



Item 1

COVER PAGE

**ADV Part 2A, Brochure
Dated March 29, 2018**

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This Brochure provides information about the qualifications and business practices of Blume Capital Management. If you have any questions about the contents of this Brochure, please contact us at telephone 510.549.3534. The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission or by any state authority. Additional information about Blume Capital Management is available on the SEC's website at www.adviserinfo.sec.gov.

References herein to Blume Capital Management as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

Item 2 MATERIAL CHANGES

Since the March 29, 2017 Annual Amendment filing, this Brochure has been materially amended at Item 5 to reflect an increase in stand-alone financial planning fees offered on a fixed-fee basis. While not material, this Brochure has also been amended since that time to make disclosure additions and enhancements regarding retirement rollovers, a written acknowledgment of fiduciary status with respect to certain accounts governed by the Employee Retirement Income Security Act of 1974 / the Internal Revenue Code, or both, advisory fees, and economic benefits.

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Item 4 ADVISORY BUSINESS

Registration Status – Registered with the SEC on October 1, 1998¹
 Registered with the State of CA on January 31, 1994

Principal Owners – James B. Blume
 Jeffrey V. St. Claire

ADVISORY SERVICES

Blume Capital Management, Inc. (“Blume Capital” or the “Firm”), a California corporation, provides investment management and other financial consulting services to individuals and their trusts and estates, pension and profit sharing plans, charitable foundations and private investment funds.

INVESTMENT MANAGEMENT SERVICES

Investment management services are provided on a discretionary basis and for individually managed accounts, include, among other services, financial goal setting, risk assessment, strategic asset allocation and the selection and management of securities and investments. The Firm is also the managing member and investment advisor to a pooled investment fund, Hutchinson Capital Partners, LLC, a Delaware limited liability company (“Hutchinson Partners”) as described below.

Blume Capital accepts clients for which its services are suitable and appropriate. This determination is made through client consultations during which the client and Blume Capital evaluate the client’s investment objectives, financial circumstances, investment experience, time horizon and risk tolerance level. In performing its services, Blume Capital is not required to independently verify any information received from the client or from the client’s other professional advisors, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains the client’s responsibility to promptly notify the Firm of any change in their financial situation or investment objectives that would necessitate a review, evaluation or revision by Blume Capital of previous recommendations and/or services. Blume Capital evaluates each new client’s existing investments and where necessary develops a plan to transition such existing investments into or out of the client’s portfolio as required by Blume Capital’s investment strategy.

In certain circumstances, typically for clients with \$20 million or more in investible assets, Blume Capital may provide investment consulting regarding the use, selection and monitoring of third party sub-advisors, as well as the determination of appropriate asset allocation.

¹“Registration” means only that the Firm meets the minimum requirements for registration as an investment advisor and does not imply that the SEC guarantees the quality of our services or recommends them.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

Blume Capital may provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Before engaging Blume Capital to provide planning or consulting services, clients are generally required to enter into a *Financial Planning and Consulting Agreement* with Blume Capital setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Blume Capital commencing services.

HUTCHINSON CAPITAL PARTNERS, LLC – AN AFFILIATED PRIVATE FUND

Blume Capital is the managing member and investment advisor to Hutchinson Partners (the “*affiliated fund*”). Blume Capital, on a non-discretionary basis, may recommend that qualified clients consider allocating a portion of their investment assets to the *affiliated fund*. The terms and conditions for participation in the *affiliated fund*, including applicable management and incentive fees, conflicts of interest, and risk factors, are set forth in the fund’s offering documents. Blume Capital’s clients are under absolutely no obligation to consider or make an investment in the *affiliated fund* or any other private investment fund(s).

Private Investment Fund Risk Factors. 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 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 qualification for investment in the applicable fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

Private Investment Fund Valuation. In the event that Blume Capital references the *affiliated fund* or any other private investment fund owned by the client on any supplemental account reports, the values for all private investment funds will generally reflect the most recent value. The current value of the private investment fund could be significantly more or less than the original purchase price or the price reflected in any supplemental account report. If the *affiliated fund* or any other private investment fund has invested in a third-party fund, the investment manager of that fund is responsible for determining the value of interests in that fund. Blume Capital will rely on values provided by the third-party fund’s manager. The client’s investment management fee shall be calculated based upon such reflected fund value(s).

Conflict Of Interest. Because Blume Capital earns a management fee from the *affiliated fund* that may exceed the fee that Blume Capital would earn under its standard asset based fee schedule referenced in Item 5 below, the recommendation that a client become an *affiliated fund* investor presents a conflict of interest. No client is under any obligation to become an *affiliated fund* investor. Blume Capital’s Chief Compliance Officer, Jeffrey V. St. Claire, remains available to address any questions regarding this conflict of interest.

MISCELLANEOUS

Client Obligations. In performing its services, Blume Capital shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains their responsibility to promptly notify Blume Capital if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising Blume Capital's previous recommendations and/or services.

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 Blume Capital) will be profitable or equal any specific performance level(s).

Tradeaway/Prime Broker 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, in which event, the client generally will incur both the fee (commission, mark-up/mark-down) charged by the executing broker-dealer and a separate "tradeaway" and/or prime broker fee charged by the account custodian (Schwab). Blume Capital receives no fee for any trade-aways or use of a prime broker.

Retirement Plan Rollovers. A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Blume Capital recommends that a client roll over their retirement plan assets into an account to be managed by Blume Capital, such a recommendation creates a conflict of interest if Blume Capital will earn a new (or increase its current) investment management fee as a result of the rollover. To the extent that Blume Capital recommends that clients roll over assets from their retirement plan to an IRA managed by Blume Capital, then Blume Capital represents that it and its investment adviser representatives are fiduciaries under the Employee Retirement Income Security Act of 1974 ("ERISA"), or the Internal Revenue Code, or both.

ERISA / IRC Fiduciary Acknowledgment. If the client is: (i) a retirement plan ("Plan") organized under ERISA; (ii) a participant or beneficiary of a Plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code, with authority to direct the investment of assets in his or her Plan account or to take a distribution; (iii) the beneficial owner of an IRA acting on behalf of the IRA; or (iv) a Retail Fiduciary with respect to a plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code: then Blume Capital represents that it and its representatives are fiduciaries under ERISA or the Internal Revenue Code, or both, with respect to any investment advice provided by Blume Capital or its representatives or with respect to any investment recommendations regarding an ERISA Plan or participant or beneficiary account.

Disclosure Statement. A copy of Blume Capital's written Brochure as set forth on Part 2 of Form ADV shall be provided to each client before, or contemporaneously with, the execution of the applicable form of client agreement.

Cash Positions. Depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), Blume Capital may maintain cash and cash equivalent positions (such as money market funds) for defensive and liquidity purposes. Unless otherwise agreed in writing, all such cash positions are included as part of assets under management for purposes of calculating Blume Capital's investment management fee.

Portfolio Activity. Blume Capital has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Blume Capital will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including but not limited to investment performance, fund manager tenure, style drift, account additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when Blume Capital determines that changes to a client's portfolio are neither necessary nor prudent. Notwithstanding, there can be no assurance that investment decisions made by Blume Capital will be profitable or equal any specific performance level(s).

Use of Mutual Funds and Exchange Traded Funds. While Blume Capital may recommend allocating investment assets to mutual funds that are not available directly to the public, Blume Capital may also recommend that clients allocate investment assets to publicly available mutual funds and exchange traded funds ("ETFs") that the client could obtain without engaging Blume Capital as an investment adviser. However, if a client or prospective client determines to allocate investment assets to publicly-available mutual funds or ETFs without engaging Blume Capital as an investment advisor, the client or prospective client would not receive the benefit of Blume Capital's initial and ongoing investment advisory services.

Limitations of Planning and Non-Investment Consulting/Implementation Services. If specifically requested by a client, Blume Capital may provide financial planning and consulting services regarding investment and non-investment related matters, such as estate planning, tax planning, insurance, etc. Blume Capital does not serve as a law firm, accounting firm, or insurance agency, and no portion of Blume Capital's services should be construed as legal, accounting, or insurance implementation services. Accordingly, Blume Capital does not prepare estate planning documents, tax returns or sell insurance products. To the extent requested by a client, Blume Capital may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance agents, etc.). Clients are reminded that they are under no obligation to engage the services of any such recommended professional. Furthermore, as a matter of Firm policy, Blume Capital is not compensated, directly or indirectly, by the professionals to whom it refers clients. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation made by Blume Capital or its representatives. Please Note: If the client engages any recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

WRAP FEE PROGRAM

Blume Capital does not sponsor or manage client investment assets through a wrap fee program (in which the sponsor arranges for the investor participant to receive investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee).

REGULATORY ASSETS UNDER MANAGEMENT

As of December 31, 2017, Blume Capital managed \$400,480,650 of client assets on a discretionary basis.

Item 5 FEES AND COMPENSATION

ADVISORY FEES FOR INVESTMENT MANAGEMENT SERVICES

For its investment management services, Blume Capital charges an annual fee based on a percentage of assets under management. Blume Capital's annual investment management fee is prorated (25% of total annual fee) and charged quarterly, in advance, based upon the market value of the assets on the last day of the previous quarter as reflected on the client's custodian account statement. All assets in the Account(s) are included in the fee assessment unless specifically identified in writing for exclusion. For new accounts, Blume Capital charges a fee based on the value of assets placed in the account, prorated to the portion of the calendar quarter during which the assets were under management by the Firm. The Firm's standard fee schedule is as follows:

Value of Account Assets	Annual Fee Rate
First \$1,000,000	1.00%
Next \$1,000,000 and \$2,000,000	0.80%
Over \$2,000,000	0.60%

The investment management fee is computed on the last day of each quarter of management by determining the market value of the client's account(s) using the following guidelines: (a) for marketable securities: the current market price provided by the client's custodian or third party pricing service; (b) for securities for which there exists no active market (such as real estate, gas and oil, or other illiquid securities), by using such information as the Firm shall in good faith deem relevant to determine the value thereof, or in the absence of such information, at cost; and (c) cash or equivalents, at dollar value. Fees charged are not calculated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (SEC Rule 205(a)(1)). Blume Capital does not seek, nor does it accept, sales fees or commissions of any kind.

The client's investment management fee to Blume Capital is determined in accordance with the above standard fee structure, with exceptions negotiated on a case-by-case basis, solely at Blume Capital's discretion. Services provided for the above fees are for investment advice and quarterly reporting of asset holdings, financial planning, valuations and performance reviews. Blume Capital, in its sole discretion, may alter its investment management fee based upon, among other criteria, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationship, account retention and/or pro bono activities. As a result of these factors, similarly situated clients

could pay different fees, the services to be provided by Blume Capital to any particular client could be available from other advisers at lower fees, and certain clients may have fees different than those specifically set forth above.

ADVISORY FEES FOR HUTCHINSON PARTNERS

All fees paid by investors in the *affiliated fund* are more fully described in the private placement memorandum, including the operating agreement and subscription agreement, provided to Fund investors. As its investment manager, Blume Capital charges an investment management fee totaling one percent (1%) of the Fund's assets. Such fees are calculated and paid quarterly in advance based on the net asset value of the assets as of the end of the preceding quarter. Blume Capital in its sole discretion, may waive or reduce the management fee with respect to any *affiliated fund* investor for any period of time, or agree to apply a different fee for that investor.

No commissions or other compensation are paid by Hutchinson Partners or Blume Capital to any party in connection with obtaining subscriptions to interests in the Fund. The *affiliated fund* generally pays directly or reimburses Blume Capital for certain operating expenses. Blume Capital also pays all ordinary administrative expenses of the *affiliated fund*.

The Firm's individually managed account clients that are also investors in the Fund are not billed separately for investment management fees by Blume Capital for the portion of their assets represented by their investment in the Fund, but rather pay only the *affiliated fund* management fees on those assets. However, as disclosed below under Third Party Fund Disclosures, the *affiliated fund* will pay fees to third party fund managers for investment management and administrative services to the extent that Fund assets are invested in such third party investment vehicles, and investors in the Fund will therefore indirectly bear such third party fees and expenses in addition to the *affiliated fund* management fees.

FEES FOR FINANCIAL PLANNING AND CONSULTING SERVICES

In addition to advising on investments in securities, Blume Capital may, occasionally, advise its investment management clients with respect to direct real estate investments or other investment or asset allocation decisions for an hourly fee that typically ranges from \$400 to \$800 depending upon the nature of the engagement.

To the extent requested by a client, Blume Capital may also provide financial planning and consulting services (including investment and non-investment related matters such as estate planning, insurance planning, etc.) subject to the terms and conditions of a *Financial Planning and Consulting Agreement* on a stand-alone separate fee basis. Blume Capital's fees for these services are negotiable, but generally range from \$2,500 to \$7,500 on a fixed fee basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

GENERAL FEE DISCLOSURES

Blume Capital believes its fees are competitive with those fees charged by other investment advisors for comparable services. However, comparable services may be available from other sources for lower fees than those charged by Blume Capital.

The client's fee is determined in accordance with the above fee structure, with exceptions negotiated on a case-by-case basis at Blume Capital's discretion. Any deviations from the fee structure are based upon a number of factors including, but not limited to the amount of work involved, the amount of assets placed under management anticipated future earning capacity, anticipated future additional assets, familial relationship, and the attention needed to manage the account.

CUSTODIAN AND BROKERAGE FEES

Clients incur certain charges imposed by their custodians and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, clients will incur charges by the executing broker-dealer in the form of brokerage commissions and transaction fees on the investment transactions entered into for their account(s). All such charges, fees and commissions are exclusive of and in addition to Blume Capital's investment management fee, none of which is paid to Blume Capital.

Clients are asked to authorize the custodian of their account(s) to debit the client's account for the amount of Blume Capital's investment management fee and to directly remit that management fee to Blume Capital. The client's custodian sends a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Blume Capital. It is the client's responsibility to verify the accuracy of the fee calculation, as the custodian will not determine whether the fee is properly calculated. Clients must discuss any discrepancy in fees with Blume Capital within 30-days of the billing date.

THIRD PARTY FUND DISCLOSURES

Mutual funds, closed-end funds, exchange traded funds (ETFs) and private/alternative investment funds are investment vehicles and the investment strategies, objectives and types of securities held by such funds vary widely. In addition to the advisory fees charged by Blume Capital, clients (including those invested in the *affiliated fund*) indirectly pay for the expenses and advisory fees charged by the funds in which their assets are invested.

All such funds incur operating expenses in connection with the management of the fund. Investment funds pass some or all of these expenses through to their shareholders (the individual investors in the funds) in the form of management fees. The management fees charged vary from fund to fund.

In addition, funds charge shareholders (individual investors in the funds) other types of fees such as early redemption or transaction fees. These charges also vary widely among funds. As a result, clients will still pay management fees and other, "indirect" fees and expenses as charged by each mutual fund (or other pooled investment vehicle) in which they are invested. Blume Capital only charges fees as outlined in Item 5.

Clients are provided a copy of a fund prospectus for each fund in which they invest by their custodian or by the fund sponsor rather than by Blume Capital. As required by law, a prospectus represents the fund's complete disclosure of its management and fee structure. In addition, a fund's prospectus can be obtained directly from the fund.

BOND DISCLOSURE

Clients whose assets are invested in bonds purchased directly from an underwriter may pay a sales credit or sales concession to the underwriter on the trade (in lieu of a sales commission) ranging from 0% - 2% of the par value of the bond.

TERMINATION OF AGREEMENTS

The applicable form of agreement between Blume Capital and the client will continue in effect until terminated by either party by written notice in accordance with the terms of such agreement. Upon termination, Blume Capital shall refund the pro-rated portion of any advanced advisory fee paid based upon the number of days remaining in the billing quarter.

Item 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

No part of Blume Capital's investment management fee is based upon capital gains or the capital appreciation of assets. Blume Capital does not charge a performance fee in connection with its investment management services to the *affiliated fund*.

Item 7 TYPES OF CLIENTS

Blume Capital's clients generally include individuals, high net worth individuals trusts and estates, pension and profit sharing plans, and the *affiliated fund*. As a result, while Blume Capital does not impose a mandatory asset level or fee requirement for opening or maintaining an account, Blume Capital's services may not be appropriate for everyone. Particularly for smaller accounts, other investment advisers may provide similar services for lower compensation, although others may charge more for similar services.

Item 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

METHODS OF ANALYSIS

Blume Capital's investment strategy incorporates three major themes:

First, investing is, by definition, long-term in nature. While short-term trading can, on occasion, provide exceptional returns, it is inherently risky. In contrast, investing on a long-term basis greatly enhances predictability and increases the likelihood of achieving investment goals. It also minimizes transactional expenses and tax liability.

Secondly, investments in the equity markets have historically provided attractive long-term returns versus other readily available investment options. Therefore, the firm makes a significant commitment to equities utilizing a "value" style of equity investing.

Thirdly, diversification of assets by asset class (e.g., stocks, bonds) should not only improve long-term returns, but should help mitigate volatility as well.

INVESTMENT STRATEGY

Blume Capital is authorized to enter into any type of investment transaction that it deems appropriate for the account, given the financial circumstances, investment objectives, risk tolerance and investment restrictions, if any, set by the individual client. The Firm currently utilizes a wide variety of investment instruments to implement its investment strategies. These may include, but are not limited to: shares of common or preferred stock, interests in mutual funds and ETFs (including indexed mutual funds and ETFs), convertible stocks or bonds, warrants, rights, corporate, municipal or government bonds, variable annuities, and structured notes or bills. The Firm may also utilize alternative investments for qualified clients for whom such investments are deemed suitable. These may include, but are not limited to, private investment company securities, commodity and currency investments, options, real estate and other investment partnerships, real estate investment trusts ("REITs"), and structured notes.

The client may make additions to and withdrawals from the client's account at any time. If assets are withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets will not be adjusted or prorated based on the number of days remaining in the billing period. Clients may withdraw account assets on notice to Blume Capital, subject to the usual and customary securities settlement procedures. Blume Capital designs its portfolios as long-term investments and asset withdrawals may impair the achievement of a client's investment objectives. Client accounts with significant withdrawals that reduce assets below the Firm's preferred account size may result in the Firm terminating the relationship with the client.

Additions to accounts may be in cash or securities provided that we reserve the right to decline to accept particular securities into a client's account. The Firm will consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

INVESTMENT RISKS

All securities investments carry risk, including the risk that an investor may lose a part or all of his or her initial investment. For example:

- Short-term purchases – on occasion, generally only for tax management purposes, we may determine to buy or sell securities in a client's account and hold them for less than a year. Some of the risks associated with short-term trading that could affect investment performance are increased commissions and transaction costs to the account and increased tax obligations on the gains in a security's value.
- As described above, investments in the *affiliated fund* are subject to very limited liquidity and risks relating to the investment strategies of the management of each portfolio fund in which Hutchinson Partners invests. These and other specific risks relating to an investment in the *affiliated fund* are disclosed in its Private Placement Memorandum provided to all prospective investors.

The use of options transactions as an investment strategy can involve a high level of risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract.

Generally, the purchase or the recommendation to purchase an option contract by Blume Capital shall be with the intent of mitigating/offsetting/"hedging" a potential market risk and/or security specific risk in a client's portfolio. Please Note: Although the intent of the options-related transactions that may be implemented by Blume Capital is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc.), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct Blume Capital, in writing, not to employ any or all such strategies for their accounts. For detailed information on the use of options and option strategies, please refer to the Option Clearing Corp.'s Option Disclosure Document, which can be found at: <http://www.optionsclearing.com/components/docs/riskstoc.pdf>. Hard copies may be ordered by calling 1-888-678-466, or writing OCC, 1 North Wacker Drive, Suite 500 Chicago, IL 60606.

REITs are subject to risks generally associated with investing in real estate, such as: possible declines in the value of real estate; adverse general and local economic conditions; possible lack of availability of mortgage funds; changes in interest rates; and environmental problems. In addition, REITs are subject to certain other risks related specifically to their structure and focus such as: dependency upon management skills; limited diversification; the risks of locating and managing financing for projects; heavy cash flow dependency; possible default by borrowers; the costs and potential losses of self-liquidation of one or more holdings; the possibility of failing to maintain exemptions from securities registration; and, in many cases, relatively small market capitalization, which may result in less market liquidity and greater price volatility.

The use of structured notes carries a high level of inherent risk. A structured note is a financial instrument that combines two elements, a debt security and exposure to an underlying asset or assets. It is essentially a note, carrying counter party risk of the issuer. However, the return on the note is linked to the return of an underlying asset or assets (such as the S&P 500 Index or commodities). It is this latter feature that makes structured products unique, as the payout can be used to provide some degree of principal protection, leveraged returns (but usually with some cap on the maximum return), and be tailored to a specific market or economic view. In addition, investors may receive long-term capital gains tax treatment if certain underlying conditions are met and the note is held for more than one year. Structured notes may have liquidity constraints, such that the sale thereof before maturity may be limited. Structured notes also do not pay interest, dividend payments, provide voting rights or guarantee any return of principal at maturity unless specifically provided through products that are designed with this purpose in mind. Most structured note payments are based on the performance of an underlying index (i.e., S&P 500) and if the underlying index were to decline 100% then the payment may result in a loss of a portion or all of a client's principal. Notes are not insured through any governmental agency or

program and the return of principal and fulfillment of the terms negotiated by Blume Capital on behalf of clients is dependent on the financial condition of the third party issuing the note and the issuer's ability to pay its obligations as they become due. Structured notes purchased for clients will not be listed on any securities exchange. There may be no secondary market for such structured notes, and neither the issuer nor the agent will be required to purchase notes in the secondary market. Some of these structured financial products are callable by the issuer only, therefore the issuer (not the investor) can choose to call in the structured notes and redeem them before maturity. In addition, the maximum potential payment on structured notes will typically be limited to the redemption amount applicable for a payment date, regardless of the appreciation in the underlying index associated with the note. Since the level of the underlying index at various times during the term of the structured notes held by clients could be higher than on the valuation dates and at maturity, clients may receive a lower payment if redeemed early or at maturity than if a client would have invested directly in the underlying index.

While the payment at maturity of any structured notes would be based on the full principal amount of any note sold by the issuer, the original issue price of any structured note purchased for clients includes an agent's commission and the cost of hedging the issuer's obligations under the note. As a result, the price, if any, at which an issuer will be willing to purchase structured notes from clients in a secondary market transaction, if at all, will likely be lower than the original issue price and any sale before the maturity date could result in a substantial loss. Structured notes will not be designed to be short-term trading instruments so clients should be willing to hold any notes to maturity.

Item 9 DISCIPLINARY INFORMATION

Blume Capital has no disciplinary history and consequently, is not subject to any disciplinary disclosures.

Item 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Blume Capital is an independent investment advisor, unaffiliated with any other financial institution or securities dealer or issuer. Although we recommend that our clients custody their investment accounts at Charles Schwab & Co., Inc. ("Schwab"), we have no affiliation with Schwab, do not supervise its brokerage activities and are not subject to its supervision. Neither Blume Capital, nor its representatives are registered or have an application pending to register as: a broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, a commodity pool operator, a commodity trading advisor, or a representative of the foregoing. As indicated above, Blume Capital is affiliated with Hutchinson Partners – a private investment fund. Although we may refer our clients to other professionals such as attorneys or accountants for estate planning, tax or other matters, neither the Firm nor its principals or employees are affiliated with any law or accountancy firm nor do we receive financial remuneration of any kind for such referrals.

**Item 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND
PERSONAL TRADING**

Blume Capital, its principals, employees and their immediate families (collectively “employees”) are permitted to buy and sell securities for their personal investment accounts. The Firm manages its own corporate account and the retirement and personal accounts of its shareholders, James B. Blume, Peter B. Reidenbach and Jeffrey V. St. Claire, as well as those of its employees.

The Firm has adopted employee personal trading policies and procedures and a code of ethics to govern proprietary (on behalf of the Firm itself) and employee trading practices. Our employees are required annually to review the Firm’s code of ethics and to sign a certification that each will abide by its provisions. Each employee is required to report all personal securities transactions on a regular basis. No employee is permitted to execute or facilitate any securities transaction on the basis of inside information. The Firm’s employee personal trading policies and code of ethics are made available to clients and prospective clients upon request.

The Firm and/or its employees may personally invest in the same securities that are purchased for client trading accounts and may own securities that are subsequently purchased for client accounts. It is Firm policy that no employee trade will be given preference over the interests of clients. Trades by clients and employees in the same security on the same day must either be aggregated (executed at the same time) or the employee trade must wait until the end of the trading day for execution. If a security is purchased or sold for client accounts and the Firm and/or its employees on the same day, either the Firm and/or its employees will pay or receive the same price as the client account, or the client account will receive the more favorable price. If purchased or sold on different days, it is possible that the Firm and/or employees’ personal transactions might be executed at more favorable prices than were obtained or clients. From time to time, trading by Blume Capital and/or its employees in particular securities may be restricted in recognition of impending investment decisions on behalf of clients.

Blume Capital and/or its employees may buy or sell different investments, based on personal investment considerations, which are not deemed appropriate to buy or sell for clients. The Firm is not obligated to acquire for any client account any security that is acquired for any Firm or employee account (or for the account of any other client), if in the discretion of the Firm, based upon the client’s financial condition and investment objectives and guidelines, it is not practical or desirable to acquire a position in such security for that account.

It is possible that the Firm or its employees may take investment positions for their own accounts that are contrary to those taken on behalf of clients. We may also buy or sell a specific security for our personal accounts based on personal investment considerations aside from company or industry fundamentals, which are not deemed appropriate to buy or sell for clients. If these securities subsequently appreciate, these personal transactions could be viewed as creating a conflict of interest.

Conversely, Blume Capital and/or its employees may liquidate a security position that is held both for their own account and for the accounts of Firm clients, sometimes in advance of clients. This occurs when personal considerations (i.e., liquidity needs, tax-planning, industry/sector weightings) deem a sale necessary for individual financial planning reasons. If the security subsequently falls in price, these personal transactions could be viewed as a conflict of interest. As a general policy, Blume Capital's principals purchase the same securities that we are purchasing for clients.

As indicated above, Blume Capital has a financial interest in the *affiliated fund* and may recommend that qualified clients consider investing in the *affiliated fund*. The terms and conditions for participation in the *affiliated fund*, including applicable management and incentive fees, conflicts of interest, and risk factors, are set forth in the affiliated fund's offering documents. Blume Capital's clients are under absolutely no obligation to make an investment in the *affiliated fund*.

Blume Capital's Chief Compliance Officer, Jeffrey V. St. Claire, remains available to address any questions that a client or prospective client may have regarding the above arrangements.

Item 12 BROKERAGE PRACTICES

In the event that the client requests that Blume Capital recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct Blume Capital to use a specific broker-dealer/custodian), Blume Capital generally recommends that investment management accounts be maintained at Charles Schwab & Co. ("Schwab"). Before engaging Blume Capital to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with Blume Capital setting forth the terms and conditions under which Blume Capital shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that Blume Capital considers in recommending Schwab (or another broker-dealer/custodian, investment platform and/or mutual fund sponsor) include historical relationship with Blume Capital, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Blume Capital's clients shall comply with Blume Capital's duty to seek best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Blume Capital determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Blume Capital will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Blume Capital's investment management fee. Blume Capital's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

Non-Soft Dollar Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Blume Capital receives from Schwab (or could receive from other broker-dealer/custodians, unaffiliated investment managers, vendors, investment platforms, and/or product/fund sponsors) without cost (and/or at a discount) support services and/or products, certain of which assist Blume Capital to better monitor and service client accounts maintained at such institutions. The support services that Blume Capital receives can include: investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or free consulting services, discounted or free attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Blume Capital in furtherance of its investment advisory business operations. As referenced above, certain of the support services and/or products that Blume Capital can receive may assist Blume Capital in managing and administering client accounts. Others do not directly provide such assistance, but rather assist Blume Capital to manage and further develop its business enterprise. The receipt of these support services and products presents a conflict of interest, because Blume Capital has the incentive to recommend that clients utilize Schwab as a broker-dealer/custodian based upon its interest in continuing to receive the above-described support services and products, rather than based on a client's particular need. However, Blume Capital's clients do not pay more for investment transactions effected and/or assets maintained at Schwab as a result of this arrangement. There is no corresponding commitment made by Blume Capital to Schwab or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

Blume Capital does not receive referrals from broker-dealers.

Blume Capital does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Blume Capital will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Blume Capital. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

Please Note: In the event that the client directs Blume Capital to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Blume Capital. Higher transaction costs adversely impact account performance. Further, transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

To the extent that Blume Capital provides investment advisory services to its clients, the transactions for each client account generally will be effected independently, unless Blume Capital decides to purchase or sell the same securities for several clients at approximately the same time. Blume Capital may (but is not obligated to) combine or “bunch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Blume Capital’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Blume Capital shall not receive any additional compensation or remuneration as a result of such aggregation.

Blume Capital’s Chief Compliance Officer, Jeffrey V. St. Claire, remains available to address any questions that a client or prospective client may have regarding the above arrangements.

Item 13 REVIEW OF ACCOUNTS

Trading in client accounts is monitored on a continuous basis by James B. Blume, Jeffrey V. St. Claire and Peter B. Reidenbach, the Firm’s portfolio managers. Client account holdings and asset allocations are reviewed comprehensively on a quarterly basis by the portfolio managers for consistency with the client’s financial profile which details the client’s investment objectives, risk tolerance, assets and liabilities and investment restrictions, if any. The portfolio managers continuously monitor client portfolio asset allocations, cash allocations and other account factors. Periodic allocation adjustments may be required due to client investment guideline changes, client deposits and withdrawals and changes in the client’s financial condition. Additionally, client accounts may be reviewed in response to changes in the financial markets. Each client account may be reviewed in depth with the client at least annually at the client’s discretion.

Item 14 CLIENT REFERRALS AND OTHER COMPENSATION

As referenced in Item 12, Blume Capital receives economic benefits from Schwab including support services and/or products without cost or at a discount. Blume Capital’s clients do not pay more for investment transactions effected and/or assets maintained at Schwab as a result of this arrangement. There is no corresponding commitment made by Blume Capital to Schwab or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

Blume Capital’s Chief Compliance Officer, Jeffrey V. St. Claire, remains available to address any questions that a client or prospective client may have regarding the above arrangement.

Item 15 CUSTODY

Blume Capital will have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the account custodian (typically, Schwab). The account custodian does not verify the accuracy of Blume Capital’s management fee calculation. Blume Capital provides clients with quarterly reports with more

detailed information, such as cost basis, yield data and percentage appreciation or decline, in each security in the portfolio. The client is urged to compare any statement or report provided by Blume Capital with the account statements received from the account custodian.

Blume Capital also provides a quarterly letter to clients commenting on Blume Capital's investment outlook. At year-end, each client receives a more detailed report from Blume Capital displaying each account's annual and longer term performance. All clients are offered the opportunity to meet formally with us at least annually to review past performance and to discuss changes in the client's goals as well as changes in investment strategy.

Blume Capital engages in practices and services on behalf of its clients that require disclosure at ADV Part 1, Item 9. In particular, Blume Capital discloses in that section that it has custody of client funds and securities as a result of its relationship to the *affiliated fund*. The *affiliated fund* is audited by an independent CPA annually, and copies of the audited financials are distributed to the limited partners invested in the *affiliated fund*. In addition, certain clients have signed asset transfer authorizations which permit the qualified custodian to rely upon instructions from Blume Capital to transfer client funds to "third parties." These arrangements are also reflected at ADV Part 1, Item 9, but in accordance with the guidance provided in the SEC's February 21, 2017 Investment Adviser Association No-Action Letter, the affected accounts are not subject to an annual surprise CPA examination.

Item 16 INVESTMENT DISCRETION

Blume Capital generally requires investment discretion over investment management client assets including the authority to select the investments to be made and the quantity of securities to be bought and sold. This discretion may be limited by client investment guidelines and any investment restrictions established by the client. Unless a client has directed brokerage, the Firm is authorized to determine the executing broker to be used.

Blume Capital retains discretionary authority over client accounts and is appointed to act as the client's agent with a limited power of attorney to:

- Place purchase and sale orders for securities in the client's investment account and on the client's behalf. While Blume Capital may from time to time consult with clients prior to effecting transactions for the client's investment account, the Firm is granted the authority, in the exercise of its sole discretion, to effect transactions for client's accounts without the prior approval of the client. Notwithstanding Blume Capital's discretionary authority granted in the investment advisory agreement, we will not execute any transaction which would contravene the express directions of the client with respect to the purchase or sale of specific securities.
- Authorize transfer of funds on the client's behalf from one custodian of the client's account to another custodian, or from a custodian to the client; provided, however, that in no event may the client's funds be transferred to Blume Capital nor may Blume Capital cause the transfer of the client's funds other than as specifically directed or approved by

the client in the investment advisory agreement or in a separate express written or oral direction or consent.

- Take such other action as may be necessary or desirable to carry out the purpose and intent of the investment advisory agreement and the client's investment policy statement.

Securities transactions are supervised on a continuous basis and each client's portfolio holdings and asset allocations are reported on a quarterly basis.

Item 17 VOTING CLIENT SECURITIES

It is Blume Capital's policy not to vote proxy solicitations received on behalf of clients from the issuers of securities held in client's account. All such solicitations may be forwarded to client for voting upon client request. Any client wishing to review our proxy voting policies in full may request a copy.

Item 18 FINANCIAL INFORMATION

Blume Capital does not require or solicit prepayment of its management fees from clients six or more months in advance. There are no adverse conditions related to the Firm's finances that are likely to impair its ability to meet its contractual commitments to its clients. The Firm has not been the subject of a bankruptcy filing in the last ten years.

ANY QUESTIONS: The Firm's Capital's Chief Compliance Officer, Jeffrey V. St. Claire, remains available to address any questions regarding this ADV Part 2A, Brochure.