

## Item 1: Cover Page



SEC No. 801-108512

### **Part 2A of Form ADV Firm Brochure**

December 11, 2024

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This brochure provides information about the qualifications and business practices of Shorebird Capital, LP. If you have any questions about the contents of this brochure, please contact us at 210-826-2424. 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. Registration with the SEC or state regulatory authority does not imply a certain level of skill or expertise.

Additional information about Shorebird Capital, LP is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Material Changes

This Firm Brochure is our disclosure document prepared according to regulatory requirements and rules. Consistent with the rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

There are no material changes to this Brochure from the last annual update issued on March 19, 2024.

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## **Item 4: Advisory Business**

### **A. Ownership/Advisory History**

Shorebird Capital, LP (referred hereinafter to as "Shorebird Capital," "Advisor," or "Investment Manager") was incorporated in the State of Delaware in 2016 and is registered with the SEC as a Registered Investment Advisor ("RIA"). Shorebird Capital is owned by Titleist Asset Management, LLC.

### **B. Advisory Services Offered**

#### **Model Portfolio Provider**

Shorebird Capital is an independent investment management firm providing model portfolios to its affiliate, Titleist Asset Management, LLC.

Shorebird Capital offers seven different model portfolios:

- Balanced Portfolio
- Capital Appreciation Portfolio
- Conservative Portfolio
- Growth Portfolio
- Income Portfolio

The model portfolios are monitored and overseen by the firm's investment committee. The investment committee comprises Byron Fields, Joe-Ben O'Banion, Russell King, Alan Keppler, and Jay Coulter.

### **C. Client-Tailored Services and Client-Imposed Restrictions**

Shorebird Capital provides model portfolio strategies to a third-party platform and does not manage advisory client assets.

### **D. Wrap Fee Programs**

Shorebird Capital does not participate in wrap fee programs, where brokerage commissions and transaction costs are included in the asset-based fee charged to the client.

### **E. Client Assets Under Management**

Shorebird Capital provides model portfolio strategies to a third-party platform and does not manage advisory client assets.

## **Item 5: Fees and Compensation**

### **A. Methods of Compensation and Fee Schedule**

Fees are set forth in the agreement between Shorebird Capital and SMArtX.

### **B. Payment of Fees**

The terms and conditions of the engagement are set forth in the agreement between Shorebird Capital and SMArtX.

### **C. Additional Fees Charged**

There are additional fees such as internal fees and expenses charged by mutual funds (i.e., 12b-1 distribution fees and management fees that are assessed within the mutual fund) and exchange-traded funds. Such fees and expenses are described in each exchange-traded fund and mutual fund's prospectus.

### **D. External Compensation for the Sale of Securities**

Shorebird Capital advisory professionals are compensated through a salary and bonus structure.

## **Item 6: Performance-Based Fees and Side-by-Side Management**

Shorebird Capital does not charge performance-based fees.

## **Item 7: Types of Clients**

Shorebird Capital offers its model portfolios strategies on the SMartX platform.

## **Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss**

### **A. Methods of Analysis**

Shorebird Capital may use some or all of the following methods of analysis:

- *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.

- The risk of fundamental analysis is that information obtained may be inaccurate and the analysis may not provide a correct estimate of earnings, which could potentially be the basis for a stock's value. If a stock's price adjusts rapidly to newly released information, fundamental analysis may not result in favorable performance.
- *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.
- The risk of market timing based on technical analysis is that charts, inherently, may not accurately predict future price movements. Current prices of securities may reflect all information known about the security. Day to day changes in prices of securities may follow random patterns and not be predictable with any reliable degree of accuracy. This is the risk of technical analysis.
- *Quantitative Analysis* – Involves analyzing income statements, balance sheets, cash flows. Comparing current valuations with historical valuations and how those compare with other companies in the same industry. Generally, doesn't put much weight on the industry or sector, nor the trends of those sectors.

## B. Model Portfolios

Shorebird Capital offers seven different model portfolios:

- *Balanced Portfolio* – Primary focus between long-term capital appreciation and managing volatility for investors with an intermediate to long-term time horizon.
- *Capital Appreciation Portfolio* – Primary focus is on long-term capital appreciation with a secondary focus on managing short-term volatility for investors with an intermediate to longer-term time horizon.
- *Conservative Portfolio* – Primary focus is on reduced volatility with a secondary focus on long-term capital appreciation for investors with a short-term time horizon.
- *Growth Portfolio* – Primary focus between long-term capital appreciation and managing volatility for investors with an intermediate to long-term time horizon.
- *Income Portfolio* – Primary focus is on current income and reduced volatility with a secondary focus on long-term capital appreciation for investors seeking income.

## Item 9: Disciplinary Information

### A. Criminal or Civil Actions

There is nothing to report on this item.

### B. Administrative Enforcement Proceedings

The firm's affiliate broker-dealer, Titleist Capital, LLC, FKA Titleist Asset Management, Ltd., was issued a fine of \$5,000 by FINRA for failing to report TRACE transactions in TRACE-eligible bonds within 15 minutes of the time of execution. The findings stated that in addition, the firm

reported inaccurate execution times for the transactions. The transactions were reported from one minute to 15 days late. Additional information can be found by accessing [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research our firm and our financial professionals.

### **C. Self-Regulatory Organization Enforcement Proceedings**

There is nothing to report on this item.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Broker-Dealer or Representative Registration**

Shorebird Capital is not registered as a broker-dealer, but its affiliate Titleist Capital, LLC, is a broker-dealer registered with the Securities and Exchange Commission ("SEC") and the Financial Regulatory Authority, Inc. ("FINRA"). Certain Shorebird Capital professionals are registered with Titleist Capital, LLC.

### **B. Futures or Commodity Registration**

Neither Shorebird Capital nor its affiliates are registered as a commodity firm, futures commission merchant, commodity pool operator or commodity trading advisor and do not have an application to register pending.

### **C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

#### **Titleist Asset Management, LLC**

Titleist Asset Management, LLC ("TAM") is an affiliate of Shorebird Capital and a registered investment adviser. TAM manages individual separate accounts for its advisory clients.

### **D. Recommendation or Selection of Other Investment Advisors and Conflicts of Interest**

Shorebird Capital engages in solicitor arrangements, which are disclosed in Item 14 of this brochure.

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

### **A. Code of Ethics Description**

In accordance with the Advisers Act, Shorebird Capital has adopted policies and procedures designed to detect and prevent insider trading. In addition, Shorebird Capital has adopted a Code of Ethics (the "Code"). Among other things, the Code includes written procedures governing the conduct of Shorebird Capital's advisory and access persons. The Code also imposes certain reporting obligations on persons subject to the Code. The Code and applicable securities transactions are monitored by the chief compliance officer of Shorebird Capital. Shorebird Capital will send clients a copy of its Code of Ethics upon written request.

Shorebird Capital has policies and procedures in place to ensure that the interests of its clients are given preference over those of Shorebird Capital, its affiliates and its employees. For example, there are policies in place to prevent the misappropriation of material non-public information, and such other policies and procedures reasonably designed to comply with federal and state securities laws.

### **B. Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Shorebird Capital does not engage in principal trading (i.e., the practice of selling stock to advisory clients from a firm's inventory or buying stocks from advisory clients into a firm's inventory). In addition, Shorebird Capital does not recommend any securities to advisory clients in which it has some proprietary or ownership interest.

### **C. Advisory Firm Purchase or Sale of Same Securities Recommended to Clients and Conflicts of Interest**

Shorebird Capital, its affiliates, employees and their families, trusts, estates, charitable organizations and retirement plans established by it may purchase or sell the same securities as are purchased or sold for clients in accordance with its Code of Ethics policies and procedures. The personal securities transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is:

- owned by the client, or
- considered for purchase or sale for the client.

Such conflict generally refers to the practice of front-running (trading ahead of the client), which Shorebird Capital specifically prohibits. Shorebird Capital has adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in the client's best interest
- prohibit fraudulent conduct in connection with the trading of securities in a client account



- prohibit employees from personally benefitting by causing a client to act, or fail to act in making investment decisions
- prohibit the firm or its employees from profiting or causing others to profit on knowledge of completed or contemplated client transactions
- allocate investment opportunities in a fair and equitable manner
- provide for the review of transactions to discover and correct any trades that result in an advisory representative or employee benefitting at the expense of a client.

Advisory representatives and employees must follow Shorebird Capital's procedures when purchasing or selling the same securities purchased or sold for the client.

## **D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

Shorebird Capital, its affiliates, employees and their families, trusts, estates, charitable organizations, and retirement plans established by it may effect securities transactions for their own accounts that differ from those recommended or effected for other Shorebird Capital clients. Shorebird Capital will make a reasonable attempt to trade securities in client accounts at or prior to trading the securities in its affiliate, corporate, employee or employee-related accounts. Trades executed the same day will likely be subject to an average pricing calculation. It is the policy of Shorebird Capital to place the clients' interests above those of Shorebird Capital and its employees.

## **Item 12: Brokerage Practices**

Shorebird Capital provides model portfolio strategies to a third-party platform. All custodian recommendations are provided by the investment adviser subscribing to the third-party investment adviser's investment platform. Shorebird Capital uploads models to a third-party investment adviser platform, which effects the securities transactions through the platform sponsor's custodian.

## **Item 13: Review of Accounts**

### **A. Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

Shorebird Capital's portfolio manager reviews the model portfolios on at least a monthly basis.

### **B. Review of Client Accounts on Non-Periodic Basis**

Shorebird Capital may perform ad hoc reviews on an as-needed basis.

## **C. Content of Client-Provided Reports and Frequency**

Shorebird Capital does not provide any performance or other reports to third-party investment advisers or any subscribing investment adviser firm.

Shorebird Capital may provide monthly or quarterly newsletters covering general financial and investment topics, explaining current views of the global economies and factors driving investment decisions.

## **Item 14: Client Referrals and Other Compensation**

### **A. Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

Shorebird Capital does not receive economic benefits for referring clients to third-party service providers.

### **B. Advisory Firm Payments for Client Referrals**

Shorebird Capital may enter into agreements with Solicitors who will refer prospective advisory clients to the firm in return for a portion of the ongoing investment advisory fee our firm collects. Generally, when the firm engages a Solicitor, such Solicitor is compensated through receipt of a portion of the advisory fees we collect from our advisory clients. The receipt of such fees creates a conflict of interest in that the Solicitor is economically incented to recommend our services because of the existence of a fee sharing arrangement with our firm. Please be advised that the firm's payment of a referral fee to the Solicitor does not increase the client's advisory fee paid to the firm.

## **Item 15: Custody**

Shorebird Capital does not take custody of client assets.

## **Item 16: Investment Discretion**

Shorebird Capital uploads model portfolios to the SmartX platform. Shorebird Capital does not exercise investment discretion with respect to individual advisory accounts.

## **Item 17: Voting Client Securities**

Shorebird Capital does not exercise proxy voting authority.

## **Item 18: Financial Information**

### **A. Balance Sheet**

Shorebird Capital does not require the prepayment of fees of \$1200 or more, six months or more in advance, and as such is not required to file a balance sheet.

### **B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

There is nothing to report on this item.

### **C. Bankruptcy Petitions During the Past Ten Years**

There is nothing to report on this item.