients with accounts held with numerous other custodians:

- Hollencrest Securities, LLC (ourselves); a fully disclosed, introducing broker dealer through JP Morgan Clearing Corp (JP Morgan)
- Charles Schwab & Company (Charles Schwab or Schwab)
- TD Ameritrade

The majority of our Advisory Client accounts are held through Hollencrest at JP Morgan. We primarily recommend ourselves as broker (a fully disclosed, introducing broker) and JP Morgan Clearing Corp. (our clearing firm) for custodial and execution services. We also recommend Charles Schwab, an SEC and FINRA registered broker dealer and custodian. We participate with Schwab in the Schwab Institutional Program offered to independent registered advisers such as HCM (please see 13 A). We also recommend TD Ameritrade, a FINRA registered broker dealer and custodian.

Each Client is free to select their own broker dealer / custodian(s), and Hollencrest recognizes and has the ability to accommodate the fact that many Clients and Potential Clients have requirements and/or preferences that result in their maintaining their accounts and securities with a different custodian(s). In some cases, where appropriate, applicable, and allowable, HCM may utilize Delivery Versus Payment (DVP) accounts held at JP Morgan to accommodate some or all trading activity for accounts custodied at institutions other than JP Morgan. HCM's goal is to provide efficient trading opportunities to our Clients. In these cases, some but not all custodians may apply an additional fee to settle transactions conducted via DVP account. For example, currently HCM Clients with accounts at Charles Schwab and who utilize DVP accounts are charged by Charles Schwab an additional \$15 per transaction for those transactions conducted via the Client's DVP account.

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Recommendation of a broker – Futures and Foreign Exchange (FOREX or currency) transactions:

Hollencrest is also a fully-disclosed, independent introducing broker (IIB) with our strategic partner Paragon Global Markets, through Rosenthal Collins Group, a Futures Commodities Merchant (FCM) and a member of the National Futures Association. Clients for whom we buy and sell futures contracts will be requested to open an account with Rosenthal Collins Group. For your futures transactions, we are introducing brokers with our strategic partner Paragon Global Markets, and will use Rosenthal Collins Group, our Futures Commodities merchant (see Item 4 and 10 of this ADV Part 2 A).

Selection of a Broker and Trading Practices

When placing transactions for our portfolio management Clients, we utilize the following criteria to determine through which broker we will execute transactions. Our experience and analysis based upon this evaluation criteria cause us to utilize, primarily, the brokerage services of JP Morgan Clearing Corp., the broker dealer / custodian through which HCM clears its Advisory (and Brokerage) Client Transactions. We consider the following factors when making purchase and sale decisions:

- Broker's financial strength, integrity, and stability
- Market access
- Transaction confirmation and statement practices
- Reasonableness of commission charges or spreads; ability to negotiate commissions
- Actual execution
- Ability to promptly and reliably effect transactions
- Consistency of process (minimal trade errors)
- Nature of the security or instruments we are buying or selling
- Timing of the transaction
- Execution, clearance and settlement capabilities
- The confidential treatment of HCM's block trades

Hollencrest, based upon our experience and the evaluation of those factors above, in comparison with the types of securities we recommend to Clients (fixed income, equities, including ETFs, Closed End Funds, Mutual Funds, and other equity securities), have

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determined that JP Morgan Clearing Corp. provides a consistently demonstrated quality blend of execution capability, commission costs, and services for our Clients.

Therefore, Hollencrest primarily uses our Brokerage Discretionary Authority to place Client Trades at JP Morgan Clearing Corp. This may include Clients whose assets are held at a third party qualified custodian when that custodian can accommodate the use of delivery versus payment (DVP) accounts. We currently use approximately 16 (sixteen) other broker dealer / custodians (other than JP Morgan Clearing Corp., Charles Schwab, and TD Ameritrade). Please note that Hollencrest does not recommend or approve these other broker dealer / custodians. An important criterion for a Client who designates a particular broker dealer / custodian for their assets is whether or not their broker dealer / custodian can process “trade away” transactions at an executing broker dealer (JP Morgan Clearing Corp.) on a delivery versus payment (DVP) basis.

To facilitate the use of our trading activity and best execution obligations to benefit Clients with a custodian other than JP Morgan Clearing Corp., when possible we open a DVP account at JP Morgan Clearing Corp. This DVP account allows Hollencrest to take advantage of fixed income pricing opportunities and equity block trading opportunities as they may occur.

Confirmations on Transactions: In the case of using a DVP account, each Client transaction conducted via the DVP account will generate two confirmations to you.

One from JP Morgan Clearing Corp. (for the DVP account) showing the security, amount of security, the agency commission charged and any additional fees or expenses (i.e., exchange fees) and the net amount due as payment for the purchase, or the amount payable to you for a sale.

A second confirmation is provided by your broker / custodian for your account at that institution, showing the same information, including the security, the amount of the trade, the price paid, including JP Morgan Clearing's / Hollencrest's commission and the commission charged by your broker / custodian, if any.

Hollencrest is not aware, in all cases, of the commission charges that may be imposed in addition by your broker custodian; in some cases there are no additional fees. In other cases a fixed fee may be charged per transaction (in the case of Schwab \$15.00 per trade is charged).

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Hollencrest believes that the advantages of using JP Morgan DVP account process, especially for fixed income transactions, provides our Clients with the best fixed income executions we can achieve on your behalf. This evaluation includes the additional fees or expense that your custodian (such as Schwab) may charge you for the settlement of DVP account transactions.

For over-the-counter equity securities, we will request the executing broker to execute advisory Client transactions on an agency basis. Executing brokers that make a market in over-the-counter securities may make a profit from securities in their inventory from overall purchase and sale activity on each security for which it acts as market-maker.

Hollencrest, itself is not and does not engage (as a securities broker dealer) in market making or market making activity in any equity security.

Agency Cross Transactions

Hollencrest will occasionally effect “agency cross transactions” for advisory clients where assets held in one Hollencrest Advisory Account are sold directly to another Hollencrest Brokerage or Advisory Client Account incurring a service charge to effect the transaction (as disclosed above). Agency Cross Transactions are typically conducted on fixed income securities.

An Agency Cross Transaction prevents market impact on the sale transaction (potentially lower price) and allows potential price improvement on the purchase. In effect, the price sold and the price paid as part of the “cross” is at a better price (bid / ask) than would be achievable if the security is sold to the market and then re-purchased. Agency Cross transactions pose a potential conflict of interest between the interests of Hollencrest, you and our other Clients. Therefore:

- Advisory clients authorize, in the written Discretionary Agreement with us, blanket consent to Agency Cross Transactions (you may revoke this authority at any time upon delivery of written notice to us).
- Certain disclosures will be made to you including the nature of the transaction (purchase / sale); the date of the cross; the time of the transaction (should you request this information); and the amount of compensation we receive on the cross transaction.

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- Each Client for whom we conducted or engaged in an Agency Cross Transaction will receive an annual written report which identifies the total number of cross transactions during the period (since the date of the last report). The amount of service fees (commissions) or other compensation we received in the placement of cross transactions for your account is available upon request. The statement will also remind you of your right to revoke the written authority for the cross transactions.

Principal Transactions

Hollencrest does not engage in Principal Trading for any Investment Advisory Discretionary Portfolio Management Clients or Accounts.

Principal transactions may be used by Hollencrest for our Brokerage Clients and for certain Consulting Advisory Clients who select a percentage of assets plus commission fee schedule for Advisory Consulting Services. Principal trades allow for mark-up or mark-down on security transactions which are included in the net price of the security. The mark-ups or mark-downs earned by Hollencrest are not disclosed to Consulting Clients, nor do they appear on the Client's confirmation or statements.

Block or Aggregated Trading

Hollencrest finds "block trading" to often be a useful and efficient means of trading securities, and can be beneficial to clients. When we do use block trading, the following apply:

- We may, but are not obligated to, aggregate orders for the purchase or sale of a security at the same time for two or more clients.
- When conducting a block trade, we will execute at JP Morgan Clearing Corp. for Clients who have assets in custody with JP Morgan and we may include Clients who have a JP Morgan DVP account because their broker dealer / custodian allows DVP trading.
- Block trading can provide additional leverage for us to negotiate the price on a particular transaction.
- When implementing a block transaction, our Portfolio Manager (PM) will determine that the security decision (buy or sell) is appropriate for more than one Client Account and is suitable for those Clients (cash available or needed, strategy,

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objectives, and investment guidelines). The trade ticket will identify the aggregate amount of all participating Clients and the portion of the trade represented by each participating Client, including shares, share price, commission charged, and account numbers.

- If multiple fills are required to completely fill the block order, the multiple fills (transactions) have their prices averaged, and each participating Client will receive that average price of the security. Clients are charged the standard Hollencrest service fees (commissions), and, for DVP account Clients may be charged additional charges by their actual custodian.
- If the block order cannot be completed during a business / trading day, at the end of the business day, the block trade may, depending on the nature and attributes of the trade, the security, and the Clients/accounts involved, be allocated on a pro rata basis. Otherwise, the trade will be allocated according to the following:
 - Accounts with 999 shares or less will receive their full allocation, filled from smallest indicated allocation to largest indicated allocation in ascending order. If a share size is reached such that all of the clients at that number of shares cannot be filled, they will be allocated on a random basis until the order is filled.
 - Accounts with 1000 shares or more in their full allocation will be allocated on a random basis until the order is completely filled.
 - a. The random allocation function is implemented with Microsoft Excel, whereby each account is assigned a random number and this random number is then sorted from largest to smallest.
 - Accounts of Hollencrest employees and persons living in their households will be traded (or allocated to if participating in the block) after all Client transactions are completed.
- Adjustments to our allocation methodology for a block purchase may be made prior to the orders being filled, in order to avoid odd-lots of shares, to avoid deviations from percentage holdings in Client accounts, or if the cash position in the account has changed which impacts the account's ability to pay for the fully allocated shares.
- If the order is allocated in a manner other than the initial allocation statement, a written explanation of the change is required on the order ticket. This explanation is reviewed and approved by our Chief Compliance Officer (or designee if not available) no later than the opening of the US Stock Markets (NYSE) the next business (trading) day following the execution of the transaction.

Clients may limit our authority to aggregate/block transactions if such limitations or restrictions are provided to us in writing and if we agree to those limitations. If a Client

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limits our ability to block transactions, the executions timing and price received for such Client may differ from the transactions we place on behalf of Clients who do not restrict our ability to block trades for accounts at JP Morgan.

Tradeaway Fees. Relative to its discretionary investment management services, when beneficial to the client, individual fixed-income transactions may be effected through broker-dealers other than the account custodian via a DVP account with JP Morgan, in which event, the client often will incur both the transaction fee charged by the executing broker-dealer and a “tradeaway” fee charged by the account custodian.

Directed Brokerage

As indicated above, Clients may designate a particular broker or dealer through which transactions in the Client’s account are to be placed for execution. These are typically under terms which Client has separately negotiated with the broker or dealer. Instructions to direct brokerage activity are provided to Hollencrest in our Discretionary Portfolio Management Agreement.

When a Client directs Hollencrest Capital Management to use a specific broker or dealer, Hollencrest is not in a position to freely negotiate commissions or spreads, or to select brokers based on our authority, to block trades, achieve volume discounts, or achieve best execution. In addition, directed brokerage trades may not be aggregated with those of our other clients who do not direct us to use a particular broker or dealer.

However, as described above, Hollencrest takes steps to determine if the Client’s Directed Broker (custodian) will accept DVP trades in an effort to ensure that the Client has the opportunity to participate in aggregated (blocked) trades. This allows Hollencrest Capital Management to focus on best execution of Client security transactions, while also accommodating a Client’s relationship with their own broker or custodian.

Hollencrest allows our Clients to impose the following directed brokerage arrangements:

- All brokerage for the account to the Directed Broker at a flat fee that the Client has negotiated (no separate commission charges)
- All brokerage for the account to the Directed broker at a commission rate that is identified (dollars or cents per share or per trade)

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Hollencrest maintains appropriate records for each Client of all transactions and settlements.

Portfolio Management Services – Asset Allocation / Placement of Transactions for Retirement Accounts

Some Client Account / Portfolio Management Services include assets held by the Client's employer in their 401(k) or other retirement account that may be maintained by a specified retirement account custodian/administrator. The securities held in such accounts are typically (but not always) open ended mutual funds, but they may also include shares of the employer (if the employer is a public stock company) or other securities or funds. Our Client Advisory Agreement may include the asset allocation of retirement assets across available securities offered by or available to be held in the 401(k) plan or other retirement account.

In accounts of this nature, trading with the use of a DVP account is not possible. Hollencrest seeks (if permitted by the custodian/administrator and approved by the Client) to obtain a unique user ID and password to access the Client's retirement account and purchase or sell securities available for that retirement account. While we prefer to obtain unique user IDs and passwords that provide us with the limited authority to see the securities and place purchase or sale transactions for a Client, this is not always an available option, as the custodian/administrators of such retirement accounts do not always have the technological capabilities or authorization structures to provide us with this limited power of attorney.

As a result, some Clients decide to share with Hollencrest the Client's own unique user ID and password for online access to their account. Clients making this decision need to understand that this allows Hollencrest access to your account as if you were accessing the account yourself. When a Client decides to provide Hollencrest with the Client's unique user ID and password, Hollencrest strictly prohibits itself from conducting any transaction activity directly in the Client's account. Instead, Hollencrest will provide trading instructions to the Client, and the Client will be solely responsible for conveying the transactional instructions to the custodian/administrator. Please see Item 15 below on Custody for additional information.

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Transactions for Bayview Partners Hedge Fund

Hollencrest Capital Management acts as adviser to Bayview Partners. Double Eagle Partners, the adviser (and general partner) to Bayview Partners has “directed” Hollencrest Capital Management to place all transactions for Bayview Partners at JP Morgan.

The custodian of Bayview Partners is JP Morgan Clearing Corp. Please see the Confidential and Private Offering Memorandum for Bayview Partners for additional detail.

Soft Dollars

Hollencrest *does not* participate in the generation or use of Soft Dollar credits (the use of Client Commissions for research products or services). Hollencrest pays for all research products or services we use in providing our advisory services to you.

Discretionary Investment Management Accounts - Trade Errors - General definition of a Trade Error for Advisory Clients

Trade errors may include the purchase or sale of securities that:

- Are not legally authorized for an account
- Are prohibited by investment policy or style
- Are prohibited by the contract
- Include an incorrect security or transaction (buy versus sell, etc.)
- Block trades that are incorrectly allocated
- Other situations wherein a trade or an attribute of a trade needs to be corrected

Clients with accounts at Schwab – Schwab’s Trade Error Process

From time-to-time, Hollencrest or Schwab may make an error on a requested transaction. If an investment gain results from the correction of the error, the gain remains in the Client account unless the same error involved other Client account(s) that should have participated in the gain. In such a case, either all Client Accounts keep the gain, or the gain is removed from all Accounts. Gains from trade errors will be documented and discussed with you (and other impacted clients) to determine if you want to forgo the gain (for example, due to tax implications). If the gain does not remain in your account (or the

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accounts of other participating Clients), Schwab will donate the amount of any gain \$100 and over to charity; if a loss occurs greater than \$100, Hollencrest will pay Schwab for the loss which is then credited to your account to “make the account whole.” If the gain or loss is under \$100, Schwab retains the gain or loss; the retention of the gain/loss is deemed to be de minimis (too small to be material) and is used or absorbed by Schwab to offset Schwab’s administrative time and expense. If Hollencrest’s trade errors result in both gains and losses in your account, they may be netted against each other by Schwab (but not by Hollencrest). Hollencrest, does not, itself, maintain a trade error account at Schwab.

Trade Errors – All other Custodians:

For those errors that Hollencrest created, Hollencrest will make the Client whole from any losses arising from the error. Gains are addressed based upon the following:

- If the transaction was suitable for the Client, including Bayview Partners (Partnership), the gain remains with the Client.
- If the transaction was not suitable (for any number of reasons) for the Client, the gain will be removed from the Client Account(s) and the appropriate trade that should have been executed on behalf of the Client will be implemented on an “as-of” basis.

For trade errors that were created by the Client’s custodian, or third party executing broker dealer, the responsible party is obligated to compensate the Client for the amount of the error (loss) as if the trade had not occurred.

In the case of profits, trade errors that result in a gain which are caused by any party other than Hollencrest Capital Management will be retained by the Client.

Item 13 – Review of Accounts

Reviews and Reviewers

Portfolio Management Client Accounts are reviewed on a continual basis by monitoring securities and accounts held by Clients by our Portfolio Managers. Reviews may also be conducted when triggered by a wide range of factors, including the type of account, market conditions, global or economic events, or a change in client circumstances whether material or significant. A review may also be triggered by a change in security fundamentals, a Client request for a review, or significant contributions or withdrawals by the Client.

A formal portfolio level review occurs at least quarterly; although we prefer to review accounts at least monthly. Portfolio Management Account reviews are conducted by the Portfolio Manager for the Account and may include other Hollencrest professionals, and under certain circumstances outside consultants, advisors, or strategic partners may also be included.

Holdings and strategies are reviewed for re-balancing opportunities on at least a quarterly basis and for extraordinary positive or negative market activity on at least a weekly basis. Reviews of this nature are conducted by our Investment Committee members.

The number of accounts assigned to our Portfolio Managers or the Investment Committee are at a level that we believe is reasonable with our technology, strategies, and professional staff to ensure we meet our obligations to Clients.

Reports

Portfolio Management Clients:

Hollencrest provides Discretionary Portfolio Management Clients periodic, regular reports on a quarterly basis, via either electronic or paper delivery. These reports include a summary of holdings, portfolio market value(s), performance of the account (s), and a list of activity in the account(s). In addition, most Clients elect to have phone or face-to-face meetings with their Portfolio Manager generally quarterly, but may occur as frequently as the Client requests. Reporting materials provided at these meetings may include additional information designed to meet the Client's specific needs, questions, and concerns, and may

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include the attendance of other Hollencrest professionals, and under certain circumstances outside consultants, advisors, or strategic partners.

The reports provided by Hollencrest are separate from and in addition to the Reports you receive directly from your qualified, third party custodian of your assets. In addition, the custodian sends you a confirmation of each transaction we place on your behalf (for Portfolio Management Clients and certain Consulting Clients). Custodians also send, directly to each Discretionary Portfolio Management Client, a monthly statement detailing all transactions in the account (purchases, sales, exchanges, dividends, interests, etc.) and all debits or credits to the Account, including advisory fees paid to Hollencrest. Please note that your custodian is not required to send monthly statements when no activity occurs in the account. However, custodians are required to issue quarterly statements to you. Clients with accounts at JP Morgan and certain other custodians can access holdings and activity reports as of the end of the previous business day from the custodian via a link on Hollencrest's website at www.hollencrest.com.

Consulting Clients:

Consulting Clients may, or may not receive periodic reports from Hollencrest; the generation, nature, and delivery of reports are determined on a case by case basis.

Notice for all clients: Under new SEC rules that took effect March 12, 2010 related to custody of client funds or securities; all SEC registered investment advisers (such as Hollencrest) are required, if we send periodic reports on your accounts to you, to disclose the following information (this statement will also be included in your quarterly reports you receive from us):

Hollencrest encourages each Client to review your custodial reports you receive directly from your (qualified) custodian with those quarterly reports you receive from Hollencrest. If you have any questions on the information provided by the custodian or Hollencrest, please contact your Hollencrest Capital Management Portfolio Manager or Relationship Manager.

Item 14 – Client Referrals and Other Compensation

Client Referrals:

Currently Hollencrest has no relationship with any Third Party where Hollencrest pays for client referrals and has no intention of making any arrangement to pay for client referrals.

If at any time Hollencrest ever chooses to initiate a relationship of this nature, we will only enter into Cash Referral agreements that are in compliance with the Cash Solicitation Rule under the Investment Advisers Act of 1940. Such a relationship would require an agreement between Hollencrest and a third party firm who is the solicitor pursuant to the written agreement. The agreement ensures each party knows their responsibilities under the agreement including:

- What states can the solicitor firm solicit in
- What disclosures they need to prepare (and have Hollencrest review and approve prior to use)
- What disclosures must be presented to each Prospective Client at the time of solicitation
- What compensation is payable to the solicitor by Hollencrest
- Indicates that the solicitor firm and its employees engaged in the activity are considered under Hollencrest's supervision when conducting the solicitation activities on behalf of Hollencrest
- Indicates the solicitor is required (unless exempt) to registered separately as an Investment Adviser with individuals conducting solicitation activities licensed as Investment Adviser Representatives

As a result, the Cash Solicitor is required to provide to each Prospective Client at the time of Solicitation on Hollencrest's behalf, the following:

1. Present a separate disclosure brochure required by Rule under the Advisers Act identifying the solicitor (firm and individual names), the fact the solicitor is acting as a solicitor on behalf of Hollencrest, and the amount of the compensation payable to the solicitor.

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2. Have the Prospective Client sign (execute) the separate disclosure brochure (acknowledging their receipt of the document), with the original provided to Hollencrest for our records.
3. Provide a copy at the time of solicitation to the Prospective Client of the then current copy of Hollencrest's Form ADV Part 2 A and B Brochure required by the Rule (the separate disclosure document provided by the Solicitor acknowledges the Client's receipt of Hollencrest's Part 2 A and B of Form ADV).

In this kind of relationship, Hollencrest would negotiate fees with Clients introduced to us by these third party Solicitors. Currently, Hollencrest has no plans to enter into similar Cash Referral Arrangements with such third party entities in the future.

Other Compensation:

As described under Items 4 and 5 in this Part 2 A Brochure and the Part 2 B Brochure Supplement(s), attached, Hollencrest is involved in other business activity (other than providing investment advice). This activity includes the following businesses:

- Hollencrest is also a securities broker and a member of the National Futures Association.
- Hollencrest (or its principal executives) are owners of the general partner and investment adviser to an investment partnership for a privately offered hedge fund (Private Fund).
- Owners and employees of Hollencrest Insurance Services (an insurance agency / broker).
- Hollencrest provides consulting services to CWS to assist in processes related to offered investments – clients participating in investments for which Hollencrest receives consulting income from CWS will **not** also be charged Hollencrest advisory or consulting fees on those investments.

Hollencrest and its employees may receive additional compensation from other activities as described previously and including the following:

- Commissions on certain closed-end funds (i.e. IPOs of newly launched funds), bonds or other securities.
 - Hollencrest does not assess management fees on those assets for the quarter in which the assets were purchased, and does not assess management fees on

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these assets for an additional 2 quarters following the quarter in which purchased in recognition of the commission compensation we received as a broker / dealer. Upon the start of the third calendar quarter after purchase, these assets are included as appropriate in the Asset Based Fee calculations for Advisory Accounts.

- Sales commissions or residual fees on Client assets (in Advisory Accounts) placed in investment products offered by third party firms / entities.

In addition, Hollencrest Capital Management, as a registered investment adviser, participates in an advisor program sponsored by Charles Schwab & Company, the “Schwab Advisory Services” program. This program is provided to Hollencrest (and other investment advisers) at no cost. Although there are specific benefits we receive through our participation in this program (they provide economic benefit to us), they are not considered Soft Dollar research services. Hollencrest does not participate in Soft Dollar Services. The economic benefits provided to Hollencrest (and our Clients who custody at Schwab) include:

- Access to dedicated trading desks
- Client confirmations and bundled statements for all Client Accounts
- DVP account trading through JP Morgan Clearing
- Electronic communication networks for client information access, portfolios, and trading
- Software, tools, and information relevant to independent investment advisers
- Access to educational or due diligence programs
- Deduction of investment advisory fees due HCM from Client Accounts (based on a spreadsheet request to custodian from HCM)
- Other benefits that Charles Schwab may offer

Item 15 – Custody

Hollencrest does not have custody of any Client assets. We do have written authorization from our Clients with accounts at Charles Schwab, TD Ameritrade, and JP Morgan to withdraw management fees directly from their accounts, which in some circumstances may be referred to as having custody. At any time, Clients may revoke the authorization to withdraw fees from their account(s), and provide Hollencrest written authorization to have payable invoices submitted to the Client for payment.

Item 16 – Investment Discretion

Hollencrest, through our Discretionary Portfolio Management Agreement, provides investment discretionary portfolio management services to Investment Advisory Clients. This means that we have the authority provided in the agreement with you to purchase or sell securities for your account, and determine the amount of the securities to purchase or sell, without obtaining your consent to the transactions. Of course, we determine the securities based on your needs, risk tolerances, and other factors that govern our portfolio management services.

You may impose certain limitations or restrictions on our Portfolio Management services, for example, excluding certain stocks or bonds of companies (sin stocks, anti-union stocks, weapons manufacturers, etc.), or selections or concentrations of securities in any sector or industry. However, HCM reserves the right to reject or not enter into a Portfolio Management agreement with you as a Client or terminate an agreement with a Client if we determine the investment restrictions you intend to impose prohibit us from delivering our services as defined in the agreement we have (or proposed to have) with you. All limitations or restrictions must be provided to HCM in writing, and will not be accepted or implemented until signed authorized by both the Client and HCM.

Item 17 – Voting Client Securities (i.e., Proxy Voting)

Portfolio Management Clients

Unless specifically reserved by you in our Portfolio Management Agreement with you, Hollencrest will vote proxies for the issues we manage on your behalf. We maintain spreadsheets/records of ballots received and the votes we cast. However, the broker custodians (Schwab and J P Morgan, our clearing firm) do not send separate ballots for each proxy vote / issuer. We receive consolidated proxies from each custodian. This means that our ability to reconcile shares to ballots received on an account-by-account basis is not possible. We vote all ballots received. However, Hollencrest is not responsible for:

- Voting proxies of foreign issuers if the cost of voting is, in our opinion higher than the value of voting the proxies (based on the number of shares / ballots)
- If there is a conflict of interest between the issuer, Hollencrest and/or a Client (in these cases we will abstain from the vote due to the conflict)
- Any situation or characteristic that affects Hollencrest's ability to responsibly vote the proxy

For ERISA Clients: You are required to provide Hollencrest with copies of the relevant sections of your Plan and Trust Documents related to services provided by named fiduciaries (like Hollencrest), which govern our services to you, including proxy voting (and any amendments that may occur from time to time). Your custodial paperwork will instruct your custodian to send proxy related materials to Hollencrest. Should you reserve the right to vote your own proxies that election is in the written agreement we have with you. If you make this election, your custodial paperwork will instruct your custodian to forward all proxy materials directly to you at your office account address.

Note: Hollencrest will not vote or take action on corporate actions (re-organization of the company, among other matters) or other communications to shareholders / investors).

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Proxy Voting Procedures:

Due to the nature of our business, we do not typically receive a large volume of proxy related materials (we generally do not have large positions of individual equity securities in our Client accounts).

In voting proxies, it is our overall policy to vote, with management on routine matters:

- Officers or directors
- Designation of a certified public accountant
- Issuance of additional shares or classes of shares
- Other matters deemed routine

However, for non-routine matters related to golden parachutes, privileges for executives (and not employees), we will take a contra view and document our reasoning (and thus, vote against management). Our decisions are driven by what is in the best interest of our Clients who hold an investment in the particular security or fund (mutual or ETF) that issues the proxy materials.

Consulting Clients: We do not vote proxies for consulting clients; you have (solely) that authority to receive and vote proxy related matters on securities you purchase and sell for your accounts.

If you have questions related to proxy voting by Hollencrest, or would like a copy of our Proxy Voting Policies / Procedures, please contact our Chief Compliance Officer, Peter Pellizzon, at peterp@hollencrest.com or 949.737.7700.

Item 18 – Financial Information

Hollencrest does not have any financial information or issues to disclose to Clients or Prospective clients which would reasonably impair our ability to meet contractual commitments to you, our Clients.

Neither Hollencrest nor any management person has been the subject of a bankruptcy proceeding.

ANY QUESTIONS: Hollencrest's Chief Compliance Officer, Peter Pellizzon, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.

Part 2B of Form ADV: *Brochure Supplement*

Item 1 Cover Page

This brochure supplement provides information about the following employees who provide investment advice, make discretionary decisions, meet with, or solicit our Investment Advisory Clients. This information supplements the Form ADV, Part 2 A Brochure, attached. We have only one office for Hollencrest, as a result, the contact information for each individual is the same.

Our principal executive officers, who have primary responsibility for providing investment advice, making discretionary decisions, meeting with, or soliciting our Investment Advisory Clients, and who also are responsible for directing and supervising the activities of the other Hollencrest employees who are involved in these processes, include the following individuals:

**Gregory P. Pellizzon, Managing Director, CEO, CIO, Sr. Portfolio Manager,
Investment Committee Member (gregp@hollencrest.com)**

**Peter Pellizzon, Managing Director, COO, CCO, Trading Manager,
(peterp@hollencrest.com)**

**Michael Schulman, Managing Director, Investment Committee Member,
(michaels@hollencrest.com)**

**Robert Wolford, Managing Director, Director of Marketing
(robw@hollencrest.com)**

Dale Sefarian, Portfolio Manager (dales@hollencrest.com)

Other Hollencrest employees who are involved in the processes of providing investment advice, making discretionary decisions, meeting with, or soliciting our Investment Advisory Clients include the following individuals

**Zach Staggs, VP – Private Client Services (zachs@hollencrest.com)
Christopher Duong, VP – Portfolio Manager (christopherd@hollencrest.com)**

Cameron Akers, VP – Portfolio Manager (camerona@hollencrest.com)

Nicola Theron, VP – Portfolio Manager (nicolat@hollencrest.com)

Sean Lee, Assistant Portfolio Manager (seanl@hollencrest.com)

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You may contact each individual via email, regular mail, or telephone (as provided above and below):

Hollencrest Capital Management
100 Bayview Circle, Suite 500
Newport Beach, CA 92660
949-737-7700

You should have received a copy of the Part 2 A brochure as we include this supplement with all copies. Please contact Peter Pellizzon if you did not receive Hollencrest's Brochure, or if you have any questions related to the brochure or this supplement.

Additional information about Gregory Pellizzon, Peter Pellizzon, Michael Schulman, Robert Wolford, and Dale Sefarian is available on the SEC's website at www.adviserinfo.sec.gov

Item 2 Educational Background and Business Experience

Name: Gregory Pellizzon

Born: 1956

Education after High School:

Occidental College, Philosophy 1974-1978

Employment History, Past 5 years:

Hollencrest Securities, LLC (Hollencrest Capital Management) 04/99 to Present
Managing Director, CEO, CIO, Sr. Portfolio Manager, Registered Representative,
Investment Adviser Representative

Double Eagle Partners, LLC, 11/04 to Present
Managing Member
Newport Beach, CA

Hollencrest Insurance Services, LLC, 02/06 to Present
Managing Member, Insurance Agent
Newport Beach, CA

Emerald Crest Capital II, LLC, 05/10 to Present
Indirect Owner, Senior Advisor Committee Member
Newport Beach, CA

Name: Peter Pellizzon

Born: 1959

Education after High School:

University of the Pacific, Economics, 1977-1979

UCLA, Business Economics, 1979-1982

Employment History, Past 5 Years:

Hollencrest Securities, LLC (Hollencrest Capital Management), 04/99 to Present
Managing Director, CCO, CCO, Portfolio Manager , Registered Representative,
Investment Adviser Representative
Newport Beach, CA

Hollencrest Insurance Services, LLC, 02/06 to Present
Managing Member, Insurance Agent
Newport Beach, CA

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Double Eagle Partners, LLC, 11/04 to Present
Managing Member
Newport Beach, CA

Emerald Crest Capital II, LLC 05/10 to Present
Indirect Owner
Newport Beach, CA

Name: Robert Wolford

Born: 1964

Education after High School:

UC Berkeley, BS, Administration, 1986
UCLA Anderson School of Business, MBA, 1990

Employment History, Past 5 Years:

Hollencrest Securities, LLC (Hollencrest Capital Management), 02/06 to Present
Managing Director, Director of Marketing, Portfolio Manager, Registered
Representative, Investment Adviser Representative
Newport Beach, CA

Hollencrest Insurance Services, LLC, 02/06 to Present
Managing Member, Insurance Agent
Newport Beach, CA

Double Eagle Partners, LLC, 11/04 to Present
Managing Member
Newport Beach, CA

Emerald Crest Capital II, LLC, 05/10 to Present
Indirect Owner, 05/10 to Present
Newport Beach, CA

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Name: Michael Schulman

Born: 1970

Education after High School:

University of California, Berkeley, BA, Economics, 1996

Massachusetts Institute of Technology, MBA, 2000

CFA Institute (formerly AIMR), CFA¹ (Chartered Financial Analyst), 1994

Employment History, Past 5 Years:

Hollencrest Securities, LLC (Hollencrest Capital Management), 05/05 to Present
Managing Director, Registered Representative, Investment Adviser Representative
Newport Beach, CA

Double Eagle Partners, LLC, 01/07 to Present
Managing Member
Newport Beach, CA

Emerald Crest Capital II, LLC, 05/10 to Present
Indirect Owner, Senior Advisor Committee Member
Newport Beach, CA

Name: Dale Sefarian

Born: 1949

Education after High School:

Eastern Michigan University, BS, Communications (Marketing minor), 1972

Employment History, Past 5 Years:

Hollencrest Securities, LLC (Hollencrest Capital Management), Registered
Representative, 04/99 to Present
Investment Adviser Representative, Portfolio Manager, 04/07 to Present
Newport Beach, CA

¹The Chartered Financial Analyst Certification: is an international [professional certification](#) offered by the [CFA Institute](#) (formerly AIMR) to [financial professionals](#) who complete a series of three [examinations](#). To become a CFA candidates must pass each of three six-hour exams, possess a bachelor's degree from an accredited institution (or have equivalent education or work experience) and have 48 months of qualified, professional work experience. CFAs are also obligated to adhere to a strict Code of Ethics and Standards governing their professional conduct.

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Name: Zach Staggs

Born: 1979

Education after High School:

UCLA, BA Political Science, 2001

Employment History, Past 5 Years:

Hollencrest Securities, LLC (Hollencrest Capital Management), Registered Representative, 07/11 to Present
Newport Beach, CA

Orangewood Children's Foundation (Charitable Organization) Ambassador Committee Member, 08/11
Santa Ana, CA

Momentous Insurance Brokerage, Private Risk Advisor, 11/09 to 07/11
Sherman Oaks, CA

GlaxoSmithKline, Pharmaceutical Sales Representative, 09/07 to 09/09
San Francisco, CA

Name: Christopher Duong

Born: 1984

Education after High School:

UC Berkeley, BA Applied Mathematics and Economics, 2007

Employment History, Past 5 Years:

Hollencrest Securities, LLC (Hollencrest Capital Management), Registered Representative, 12/07 to Present
Newport Beach, CA

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Name: Cameron Akers

Born: 1984

Education after High School:

Claremont McKenna College, BA Economics, 2007

Employment History, Past 5 Years:

Hollencrest Securities, LLC (Hollencrest Capital Management), Registered
Representative, 08/08 to Present
Newport Beach, CA

Name: Sean Lee

Born: 1986

Education after High School:

UCLA, BA Business Economics (Minor in Accounting), 2009

Employment History, Past 5 Years:

Hollencrest Securities, LLC (Hollencrest Capital Management), Registered
Representative, 08/11 to Present
Newport Beach, CA

Period not employed, 12/10 to 08/11

ICE Currency Exchange, Accountant, 07/10 to 12/10
Los Angeles, CA

Period not employed 06/09 to 07/10

Item 3 Disciplinary Information

Hollencrest does not have any disciplinary information applicable to the firm or the following individuals or any other Hollencrest employee to disclose to you.

Gregory P. Pellizzon, Managing Director, CEO, CIO, Sr. Portfolio Manager, Investment Committee Member (gregp@hollencrest.com)

Peter Pellizzon, Managing Director, COO, CCO, Trading Manager (peterp@hollencrest.com)

Michael Schulman, Managing Director, Investment Committee Member
(michaels@hollencrest.com)

Robert Wolford, Managing Director, Director of Marketing (robw@hollencrest.com)

Dale Sefarian, Portfolio Manager (dales@hollencrest.com)

Item 4 Other Business Activities

Please see Items 4, 5, 6, 10, 12 and 14 of the attached Form ADV, Part 2 A for specific information related to the other business activities of Hollencrest Capital Management and its employees, including the following individuals. We have also identified all current other business activities under Item 2 (of this Form ADV, Part 2 B Brochure Supplement) for each of the following:

Gregory P. Pellizzon, Managing Director, CEO, CIO, Sr. Portfolio Manager, Investment Committee Member (gregp@hollencrest.com)

Peter Pellizzon, Managing Director, COO, CCO, Trading Manager (peterp@hollencrest.com)

Michael Schulman, Managing Director, Investment Committee Member
(michaels@hollencrest.com)

Robert Wolford, Managing Director, Director of Marketing (robw@hollencrest.com)

Dale Sefarian, Portfolio Manager (dales@hollencrest.com)

Item 5 Additional Compensation

Please see Items 4, 5, 6, 10, 12 and 14 of the attached Form ADV, Part 2 A for specific information related to the additional compensation that may be earned by Hollencrest or its employees, including our principal executive officers listed below, by providing investment advice to Clients.

Gregory P. Pellizzon, Managing Director, CEO, CIO, Sr. Portfolio Manager, Investment Committee Member (gregp@hollencrest.com)

Peter Pellizzon, Managing Director, COO, CCO, Trading Manager (peterp@hollencrest.com)

Michael Schulman, Managing Director, Investment Committee Member
(michaels@hollencrest.com)

Robert Wolford, Managing Director, Director of Marketing (robw@hollencrest.com)

Dale Sefarian, Portfolio Manager (dales@hollencrest.com)

Item 6 Supervision

Hollencrest, as a LLC has a number of Members. As a group, these individuals are responsible for the overall supervision of our business.

However, we then assign specific responsibilities to various individuals across Hollencrest. Supervision of the investment advice provided to Clients as described in Form ADV, Part 2 A is as follows:

Portfolio Management, Asset Allocation, Securities Research & Analysis:

Gregory Pellizzon, Chief Investment Officer and Investment Committee Member. Gregory supervises the our investment process by working daily with our investment professional team, watching the securities that we recommend or use for Client accounts, by reviewing Client portfolios, reviewing exception reports from our portfolio accounting system, including any exceptions generated from the system (or our daily reconciliation activity). Greg focuses his supervisory activity on Investment and Portfolio level compliance for Hollencrest (among other related activity conducted by a CIO).

Michael Schulman as the other member of the Investment Committee is also principally involved in the supervision of those who provide advice, our portfolio / asset allocation decisions, the review of accounts, among other activities.

Greg supervises the activity of Dale Sefarian, an investment adviser representative. Greg supervises, primarily, the investment adviser services Dale provides to those Hollencrest investment adviser Clients to whom he acts as a portfolio manager. The process of supervision is the same as described above.

Greg supervises the activities of these individuals who are also involved in the processes of providing investment advice, making discretionary decisions, meeting with, or soliciting our Investment Advisory Clients:

Zach Staggs, VP – Private Client Services (zachs@hollencrest.com)

Christopher Duong, VP – Portfolio Manager (christopherd@hollencrest.com)

Cameron Akers, VP – Portfolio Manager (camerona@hollencrest.com)

Nicola Theron, VP – Portfolio Manager (nicolat@hollencrest.com)

Sean Lee, Assistant Portfolio Manager (seanl@hollencrest.com)

Hollencrest Capital Management: ADV Part 2 A and B Brochure

Operations and Compliance:

Peter Pellizzon, Chief Operating Officer and Chief Compliance Officer, and Trading Manager, has overall supervisory responsibility for Operations and Compliance activity. Peter accomplishes his supervision through a process which provides certain tasks or activities (report review, testing of disaster recovery / contingency plans, books and records, client records and data, among others) for the entire company. He is in frequent and consistent communication with all of our Managing Members.

Peter supervises the activity of Dale Sefarian, a registered representative under Hollencrest Securities LLC. Peter supervises, primarily, the broker dealer services Dale provides to Hollencrest's broker dealer clients (to whom he provides services as a registered representative). Peter supervises the broker dealer activities of all Hollencrest registered representatives (through reviewing trade tickets / blotters, commissions charged, client suitability (initially and periodically), monitoring email and other communications and the review of periodic reports (daily, monthly, quarterly or semi-annually) as required by FINRA and internal controls).

In addition, Peter has a number of employees who report into him; this team approach provides segregation of duties and responsibilities (to the extent possible) to ensure our business activities are monitored and supervised.

Financials, Sales and Marketing:

Robert Wolford (Rob), Managing Director and Director of Marketing is also our Financial Operations Principal (FINOP). Rob is responsible for the review and approval of our FINRA financial reports. Rob supervises the preparation of our financial reports and reporting (expenses, receivables, etc.). Rob also works with Peter Pellizzon on this activity (to ensure independence and oversight for the processing of our financial reports, books and records).

Partner Level Supervision:

Overall, the Members of Hollencrest work together to manage, supervise, and monitor the overall operation of our firm and employees. Should you have any questions on the supervision process described above or the specific supervisor or individuals they supervise, please contact each supervisor at the email address provided below or at our office telephone number (949) 737-7700).

Gregory P. Pellizzon, Managing Director, CEO, CIO, Sr. Portfolio Manager, Investment Committee Member (gregp@hollencrest.com)

Peter Pellizzon, Managing Director, COO, CCO, Trading Manager (peterp@hollencrest.com)

Michael Schulman, Managing Director, Investment Committee Member
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Robert Wolford, Managing Director, Director of Marketing (robw@hollencrest.com)