

Form ADV Part 2A
Investment Advisor Brochure

RINCON PACIFIC MANAGEMENT INCORPORATED

| | |
|---------------------------------------|--|
| Name of Registered Investment Advisor | Rincon Pacific Management Incorporated |
| Address | 27401 Los Altos Suite 270 Mission Viejo CA 92691 |
| Phone Number | (949) 369-0393 or (800) 727-8878 |
| Website Address | www.rinconpacific.com |
| E-mail Address | Craigcooper.rinconpacific@gmail.com |
| Date of Last Revision | 2/15/2018 |

This Form ADV Part 2A (Investment Advisor Brochure) gives information about the investment advisor and its business for the use of clients and prospective clients. If you have any questions about the contents of this brochure, please contact us using the information listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration is mandatory for all persons meeting the definition of investment advisor and does not imply a certain level of skill or training.

Additional information about our firm is available on the SEC’s website at: www.adviserinfo.sec.gov.

Material Changes

If there are any material changes to the ADV Brochure, they will be provided as a separate document to clients who have received previous versions of the brochure.

Table of Contents

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

Item 4 Advisory Business

Advisory Firm

Rincon Pacific Management Incorporated (“Rincon Pacific”, “the Advisor”) has been providing investment advisory services since 1991. Craig F. Cooper is the founder and Chief Executive Officer (CEO) and has been in the financial services industry for over 40 years. Jena Schuster is Chief Operational Officer (COO) and shares portfolio management responsibility with Mr. Cooper.

Advisory Services

Rincon Pacific Management provides investment advice and wealth management services through supervision of our managed accounts.

Client portfolios utilize individual equities, mutual funds, and exchange traded funds (ETF’s). Assets are selected by Rincon’s Portfolio Manager for client accounts and invested as determined by the application of both fundamental and technical analysis.

Services are based on the individual needs and investment objectives of each client. An initial interview and data gathering is undertaken to determine the client's financial situation and investment goals, and to give the client the opportunity to impose reasonable restrictions on the management of the account. At a minimum, clients are asked annually if their investment objectives have changed, and if so, portfolios may be adjusted to better meet current objectives. Clients are encouraged to contact Rincon Pacific at any time there are changes to their investment needs. Clients have on-line access to view their accounts through custodian websites. Accounts remain liquid at all times. Clients receive monthly statements from their custodian(s) containing a description of all holdings, transactions and account activity. The client will retain rights of ownership of all securities and funds in the account to the same extent as if the client held the securities and funds outside the program. In addition to custodial statements, Rincon Pacific Management publishes periodic investment & economic reports at no cost to clients. Market commentary can also be found on our website: www.rinconpacificmanagement.com

Item 5 Fees and Compensation

Fees for Rincon Pacific **Managed Portfolios** are computed at an annualized percentage of asset value and are assessed quarterly, in advance. Fees are deducted from the custodial. Clients with multiple related accounts can have their accounts grouped for valuation to reach the fee breakpoints.

The fee schedule for our **Managed Portfolios** is:

| ASSETS UNDER MANAGEMENT | MAXIMUM ANNUAL FEE |
|-------------------------|-----------------------|
| \$0 - \$249,999 | 1.75% |
| \$250,000 - \$499,999 | 1.50% |
| \$500,000 - \$749,999 | 1.25% |
| \$750,000 + | 1.00% |

The custodian will provide periodic account statements to the client. Such statements will reflect all fee withdrawals by Rincon Pacific. It is the client's responsibility to verify the accuracy of the fee calculation. The custodian will not determine whether the fee is properly calculated.

The client may terminate the Rincon Pacific Advisory Agreement without penalty (full refund) within five business days of signature. After this waiting period, our Advisory services will continue until either party terminates the Agreement on written notice. If a client provides written notification to terminate an account prior to quarter-end, a pro-rated refund of unearned fees will be made. Rincon Pacific does not charge a termination fee.

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

Rincon Pacific Management does not charge performance-based fees, (i.e. fees based on capital gains).

Item 7 Types of Clients

Rincon Pacific Management provides advisory services to individuals, trusts, estates, individual participant accounts in pension and profit sharing plans and other ERISA accounts. Rincon Pacific does not service any institutional accounts.

The minimum account size is \$50,000 for fee based accounts.

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

Analysis techniques utilized by Rincon Pacific include fundamental, technical, and cyclical analysis. Our asset allocation strategies for portfolio management are designed to minimize risk.

While there is risk in all investments, some carry a greater degree of risk or higher costs. Rincon Pacific attempts to reduce investment risk by maintaining a percentage of investment in money market accounts, when appropriate. There is no guarantee that the investment strategy selected for the client will result in the client's goals being met, nor is there any guarantee of profit or protection from loss. For those investments sold by prospectus, clients should read the prospectus in full.

Item 9 Disciplinary Information

An investment advisor must disclose material facts about any legal or disciplinary event that are material to a client's evaluation of the advisory business or of the integrity of its management personnel. Rincon Pacific does not have any such items to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Craig F. Cooper and Jena Schuster are the only registered managers associated with the Advisor.

Craig Cooper and Jena Schuster are also associated with Cetera Advisor Networks, Inc. as Registered Representatives. Cetera is a general securities broker/dealer having membership in the Financial Industry Regulatory Authority. As a Registered Representative of Cetera, Mr. Cooper is licensed as agent for various insurance companies, with activity limited to the recommendation of variable annuities, when and if appropriate for clients with Cetera brokerage accounts. As a Registered Representative of Cetera, Ms. Schuster is licensed with various insurance companies to sell variable annuities and life insurance. If an individual client has a securities account with Cetera and an Advisory account with Rincon Pacific Management, any investments in the Cetera account are not part of any Rincon Advisory portfolio and as such are not assessed an Advisory fee.

Jena Schuster is CEO of Ignite Planners, LLC, an SEC Registered Investment Advisory. Ms Schuster has no client assets invested through Ignite Planners, LLC.

Mr. Cooper is not registered as a futures commission merchant, a commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities. Ms. Schuster is not registered as a futures commission merchant, a commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

In its advisory relationship with clients, and as a matter of policy, Rincon Pacific Management does not use nor recommend Cetera Network Advisors, Inc. for custodial services for our Managed Portfolios or Classic Market Timed client accounts. The Advisor does not direct any orders nor recommend any investment products through Cetera. The Advisor does not receive any type of compensation, commission, or fees from Cetera. or any other broker-dealer or investment firm. This policy is intended to avoid any potential conflict of interest relating to management of client accounts.

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

Code of Ethics

Rincon Pacific Management maintains a Code of Ethics. The Code of Ethics sets forth standards of conduct expected of advisory personnel; requires compliance with federal securities laws; and, addresses conflicts that arise from personal trading by advisory personnel. Our Code of Ethics is designed to: 1) protect confidential client data; and, 2) insure that investment action is made in the best interest of the client. Clients may request a copy of our Code of Ethics.

Participation or Interest in Client Transactions

Rincon Pacific Management does not sponsor any limited partnerships or mutual funds. The Advisor has no material interest in any outside companies or individual securities selected for our managed programs.

Personal Trading

At times Rincon Pacific Management and/or its personnel may take positions in the same securities as clients. If the Advisor is buying or selling securities for his personal account(s) that are recommended to clients, client accounts always have preferential treatment to prioritize their securities transactions over that of the Advisor. Management avoids conflicts with clients because our Managed Portfolios are traded on an omnibus level and all accounts, inclusive of Advisor's accounts, participate equally in trades. Rincon Pacific will not violate our fiduciary responsibilities to our clients. Trading ahead of clients is prohibited. Any trading accounts held by personnel outside of our omnibus accounts are monitored by the Advisor's Chief Compliance Officer.

Item 12 Brokerage Practices

The Custodian and Brokers We Use

Rincon Pacific Management does not maintain custody of client assets (although we may be deemed to have custody if you give us authority to withdraw assets from your account – See Item 15 Custody, below). Your assets must be maintained in an account at a “qualified custodian”, generally a broker-dealer or bank.

For our **Managed Portfolios** we require that our accounts use Charles Schwab & Co. Inc. (“Schwab”), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. Rincon Pacific is independently owned and operated and not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when instructed by the Advisors. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you.

How We Select Brokers/Custodians

We seek to use a custodian/broker who will hold your assets and execute transactions on terms that are overall most advantageous when compared with other available providers and their services. We consider a wide range of factors, including:

- Combination of transaction execution services along with custody services (generally without a separate fee for custody)
- Capability to execute, clear and settle security trades for your account.
- Capabilities to facilitate transfers and payments to and from accounts (wire transfers, checks requests, bill payment, etc.)
- Breadth of investment products made available (stocks, bonds, mutual funds, ETF's, etc.)
- Availability of investment research and tools that assist us in making investment decisions.
- Quality of services.
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them.
- Reputation, financial strength, and stability of the provider
- Their prior service to us and our other clients.

-
- Availability of other products and services that benefit us – see below: “Products and Services Available to us from Schwab”.

Your Custody and Brokerage Costs

For our client accounts it maintains, Schwab does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute all trades in your account.

Products and Services Available to Us from Schwab

Schwab Advisor Services (formerly Schwab Institutional) is Schwab’s business serving independent advisory firms such as Rincon Pacific Management. Schwab provides our clients and us with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Here is a more detailed description of Schwab’s support services:

Services That Benefit You – Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment. Schwab’s services described in this paragraph general benefit you and your account.

Services That May Not Directly Benefit You – Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and service assist us in managing and administering our clients’ accounts. They include investment research, both Schwab’s own and that of third parties. We may use this research to service all or some substantial number of our clients’ accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our client accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

Services That Generally Benefit Only Us - Schwab also offers services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting;

- publications and conferences on practice management and business succession; and
- access to employment benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third-party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

Selection or Recommendation of Broker/Dealers, Soft Dollar Practices, and Client Referrals From Brokers

Rincon Pacific Management does not benefit from any broker/dealer soft dollar practices.

Directed Brokerage

Rincon Pacific does not participate in any directed brokerage.

Trade Aggregation

Individual clients are positioned in programs to best meet the client's investment objective. Initial trades are made pursuant to the Portfolio Manager's discretion when it is deemed in the client's best interest to participate in a given security. The executing broker will be informed that the trades are for the account of the Advisor's clients and not for the Advisor itself. No advisory account within the block trade will be favored over any other advisory account, and thus, each account will participate in an aggregated order at the average share price. No accounts receive preferential handling over any other account.

Item 13 Review of Accounts

Rincon Pacific monitors the individual investments within the Managed Programs each day the market is open. Individual accounts may be rebalanced at any given time to adjust to a client's investment objectives, or when it is in the client's best interest to take advantage of market conditions. Clients are contacted annually, if not more frequently, to review their current investment objectives.

The account reviews are performed by Portfolio Manager, Craig F. Cooper, Jena Schuster, Portfolio Manager.

All clients receive standard quarterly account statements from investment custodians.

Item 14 Client Referrals & Other Compensation

Referral Fees Received

The Advisor receives no referral fees from solicitors, broker/dealers and any other outside agents.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors who maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices). The availability of Schwab’s products and services to us is not based on our giving particular investment advice, such as buying specific securities for our clients.

Sales Awards

Rincon Pacific does not participate in any sales award programs nor receives any benefits from any such programs.

Item 15 Custody

Our firm does not have custody of client funds or securities. Funds received for investment purposes in our Managed Portfolios are only accepted by the Advisor if they are payable to the custodian, e.g. “Charles Schwab & Co, Inc”. All deposit checks are sent via overnight delivery to the custodian. Any checks received payable to Rincon Pacific Management and for deposit to investment accounts are not accepted by the Advisor. Clients will receive account statements at least quarterly from the qualified custodian of their managed account. They will be sent to the email or postal mailing address you provide to your custodian. Clients are urged to compare custodial account statements against statements prepared by Rincon Pacific for accuracy. Minor variations may occur because of reporting dates, accrual methods of interest and dividends, and other factors. The custodial statement is the official record of your account for tax purposes.

The SEC issued a no-action letter ("Letter") with respect to Rule 206(4)-2 ("Custody Rule") under the Investment Advisers Act of 1940 ("Advisers Act"). The letter provided guidance on the Custody Rule as well as clarified that an adviser who has the power to disburse client funds to a third party under a standing letter of instruction ("SLOA") is deemed to have custody. As such, our firm has adopted the following safeguards in conjunction with our custodian, Schwab:

- The Client provides a written instruction to the qualified custodian that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer.
- The client has the ability to terminate or change the instruction to the client's qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.

- The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Item 16 Investment Discretion

Upon acceptance by the Advisor of a signed and completed Advisory Agreement, Rincon Pacific maintains full discretion over the trading activities in clients' accounts.

Item 17 Voting Client Securities

Rincon Pacific has the authority to vote proxies, unless directed otherwise by the client. Clients may contact us directly at the phone number or address listed on the first page of this document to obtain information on how the Advisor voted on behalf of the client. Rincon votes proxies in the best economic interest of the client, and not in the interest of our firm. While it is unlikely that Rincon Pacific will have a material conflict when voting client proxies, a conflict could arise from time to time. We can resolve such conflicts to include but not limited to: documenting that votes were cast in the best interest of the client; informing the client to obtain objective third party advice; obtaining client's informed consent to vote a proxy in a specific manner. When seeking a client's consent, we will provide the client with sufficient information regarding the matter and the nature of the conflict to enable the client to make an informed decision. Clients may request a complete copy of our proxy voting policy.

Item 18 Financial Information

Because Rincon Pacific Management has discretionary authority over client funds, Advisors maintains a minimum net worth over \$10,000 at all times. An investment advisor must provide financial information if a threshold of fee prepayments is met, if there are any financial conditions likely to impair the ability to meet contractual commitments, or if a bankruptcy has occurred within the past ten years. Rincon Pacific Management does not have any such items to disclose.

Rincon Pacific Management does not solicit or assess pre-payment of fees six or more months in advance and over \$500. There is no minimum fee assessment.