

Conrad Capital Management, Inc.

**1377 Motor Parkway, Suite 406
Islandia, NY 11749**

**Phone: 631.439.7878
Fax: 631.439.7879**

www.conradcapital.com

March 21, 2018

FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of Conrad Capital Management, Inc. If you have any questions about the contents of this brochure, please contact us at 631.439.7878. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Conrad Capital Management, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Conrad Capital Management, Inc. is 113648.

Conrad Capital Management, Inc. is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment, dated March 8, 2017 we have no material changes to report.

Item 3 Table Of Contents

Item 1 Cover Page	Page 1
Item 2 Summary of Material Changes	Page 2
Item 3 Table Of Contents	Page 3
Item 4 Advisory Business	Page 4
Item 5 Fees and Compensation	Page 9
Item 6 Performance-Based Fees and Side-By-Side Management	Page 13
Item 7 Types of Clients	Page 14
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	Page 14
Item 9 Disciplinary Information	Page 16
Item 10 Other Financial Industry Activities and Affiliations	Page 16
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	Page 17
Item 12 Brokerage Practices	Page 18
Item 13 Review of Accounts	Page 21
Item 14 Client Referrals and Other Compensation	Page 22
Item 15 Custody	Page 22
Item 16 Investment Discretion	Page 22
Item 17 Voting Client Securities	Page 23
Item 18 Financial Information	Page 23
Item 19 Requirements for State Registered Investment Advisers	Page 23
Item 20 Additional Information	Page 23

Item 4 Advisory Business

Description of Services and Fees

Conrad Capital Management, Inc. is a registered investment adviser based in Islandia, New York. We are organized as a corporation under the laws of the State of New York. We have been providing investment advisory services since 1997. Donald E. Conrad is our principal owner. Currently, we offer the following investment advisory services, which are personalized to each individual client:

- **Money Management Services**
- **Concierge Services**
- **Financial Planning Services**
- **Selection of Third Party Managers**
- **Pension Consulting Services**
- **Seminars**

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer to Conrad Capital Management, Inc. and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this brochure. As used in this brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

Money Management Services

We offer discretionary and non-discretionary money management services billed quarterly. Our investment advice is tailored to meet our clients' needs and investment objectives. If you retain our firm for money management services, we will require that you complete an Investor Profile, Risk Tolerance, and Suitability questionnaire (collectively, "Client Questionnaires"), which is intended to measure your investment objectives, time horizons, and risk parameters. In establishing a portfolio for you, we consider the information contained in the Client Questionnaires, including your stated investment objectives, risk tolerance, and other pertinent investment considerations. Once we construct an investment portfolio for you, we will monitor your portfolio's performance on an ongoing basis, and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

You are responsible for promptly bringing any change in your investment objectives or financial condition to our attention. Although we will remind you to confirm your investment goals at least annually to aid in the communication of material changes, it is your responsibility to make us aware of any changes.

If you participate in our discretionary money management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow our firm to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm, a power of attorney, or trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing.

If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. Under certain circumstances, you may provide us with written instructions to manage your account on a discretionary basis based on certain specific guidelines and time frames that you establish.

In general, we offer advice on mutual funds, exchange traded funds, equity securities, warrants, corporate debt securities, commercial paper, certificates of deposits, municipal securities, US Government securities and initial public offerings ("IPO"s). Individual securities comprise a portion of the equity exposure, depending on the client's investment profile. We utilize a top-down approach to the investment process, demographically driven and filtering down to specific companies. It is in accordance with our philosophy to invest for the long term. We seek to acquire companies that will be held for at least a year in order to capitalize on the more favorable long-term capital gains tax treatment. We have proprietary investment strategies. Occasionally, we may participate in the IPO market. The securities involved in IPOs are often subject to greater and more unpredictable price changes than more established stocks. For this reason before being added to our IPO list, all clients are called individually and explained in detail the risks associated and minimum holding time required (a month and a day) to make absolutely sure they understand the process. In a few cases clients have asked to be contacted first and this has been noted on their account and our IPO list.

Equity Approach: Allocation is achieved by investing primarily in Mutual Funds, Exchange Traded Funds and Index Funds. We accommodate individual securities, they comprise a portion of the equity exposure, depending on the client's investment profile. We utilize a top-down approach to the investment process, demographically driven and filtering down to specific companies. It is in accordance with our philosophy to invest for the long-term. We seek to acquire companies that will be held for at least a year in order to capitalize on the more favorable long-term capital gains tax treatment. We have proprietary investment strategies. Occasionally, we may participate in the IPO market. The securities involved in IPOs are often subject to greater and more unpredictable price changes than more established stocks. For this reason before being added to our IPO list, all clients are called individually and explained in detail the risks associated and the minimum holding time required (a month and a day) to make absolutely sure they understand the process. In a few cases clients have asked to be contact first and this has been noted on their account and our IPO list.

Fixed-Income Approach: Allocation is achieved by investing primarily in Mutual Funds, Exchange Traded Funds and Index Funds. CCM generally recommends municipal bonds in taxable accounts and investment grade quality corporate bonds and/or treasuries in tax-deferred accounts to maximize after-tax returns. Occasionally, preferred stocks are selected as a surrogate to a fixed income portfolio. CCM seeks to reduce volatility by acquiring fixed income products that have staggered or laddered maturities. Specific fixed income sectors are emphasized based on relative attractiveness. The portfolio mix of corporate, government, foreign sovereign, high yield, TIPs, CDO, mortgage and asset-backed securities will be adjusted to reflect changing spread, inflation expectations, momentary policies and economic activities. Typically, a significant position of assets is not held as cash unless there is a need for liquidity, such as a withdrawal.

Mutual Fund and Exchange Traded Fund Approach: Both open and closed end Mutual Funds, ETFs and Index Funds comprise the largest portion of investment portfolios at CCM the majority being no-load or load-waived. To ensure adequate diversification, 10-30% exposure in the international and small cap areas will be maintained. In addition, exposure to other sectors is achieved through fund investments as well. When appropriate, CCM will use internally leveraged mutual funds.

Alternative Investment Approach: Alternatives are an important portion of client portfolios at our firm. Alternatives include, but are not limited to precious metals, energy, commodities, currencies, traded REITs, options. These areas of investment are usually accessed through no-load mutual funds and

exchange traded funds. For accredited investors, private investments are also considered. These include limited partnerships, non-traded REITs, BDCs, closed-end funds, venture capital, private equity, private investments, hedge funds, and hedge fund of funds investments as well.

Concierge Services

We may offer non-investment advisory consulting services ("Concierge Services") to our advisory clients. Concierge Services may include, but is not limited to, one or more of the following services:

Estate Planning:

Introduction to attorneys

First time consultation set up for free (up to a \$500 value)

Liaison with attorneys to handle legal issues (setting up of will, health care proxy, etc.)

Accounting Services:

Introduction to accountants

Working with current/new accountants and/or tax preparers on taxes, preparing reports, etc.

Helping with tax planning issues

Business Services:

Assistance in the sale and/or purchase of a business

Strategy & financial consulting

Financial Services:

Comprehensive service around any financial related situations (i.e. car purchase v. lease, new home purchase, real estate sale, assistance with negotiation in certain vendor situations, insurance services, etc.)

Financial Planning Services

We offer modular and consultative financial planning services to clients who require advice on specific aspects of their finances. Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to our firm. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

Selection of Third Party Managers

We may recommend that you utilize outside professional money managers to gain adequate diversification and asset allocation for larger plans i.e., retirement, endowment, foundations and similar organizations. All money managers that we recommend to our clients must be registered as investment advisers with either the Securities and Exchange Commission or with the appropriate state authority(ies) unless otherwise exempt from registration.

After gathering information about your financial situation and objectives, we may make recommendations regarding the suitability of a money manager or investment program. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the money manager's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We will monitor the money manager(s)' performance to ensure its management and investment style remains aligned with your investment goals and objectives.

Pension Consulting Services

We offer pension consulting services to employee benefit plans and their fiduciaries based upon the needs of the plan and the services requested by the plan sponsor or named fiduciary. In general, these services may include an existing plan review and analysis, money management services, investment performance monitoring, ongoing consulting, and/or communication and education services where our firm will assist the plan sponsor in providing meaningful information regarding the retirement plan to its participants.

We may have agreements with third party administrators ("TPA") to provide these services as part of the TPA's agreement with the plan. In these instances, the TPA may pay to our firm a portion of its charges to the plan. In other instances, we may be introduced to a plan through a TPA and will provide service directly to the plan.

We may hold educational seminars for the plan employees and provide information on the plan specifics and allocation choices. We may also meet with individual plan participants and offer personalized information based on their individual objectives.

General - Advisory Services to Retirement Plans and Plan Participants

As disclosed above, we offer various levels of advisory and consulting services to employee benefit plans ("Plan") and to the participants of such plans ("Participants"). The services are designed to assist plan sponsors in meeting their management and fiduciary obligations to Participants under the Employee Retirement Income Securities Act ("ERISA"). Pursuant to adopted regulations of the U.S. Department of Labor, we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status (which is described below).

The services we provide to your Plan are described above, and in the service agreement that you have previously signed. Our compensation for these services is described below, at Item 5, and also in the service agreement. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan or Participants, unless the plan sponsor directs us to deduct our fee from the plan or directs the plan record-keeper to issue payment for our fee out of the plan. If we receive any other compensation for such services, we will (i) offset the compensation against our stated fees, and (ii) we will promptly disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

Status

In providing services to the Plan and Participants, our status is that of an investment adviser registered under the Investment Advisers Act of 1940, and we are not subject to any disqualifications under Section 411 of ERISA. In performing fiduciary services, we are acting either as a non-discretionary fiduciary of the Plan as defined in Section 3(21) under ERISA, or as a discretionary fiduciary of the plan as defined in Section 3(38) under ERISA.

Seminars

We provide free seminars to the public on general and educational financial and investment matters. Presentations may focus on issues relating to asset management, qualified plans, and/or financial planning, and are impersonal in nature. We will not provide individualized advice to participants unless the participant engages our firm separately as an advisory client.

Management Services to Pooled Investment Vehicles

We provide specialized discretionary advisory services to investment limited partnerships to which our firm may serve as general partner. Currently, we are the general partner and investment adviser to CCM Partners, L.P. (the "Fund"), an unregistered investment company organized as a limited partnership that invests in other unregistered investment companies (the "Underlying Hedge Funds"). The Fund invests in Underling Hedge Funds that invest primarily in U.S. small- and mid-cap companies.

We may form additional partnerships in the future. The Fund, and any additional partnerships we form in the future, is offered only to investors meeting certain sophistication and financial requirements and only by private placement memorandum and other offering documents. Investors and prospective investors should refer to the offering documents for the Fund for a complete description of the risks, investment objectives and strategies, fees and other relevant information pertaining to investments in the Fund.

Types of Investments

We generally offer advice on mutual funds, exchange traded funds, equity securities, warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, variable life insurance, variable annuities, U.S. Government securities, options contracts on securities, initial public

offerings ("IPO"s), and interests in pooled investment vehicles. You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

Assets Under Management

As of February 21, 2018, we provide continuous management services for \$48,360,326 in client assets on a discretionary basis, and \$29,773,208 in client assets on a non-discretionary basis.

Please Note: Retirement Rollovers-Potential for Conflict of Interest: 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 the Registrant recommends that a client roll over their retirement plan assets into an account to be managed by the Registrant, such a recommendation creates a conflict of interest if the Registrant will earn an advisory fee on the rolled over assets. **No client is under any obligation to rollover retirement plan assets to an account managed by Registrant. Registrant's Chief Compliance Officer, Donald Conrad, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.**

Item 5 Fees and Compensation

Our Advisory Fees

Please refer to the following paragraphs for information on our advisory fees, fee deduction arrangements, and refund policy according to each service we offer.

Money Management Services and Concierge Services

Our fee for money management services is based on a percentage of your assets we manage. Our fee for Concierge Services is also based on a percentage of your assets we manage and is in addition to our money management fee. Our standard fee schedules are set forth below*. If a majority of your portfolio is comprised of fixed income securities, the "Fixed Income Portfolio Management Fee Schedule" will apply; otherwise, the "Money Management and Concierge Services Fee Schedule" will apply.

Money Management and Concierge Services Fee Schedule

Minimum of \$100,000 of assets under management is required for this service. Exceptions possible depending on circumstances.

Asset Value of Client's Account	Annual Fee
\$100,000 - \$999,999	2.00%
\$1,000,000 - \$1,999,999	1.50%
\$2,000,000 - \$4,999,999	1.00%
\$5,000,000 - \$7,499,999	0.90%
\$7,500,000 - \$9,999,999	0.80%
\$10,000,000 and above	0.75%
Concierge Services	0.10 - 0.25%

Fixed Income Portfolio Management Fee Schedule

Minimum of \$250,000 of assets under management is required for this service. Exceptions possible depending on circumstances.

Asset Value of Client's Account	Annual Fee
\$250,000 - \$999,999	0.65%
\$1,000,000 - \$4,999,999	0.50%
\$5,000,000 - \$9,999,999	0.40%
\$10,000,000 and greater	negotiable

** Older client relationships may be subject to different fee schedules.*

Our annual money management/concierge fee is billed and payable quarterly in advance based on the value of your account on the last day of the previous quarter. If the money management/concierge agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is sometimes negotiable, depending on individual client circumstances.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities in accordance with your advisory agreement with our firm. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy. We will also receive a duplicate copy of your account statements. In limited circumstances, you may request that we send you an invoice for the payment of our advisory fee in lieu of deducting our fee from your account.

You may terminate the money management/concierge agreement upon notice to our firm. Upon termination, it is your responsibility to monitor the securities in your account, and we will have no further obligation to act or provide advice with respect to those assets. If the agreement is terminated partway through a calendar quarter, fees collected in advance will be refunded to the client, pro-rata, based on the number of days remaining in the calendar quarter following the effective date of termination.

Financial Planning Services

We charge an hourly fee ranging from \$150 to \$300 for financial planning services, which is negotiable depending on the scope and complexity of the plan, your situation, and your financial objectives. Fees are due and payable upon the receipt of our invoice, which is generally upon completion of services rendered. We may require that you pay a retainer equal to 50% of the financial planning fee at the outset of our engagement. We will not require prepayment of a fee more than six months in advance and in excess of \$1,200.

You may terminate the financial planning agreement by providing written notice to our firm. You will incur a pro rata charge for work performed up until the termination date. If fees are due, we will issue a bill to you, which will be due and payable upon receipt. If you have pre-paid advisory fees that we have not yet earned, you will promptly receive a prorated refund of those fees.

Selection of Other Advisers

We do not charge you a separate fee for the selection of other advisers. We will share in the advisory fee you pay directly to the money manager. The advisory fee you pay to the money manager is established and payable in accordance with this brochure provided by each money manager to whom you are referred. These fees may or may not be negotiable. Our compensation may differ depending upon the individual agreement we have with each money manager. As such, a conflict of interest may arise where our firm or our Associated Persons may have an incentive to recommend one money

manager over another money manager with whom we have more favorable compensation arrangements or other advisory programs offered by money managers with whom we have less or no compensation arrangements.

You will be required to sign an agreement directly with the recommended money manager(s). You may terminate your advisory relationship with the money manager according to the terms of your agreement with the money manager. You should review each money manager's this brochure for specific information on how you may terminate your advisory relationship with the money manager and how you may receive a refund, if applicable. You should contact the money manager directly for questions regarding your advisory agreement with the money manager.

Pension Consulting Services

Our compensation for managing plan assets is based on the same provisions as our money management services, described above. Additional services are billed at a rate of \$150 to \$300 per hour. The type and amount of the fees charged to the client is subject to negotiation and will be based on the scope and complexity of the qualified plan and the requested services. An estimate of the total cost will be determined at the start of the advisory relationship. We require the payment of fees for pension consulting services quarterly in advance. We will not require prepayment of a fee more than six months in advance and in excess of \$1,200.

Either party to the pension consulting agreement may terminate the agreement upon 30-days' written notice to the other party. The pension consulting fees will be prorated for the quarter in which the termination notice is given and any unearned fees will be refunded to the client.

Seminars

We do not impose a fee for attendance to our seminars.

Management Services to Pooled Investment Vehicles

We receive a management fee and a performance-based fee as general partner and investment adviser to the Fund, as well as any other investment limited partnership we form in the future. For services provided to such funds, we will receive a management fee, payable quarterly in advance, equal to .25% of the value of the Fund's assets based on the net market value on the last day of the previous quarter. In addition, our firm, as general partner, will receive an incentive allocation, payable quarterly in arrears, equal to 10% of the profit allocated to each limited partner (other than partners from whom our firm agrees at its sole discretion to vary the incentive allocation) to the extent such profit excess any prior unsecured losses.

Expenses Related to the Fund: Except as otherwise expressly agreed by our firm as General Partner, the Partnership shall be responsible for all costs, liabilities, and expenses incurred in connection with the operation and conduct of its business including, but not limited to, brokerage commissions, trading and investment-related transaction fees, Management Fees and the Incentive Allocation paid to the General Partner, management fees and incentive allocations or performance fees paid to other investment advisers (each an "Advisor" and collectively, the "Advisors") by an investment vehicle operated by the Advisor (each an "Advisor Fund" and collectively the "Advisors' Funds") and/or an account directly managed by an Advisor (each a "Managed Account" and collectively the "Managed Accounts"), legal and compliance expenses, fees for bookkeeping, accounting, record keeping, auditing, tax preparation and other similar services relating to the affairs of the Partnership, custodial fees and expenses, administrative costs, the fees of any outside service providers such as a third-party administrator, insurance expenses, blue sky filing fees as well as other continuing offering expenses such as the cost of producing and distributing offering memoranda and other marketing materials, the expenses with respect to the preparation of all reports to Partners including the costs of reproducing and mailing reports, and any other expenses that the General Partner reasonably determines should be expenses of the Partnership. The Partnership may also bear investment expenses such as research fees and expenses (including research-related travel expenses incurred in researching potential investment opportunities), due diligence expenses, valuation related expenses, costs associated with pricing services, and any other expenses reasonably related to the purchase, sale or transmittal of Partnership assets.

Investors and prospective investors should refer to the offering documents for the Fund for a complete description of the fees, expenses and other relevant information pertaining to investments in the Fund.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this brochure.

In addition, we may recommend that you purchase certain securities that may result in your having to file additional tax forms (i.e., Schedule K-1), which may cause you to pay additional accounting or tax preparation fees. We are not responsible for any additional accounting or tax preparation fees you may incur as a result of purchasing such securities. You should consult your accountant or tax professional throughout the investing of your assets.

Compensation for the Sale of Securities or Other Investment Products

Persons providing investment advice on behalf of our firm may be registered representatives with Purshe Kaplan Sterling Investments ("PKS"), an unaffiliated securities broker-dealer, and member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC"). In their capacity as registered representatives, these persons will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Persons providing investment advice on behalf of our firm may also be licensed as independent insurance agents.

Compensation earned by these persons in their capacities as registered representatives or insurance agents is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are registered representatives or insurance agents have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase securities or insurance products through any person affiliated with our firm.

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

We charge performance-based fees to the Fund, which is offered to "accredited investors," as defined in Rule 501 under the Securities Act of 1933, as amended. "Accredited investors" includes natural persons whose individual net worth exceeds \$1,000,000, not including the investor's primary residence, or whose individual income exceeds \$200,000. Investors and prospective investors should refer to the Fund's offering documents for more information.

Performance-based fees are fees based on a share of capital gains or capital appreciation of a client's account. The amount of the performance based fee we charge is described in the *Advisory Business* section in this Brochure. We manage accounts that are charged performance-based fees while at the same time managing accounts (perhaps with similar objectives) that are not charged performance-based fees ("side-by-side management"). Performance-based fees and side-by-side management may create conflicts of interest, which we have identified and described in the following paragraphs.

Performance-based fees may create an incentive for our firm to make investments that are riskier or more speculative than would be the case absent a performance fee arrangement. In order to address this potential conflict of interest, a senior officer of our firm periodically reviews client accounts to ensure that investments are suitable and that the account is being managed according to the client's investment objectives and risk tolerance.

Performance based fees may also create an incentive for our firm to overvalue investments which lack a market quotation. In order to address such conflict, we have adopted policies and procedures that require our firm to "fairly value" any investments, which do not have a readily ascertainable value.

Side-by-side management might provide an incentive for our firm to favor accounts for which we receive a performance-based fee. For example, we may have an incentive to allocate limited investment opportunities, such as initial public offerings, to clients who are charged performance-based fees over clients who are charged asset based fees only. To address this conflict of interest, we have instituted policies and procedures that require our firm to allocate investment opportunities (if they are suitable) in an effort to avoid favoritism among our clients, regardless of whether the client is charged performance fees.

Item 7 Types of Clients

We offer investment advisory services to individuals, pension and profit sharing plans, trusts, estates, corporations, and pooled investment vehicles, including unregistered limited partnerships.

We require a minimum of \$100,000 to open and maintain an advisory account under our money management services; however, we require a minimum of \$250,000 to participate in the Fixed Income Portfolio.

Only "accredited investors" as defined in Rule 501 under the Securities Act of 1933, as amended, may participate in limited partnership investments. In determining the assets under management fee for clients whose accounts are invested the Fund, we do not include the portion of the client's account that is invested in the Fund.

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

Our Methods of Analysis and Investment Strategies

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- Fundamental Analysis - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.
- Technical Analysis - involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.
- Charting Analysis - involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends.
- Long Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

- Cyclical Analysis - a type of technical analysis that involves evaluating recurring price patterns and trends.
- Short Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.
- Short Sales - a securities transaction in which an investor sells securities he or she borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price.
- Margin Transactions - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.
- Option Writing - a securities transaction that involves selling an option. An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

We may use short sales, margin transactions, option writing, and short-term trading (in general, selling securities within 30 days of purchasing the same securities) when managing your account(s). These strategies are not a fundamental part of our overall investment strategy, but we may use these strategies occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.

Charting and Technical Analysis - The risk of market timing based on technical analysis is that charts may not accurately predict future price movements. Current prices of securities may reflect all information known about the security and day to day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Fundamental Analysis - The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

Cyclical Analysis - Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the FIFO (First-In First-Out) accounting method for calculating the cost basis of your

investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Types of Securities

As disclosed under the "Advisory Business" section in this Brochure, we recommend several types of securities and we do not necessarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Item 9 Disciplinary Information

Neither our firm nor any of our Associated Persons has any reportable disciplinary information.

Item 10 Other Financial Industry Activities and Affiliations

Under our Consulting Division, we offer two types of non-investment advisory consulting services: Independent Verification & Operational Review ("IVOR"), a best practice operational review of hedge funds, and Independent Securities Lending Oversight ("ISLO"), a review of securities lending programs. In limited circumstances, clients who have engaged our firm for IVOR and ISLO services may also be advisory clients of CCM. Clients are informed that compensation for advisory services is separate and distinct from compensation for IVOR and ISLO services.

Arrangements with Affiliated Entities

As discussed in the *Advisory Business* section of this Brochure, we serve as general partner and investment adviser to CCM Partners, L.P. (the "Fund"), a private pooled investment vehicle in which you may be solicited to invest. The Fund is offered to "accredited investors" as defined in Rule 501 under the Securities Act of 1933, as amended. Investors to whom the Fund is offered will receive a private placement memorandum and other offering documents. The fees charged by the Fund are separate and apart from our advisory fees. You should refer to the offering documents for a complete description of the fees, investment objectives, risks and other relevant information associated with investing in the Fund. Persons affiliated with our firm may have made an investment in the Fund and may have an incentive to recommend the Fund over other investments.

Registrations with Broker-Dealer

Persons providing investment advice on behalf of our firm may be registered representatives with Purshe Kaplan Sterling Investments ("PKS"), an unaffiliated securities broker-dealer, and member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC").

Recommendation of Other Advisers

We may recommend that you use a third party money manager based on your needs and suitability. We will receive compensation from the money manager for recommending that you use their services. These compensation arrangements present a potential conflict of interest because we have a potential financial incentive to recommend the services of the money manager. You are not obligated to use the services of any money manager we recommend.

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

Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

We will provide a copy of our Code of Ethics to you at the time you enter into an advisory agreement with our firm. You may also, at any time, obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

Our Associated Persons have made an investment into the Fund discussed in this Brochure and therefore may have incentive to recommend the Fund over other investments.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Please refer to the "Brokerage Practices" section in this brochure for information on our block trading practices. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities. We have also established the following in accordance with our fiduciary responsibilities:

- No employee of our firm shall buy or sell securities for their personal portfolio(s) where their decision is substantially derived, through his or her employment, unless the information is also available to the investing public or reasonable inquiry.

- We maintain a list of all securities holdings for anyone associated with this advisory practice. In addition, the firm receives duplicate confirmations of all transactions and duplicate statements for each employee account. These records are reviewed on a quarterly basis by our firm's Chief Compliance Officer.
- All clients are fully informed that our Associated Persons who are registered representatives with PKS may receive separate compensation when effecting transactions during the implementation process.
- We emphasize the unrestricted right of a client to decline to implement any advice rendered.
- CCM emphasizes the unrestricted right of the client to select and choose any broker or dealer and/or insurance company he/she wishes.
- We require that all employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- Any individual not in observance of the above may be subject to termination.
- From time to time, trading in particular securities by our firm and its Associated Persons may be restricted in recognition of impending investment decisions considered on behalf of advisory clients. If transaction orders for any client and our firm (including associated persons and their related persons) are to be executed on the same day and are not aggregated, the orders of our firm and our Associated Persons will be filled last. Our Associated Persons who have access to client investment information will be required to report to our firm all personal securities transactions on a quarterly basis.

Item 12 Brokerage Practices

We recommend the brokerage and custodial services of PKS and Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC. We believe that the recommended broker-dealer provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by the recommended broker-dealer, including the value of research provided, the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of research services and additional brokerage products and services the recommended broker-dealer provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Clients are advised that there may be transaction charges involved when purchasing or selling securities. Our firm does not share in any portion of the brokerage fees/transaction charges imposed by Schwab Institutional. Additionally, the commission/transaction fees charged by Schwab Institutional may be higher or lower than those charged by other broker-dealer/custodians.

Charles Schwab & Co., Inc.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when [we/you] instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open

the account for you, although we may assist you in doing so. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below (see "Your brokerage and custody costs").

Schwab - Your Custody and Brokerage Costs

For our clients' accounts it maintains, Schwab generally 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. For some accounts, Schwab may charge you a percentage of the dollar amount of assets in the account in lieu of commissions. This commitment benefits you because the overall commission rates and/or asset-based fees you pay are lower than they would be if we had not made the commitment. In addition to commission rates and/or asset-based fees 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 the 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 most trades for your account.

Schwab Advisor Services

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They provide us and our clients 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. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. Following 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 by our clients. Schwab's services described in this paragraph generally 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 services 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; or facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting.

Services that Generally Benefit Only Us

Schwab also offers other 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;
- access to employee benefits providers, human capital consultants and insurance providers;
- discount of up to \$4,250 on PortfolioCenter® software.

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.

Our Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The benefits we receive may give us an incentive to recommend that you maintain your account with Schwab based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality and price of Schwab's services (based on the factors discussed above) and not Schwab's services that benefit only us.

Additionally, we have entered into an agreement with Schwab whereby Schwab offers a discount to the Alternative Investment Transaction Fee, Annual Custody Fee, and Annual Custody Cap. The discount applies to certain billing cycles from October 1, 2016 to September 30, 2018 ("discount period"). We do not receive compensation for our participation in this discount fee arrangement; however, we have an incentive to recommend Schwab for alternative investments during the discount period because our clients may pay lower custodial and transaction costs associated with alternative investments during the discount period as a result of recommending Schwab over other brokers/custodians.

In addition to using brokers as "agents" and paying commissions, we may cause clients to buy or sell securities from or to dealers acting as principal at prices that include markups or markdowns, and may buy securities from underwriters or dealers in public offerings at prices that include compensation paid to the underwriters.

Directed Brokerage

In limited circumstances, and at our discretion, some clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Soft Dollar Arrangements

We do not have any soft dollar arrangements.

Block Trades

We combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically, but not necessarily, proportionate to the size of the account; however, it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. We may also implement other trading styles when purchasing block trades. For example, we may purchase several orders of the same security at different times during the day, and then distribute the accumulated shares on a volume weighted average price basis. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

IPO Allocations

We may recommend initial public offerings ("IPOs") to clients. Clients are required to retain their IPO position for at least a month and a day. In allocating IPOs among client accounts, we will first enter orders for clients whose last name begin with the letter A and proceed with the alphabet. For the next transaction, orders will be placed for clients whose last names begin with the letter B and so on until we have completed a rotation of the alphabet. Subsequent transactions will then be entered, first, for clients whose last name begin with the letter Z and proceed backwards through the alphabet, after which the rotation will continue. New clients will wait until a complete alphabetic rotation has taken place before being placed in alphabetic order for participation.

Item 13 Review of Accounts

Managed accounts are monitored on an ongoing basis by the Associated Person assigned to the account. At least annually, Associated Persons will review their respective accounts for overall adherence with the investment philosophy employed by CCM and any specific requirements of the client. In addition, Donald E. Conrad, President/CEO/Chief Compliance Officer will conduct reviews of client accounts. Account holdings will also be reviewed as warranted by market conditions. A time weighted return method will be used in evaluating profits and losses.

If you have a managed account with our firm, at your request, we will provide you with reports that detail the current securities holdings, transaction summaries, and market value. Such reports will also reflect performance as measured over various historical time periods. In addition, you will receive statements directly from your account custodian(s) on a monthly and/or quarterly basis.

We provide limited partners of limited partnership investments with an annual report containing financial statements, as specified in the partnership agreement. Investors will also be provided with quarterly performance reports and account statements along with monthly updates.

Item 14 Client Referrals and Other Compensation

We directly compensate non-employee (outside) consultants, individuals, and/or entities ("Solicitors") for client referrals. In order to receive a cash referral fee from our firm, Solicitors must comply with the requirements of the jurisdictions in which they operate. If you were referred to our firm by a Solicitor, you should have received a copy of this brochure along with the Solicitor's disclosure statement at the time of the referral. If you become a client, the Solicitor that referred you to our firm will receive a percentage of the advisory fee you pay our firm for as long as you are a client with our firm, or until such time as our agreement with the Solicitor expires or a one-time, flat referral fee upon your signing an advisory agreement with our firm. You will not pay additional fees because of this referral arrangement. Referral fees paid to a Solicitor are contingent upon your entering into an advisory agreement with our firm. Therefore, a Solicitor has a financial incentive to recommend our firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms.

Solicitors that refer business to more than one investment adviser may have a financial incentive to recommend advisers with more favorable compensation arrangements. We request that our Solicitors disclose to you whether multiple referral relationships exist and that comparable services may be available from other advisers for lower fees and/or where the Solicitor's compensation is less favorable.

In addition, our employees may receive compensation in connection with client referrals.

Item 15 Custody

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent qualified custodian. You will receive account statements from the independent qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

In that our firm acts as general partner to the Fund, we have legal access to the Fund's assets, and therefore have custody over such assets. We provide each investor in the Fund with independently audited annual financial statements.

If you have a question regarding your custodial statement or did not receive your statement and/or you are a Fund investor and have questions regarding the financial statements or did not receive a copy, please contact us directly at the telephone number on the cover page of this brochure.

Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, a power of attorney, and/or trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters

for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the "Advisory Business" section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Item 17 Voting Client Securities

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Item 18 Financial Information

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

Item 19 Requirements for State Registered Investment Advisers

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

Item 20 Additional Information

Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, the trade error will be corrected in the trade error account of the executing broker-dealer and you will not keep the profit.

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.