

**Item 1 Cover Page**



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This brochure (the “Brochure”) provides information about the qualifications and business practices of Overseas Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at +86-131-2206-9291 and/or [bob.olivar@ocmcap.com](mailto:bob.olivar@ocmcap.com).

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 Overseas Capital Management LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Firm’s CRD number is 318243.

Overseas Capital Management LLC’s registration as an investment adviser does not imply a certain level of skill or training.

Effective Date: March 17, 2024

## **Item 2 Material Changes**

Last Annual Update: 03/29/2023

### **Summary of Material Changes**

This section will be updated as required in the event any material changes are made to the Overseas Capital Management, LLC Firm Brochure (the “Brochure”).:

- **Item 4 Advisory Business** – As of December 31, 2023, Overseas Capital Management LLC manages \$7,966,435 in assets on a discretionary basis and \$0 in non-discretionary assets.

### **Delivery Requirements**

We will provide a summary of any material changes to this Brochure to our clients at least annually, within 120 days of our fiscal year end. Furthermore, we will provide our clients with other interim disclosures about material changes as necessary.

A complete copy of our current Form ADV Part 2A and/or 2B may be requested free of charge by contacting us by telephone at +86-131-2206-9291 or by email at [bob.olivar@ocmcap.com](mailto:bob.olivar@ocmcap.com).

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## **Item 4 Advisory Business**

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### **FIRM DESCRIPTION**

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Overseas Capital Management LLC (hereinafter referred to as “OCM,” “we,” “us,” or “our firm”) is a Delaware limited liability company that was organized in 2020, and its principal office is located in Shanghai, China. The principal owner and Chief Compliance Officer is Bob Olivar.

OCM is an investment advisory firm that provides investment and risk-management solutions to clients worldwide.

As of December 31, 2023, OCM manages \$7,966,435 in assets on a discretionary basis and \$0 in non-discretionary assets. Clients may contact OCM for updated information on assets under management.

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### **ADVISORY PROGRAMS**

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In connection with our investment advisory services, OCM primarily provides advice with respect to equities (common stocks and equivalents), mutual funds, options, and bonds. Our advice is generally limited to these types of investments, but we reserve the right to advise or not advise our clients on certain investments should we deem it appropriate based on their particular circumstances. For more information on our investment strategies, please refer to the “Methods of Analysis, Investment Strategies and Risk of Loss” section of this Brochure.

OCM’s advisory services are tailored to the needs of our clients based on their individual investment objectives, risk tolerances, cash or income needs, and any investment restrictions. Although OCM seeks to accommodate reasonable investment restrictions or guidelines set by our clients, we may decline to accommodate certain investment restrictions that are incompatible with our firms’ investment philosophy or that may have an adverse effect on our ability to manage a client account.

Bob Olivar serves as OCM’s sole investment adviser representative and the firm’s Chief Compliance Officer. Clients should refer to Form ADV Part 2B (the “Brochure Supplement”) for more information about his qualifications.

OCM enters into formal written agreements with our clients setting forth the terms and conditions under which we will provide our advisory services (the “Investment Management Agreement”). Our advisory agreement(s) sets forth the scope of the services to be provided and the compensation we receive from the client for such services.

**Investment Management Services.** OCM provides investment management services to our clients where client portfolios are managed according to the client's state investment goals and objectives. We provide investment management services in which clients grant our firm the ability to utilize discretion in managing their investment account(s). The client grants our firm full power to direct, manage, and change the investment and reinvestment of the assets in the account, the proceeds, and any additions. Our authority over the client's investments includes discretionary authority to purchase and sell securities for the client's account, to submit aggregated trade orders for the client and others in order to obtain best execution, and to give instructions concerning these transactions to the qualified custodian with which the client's account(s) are held. We are not required to first consult with the client before placing any specific order or obtain specific authorization from the client for each specific transaction. We receive discretionary authority from our clients through our investment management agreement (the "IMA") at the outset of our advisory relationship. We generally do not manage accounts on a non-discretionary basis. We may, however, from time to time make an exception upon client request.

**Retirement Rollovers.** The Department of Labor's Prohibited Transaction Rule 3.0 establishes that advice to rollover or transfer an account is fiduciary advice even though the prospect is not a client.

ERISA fiduciaries are subject to the prohibited transaction rules, primarily 2020-02 which prohibits self-dealing. The Prohibited Transaction Rule 3.0 requires four elements of disclosure:

1. Affirmation of ERISA fiduciary duty
2. Description of services to be provided
3. Disclosure of material conflicts of interest
4. Explanation of the reasons for the recommendation and how it is in the Retirement Investor's best interest

Before making a recommendation to execute a rollover, OCM will consider the following factors when evaluating whether a rollover is in the best interest of our client: the alternatives to a rollover including leaving the money in the plan or account type, comparative fees or expenses, whether an employer or other party pays for some or all administrative expenses. Depending on the circumstances, OCM may identify other factors relevant to this analysis as well. Overseas Capital Management LLC has and always will act as a fiduciary for clients and prospective clients when reviewing a retirement rollover or transfer of account.

**Important Note:** It is the Client's responsibility to ensure that OCM is promptly notified if there are ever any significant changes to their financial situation, goals, objectives or needs so we can review our previous recommendations and make any necessary adjustments.

## Item 5 Fees and Compensation

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### ADVISORY FEES

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In consideration for providing investment management services, OCM charges its clients an annualized asset-based fee. OCM reserves the right to negotiate our compensation with clients depending on the scope of our advisory relationship, and we may charge higher or lower fees than are available from other firms for comparable services. OCM has the general discretion to waive all or a portion of our fees, but typically only exercises this discretion for our employees.

**Investment Management Fees.** In consideration for providing investment management services and pursuant to the terms of the Investment Management Agreement with the client, OCM charges clients an annualized asset-based fee ranging from 0.95% to 1.45% of each client's assets under management, billed and payable monthly in arrears. This fee is deducted from client's account by Interactive Brokers, pro rata on the average daily value within the account.

<b>Tiered Market Values</b>	<b>Tiered Fee Rates</b>
\$500,000 or less	1.45%
\$500,001 - \$1,000,000	1.30%
\$1,000,001 - \$2,500,000	1.15%
\$2,500,001 - \$5,000,000	1.05%
Over \$5,000,001	0.95%

The advisory fee is a tiered fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart and applying the fee to the account value as of the last day of the previous month. No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement. The firm's fees will never be more than 3% of assets under management per year.

Clients authorize the calculation and deduction of the firm's advisory fees from their managed accounts by the qualified custodian, Interactive Brokers, LLC ("Interactive Brokers"), member FINRA/SIPC/NYSE. (See Item 12 "Brokerage Practices," for more information.)

We will instruct the qualified custodian to send clients invoices detailing the advisory fees automatically calculated and deducted from their accounts when those fees are actually charged. These notices describe the method used to calculate the fee, the amount of the fee and the period covered by the fee. Please refer to Item 15 (Custody) of this Brochure for more information.

Any advisory fees deducted from the client's account are reflected on the client's periodic activity statements as well as the client's account management window when they log in to their account. The periodic activity statement also specifies the calculation method.

OCM is deemed to have limited custody solely because advisory fees are directly deducted from client's account by the custodian on behalf of OCM.

**Additional Fees and Expenses.** Clients will incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer through which account transactions are executed. For more information on our brokerage practices, please refer to the “Brokerage Practices” section of this Brochure.

The fees that clients pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or exchange traded funds (described in each fund’s prospectus) to their shareholders. The fees charged directly by mutual funds and exchange traded funds will typically include a management fee and other fund expenses. OCM does not receive any portion of the fees and expenses charged by mutual funds and/or exchange traded funds.

To fully understand the total costs associated with their investment portfolio, clients should review all the fees charged by mutual funds, exchange traded funds, our firm and others.

**Termination.** The Investment Management Agreement may generally be terminated by either party upon thirty (30) days’ written notice. Upon termination of our status as the client’s investment adviser, OCM will not take any further action with respect to the client’s account(s) unless specifically notified by the client in writing. Clients will be responsible for instructing their broker-dealer and monitoring their account for the final disposition of assets.

**Refunds.** Upon receipt of a proper notice of termination from the client, as described in the Investment Management Agreement, any earned unpaid fees will be billed on a pro-rata basis based on the amount of work performed by us up to the point of termination.

**Brokerage Commissions.** OCM does not receive brokerage commissions from the sale of securities or other investment products. Our compensation for recommending securities and investment products is limited to the advisory fees described above.

## **Item 6 Performance-Based Fees**

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### **PERFORMANCE BASED FEES**

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Currently, OCM does not charge our clients fees based on a share of capital gains on or capital appreciation of the assets in their accounts.

## **Item 7 Types of Clients**

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### **TYPES OF CLIENTS**

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OCM generally offers investment advisory services to individuals and high net worth individuals. Client relationships may vary in scope and length of service.

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## **ACCOUNT REQUIREMENTS**

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OCM generally requires a minimum account balance of \$500,000 for our non-discretionary and/or discretionary investment management services. A lower amount might be accepted if the client commits to adding money to the account regularly to meet the minimum account value of \$500,000 within a reasonable amount of time. OCM may, in its sole discretion, waive, reduce, increase, or alter these minimum amounts.

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

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#### **METHODS OF ANALYSIS**

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OCM's methods of analysis include Fundamental Analysis and Modern Portfolio Theory.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Modern portfolio theory is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various asset.

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#### **INVESTMENT STRATEGIES**

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OCM uses long term trading, margin transactions and options trading (including covered options, uncovered options, or spreading strategies).

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#### **RISK OF LOSS**

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Investing in securities involves certain investment risks. Securities may fluctuate in value both upwards and downwards. As part of its advisory services, OCM will help clients in determining the appropriate level of risk they can tolerate. However, clients should be prepared to bear potential losses, and there are no guarantees that an investment strategy will meet client goals. There is no guarantee that any of the investments that our firm recommends will outperform the investment strategies used by other firms. Past performance is no guarantee of future results.

Individual company performance and the associated securities may be unpredictable and impaired by factors outside the control of OCM. History has several examples where stock markets have negative returns for several consecutive years following periods of market exuberance. Asset allocation helps predict returns over the long term, but the equity, debt, property and other markets can deviate from these long-term averages for long periods of time that are difficult to forecast.



OCM's use of margin transactions and options trading generally holds greater risk, and clients should be aware that there is a material risk of loss using any of those strategies. Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Margin transactions use leverage that is borrowed from a brokerage firm as collateral. When losses occur, the value of the margin account may fall below the brokerage firm's threshold thereby triggering a margin call. This may force the account holder to either allocate more funds to the account or sell assets on a shorter time frame than desired. Options transactions involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value, as well as the possibility of leveraged loss of trading capital due to the leveraged nature of stock options. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

The investment risks described below may not be all-inclusive but should be considered carefully:

**Equities risk:** Equity securities can decline in value over short or extended periods as a result of changes in a company's financial condition and in overall market, economic and political conditions.

**Options Risk:** Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

**Mutual Fund Risk:** All funds carry some level of risk. With mutual funds, you may lose some or all of the money you invest because the securities held by a fund can go down in value. Dividends or interest payments may also change as market conditions change. A fund's past performance is not indicative of future performance. The more volatile a fund, the higher the investment risk.

**Bonds Risk:** All bonds carry some level of risk. That said, the inherent risks when investing in bonds include interest rate risk, inflation risk, and market risk. Each of these areas of risk are described below.

**Market Risk:** Security prices may decrease due in response to direct and indirect events and market conditions, usually caused by factors independent of the specific attributes of the investment security.

**Inflation Risk:** Rising inflation reduces the purchasing power of the underlying currency, which is the dollar for U.S. based investments. This also applies to foreign investments, which may be denominated in other currencies.

**Interest-Rate Risk:** Changes in interest rates may result in fluctuations in the prices of other investment vehicles. For example, when interest rates rise, fixed income securities prices fall.

**Corporate Securities:** Equity and debt securities (stocks and bonds) represent partial ownership interests in companies and partial claims on their assets, respectively. The value of these interests and claims is theoretically dependent upon the performance of the underlying business and the cash flows generated by its operations. However, securities prices may fluctuate independently of these factors due to market factors or for no reason at all. Prices may not change as expected even when the prospects of the business have been correctly assessed.

**Omission of Risks:** This Brochure does not provide a comprehensive list of every possible source of risk. Every potential outcome of an investment cannot be predicted, and it cannot disclose every potential risk factor for every investment to clients. The value of securities that our firm advises our clients to invest in may go up or down in response to factors not within our firm's control, including but not limited to the status of an individual company underlying a security, or the general economic climate. Clients may suffer losses for any reason or no discernible reason.

**Business Risks:** The companies identified for investment face a wide variety of operational risks, including competitive threats, regulatory changes, execution challenges, and responses to external changes. For businesses listed on US exchanges, the Securities and Exchange Commission requires companies to disclose the most significant risk factors that could impact the business. However, these disclosures could be incomplete or inaccurate. An assessment of the relevant risk factors for any business could be incomplete or inaccurate. Both unforeseen and known risk factors may transpire, resulting in a deterioration of corporate performance.

**International Investing:** Our firm may advise our clients to invest in securities of U.S. companies operating internationally, as well as international companies on both domestic and foreign exchanges. Businesses operating in other countries are subject to political and economic risks not present in the U.S., as well as currency risk. Stock markets outside of the U.S. may be more volatile. In some international markets, U.S. shareholders may not be able to exercise the same legal rights as foreign shareholders. There may be more limited access to information about international companies.

**Fundamental Analysis:** Forecasting financial performance is an inexact process of estimation that relies on the accuracy of financial and industry data provided by companies and third parties. This data may contain material errors or omissions. Investing on the basis of fundamental research may also result in errors of judgment or analysis. Investment performance may suffer if the assessment of a business or its prospects is incorrect, and even a correct analysis could result in a loss of capital.

**Interim Underperformance:** The long-term and concentrated nature of a strategy means that even if the strategy is "working properly" and the analysis is correct and leads to profitable realized outcomes, clients may experience multi-year periods of significant underperformance relative to market indexes and other investment strategies. This interim underperformance poses a significant

risk of permanent capital loss for clients with short time horizons or who require withdrawals from their account.

**Systemic Risk:** Our firm relies on the stability of the overall financial system to implement its investment strategy. The security of client assets depends on the solvency of their chosen brokerage firm. In the event of a disruption to the broker's business or the overall functioning of securities markets, our firm may be unable to implement its investment services and clients may experience a significant or complete loss of their capital.

**Strategy:** Our firm cannot guarantee that its recommendations will be implemented at all times and it may make investments not in keeping with the general description provided in this Brochure. There can be no guarantee that suitable investment opportunities will be available at all times.

**Frequent Trading:** Any capital gains due to positions held for less than one year may be taxable at a higher rate. Frequent trading could result in lower returns due to these costs.

**Operational Risk:** Our firm is responsible for developing, implementing and operating appropriate systems and procedures, where required, to transmit all investment transactions and monitor risk on behalf of each client. Our firm will rely on its systems, procedures and other data processing systems to provide its services. Certain elements of our firm's operations are dependent upon systems operated by third parties, including the systems of clients' broker-dealer(s). Our firm may not be in a position to verify the reliability of such third-party systems or data. Failure of or errors in such systems could result in mistakes or delays in the execution, confirmation or settlement of transactions for clients, or in transactions not being properly booked, evaluated or accounted for. The increasing reliance on internet-based programs and applications to communicate, conduct transactions and store data also creates increased security risks. Targeted cyber-attacks, or accidental events, can lead to a breach in computer and data systems and access by unauthorized persons to sensitive transactional or personal information. Data taken in breaches may be used by criminals to commit identity theft, obtain loans or payments under false identities, and other crimes. Cybersecurity breaches at our firm or our service providers or counterparties may directly or indirectly affect clients, and could lead to theft, data corruption, interference with business operations, disruption of operational systems, interference with our firm's ability to provide services, direct financial loss or reputational damage, or violations of applicable laws related to data and privacy protection and consumer protection.

**Margin Risk:** A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in an account minus what is owed to the broker falls below a certain level, the broker will issue a margin call. The margin call is required to be covered either by selling a position(s) in the portfolio or by depositing additional cash in the account. In some circumstances, clients may lose more money than they originally invested.

**Public Health Crisis:** A public health crisis, pandemic, epidemic or outbreak of a contagious disease, such as the recent outbreak of coronavirus (or COVID-19) could have an adverse impact on global, national and local economies, which in turn could negatively impact our investments and strategies. Disruptions to commercial activity resulting from the imposition of quarantines,

travel restrictions or other measures, or a failure of containment efforts, may adversely affect our investments in various ways, including but not limited to, decreased demand, supply chain delays, disruptions or staffing shortages. The outbreak of coronavirus has contributed to, and may continue to contribute to, volatility in financial markets, including market liquidity and changes in interest rates. A continued outbreak may have a material and adverse impact on our investment returns. The impact of a public health crisis such as the coronavirus (or any future pandemic, epidemic or outbreak of a contagious disease) is difficult to predict, which presents material uncertainty and risk with respect to the performance of our investments and strategies.

***Clients should be aware their investment is not guaranteed and understand that there is a risk of loss of value in their investment.***

## **Item 9 Disciplinary Information**

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### **REQUIRED DISCLOSURES**

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Our firm and our management persons have not been involved in any legal or disciplinary events that would have a material adverse effect on the integrity of our management or the services we provide to our clients.

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

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### **OUTSIDE BUSINESS ACTIVITIES**

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Neither OCM nor any of its employees are registered or have an application pending to register, as a broker-dealer or registered representative of a broker-dealer, futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

OCM engages a third-party service provider to offer remote notarial services. OCM's clients receive both electronic and physical/wet signature versions of documents requiring a U.S. notary authentication. We can also arrange for the delivery of the physical wet signature documents to the client's final destination. This service is a supplemental service that is not exclusively available to clients that engage us for investment management services. Our portfolio manager does not contribute his attention to the provision of notarial services. Due to the fact that our investment manager is also the owner of our firm, he may, from time to time, oversee an aspect of the service, but OCM ensures that his involvement occurs outside of U.S. trading hours.

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### **AFFILIATED ENTITIES**

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OCM does not have relationships or arrangements with any affiliated entities that create a material conflict of interest for our clients.

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

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### **CODE OF ETHICS**

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OCM has adopted a Code of Ethics (the “Code”) that sets forth a standard of business conduct for our firm and all our associated persons. The purpose of the Code is to set out ideals for integrity, objectivity, competence, fairness, confidentiality, professionalism and diligence for our firm and our associated persons to espouse in the interest of our clients and investor protection. The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All employees of OCM are required to handle their personal securities transactions in such a manner as to avoid any actual or potential conflicts of interest or any abuse of position of trust and responsibility. Annually, we require all employees to certify that they have read, understand and will comply with the Code.

Clients and prospective clients may request a full copy of our firm’s Code of Ethics by contacting our firm in writing at emailing [bob.olivar@ocmcap.com](mailto:bob.olivar@ocmcap.com).

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### **PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**

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OCM and/or individuals associated with our firm may invest in the same and/or different securities than those that are recommended to and/or purchased for our clients. OCM has adopted procedures designed to ensure that the personal securities transactions, activities, and interests of OCM and/or individuals associated with our firm will not interfere with our ability to make investment decisions in the best interest of our clients.

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### **PERSONAL TRADING**

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OCM maintains and enforces written policies and procedures reasonably designed to prevent the misuse of material non-public information by our firm or any access persons of our firm with regards to their personal securities transactions. Personal trading activities are continually monitored to reasonably prevent conflicts of interest between our firm and our clients.

## **Item 12 Brokerage Practices**

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### **SELECTION OF BROKER-DEALERS**

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Securities transactions are generally executed through third-party custodians, such as Interactive Brokers, LLC. (“Interactive Brokers”), member FINRA/SIPC/NYSE. Currently, Interactive Brokers

maintains custody of our clients' assets and effects securities transactions for our investment management clients' accounts. OCM is independently owned and operated and is not affiliated with or a related person of Interactive Brokers.

OCM considers a number of factors prior to recommending a particular broker-dealer to our clients, including but not limited to, their familiarity with the securities to be sold or purchased, their execution skills, order-flow capabilities, their commission rates or other fee schedules, their custodial services, their level of net capital (financial strength) and excess SIPC and other insurance coverage. The commissions charged by Interactive Brokers are competitive with similarly situated retail broker-dealers offering the same variety of securities to clients. Clients are advised, however, that they may be able to effect transactions in securities through other broker-dealers at lower commission rates, particularly with respect to securities listed on a national securities exchange or in the over-the-counter market.

**Research and Other Soft Dollar Benefits.** OCM does not participate in any commission-sharing arrangements or receive soft dollar credits. OCM currently receives products or services from broker-dealers other than execution that assist our firm in managing and administering client accounts. These may include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution, facilitate payment of our fees from clients' accounts, and assist with back-office functions, record keeping and client reporting. These services may be used to service all or a substantial number of client accounts.

OCM may also receive services from broker-dealers that are intended to help our firm manage and further develop our business.

While the benefits we receive from broker-dealers do not depend on the amount of brokerage transactions directed to such broker-dealer, as a fiduciary we are required to disclose that there may be a potential conflict of interest when our firm recommends that clients maintain their assets at a specific broker-dealer.

**Brokerage for Client Referrals.** OCM does not consider broker-dealer or third-party referrals in selecting or recommending broker-dealers to our clients as this would create a conflict of interest.

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## TRADE ERRORS

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From time to time, our firm may make a trade error when servicing a client's account. When this occurs, we will attempt to correct the trade as soon as reasonably possible. Trade errors will generally be corrected at no cost to clients. In most cases, we will correct trade errors via our executing broker-dealer's trade error desk. If there is a cost associated with this correction, such cost is generally borne by OCM and not the client. Note that we do not credit accounts for market losses unrelated to our error.

## **Item 13 Review of Accounts**

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### **ACCOUNT REVIEWS**

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OCM conducts reviews of client's investment objectives at least quarterly. The frequency of the review depends upon a variety of factors, such as the client's risk profile, activity in the account, economic and market conditions, and the client's stated preferences, if any. Additional reviews may be triggered by changes in the investment objectives or guidelines for a particular client or specific arrangements with the client.

Formal client review meetings are generally conducted remotely (via telephone, Skype or similar) on a regular basis at intervals mutually agreed upon by OCM and the client, but generally no less than quarterly. During these reviews, any changes in the client's investment objectives are discussed so we can review our previous recommendations and make any necessary adjustments.

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### **ACCOUNT REPORTS**

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Those clients to whom OCM provides investment management services will receive reports, at least monthly, summarizing their account(s) and quarterly statements from their custodian. Additionally, OCM will also provide such account reporting as is agreed upon with individual clients. Clients are urged to compare any written report that the firm provides, with the statements provided by the qualified custodian.

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

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### **CLIENT REFERRALS**

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Our firm does not currently compensate third-parties (or "solicitors") to promote the investment advisory services offered by our firm.

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### **OTHER COMPENSATION**

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OCM does not receive an economic benefit from anyone who is not a client in exchange for our provision of investment advice or other advisory services.

## **Item 15 Custody**

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### **CUSTODY OF CLIENT FUNDS AND SECURITIES**

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Interactive Brokers is the qualified custodian and maintains custody of client funds in separate brokerage account(s) for each client under the client's name. OCM will instruct Interactive Brokers to automatically deduct its advisory fees from client accounts held at the custodian. Because of its direct deduction authority, OCM has constructive custody of the client accounts. (Please see the Investment Management Fees Section of Item 5 for more information.)

OCM personnel may assist the client in preparing paperwork to open a new brokerage account at Interactive Brokers, but only the client is permitted to authorize, by their signature, the opening of the account. Interactive Brokers sends an account-opening letter to each client at their physical mailing address after the account is approved.

Clients can access daily, monthly, and annual account statements as well as daily trade confirmations through a password protected portion of Interactive Brokers' website, [www.interactivebrokers.com](http://www.interactivebrokers.com). Clients should also expect to receive quarterly account statements from the qualified custodian by first-class mail. Clients should carefully review the account statements and summaries received from the qualified custodian(s) and compare such official custodial statements to any account reports provided by OCM. Any client that does not receive an account statement or summary from the qualified custodian should call our firm immediately so that we can arrange to have another statement sent by the custodian.

Clients can also access information concerning their account(s) and access (and generally change) the settings for their brokerage account online on the Interactive Brokers website at [www.interactivebrokers.com](http://www.interactivebrokers.com).

## **Item 16 Investment Discretion**

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### **DISCRETIONARY AUTHORITY**

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OCM manages client securities portfolios on a discretionary basis. OCM is granted limited discretionary authority in writing by the client at the outset of the advisory relationship. This limited discretionary authorization gives OCM the authority to manage the client's investment assets at our firm's sole discretion and without consulting with the client in advance, subject to the investment objectives, guidelines and restrictions set by the client. This authorization will remain in full force and effect until we receive a written termination notice of the Investment Management Agreement from the client.

We also provide advisory services to US clients on a non-discretionary basis, which means the client must be contacted and provide approval of all material investment asset transactions.



OCM does not have discretionary authority to determine what broker-dealer to use or the amount of commissions that are charged by the broker-dealer or custodian.

## **Item 17 Voting Client Securities**

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### **AUTHORITY TO VOTE CLIENT PROXIES**

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OCM does not accept authority from clients with respect to voting of proxies solicited by, or with respect to, the issuers of any securities held in client portfolios. The qualified custodian holding clients' assets will send all such proxy documents it receives to the client so that the client may take whatever action the client deems appropriate. While OCM will not provide an opinion or advice, however, we are available to answer questions.

The qualified custodian, and not OCM, is responsible for the timely transmission of any proxy materials to clients.

## **Item 18 Financial Information**

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### **REQUIRED DISCLOSURES**

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OCM has no financial commitments that would impair our firm's ability to meet our contractual and fiduciary commitments to our clients and has not been the subject of a bankruptcy proceeding.