

Item 1: Cover Page
Part 2A of Form ADV: Firm Brochure
August 2018



Michaud Capital Management, LLC
200 Fillmore Street, Suite 300
Denver, CO 80206

This brochure provides information about the qualifications and business practices of Michaud Capital Management, LLC (CRD No. 159828). If you have any questions about the contents of this brochure, please contact:

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The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any State Securities Authority.

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

Please note registration with the SEC does not mean that the SEC or any other agency of the United States Government has reviewed or approved of the registered investment adviser's abilities or qualifications nor does it imply a certain level of skill or training.

Item 2: Material Changes

Michaud Capital Management, LLC is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. Please note that we do not have to provide this information to a client or prospective client who has not received a previous version of our brochure.

Since the last annual amendment filed on 03/29/2018, the following changes have been made:

- Joseph Michaud has replaced Keelyn Hutchison as Chief Compliance Officer ("CCO").

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Item 4: Advisory Business

Michaud Capital Management, LLC ("MCM") is a privately held independent investment advisory firm. MCM provides its clients general asset management consulting services, which include primarily non-discretionary, but also discretionary investment advisory services ranging from comprehensive portfolio oversight to a defined set of services encompassing: investment consulting; investment policy development and review; asset allocation, diversification, and risk management; investment manager research; performance measurement and consolidated reporting; limited administrative and other related services; and investment related educational services.

MCM is not an investment manager in the traditional sense. We assist our clients in selecting high quality, external investment managers for their portfolio based upon the entity or individual's unique mission, governance, and investment objectives and policies. Our advice is customized to each individual client, and we do not offer any prepackaged group of investment managers (or portfolios) or other off-the-shelf investment products.

MCM does not maintain any affiliations with broker/dealers, other investment managers, solicitors, or placement agents. Our assets under management were \$1,053,593,458 as of March 27, 2018, of which \$69,687,056 was managed on a discretionary basis and \$983,906,401 was managed on a non-discretionary basis.

We are dedicated to providing objective investment consulting services to meet the unique needs of institutional client pools such as Foundations, Endowments, Operating Assets, Family Offices, and High Net-Worth Individuals. Our firm is a limited liability company formed in the State of Colorado and is one hundred percent (100%) owned by Mr. Joseph W. Michaud.

Types of Advisory Services Offered

As the consultant to the Client, we provide assistance in the following areas:

- Investment Policy Development and Review
- Asset Allocation and Risk Management
- Investment Manager Search and Selection
- Consolidated Reporting and Measurement
- Administrative Services
- Related Services

Investment Policy Development:

We assist the Client in developing or reviewing investment guidelines, by considering their long-term investment goals and objectives. The process includes the following:

- 1) Draft Investment Policy Statement.
- 2) Develop a strategic asset allocation.
- 3) Develop appropriate risk management procedures, including asset allocation ranges, rebalancing procedures, appropriate benchmarks, and concentration limits.

Asset Allocation and Risk Management:

We assist the Client in reviewing asset allocation scenarios and setting forth risks factors and return assumptions. The process considers the following:

- 1) Incorporate the effects of trends and shifts within the capital markets, and examine historical risk / return assumptions.
- 2) Identify risk factors that have the potential to impact future returns, including volatility, diversification, correlations, interest rates, credit, GDP growth, capital flows, commodity prices, liquidity etc.
- 3) Conduct sensitivity analyses as needed.
- 4) Determine permissible concentration of assets in specific market segments, sectors, and other appropriate constraints.
- 5) Review projected spending requirements under various scenarios.
- 6) Provide cash flow and liquidity analyses.

Investment Manager Search Selection and Implementation:

We assist the Client in screening, identifying, and interviewing investment managers using agreed upon criteria. As part of the search and selection process, we:

- 1) Review and monitor existing managers.
- 2) Screen various databases and leverage an extensive network across the asset management industry to evaluate existing managers and select potential investment managers.
- 3) Assess the investment manager's investment philosophy, process, and performance against agreed upon criteria and industry benchmarks, indices, and / or style benchmarks.
- 4) Conduct manager interviews and / or office visits as needed.
- 5) Review operational protocols and risk management procedures.
- 6) Negotiate fees, terms and other services with investment managers.
- 7) Prepare a written report profiling each existing and potential investment manager. The report will cover both an investment and operational assessment of the manager. The report will also include key investment performance statistics (a quantitative review) as well as more qualitative data.
- 8) Establish performance objectives and guidelines for each investment manager for purposes of future evaluation.

- 9) Implement investment decisions, and manage investment portfolio(s), on a non-discretionary basis.

Consolidated Reporting and Measurement:

On a quarterly basis, we provide the Client with an in-depth performance measurement report:

- 1) The specific nature and timing of the performance reporting will be mutually agreed upon between the Client and our Firm.
- 2) At a minimum, performance reporting shall be presented on a quarterly basis.
- 3) Conduct quarterly meetings with clients to review reports.

Related Services:

As a result of our relationship, we will gladly assist the Client with any of the following ancillary services:

- 1) Consult on related investment or portfolio management issues, including cost or fee analyses, private equity cash flow / liquidity analyses, supplemental performance graphics, and custodial / transition management searches.
- 2) Educate family members on investment related matters as needed.

Tailoring of Advisory Services

We offer individualized investment advice to clients utilizing our firm's advisory services.

Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

Participation in Wrap Fee Programs

We do not offer wrap fee programs.

Item 5: Fees & Compensation

We customize our services based upon each individual client's needs; therefore our fees are dependent on a variety of factors, including the client's total asset size, complexity of a client's investments (e.g., traditional marketable securities versus non-traditional alternative investments, direct private investments versus traditional fund investments, and types of investment vehicles utilized by the client), the client's structure (e.g., single investment pool versus multiple pools), type (e.g., a nonprofit organization, a corporation, a private client etc.), and whether or not the relationship is discretionary. As a result, MCM does not have a set fee schedule, but may impose a minimum fixed fee of \$50,000 per annum.

Our firm's fees are primarily in the form of consulting fees. The consulting fee is generally an annual-based fee which is payable in quarterly installments, billable in advance at the beginning of each

quarter. Our Firm will generally directly bill each client quarterly in advance at the beginning of each quarter. However, a client may elect to have consulting fees deducted from their custodial account depending on the specific terms in their contract.

Generally, our contracts have an initial one-year term, with automatic renewal for subsequent years assuming no change in services and / or fees. Our clients may terminate their relationship with written advanced notice depending on the notice period specified in their contract.

Other Types of Fees & Expenses

Our Firm charges our clients a flat fixed fee for consulting services, and does not accept any other form of compensation. Our consulting fees do not include investment management fees, transaction costs, or custodial fees that are charged by other service providers. Certain investments in pooled investment vehicles (whether mutual funds or private funds) may be subject to expenses such as custodial, transaction or administrative expenses, which are indirectly borne by clients investing in such vehicles.

Termination & Refunds

We charge our advisory fees quarterly in advance. Our clients may terminate their relationship with advanced written notice depending on the notice period specified in their contract. In the event that a client wishes to terminate our services, MCM will prorate any pre-paid consulting fees and refund the outstanding amount.

Commissionable Securities Sales

We do not earn a commission on sales of securities.

Item 6: Performance-Based Fees & Side-By-Side Management

We do not charge performance fees to our clients.

Item 7: Types of Clients & Account Requirements

MCM provides asset management consulting services to a wide variety of clients, including Foundations, Endowments, Operating Assets, Corporations, Trusts, Family Offices and High Net-Worth Individuals.

We do not have requirements for opening and maintaining accounts or otherwise engaging us.

Item 8: Methods of Analysis, Investment Strategies & Risk of Loss

Methods of Analysis

We recommend investment managers, funds, and direct investment depending on our client's unique circumstances. However, we generally do not recommend individual stocks and bonds. We focus on asset allocation, the strategies of the investment managers, and the funds we recommend to our clients. The universe of investment managers we select from offers numerous types of investments strategies, including traditional and non-traditional (i.e., alternative investments, such

as hedge funds and private equity funds). When evaluating an investment manager, we utilize both quantitative and qualitative analyses to assess the appropriateness of an investment. In addition, we make a concerted effort to visit and meet with each manager we recommend.

There are numerous factors we consider when making an asset allocation or investment manager recommendation, including but not limited to 1) global macro-economic trends or events (both secular and cyclical) 2) major capital markets trends or events 3) fundamental and technical analyses and 4) compatibility with a specific client's investment objectives, risk parameters, and spending needs etc.

We favor strategies where investment managers have a history of exploiting market inefficiencies, and exhibit a degree of transparency that enables us to understand the nuances of the investment philosophy, process, and results under different market conditions. In addition, we must be able to understand the depth of the investment manager's fundamental analysis, and risk management. We look for investment managers with a history of capital preservation, and attractive risk-adjusted performance returns.

In addition to investment related due diligence, we evaluate an investment manager's operational capabilities, including onsite visits; reviewing audited financial statements, third party service providers, due diligence questionnaires, regulatory disclosure documents, pricing policies, and offering memoranda; conducting reference checks.

On occasion, we will recommend specific exchange-traded funds or exchange-traded notes.

Risk of Loss:

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and client account(s) could enjoy a gain, it is also possible that the stock market may decrease and client account(s) could suffer a loss. It is important that clients understand the risks associated with investing in the stock market, are appropriately diversified in investments, and ask us any questions they may have.

Practices regarding Cash Balances

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In those cases where a client has authorized our firm to debit our fee from their custodial account(s), a partial cash balance may be maintained in a money market account so that our firm may debit our fee for our services related to portfolio management services.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities & Affiliations

Our firm has no other financial industry activities and affiliations to disclose.

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

As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is the underlying principle for our firm's Code of Ethics, which includes procedures for personal securities transaction and insider trading. Our firm requires all representatives to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment with our firm, and at least annually thereafter, all representatives of our firm will acknowledge receipt, understanding and compliance with our firm's Code of Ethics. Our firm and representatives must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Our firm recognizes that the personal investment transactions of our representatives demands the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, our firm also believes that if investment goals are similar for clients and for our representatives, it is logical, and even desirable, that there be common ownership of some securities.

In order to prevent conflicts of interest, our firm has established procedures for transactions effected by our representatives for their personal accounts¹. In order to monitor compliance with our personal trading policy, our firm has pre-clearance requirements and a quarterly securities transaction reporting system for all of our representatives.

Neither our firm nor a related person recommends, buys or sells for client accounts, securities in which our firm or a related person has a material financial interest without prior disclosure to the client.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons are required to place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

Likewise, related persons of our firm may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons are required to place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day unless included in a block trade.

¹ For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

Item 12: Brokerage Practices

If we receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions ("soft dollar benefits"), we are required to disclose our practices and discuss the conflicts of interest they create. Please note that we must disclose all soft dollar benefits we receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

Our clients are free to work with any brokerage or custodian firm that best serves their needs. However, our Firm has established enterprise-level relationships with Fidelity Brokerage Services, LLC ("Fidelity") and Charles Schwab & Co., Inc. ("Schwab"), both SIPC members and FINRA-registered broker-dealers, to facilitate discretionary and non-discretionary investment advisory services.

Prior to engaging our Firm, a client will be required to enter into a formal Investment Advisory Agreement setting forth the terms and conditions under which our firm shall manage the Client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian. Factors considered in recommending Fidelity and/or Schwab include historical relationships, financial strength, reputation, execution capabilities, pricing, and service.

Fidelity and Schwab offer services to independent investment advisers which includes custody of securities, trade execution, clearance and settlement of transactions. Fidelity and Schwab enable us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity and Schwab do not charge client accounts separately for custodial services. Client accounts will be charged transaction fees, commissions or other fees on trades that are executed or settle into the client's custodial account. Transaction fees are negotiated with Fidelity and Schwab and are generally discounted from customary retail commission rates. This benefits clients because the overall fee paid is often lower than would be otherwise.

Fidelity and Schwab may make certain research and brokerage services available at no additional cost to our firm. Research products and services provided by Fidelity and Schwab may include: research reports on recommendations or other information about particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by Fidelity and Schwab to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services qualify for the safe harbor exemption defined in Section 28(e) of the Securities Exchange Act of 1934.

Fidelity and Schwab do not make client brokerage commissions generated by client transactions available for our firm's use. The aforementioned research and brokerage services are used by our firm to manage accounts. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

As part of our fiduciary duty to our clients, our firm will endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our related persons creates a potential conflict of interest and may indirectly influence our firm's choice of Fidelity and Schwab as a custodial recommendation. Our firm examined this potential conflict of interest when our firm chose to recommend Fidelity and Schwab and have determined that the

recommendation is in the overall best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution.

Our clients may pay a transaction fee or commission to Fidelity and Schwab that is higher than another qualified broker dealer might charge to effect the same transaction where our firm determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services provided to the client as a whole.

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. Although our firm will seek competitive rates, to the benefit of all clients, our firm may not necessarily obtain the lowest possible commission rates for specific client account transactions.

Soft Dollars

Our firm does not receive soft dollars in excess of what is allowed by Section 28(e) of the Securities Exchange Act of 1934. The safe harbor research products and services obtained by our firm will generally be used to service all of our clients but not necessarily all at any one particular time.

Client Brokerage Commissions

We do not acquire client brokerage commissions (or markups or markdowns).

Client Transactions in Return for Soft Dollars

We do not direct client transactions to a particular broker-dealer in return for soft dollar benefits.

Brokerage for Client Referrals

Our Firm does not compensate or otherwise reward brokers for client referrals.

Directed Brokerage

Neither we nor any of our Firm's related persons have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected.

Client-Directed Brokerage

We allow clients to direct brokerage. However, we may be unable to achieve the most favorable execution of client transactions. Client directed brokerage may come at a higher cost for clients. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices.

Aggregation of Purchase or Sale

There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

Item 13: Review of Accounts or Financial Plans

We review accounts on an ongoing basis for our clients subscribing to our Firm's discretionary or non-discretionary advisory services by our Firm's managing member and/or representatives. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Clients are provided, at least quarterly, with a performance report that will include a report summarizing account activity. Clients will also receive regular written account statements from their broker-dealer/custodian(s).

We may review client accounts more frequently than described above. Among the factors which may trigger a review, a change in a client's investment objectives and/or financial situation, major market or economic events, or a request by the client, etc. All clients are required to advise us of material changes in their investment objectives and/or financial situation.

Item 14: Client Referrals & Other Compensation

Other Compensation

Except for the arrangements outlined in Item 12 of this brochure, we have no additional arrangements to disclose.

Referral Fees

We do not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our Firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940.

Item 15: Custody

We typically seek to verify that our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our Firm.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will generally send clients independent account statements listing account balance(s), transaction history and any fee debits or other fees taken out of their account(s).

Item 16: Investment Discretion

Our clients may elect to sign a discretionary investment advisory agreement with our Firm for the management of their account. This type of agreement only applies to those clients. We do not take or exercise discretion with respect to our other client assets.

Item 17: Voting Client Securities

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our Firm, we will forward them on to clients and ask the party who sent them to mail them directly to clients in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

Item 18: Financial Information

Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than \$1,200 in fees when services cannot be rendered within 6 months.
- Our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Our firm has never been the subject of a bankruptcy proceeding.