

# **DCM Advisors, LLC**

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**March 30, 2024**

## **FORM ADV PART 2A FIRM BROCHURE**

This brochure (this “Brochure”) provides information about the qualifications and business practices of DCM Advisors, LLC (“DCM”), an investment advisor registered with the United States Securities and Exchange Commission (“SEC”). Registration with the SEC or any state securities authority does not imply a certain level of skill or training. The information in this Brochure has not been approved or verified by the SEC or by any state securities authority. If you have any questions about the contents of this Brochure, please contact us at (917) 386-6260.

Additional information about DCM is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for DCM is 126248. Also, free and simple tools are available to you to review DCM and its financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides free educational materials about broker dealers, investment advisers, and investing.

## Item 2: Material Changes

This Brochure provides prospective clients with information about DCM Advisors, LLC (“DCM”) that should be considered before or at the time of obtaining DCM’s advisory services. This item discusses only specific material changes that are made to the Brochure since its last update. Minor updates and clarifications occur throughout this document, and we encourage you to review the full Brochure.

This Brochure is required to be updated at least annually, or sooner when material changes to DCM’s business take place. DCM will distribute to you a summary of any material changes to this and subsequent Brochures promptly as necessary.

Key changes were made to the sections below since DCM’s last annual update of this Brochure dated March 31, 2023:

Changes in this filing, dated March 30, 2024:

- Item 4 – Advisory Business:
  - Renamed the Markston All Cap & Markston U.S. Large Cap Value to DCM All Cap & DCM U.S. Large Cap Value.
  - Removed the Markston Large Cap Core & SMID Cap Strategies which are no longer offered.
  - Removed the Quantitative Global Equities Strategies which is no longer offered.
  - Added information on a new High Velocity ABS/MBS strategy.
- Item 6 – Performance Based Fees: Added additional information regarding the terms of compensation for the High Velocity ABS/MBS Strategy.
- Item 8 – Methods of Analysis, Investment Strategies & Risk of Loss: Added additional information and risks for the High Velocity ABS/MBS strategy.
- Item 12 – Brokerage Practices: Updated to note that the Adviser terminated all Soft Dollar arrangements in Q1 2024.
- Item 14 – Client Referrals & Other Compensation: Noted that the Adviser makes payments to a third-party promoter for its mutual funds.

A current Brochure and/or Form CRS may be requested, free of charge, by contacting us by phone at (917) 386-6260 or via email at [compliance@dcmadvisors.com](mailto:compliance@dcmadvisors.com). Additional information about DCM and its financial professionals is available on the SEC’s websites [adviserinfo.sec.gov](http://adviserinfo.sec.gov) and [Investor.gov/CRS](http://Investor.gov/CRS).

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## Item 4: Advisory Business

Founded in 2001, DCM Advisors, LLC (“DCM” or “the firm”) is a registered investment advisor based in New York and incorporated under the laws of the State of Delaware. DCM is owned by Dinosaur Group Holdings, LLC, whose primary owner is Glenn A. Grossman. DCM was registered as an investment advisor with the New York Securities Commission until November 2017 when it became registered with the Securities and Exchange Commission (“SEC”) and subject to its rules and regulations.

DCM provides asset management services and wealth advisory services.

### A. Description of Asset Management Services

#### **Separately Managed Accounts**

DCM offers specific asset management services to clients through separately managed accounts (“Managed Accounts”), either in a direct or sub-advised capacity, in the following investment strategies:

**Fundamental U.S. Equity Strategy:** DCM offers the following fundamental equity strategies: DCM All Cap and DCM U.S. Large Cap Value. Please see Item 8 for more detailed information about these strategies.

**Investment-Grade Municipal Bonds Strategies:** DCM manages both national and single state municipal bond investment grade portfolios. The portfolios are managed for total return. DCM looks to add value through active management of the portfolio through careful bond selection and appropriate repositioning as circumstances warrant. Among the key factors DCM monitors are individual credit considerations, changes in the shape of the yield curve, call features, changes in the future expectation of economic activity, and changes in various specific sectors of the municipal bond market.

**High Velocity Municipal Bond IPO Strategy:** DCM manages a portfolio of new issue municipal bonds. The portfolio is managed for short-term capital gains. DCM looks to add value through tactical, active management of the portfolio through careful bond selection, identifying new issue bonds with high potential for capital gains over a short holding period. The strategy generates short-term capital gains and should not be confused with a strategy holding municipal bonds long-term for tax-free income and/or total return. The turnover (velocity) in the portfolio is extremely high. Among the key factors DCM monitors are the technical supply and demand of the municipal new issuance market, interest rate volatility and liquidity. The strategy utilizes leverage of greater than 100% which poses high risks as leverage magnifies trading losses. In addition to the risk inherent in leverage, there is liquidity risk associated with these securities as short-term liquidity is dependent on a marketplace without a robust, central exchange. Currently, there are no non-affiliated investors in this strategy, and it is not available to advisory clients at this time.

Daily, DCM monitors the new issue municipal bonds which the strategy has indicated interest in. If the strategy has indicated for the same municipal new issue which another strategy or client has also indicated interest in, the High Velocity Municipal Bond strategy, DCM has established policies to mitigate such conflicts of interest.

**Investment-Grade Corporate Bonds Strategy:** DCM manages a US taxable corporate bond investment-grade portfolio. The portfolio is managed for total return. DCM looks to add value through active management of the portfolio through careful bond selection and appropriate selective repositioning as circumstances warrant. Among the key factors DCM monitors are individual credit considerations, changes in the shape of the yield curve, changes in the future expectation of economic activity, and changes in various specific sectors of the taxable bond market.

High Velocity Asset Backed Securities (ABS)/Mortgage-Backed Securities (MBS) Strategy: DCM will manage a portfolio of new issues ABS/MBS bonds. The portfolio will be managed for short-term capital gains. DCM looks to add value through tactical, active management of the portfolio by monitoring market data and technical information coupled with analysis of underlying collateral, issuers and structure in both primary and secondary markets when determining how to invest. Primary focus will be within Investment Grade securities with Weighted Average Life (WAL) of 5 years or less, although on occasion non-investment grade or longer duration may be considered. The strategy generates short-term capital gains and should not be confused with a strategy holding ABS/MBS bonds long-term for income and/or total return. Turnover (velocity) in the portfolio is extremely high – in excess of 1,000%. The strategy will also utilize leverage of greater than 100% which poses high risks as leverage magnifies trading losses, in addition to the risk inherent in leverage, there is liquidity risk associated with these securities as short-term liquidity is dependent on a marketplace without a robust, central exchange. Currently, there are no non-affiliated investors in this strategy, and it is not available to advisory clients at this time.

Daily, DCM monitors the new issue ABS/MBS bonds which the strategy has indicated interest in. If the strategy has indicated for the same new issue which another strategy or client has also indicated interest in, the High Velocity ABS/MBS strategy will seek to either remove its indications of interest with the underwriters or in the event that it is unable to remove its indications of interest and is allocated bonds will allocate those bonds to clients who have indicated interest. This will be done to ensure that the strategy does not conflict with DCM clients.

### **Registered Investment Companies**

DCM also serves as investment adviser with respect to the DCM/INNOVA High Equity Income Innovation Fund (“DCM/INNOVA Fund”), the Copley Fund, and Lebenthal Ultra Short Tax-Free Income Fund, each a series of shares of the Centaur Mutual Funds Trust, an open-end management investment company, registered under the Investment Company Act of 1940, as amended (the “Trust”). The Trust is referred to in this document as “DCM-Managed Funds.” DCM manages the investment and reinvestment of the assets of the DCM-Managed Funds and has the authority to determine, in its discretion, the securities to be purchased, retained, or sold (and implement those decisions) with respect to the DCM-Managed Funds. DCM is required to discharge its responsibilities with respect to the DCM-Managed Funds subject to the control of the trustees and directors of the DCM-Managed Funds and in compliance with such policies as the trustees and directors may from time to time establish, the DCM-Managed Funds’ objectives, policies and limitations as set forth in its prospectus and statement of additional information, and applicable laws and regulations.

### **Model Portfolio Services**

DCM provides portfolio modeling services to registered investment advisers on a non-discretionary basis. As part of the arrangement, DCM offers recommendations in accordance with the investment objectives stated in the investment advisory agreement. The registered investment advisers utilize these recommendations to develop their own investment advice and strategies. DCM’s recommendations are not tailored to the individual needs of the registered investment adviser’s clients. Furthermore, DCM does not affect transactions in the client accounts and has no contact with the clients.

The services provided by DCM to registered investment advisers generally differ from services provided to other clients that engage DCM directly; DCM provides a higher degree of service to its clients. For example, DCM generally has little, if any, contact with the clients of the registered investment advisers that utilize DCM’s model portfolio services.

## **Subscription Services**

In addition to these asset management and investment advisory services, DCM (through its Heckman Global Advisors group (“HGA”)) issues several monthly research publications regarding country allocation and sector/industry analysis based on a series of factors. This group does not provide security-specific research. Furthermore, the content of HGA’s publications are not tailored to the individual needs of clients. Institutional global allocators comprise the subscriber base for the HGA research publications.

## **Description of Wealth Advisory Services**

DCM also provides investment advisory services which may include, but are not limited to, the review of client investment objectives and goals, recommending asset allocation strategies of managed assets among investment products such as cash, stocks, mutual funds and bonds, annuities, and/or preparing written investment strategies. DCM’s investment advice is tailored to meet its clients’ needs and investment objectives. Clients may impose restrictions on investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, specific values (ESG), etc.) by providing a signed and dated written notification, of which an email is also an acceptable form of notification. DCM also provides financial planning consulting services including, but not limited to, risk assessment/management, investment planning, estate planning, financial organization, or financial decision making/negotiation.

DCM provides investment advisory and other financial services through its Investment Advisory Representatives (“IAR”) to accounts opened with DCM. Managed Accounts are available to individuals and small businesses.

In the event that DCM provides discretionary investment advisory services to its clients through various managed account programs, DCM will assist clients in determining the suitability of the managed account programs for the client. The IAR would be compensated through a single fee for wealth advisory and asset management services and the account may be assessed other charges associated with conducting a brokerage business. DCM and its IAR, as appropriate, generally would be responsible for the following:

- Performing due diligence
- Recommending strategic asset and style allocations
- Providing research on investment product options, as needed
- Providing client risk profile questionnaire
- Obtaining investment advisory contract from client with required financial, risk tolerance, suitability, and investment vehicle selection information for each new account
- Performing client suitability check on account documentation, review the investment objectives and evaluate the investment vehicle selections
- Providing the Brochure

## **Assets Under Management**

DCM currently has assets under management. As of December 31, 2023, the firm managed \$349,795,018, all in discretionary accounts.

## Item 5: Fees and Compensation

All DCM asset-based advisory fees are subject to negotiation. The specific manner in which DCM charges fees is established in a client's written agreement with DCM and may be payable in advance or in arrears. Depending on the services provided, a particular client may pay a blended fee rate. DCM does not offer fixed fee accounts.

The following types of fees will be assessed:

### **Asset-Based Compensation**

DCM generally charges each client an investment management fee based on the value of the client's assets under management, in accordance with the following schedules:

#### **DCM All Cap Strategy**

Assets in the Account	Investment Management Fee (As an annual percentage of total assets)
First \$5,000,000	0.80%
Next \$10,000,000	0.75%
Next \$25,000,000	0.68%
Next \$40,000,000	0.60%
Remainder	0.52%

#### **DCM Large Cap Value Strategy**

Assets in the Account	Investment Management Fee (As an annual percentage of total assets)
First \$25,000,000	0.75%
Remainder	0.60%

#### **Fixed-Income Strategies**

Assets in the Account	Investment Management Fee (As an annual percentage of total assets)
\$ -0- to \$2,000,000	0.50%
\$2,000,001 to \$5,000,000	0.45%
\$5,000,001 to \$10,000,000	0.40%
\$10,000,001 and higher	0.25%

Where DCM acts as a sub-advisor to third parties through a dual contract, its fees are typically lower than the amounts stated above. Additionally, for individualized asset management services, the fee is negotiable but generally varies between (0.50% and 1.20%), depending on the size and composition of a client's portfolio and the type of services rendered.

DCM generally deducts its investment management fee directly from clients' assets. Certain investment advisory agreements provide that a client may pay DCM fees by check. The investment management fees are generally charged each quarter in advance based on the total market value of the assets in the client account including net unrealized appreciation or depreciation of investments on the first day of the quarter. In certain instances, these fees are charged in arrears. If a new client account is established during a quarter or a client makes an addition to its account during a quarter, the investment management fee will be prorated for the number of days remaining in the quarter, it is charged as of the effective date of the investment management agreement or the date of the additional contribution, based on the value of the assets as of the applicable date. If a client makes a partial withdrawal during a quarter, no portion of the prepaid investment management fee will be refunded. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

DCM may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationship, account retention, pro bono activities and whether the client is DCM's employee or an employee of an affiliate.

### **Model Portfolio Compensation**

Where DCM serves as a model portfolio provider for registered investment advisers, the registered investment adviser pays DCM a fee at an annual percentage rate that will not exceed 0.50%. Under the agreement, DCM is paid quarterly in arrears. The payments are calculated based on the quarter end values of all accounts for which the registered investment adviser intends to employ the advice rendered by DCM. If the registered investment adviser employs DCM's advice on a new client account that is established during a quarter, the fee will be prorated for the number of days remaining in the quarter. Upon termination of DCM's agreement with the registered investment adviser, any earned, unpaid fees will be due and payable.

### **DCM/INNOVA Fund Compensation**

As compensation for DCM's investment advisory services, the DCM/INNOVA Fund pays DCM an investment advisory fee, payable monthly in arrears, equal to an annualized rate of 0.75% of the average daily net assets of the DCM/INNOVA Fund. DCM is not entitled to receive any performance-based fees or allocations with respect to the DCM/INNOVA Fund. The advisory fees with respect to the DCM/INNOVA Fund will be calculated as of the last business day of each month based upon the average daily net assets of the DCM/INNOVA Fund determined in the manner set forth in the prospectus and/or statement of additional information. The advisory fees with respect to the DCM/INNOVA Fund will be paid within 15 days after the end of each calendar month. DCM has agreed to allow the DCM/INNOVA Fund to withhold from the advisory fees certain expenses under the "expense limitation agreement." A more detailed description of the fees and expenses applicable to the DCM/INNOVA Fund is set forth in detail in the investment advisory agreement between DCM and the DCM/INNOVA Fund. DCM generally may terminate the advisory agreement with the DCM/INNOVA Fund at



any time upon 60 days' prior written notice to the Trust and the DCM/INNOVA Fund. In addition, the advisory agreement may be terminated at any time by (i) a vote of the board of trustees of the Trust or (ii) a vote of a majority of the outstanding voting securities of the DCM/INNOVA Fund upon 60 days' prior written notice to DCM.

### **Lebenthal Ultra Short Tax-Free Income Fund Compensation**

As compensation for DCM's investment advisory services, the Lebenthal Ultra Short Tax-Free Income Fund pays DCM an investment advisory fee, payable monthly in arrears, equal to an annualized rate of 0.42% of the average daily net assets of the Lebenthal Ultra Short Tax-Free Income Fund. DCM is not entitled to receive any performance-based fees or allocations with respect to the Lebenthal Ultra Short Tax-Free Income Fund. The advisory fees with respect to the Lebenthal Ultra Short Tax-Free Income Fund will be calculated as of the last business day of each month based upon the average daily net assets of the Lebenthal Ultra Short Tax-Free Income Fund determined in the manner set forth in the prospectus and/or statement of additional information.

The advisory fees with respect to the Lebenthal Ultra Short Tax-Free Income Fund will be paid within 15 days after the end of each calendar month. DCM has agreed to allow the Lebenthal Ultra Short Tax-Free Income Fund to withhold from the advisory fees certain expenses under the "expense limitation agreement." A more detailed description of the fees and expenses applicable to the Lebenthal Ultra Short Tax-Free Income Fund is set forth in detail in the investment advisory agreement between DCM and the Lebenthal Ultra Short Tax-Free Income Fund.

DCM generally may terminate the advisory agreement with the Lebenthal Ultra Short Tax-Free Income Fund at any time upon 60 days' prior written notice to the Trust and the Lebenthal Ultra Short Tax-Free Income Fund. In addition, the advisory agreement may be terminated at any time by (i) a vote of the board of trustees of the Trust or (ii) a vote of a majority of the outstanding voting securities of the Lebenthal Ultra Short Tax-Free Income Fund upon 60 days' prior written notice to DCM.

### **Copley Fund Compensation**

As compensation for DCM's advisory services, The Copley Fund pays DCM an advisory fee equal to an annualized rate of 0.65% of the average daily net assets of the Copley Fund. DCM is not entitled to receive any performance-based fees or allocations with respect to the Copley Fund.

DCM generally may terminate the advisory agreement with the Copley Fund at any time upon 60 days' prior written notice to the Trust and the Copley Fund. In addition, the advisory agreement may be terminated at any time by (i) a vote of the board of trustees of the Trust or (ii) a vote of a majority of the outstanding voting securities of the Copley Fund upon 60 days' prior written notice to DCM.

### **Wealth Advisory Compensation**

Fees are charged quarterly in advance unless otherwise agreed and are based primarily on asset size and the level of complexity of the services provided. In individual cases, DCM retains sole discretion to negotiate fees that are different from the standard fee shown or to waive fees. Fees are not based on the share of capital gains or capital appreciation of the funds or any portion of the funds. We believe DCM's fees are reasonable, but comparable services for lower fees may be available from other sources. Fees for the initial quarter will be prorated based upon the number of calendar days in the calendar quarter that the advisory agreement is in effect. Fees are based on the market value of the assets on the last business day of the previous quarter. Fees are negotiable and annual fees generally range from 0.50% to 1.25% depending on the amount of assets under management ("AUM") – See

chart below. Consulting services are included in these fees for asset management services with the exception of unique circumstances that may require a separate agreement for financial planning services (description and fees are discussed below). If the situation warrants separate financial planning fees, it will be discussed upfront, and a separate agreement will be negotiated.

Fee Schedule for Wealth Advisory:

Total Account Value	Maximum Annual Advisory Fee
\$0 - \$3,000,000	1.25%
\$3,000,001 or more	0.50%

As authorized in the client agreement, the account custodian will collect DCM's advisory fees directly from the clients' accounts according to the custodian's policies, practices, and procedures. The custodial statement includes the amount of any fees paid to DCM for advisory services. Clients should carefully review the statement from their custodian/broker-dealer's statement and verify the calculation of fees. A client's custodian/broker-dealer does not verify the accuracy of fee calculations.

Fees are charged in advance on a quarterly basis, meaning that advisory fees for a quarter are charged on the first day of the quarter. Clients may terminate investment advisory services obtained from DCM, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with DCM. The client is responsible for any fees and charges incurred by the client from third parties as a result of maintaining the account such as transaction fees for any securities transactions executed and account maintenance or custodial fees. Thereafter, the client may terminate advisory services upon written notice delivered to and received by DCM. If a new client account is established during a quarter or a client makes an addition to its account during a quarter, the investment management fee will be prorated for the number of days remaining in the quarter; it is charged as of the effective date of the investment management agreement or the date of the additional contribution, based on the value of the assets as of the applicable date. If a client makes a partial withdrawal during a quarter, no portion of the prepaid investment management fee will be refunded. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

DCM may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationship, account retention, pro bono activities and whether the client is DCM's employee or an employee of an affiliate.

### **Financial Planning Compensation**

Financial planning services are charged in arrears through an hourly arrangement as agreed upon between the client and DCM. Fees are negotiable and vary depending on the complexity of the client situation and services to be provided. Hourly fees are charged as a maximum of \$300 per hour, depending on what is negotiated between DCM and the client. Similar financial planning services may be available elsewhere for a lower cost to the client. An estimate for total hours and charges is determined at the start of the advisory relationship.

Typically, clients will be invoiced upon completion of the services. Clients who wish to terminate the planning process prior to completion may do so with written notice. The client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period by contacting DCM at (917) 386-6260 or via

e-mail at [compliance@dcmadvisors.com](mailto:compliance@dcmadvisors.com). Upon receipt of written notification, any earned fee will immediately become due and payable. A client may terminate an advisory agreement without being assessed any fees or expenses within five (5) days of its signing.

### **Subscription Compensation**

DCM currently charges certain clients a subscription-based fee to receive HGA's monthly publications. Subscription-based fees are charged a maximum of \$150,000 annually, but fees may vary depending on the research content. Subscribers are billed in advance, unless otherwise agreed upon, and on a quarterly or semiannual basis, meaning the first day of each quarter or every two quarters. DCM's subscription fees are generally not negotiable. Clients may terminate their subscription, without penalty, upon written notice generally within thirty (30) business days prior to the end of the then-current period, as detailed in the subscription agreement. However, generally, clients who terminate DCM's subscription services during a quarter will not be rebated the prorated portion of the unused subscription.

### **Additional Fees and Expenses**

In addition to advisory fees paid to DCM as explained above, clients may pay custodial service, account maintenance, transaction, and other fees associated with maintaining the account. These fees vary by broker and/or custodian. In some relationships, clients are charged commissions where their trades are not executed through the custodian at which the client maintains their account. In those relationships, DCM typically seeks to execute such transactions at those custodians which are selected by the client to the greatest extent possible, but there may be instances where transactions will be executed away from the custodians and as such commissions will be charged in addition to the management fee charged by DCM. DCM monitors this process through its review of trades and its best execution practices. Clients should ask DCM for details on transaction fees or other custodial fees specific to their account, as these fees are not included in the annual advisory fee. DCM does not share any portion of such fees. Additionally, for any mutual funds purchased, the client will pay their proportionate share of the funds' distribution, investment advisory and administrative fees. Such fees are not shared with DCM and are compensation to the fund manager. Clients are urged to read the mutual fund prospectus prior to investing.

The above paragraph relates to mutual funds DCM clients purchase that are not advised or sub-advised by DCM or its affiliate. For any mutual funds DCM clients purchase that DCM or its affiliate advises or, DCM does not charge a wealth advisory fee for those funds.

Mutual fund companies impose internal fees and expenses on clients. These fees are in addition to the costs associated with the investment advisory services as described above. Complete details of such internal expenses are specified and disclosed in each mutual fund company's prospectus. Clients are strongly advised to review the prospectus(es) prior to investing in such securities.

Mutual funds purchased or sold in broker-dealer accounts may generate transaction fees that would not exist if the purchase or sale were made directly with the mutual fund company. Mutual funds held in broker-dealer accounts also charge management fees. These mutual fund management fees may be more or less than the mutual fund management fees charged if the client held the mutual fund directly with the mutual fund company.

Clients may purchase shares of mutual funds directly from the mutual fund issuer, its principal underwriter, or a distributor without purchasing the services of DCM or paying the advisory fee on such shares (but subject to any

applicable sales charges). Certain mutual funds are offered to the public without a sales charge. In the case of mutual funds offered with a sales charge, the prevailing sales charge (as described in the mutual fund prospectus) may be more or less than the applicable advisory fee. However, clients would not receive DCM's assistance in developing an investment strategy, selecting securities, monitoring the performance of the account, and making changes as necessary.

DCM's affiliate, Dinosaur Financial Group, LLC ("DFG"), a full-service broker-dealer registered with the Financial Industry Regulatory Authority ("FINRA"), has entered into a revenue-sharing agreement with RBC Capital Markets, LLC ("RBC"). Under the agreement, DFG receives a monthly payment from RBC. The payment is based on the monthly average of the daily aggregate amount held by DCM's clients that is covered by the RBC Bank Deposit Program (the "Program"). The Program covers margin balances, RBC's Credit Interest Program, and money market funds. DCM's clients are neither charged an additional fee nor receive decreased interest rates as a result of RBC's monthly payment to DFG. However, clients may be able to receive better interest rates at other custodians that do not have these revenue-sharing agreements. As a result, client returns on amounts held in cash or on margin may be higher at other custodians. Clients should be aware that this agreement presents a conflict of interest, since DCM and its IARs have an incentive to recommend that clients' assets are held at RBC. In addition, DCM and its IARs have an incentive to maintain larger cash or margin balances in client accounts in order to increase revenue. In an effort to mitigate this conflict of interest and uphold its fiduciary duty to advisory clients, DCM has established a Best Execution Committee that meets at least semi-annually to review its best execution practices. The Best Execution Committee also conducts periodic reviews of the broker-dealers it uses to ensure its clients receive best execution. Clients may direct DCM to utilize a different custodian. DCM may also accept instructions from clients to direct specific amounts of brokerage to a particular broker-dealer other than RBC. Item 12 further describes the factors that DCM considers in selecting or recommending broker dealers for client transactions and determining whether clients are receiving best execution through the broker dealers that DCM utilizes.

Certain DCM personnel accept asset-based sales charges through their broker-dealer registration with Dinosaur Financial Group, LLC. This creates an inherent conflict of interest as the IARs for DCM are incentivized to execute transactions through its affiliated broker-dealer's accounts. This potential conflict of interest is mitigated by the fact that DCM does not execute clients' transactions using Dinosaur Financial Group, LLC as the broker dealer.

Please refer to Item 10 "Other Financial Industry Activities and Affiliations" and Item 12 "Brokerage Practices" in this Brochure for additional information.

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

DCM charges performance-based fees for its investment strategies (High Velocity Municipal Bond IPO Strategy & High Velocity ABS/MBS Strategy). Performance-based fees are generally up to 60% of the net returns of the strategy. The portfolio managers of these strategies are generally compensated by up to 40% of the 60% net returns. Currently, there are no non-affiliated investors in these strategies. Additionally, there are no side-by-side management arrangements in place. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. A potential conflict of interest may exist when charging performance-based fees as there may be incentive to favor these accounts vs. other advisory accounts. This fact is mitigated by DCM as the portfolio managers of both the HVMB & HVAB strategies do not manage any other DCM advisory accounts and do not receive any other investment management, hourly, flat fee or an asset-based fee.

## Item 7: Types of Clients

DCM provides customized asset management solutions for individuals, High Net Worth Individuals, Investment Companies, Pension & profit-sharing plans, Charitable organizations and Corporations. DCM also manages money for individuals, institutions and investment companies seeking its expertise in various investment strategies. The minimum relationship size varies depending on the investment strategy and level of service. Generally, we require the following minimum investment amount:

<u>Strategy</u>	<u>Minimum</u>
US Investment Grade Municipal Bond	\$250,000
Taxable Intermediate Bond	\$250,000
DCM All Cap	\$1,000,000
DCM U.S. Large Cap Value	\$1,000,000

Where DCM provides investment advisory services to registered investment advisers in the form of model portfolios, the minimum account size is established by that adviser. The client should review the registered investment adviser's Form ADV Part 2 for complete detail on the model portfolio services it engages.

With respect to clients for whom DCM manages separately managed accounts and provides wealth advisory services, DCM generally requires that clients invest and maintain a minimum of \$100,000 to open an account. If the account size falls below the minimum requirement due to market fluctuations only, a client will not be required to invest additional funds with us to meet the minimum account size. DCM may, in its sole discretion, accept clients with smaller portfolios based upon certain criteria, including anticipated future earning capacity, anticipated future additional assets, the dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and pro bono activities. DCM may aggregate the portfolios of family members to meet the minimum portfolio size.

With respect to the DCM/INNOVA Fund, the stated minimum initial investment is \$1,500 (\$1,000 under an automatic investment plan), and the minimum subsequent investment is \$100 (\$50 under an automatic investment plan).

With respect to the Lebenthal Ultra Short Tax-Free Income Fund, the stated minimum initial investment for Class A Shares is \$1,500, and the minimum subsequent investment is \$50. The stated minimum initial investment for Class I Shares is \$250,000, and there is no minimum for subsequent investments.

With respect to the Copley Fund, the stated minimum initial investment is \$1,000, and the minimum subsequent investment is \$100.

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

### Methods of Analysis and Investment Strategies

## A. Asset Management Services

### **Separately Managed Accounts**

DCM uses a variety of methods and strategies to make investment decisions and recommendations. DCM's methods of analysis include fundamental research, charting analysis, technical analysis, and cyclical analysis, as well as the use of quantitative tools and investment approaches.

In connection with research, DCM routinely reviews financial publications and research prepared by third parties, including research obtained from commercially available information services. In addition, DCM obtains information through conferences and consultations with industry experts.

DCM employs the following investment strategies:

**DCM U.S. All Cap:** The DCM All Cap strategy employs a research process that can be summarized as “value with a catalyst.” The catalyst is a collective catalyst that is generally comprised of at least three of seven “alpha generators”, determined after researching financial newspapers, research materials prepared by research providers, annual reports filed with the SEC, other filings with the SEC, and company press releases. The seven “alpha generators” are: 1) Insider buying (including option activity), particularly by officers; 2) Stock repurchase by the company itself; 3) Management changes that create cultural change and a move toward meritocracy; 4) Sale or spin-off of a division; 5) Consolidating industries; 6) Tax loss carry forwards that assure turbo charged cash flows once profitability returns; and 7) Triple-discount valuation mechanism. This methodology is flexible because it does not limit the Adviser to a narrow investment universe. The DCM All Cap strategy primarily follows the Russell 3000 Index Stock Universe,

**DCM U.S. Large Cap Value:** The strategy employs an actively managed, absolute value approach, focusing on the long-term investment in well-established companies identified by the manager's “circle of competence.” The strategy seeks to generate returns by investing in businesses with strong cash-flow generation trading at a discount to what the investment team believes to be the stock's intrinsic value. To help achieve this objective, the strategy employs a “buy-and-hold” approach to construct a focused portfolio, with stock selection informed by rigorous fundamental analysis. When assessing a stock, the team assumes buying a business outright for cash with no leverage and what the resulting returns would be based upon forecasts as a result of our research. At the core of the process is a triple discount mechanism that is used to anchor our investment decisions. The Large Cap Value strategy generally invests in securities with a market cap greater than \$5 billion at time of purchase. There are typically 25-40 holdings with a 10-30% annual turnover. New positions generally begin at 1-2% of the portfolio. Highest conviction ideas can grow beyond 5%, dependent on client restrictions. The team believes that successful investments in a concentrated portfolio can achieve returns when these following tenets are observed:

1) Invest in businesses that have a defensible franchise; 2) The business produces solid fundamental results that will increase shareholder value over time; 3) Invest with a margin of safety in the valuation of the company; 4) Hold for the long-term, as long as the investment thesis remains intact; and 5) Invest alongside capable, owner-oriented management teams. The DCM U.S. Large Cap Value strategy invests primarily in large capitalization value equities from the Russell 1000 Value Index stock universe.

**Investment-Grade Municipal Bonds:** DCM manages both national and single state municipal bond investment grade portfolios. The portfolios are managed for total return. DCM looks to add value through active management of the portfolio through careful bond selection and appropriate selective repositioning as circumstances warrant. Among the key factors DCM monitors are individual credit considerations, changes in the shape of the yield curve, call features, changes in the future expectation of economic activity, and changes in various specific sectors of the municipal bond market.

**Investment-Grade Corporate Bonds:** DCM manages a US taxable corporate bond investment-grade portfolio. The portfolio is managed for total return. DCM looks to add value through active management of the portfolio through careful bond selection and appropriate selective repositioning as circumstances warrant. Among the key factors DCM monitors are individual credit considerations, changes in the shape of the yield curve, changes in the future expectation of economic activity, and changes in various specific sectors of the taxable bond market.

**High Velocity Municipal Bond IPO Strategy:** With respect to the High Velocity Municipal Bond IPO Strategy. DCM manages a portfolio of new issue municipal bonds. The portfolio is managed for short-term capital gains. DCM looks to add value through tactical, active management of the portfolio through careful bond selection, identifying new issue bonds with high potential for capital gains over a short holding period. The strategy generates short-term capital gains and should not be confused with a strategy holding municipal bonds long-term for tax-free income and/or total return. Turnover (velocity) in the portfolio is extremely high - in excess of 1,000%. Among the key factors DCM monitors are the technical supply and demand of the municipal new issuance market, interest rate volatility and liquidity. The strategy utilizes leverage of greater than 100% which poses high risks as leverage magnifies trading losses. In addition to the risk inherent in leverage, there is liquidity risk associated with these securities as short-term liquidity is dependent on a marketplace without a robust, central exchange.

Under the strategy a management fee is calculated on a monthly basis and the account is charged 60% of the net revenues generated for the month. The strategy is not available to advisory clients at this time.

**High Velocity ABS/MBS Strategy:** With respect to the High Velocity ABS/MBS Strategy. DCM manages a portfolio of new issue ABS/MBS bonds. The portfolio is managed for short-term capital gains. DCM looks to add value through tactical, active management of the portfolio by monitoring market data and technical information coupled with analysis of underlying collateral, issuers and structure in both primary and secondary markets when determining how to invest. The strategy generates short-term capital gains and should not be confused with a strategy holding ABS/MBS bonds long-term for income and/or total return. Turnover (velocity) in the portfolio is extremely high - in excess of 1,000%. The strategy utilizes leverage of greater than 100% which poses high risks as leverage magnifies trading losses. In addition to the risk inherent in leverage, there is liquidity risk associated with these securities as short-term liquidity is dependent on a marketplace without a robust, central exchange.

Under the strategy a management fee will be calculated on a monthly basis and the account will be charged 60% of the net revenues generated for the month. The strategy is not available to advisory clients at this time.

**DCM/INNOVA Fund:** With respect to the DCM/INNOVA Fund, DCM seeks to achieve a combination of capital appreciation and income generation through investments in equity securities that DCM believes are appropriate to the strategy. DCM typically invests in common stocks that DCM believes are undervalued, with a preference for those that also offer attractive dividend yields. Not every investment security is required to produce income.

**Lebenthal Ultra Short Tax-Free Income Fund:** With respect to the Lebenthal Ultra Short Tax-Free Income Fund, DCM seeks to achieve a combination of a high level of current income exempt from federal income tax and relative stable principal. DCM primarily invests in municipal securities, the income from which is exempt from federal income tax. DCM may also invest in municipal securities that generate interest of which may be subject to federal alternative minimum tax.

### **Copley Fund**

With respect to the Copley Fund, DCM seeks long term capital appreciation. DCM primarily invests in equity securities of (1) companies with strong balance sheets and with histories of dividend increases and (2) companies whose earnings growth potential enhances prospects for future increases in dividend rates.

## Wealth Advisory

DCM's methods of analysis and investment strategies incorporate the client's needs and investment objectives, time horizon, and risk tolerance. DCM is not bound to a specific investment strategy for the management of investment portfolios, but rather consider the risk tolerance levels gathered at the account opening, as well as on an on-going basis. Examples of methodologies that DCM's investment strategies may incorporate include:

**Asset Allocation** – Asset Allocation is a broad term used to define the process of selecting a mix of asset classes and the efficient allocation of capital to those assets by matching rates of return to a specified and quantifiable tolerance for risk.

**Dollar-Cost Averaging** – Dollar-cost averaging is the technique of buying a fixed dollar amount of securities at regularly scheduled intervals, regardless of the price per share. This will gradually, over time, decrease the average share price of the security. Dollar-cost averaging lessens the risk of investing a large amount in a single investment at the wrong time.

**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.

**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.

**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.

DCM's strategies and investments may have unique and significant tax implications. Regardless of a client's account size or other factors, DCM strongly recommends that clients continuously consult with a tax professional prior to and throughout the investing of client assets.

## **B. Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear. Although DCM manages client portfolios with strategies and in manners it believes to be consistent with client risk tolerances, there can be no guarantee that DCM's efforts will be successful. Clients should be prepared to bear the risk of loss.

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends, and other distributions), and the loss of future earnings. Regardless of the methods of analysis or strategies suggested for clients' particular investment goals, clients should carefully consider these risks, as they all bear risks.

Prospective investors should consider the following risks, among others, before making any investment decisions. The various risks outlined below are not the only risks associated with DCM's investment strategies and processes. Investors are urged to consult with their own independent financial, legal and tax advisors before making any investment decisions. With respect to the DCM-Managed Funds, the following risks are qualified in their entirety by the risks set forth in their respective prospectus and statement of additional information.



**Management Risks.** While DCM manages client investment portfolios based on DCM's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that DCM allocates assets to asset classes that are adversely affected by unanticipated market movements, and the risk that DCM's specific investment choices could underperform their relevant indexes.

**Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.** DCM may invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

**Equity Market Risks.** DCM will generally invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

**Fixed Income Risks.** DCM may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

**Foreign Securities Risks.** DCM may invest portions of client assets into foreign securities, including ADRs. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

**High Frequency Trading.** Certain DCM strategies may employ high frequency trading. The ability to execute such strategies can depend on the liquidity of the market for the securities being traded. Which may be fragmented (such as the municipal bond market) or become strained under adverse market conditions. Additionally, high volumes of trading incur associated trading costs, which may exceed the returns earned on the securities being traded.

**Leverage.** Certain strategies may borrow money or use other forms of financial leverage in connection with their

management program. The use of leverage presents additional risks and may potentially increase losses. While leverage presents opportunities for increasing the total return on investments, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment could be magnified to the extent leverage is utilized.

**Cybersecurity Risks.** We and our clients depend on telecommunications and information technology, whether ours or those of others such as custodians, financial intermediaries, transfer agents and other parties to which we or they outsource the provision of services or business operations. These systems may fail to operate properly or become disabled as a result of events or circumstances wholly or partly beyond our or their control. Further, despite implementation of a variety of risk management and security measures, our information technology and other systems, and those of others, could be subject to unauthorized tampering or other security breaches resulting in a failure to maintain the security, availability, integrity and confidentiality of data assets. Technology failures or cyber security breaches, whether deliberate or unintentional, including those arising from use of third-party service providers or client usage of systems to access accounts, could have a material adverse effect on our business or our clients and could result in, among other things, financial loss, reputational damage, regulatory penalties or the inability to transact business.

**Natural Disasters and Acts of War or Terror.** Areas in which DCM has offices or where it otherwise does business are susceptible to natural disasters and epidemics, pandemics or other outbreaks of serious contagious diseases (“natural disasters”). The occurrence of a natural disaster could adversely affect and severely disrupt the business operations, economies and financial markets of many countries (even beyond the site of the natural disaster) and could adversely affect DCM’s investment program and its ability to do business. In addition, terrorist attacks, or the fear of or the precautions taken in anticipation of such attacks, could, directly or indirectly, materially and adversely affect certain industries in which DCM invests or could affect the areas in which DCM has offices or where it otherwise does business. Other acts of war (e.g., invasion, acts of foreign enemies, hostilities and insurrection, regardless of whether war is declared) could also have a material adverse impact on the financial condition of industries or countries in which DCM invests.

DCM has a business continuity plan that was designed to address interruptions in our normal business operations. While we believe our plan is adequate to allow for the continued operations of our business, there is a risk that certain natural or unnatural events that have not been anticipated may impact our operations for a period of time, where DCM is unable to provide continuous investment advisory services. Such examples include but are not limited to terrorist attacks and global pandemics.

#### **Risks Specific to the High Velocity Municipal Bond IPO Strategy**

**Margin Risk:** The purchase of securities in this strategy requires the use of margin. The use of margin can magnify losses just as dramatically that it can boost returns. If the value of the securities used as collateral falls below the minimum margin maintenance requirements, a margin call may occur which would result in the strategy having to add cash or securities to meet the required margin maintenance threshold.

**Liquidity and Concentration Risk:** The strategy may have limited securities within it and be heavily concentrated amongst a few issuers. This could magnify losses if one or all of the securities loses value. Additionally, there is liquidity risk associated with these securities as short-term liquidity is dependent on a marketplace without a robust, central exchange.

**Tax Risks:** The strategy may result in inefficient tax results due to the short-term nature of the holdings and high turnover.

## Risks Specific to the DCM/INNOVA Fund

**Derivative Instruments Risk.** Derivative instruments involve risks different from direct investments in the underlying securities, including: imperfect correlation between the value of the derivative instrument and the underlying assets; risks of default by the other party to the derivative instrument; risks that the transactions may result in losses of all or in excess of any gain in the portfolio positions; and risks that the transactions may not be liquid.

**Valuation Risks for Non-Exchange Traded Options.** The purchase of non-exchange traded call options may result in reduced liquidity (and hence value) for the DCM/INNOVA Fund's portfolio investments.

**Risks from Writing Call Options.** When the DCM/INNOVA Fund writes (i.e., sells) call options on its portfolio securities, it limits its opportunity to profit from the securities and, consequently, the DCM/INNOVA Fund could significantly underperform the market. Writing call options could also result in additional turnover and higher tax liability.

**Real Estate Securities Risk.** To the extent the DCM/INNOVA Fund invests in companies that invest in real estate, such as REITs, the DCM/INNOVA Fund would be subject to risk associated with the real estate market as a whole such as taxation, regulations, and economic and political factors that negatively impact the real estate market.

**MLP Risks.** A MLP is a limited partnership in which the ownership units are publicly traded. MLPs generally acquire interests in natural resource, energy, or real estate assets and distribute the resulting income to investors. Investments in MLPs are generally subject to many of the risks that apply to investments in partnerships, such as limited control and limited voting rights and fewer corporate protections than afforded investors in a corporation. MLPs that concentrate in a particular industry or region are subject to risks associated with such industry or region. Investing in MLPs also involves certain risks related to investing in the underlying assets of the MLPs and risks associated with pooled investment vehicles, such as adverse economic conditions, an increase in the market price of the underlying commodity, higher taxes or other regulatory actions that increase costs, a shift in consumer demand or conflicts of interest with the general partner. The benefit derived from the DCM/INNOVA Fund's investment in MLPs is largely dependent on the MLPs being treated as partnerships for federal income tax purposes, so any change to this status would adversely affect its value. The DCM/INNOVA Fund's investment in MLPs may result in the layering of expenses such that shareholders will indirectly bear a proportionate share of the MLP's operating expenses in addition to paying DCM/INNOVA Fund expenses.

**Royalty Trust Risks.** The DCM/INNOVA Fund may invest in publicly traded royalty trusts. Royalty trusts are special purpose vehicles organized as investment trusts created to make investments in operating companies or their cash flows. A royalty trust generally acquires an interest in natural resource companies and distributes the income it receives to the investors of the royalty trust. A sustained decline in demand for the royalty trust's underlying commodity could adversely affect income and royalty trust revenues and cash flows. Factors that could lead to a decrease in market demand include a recession or other adverse economic conditions, an increase in the market price of the underlying commodity, higher taxes or other regulatory actions that increase costs, or a shift in consumer demand for such products. A rising interest rate environment could adversely impact the performance of royalty trusts. Rising interest rates could limit the capital appreciation of royalty trusts because of the increased availability of alternative investments at more competitive yields. Further, because natural resources are depleting assets, the income-producing ability of a royalty trust will eventually be exhausted and the royalty trust will need to raise or retain funds to make new acquisitions to maintain its value. The DCM/INNOVA Fund's investment in royalty trusts may result in the layering of expenses such that shareholders will indirectly bear a

proportionate share of the royalty trusts' operating expenses in addition to paying DCM/INNOVA Fund expenses.

#### Risks Specific to the Lebenthal Ultra Short Tax-Free Income Fund

**Credit Risks.** Like other debt securities, municipal bonds include investment-grade, non-investment grade and unrated securities. Rated municipal bonds that may be held in client portfolios include those rated investment grade at the time of investment or those issued by issuers whose senior debt is rated investment-grade at the time of investment. There is also the possibility that, as a result of litigation or other conditions, the power or ability of issuers to meet their obligations for the payment of interest and principal on their municipal bonds may be materially affected or their obligations may be found to be invalid or unenforceable. Adverse economic, business, legal, or political developments might affect all or a substantial portion municipal bonds held in a portfolio in the same manner.

**Interest Rate Risks.** Interest rate risk is the chance that bond prices overall will decline over short or even long periods because of rising interest rates. Prices and yields on municipal bonds are dependent on a variety of factors, such as the financial condition of the issuer, general conditions of the municipal bond market, and the size of a particular offering, the maturity of the obligation and the rating of the issue.

**Call risks.** Call risk is the chance that during periods of falling interest rates, issuers of callable bonds may call, or repay, securities with higher coupons (interest rates) before their maturity dates.

#### Risks Specific to the Copley Fund

**Accumulated Earnings Tax Risks.** Since the Copley Fund accumulates its net investment income rather than distributing it, the Copley Fund may be subject to the imposition of the federal accumulated earnings tax. The accumulated earnings tax is imposed on a corporation's accumulated taxable income at a rate of 20%.

### Item 9: Disciplinary Information

Neither DCM nor its Principal Executive Officers have had any reportable disclosable events in the past ten years.

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

Some of DCM's management persons are registered representatives of Dinosaur Financial Group, L.L.C., an affiliated broker-dealer. Neither DCM nor any of its management persons are registered or have an application to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of these entities. DCM and its financial professionals have direct or contractual affiliations with broker- dealers, investment advisers and investment companies as described below.

#### Broker-Dealer Affiliation

The owners of DCM also own Dinosaur Financial Group, LLC ("DFG"), a full-service broker-dealer registered with the Financial Industry Regulatory Authority ("FINRA"). DCM employs certain privacy measures to protect

client and advisor information and to mitigate certain potential conflicts of interest. Where permitted by law, DFG, and its representatives may receive mutual fund 12b-1 fees, services fees, due diligence fees, marketing reimbursements, or other payments relating to a client's investment. DCM, as the investment advisor, sponsor, or other service provider to investment advisory programs, receives compensation for its services. Where permitted by law, DFG and its representatives also may receive mutual fund 12b-1 fees, services fees, due diligence fees, marketing reimbursements, or other payments relating to a client's investment. Clients should be aware that these fees, payments, and other compensation present a conflict of interest since DCM and its IARs have a greater incentive to recommend those products or programs that provide additional compensation to DCM, DFG, or to their representatives. This potential conflict of interest is mitigated by the fact that DCM does not execute clients' transactions using DFG as the broker-dealer. However, DCM does utilize DFG's relationship with RBC. As a result, certain employees of DFG help facilitate certain trades (e.g., aggregated trades). DFG does not receive any compensation directly from DCM or its clients for executing such trades.

DFG has entered into a revenue sharing agreement with RBC. Under the agreement, DFG receives a monthly payment from RBC. The payment is based on the monthly average of the daily aggregate amount held by DCM's clients that is covered by the RBC Bank Deposit Program (the "Program"). The Program covers margin balances, RBC's Credit Interest Program, and money market funds. DCM's clients are neither charged an additional fee nor receive decreased interest rates as a result of RBC's monthly payment to DFG. However, clients may be able to receive better interest rates at other custodians that do not have these revenue-sharing agreements. As a result, client returns on amounts held in cash or on margin may be higher at other custodians. Clients should be aware that this agreement presents a conflict of interest, since DCM and its IARs have an incentive to recommend that clients' assets are held at RBC. In addition, DCM and its IARs have an incentive to maintain larger cash or margin balances in client accounts in order to increase revenue. In an effort to mitigate this conflict of interest and uphold its fiduciary duty, DCM has established a Best Execution Committee that meets semi-annually to review its best execution practices. The Best Execution Committee also conducts periodic reviews of the broker-dealers it uses to ensure its clients receive best execution. Clients may direct DCM to utilize a different custodian. DCM may also accept instructions from clients to direct specific amounts of brokerage to a particular broker-dealer other than RBC. Item 12 further describes the factors that DCM considers in selecting or recommending broker-dealers for client transactions and determining whether clients are receiving best execution through the broker-dealers that DCM utilizes.

The owners of DCM also own Dinosaur Merchant Bank, LTD, a full-service broker-dealer domiciled in London, England. Dinosaur Merchant Bank, LTD is registered with the United Kingdom's financial service industry regulator, the Financial Conduct Authority ("FCA"). This presents a potential conflict of interest as DCM has an incentive to recommend Dinosaur Merchant Bank, LTD as a broker for client accounts. DCM does not execute clients' transactions through Dinosaur Merchant Bank, LTD, therefore mitigating the potential conflict of interest.

#### Investment Adviser Relationships

The owners of DCM have a minority ownership interest in Lisanti Capital Growth, LLC ("Lisanti"), an affiliated certified woman-owned and managed investment advisor registered with the SEC specializing in US small and small/mid-cap (SMID) equity growth investing.

Lisanti serves as investment adviser with respect to the Lisanti Small Cap Growth Fund, which is an open-end management investment company registered as such under the Investment Company Act of 1940. Lisanti receives a management fee from the Lisanti Small Cap Growth Fund. An inherent conflict of interest exists as the shared owners of DCM and Lisanti have an incentive for DCM's clients to invest in the Lisanti Small Cap Growth Fund. This conflict of interest is mitigated by the fact that DCM does not currently charge an investment management

fee on client assets invested in the Lisanti Small Cap Growth Fund.

DCM also manages the portfolios of an affiliate. This creates a conflict of interest as DCM has an incentive to direct the best investments to, or to allocate or sequence trades in favor of clients that are affiliated with DCM. DCM evaluates the suitability of investments based on the strategies' investment objectives without regard to affiliation. In the event it is determined that the affiliated client and other DCM clients will transact in the same security, the opportunity will always go to the other DCM clients first. DCM's CCO will reviews allocations to the portfolio of the affiliate to ensure accounts are not favored over time. Under no circumstances will the portfolio of an affiliate be given priority over a client portfolio.

#### **Investment Company Relationships**

As described in Item 4 above, DCM serves as investment adviser with respect to the DCM-Managed Funds, which are open-end management investment companies registered as such under the Investment Company Act of 1940. Certain trustees, agents, and stockholders of the DCM-Managed Funds have an interest in DCM as directors, partners, officers, stockholders or otherwise, and conversely, these persons serving as directors, partners, officers, agents or owners of DCM are interested persons in the DCM-Managed Funds as trustees, stockholders or otherwise. DCM is also interested in the DCM-Managed Funds as a stockholder or otherwise. DCM receives a management fee from the DCM-Managed Funds and therefore has an incentive to recommend the DCM-Managed Funds to clients. This conflict of interest is mitigated by the fact that DCM does not currently charge an investment management fee on client assets invested in the DCM-Managed Funds.

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

#### **Code of Ethics**

DCM's Code of Ethics includes guidelines for professional standards of conduct for its Access Persons. DCM's goal is to protect client interests at all times and to demonstrate its commitment to its fiduciary duty to clients to act in the best interest of the client and always place the client's interests first. All of DCM's Access Persons are expected to strictly adhere to these guidelines.

The Code of Ethics contains provisions for standards of business conduct in order to comply with applicable securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violation reporting requirements and safeguarding of material non-public information about client transactions.

DCM's Code of Ethics is distributed to each Access Person at the time of hiring and as the Code is modified. In addition, DCM requires an annual certification by all Access Persons regarding their understanding and compliance with the Code of Ethics. DCM also supplements the Code with annual training and ongoing monitoring of employee activity.

#### **Participation or Interest in Client Transactions and Personal Trading**

Under the Code of Ethics, all personnel with access to investment recommendations and client information are required to submit information about their personal trading activities to DCM's Chief Compliance Officer ("CCO") or the CCO's designee for review, including advance approval from the CCO for certain types of personal securities transactions. Violations of the Code of Ethics can result in disciplinary action up to and

including dismissal.

DCM also tracks employees' holdings by obtaining annual holdings reports and quarterly certifications for its employees. In accordance with applicable law, DCM also maintains and enforces written policies and procedures reasonably designed to prevent the misuse of non-public information by DCM or any person associated with DCM. Further, employees are prohibited from trading on non-public information or sharing such information.

Certain employees of DCM and their relatives have personal trading accounts or DCM-managed investment advisory accounts at the same financial institutions as some of DCM's other non-affiliated clients. Employees and related persons of DCM (any advisory affiliate and any person that is under common control with DCM) can buy or sell securities identical to those securities recommended to clients. Therefore, related persons will have an interest or position in certain securities that are also recommended and bought or sold to clients. DCM trades their accounts in the same manner as other clients and may not trade employee or related persons' accounts ahead of other clients or trade in such a way as to obtain a better price for the employees or related persons compared to clients.

DCM's Code of Ethics is available to clients and potential clients upon request by contacting DCM at (917) 386-6260 or via e-mail at [compliance@dcmadvisors.com](mailto:compliance@dcmadvisors.com).

## Item 12: Brokerage Practices

The custodians and brokers that DCM uses:

DCM does not maintain custody of client assets, although DCM may be deemed to have custody of client assets if given authority to withdraw assets from the client's account (see Item 15 – Custody, below). Client assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. DCM primarily recommends that its clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian.

DCM is independently owned and operated and is not affiliated with Schwab. Schwab will hold client's assets in a brokerage account and buy and sell securities when DCM/the client instructs them to. While DCM recommends its clients use Schwab as custodian/broker, clients will decide whether to do so and will open their account with Schwab by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14 (Client Referrals and Other Compensation). DCM's clients should consider these conflicts of interest when selecting their custodian.

DCM does not open the account for its clients, although DCM may assist its clients in doing so. Even though client accounts are maintained at Schwab, and DCM anticipates that most trades will be executed through Schwab, DCM can still use other brokers to execute trades for clients' accounts as described below (see "Client's brokerage and custody costs").

How DCM selects brokers/custodians:

DCM primarily recommends Schwab, a custodian/broker, to hold its clients' assets and execute transactions. When considering whether the terms that Schwab provides are, overall, most advantageous to clients when compared with other available providers and their services, DCM takes into account a wide range of factors,

including:

- ☐ Quality of confirmations and account statements
- ☐ Access to markets
- ☐ Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- ☐ Capability to execute, clear, and settle trades (buy and sell securities for your account)
- ☐ Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- ☐ Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- ☐ Availability of investment research and tools that assist us in making investment decisions
- ☐ Quality of services
- ☐ Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- ☐ Reputation, financial strength, security and stability
- ☐ Prior service to us and our clients
- ☐ Services delivered or paid for by Schwab
- ☐ Availability of other products and services that benefit us, as discussed below (see “Products and services available to DCM from Schwab”)

Client’s brokerage and custody costs:

For clients’ accounts that Schwab maintains, Schwab generally does not charge clients separately for custody services but is compensated by charging commissions or other fees on trades that it executes or that settle into clients’ Schwab accounts. Certain trades (for example, U.S. equities, mutual funds and ETFs) do not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in client accounts in Schwab’s Cash Features Program. Schwab’s commission rates applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a total of at least \$62 million of their assets in accounts at Schwab. This commitment benefits DCM’s clients because the overall commission rates charged by Schwab are lower than they would be otherwise. In addition to commissions, Schwab charges clients a flat dollar amount as a “prime broker” or “trade away” fee for each trade that DCM has executed by a different broker dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the client’s Schwab account. These fees are in addition to the commissions or other compensation clients pay the executing broker-dealer. Because of this, in order to minimize clients’ trading costs, DCM has Schwab execute most trades for client accounts.

DCM is not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although DCM is not required to execute all trades through Schwab, DCM has determined that having Schwab execute most trades is consistent with DCM’s duty to seek “best execution” of client trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How DCM selects brokers/custodians”). By using another broker or dealer clients may pay lower transaction costs.

Products and services available to DCM from Schwab:



Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like DCM. They provide DCM's clients and DCM with access to their institutional brokerage services (trading, custody, reporting and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through DCM. Schwab also makes available various support services. Some of those services help DCM manage or administer clients' accounts, while others help DCM manage and grow the firm's business. Schwab's support services are generally available on an unsolicited basis (DCM does not have to request them) and at no charge to DCM. Following is a more detailed description of Schwab's support services:

#### Services that benefit DCM's clients:

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 DCM might not otherwise have access or that would require a significantly higher minimum initial investment by DCM's clients. Schwab's services described in this paragraph generally benefit DCM's clients and their accounts.

#### Services that do not directly benefit DCM's clients:

Schwab also makes available to DCM other products and services that benefit the firm but do not directly benefit DCM's clients or their accounts. These products and services assist DCM in managing and administering its clients' accounts and operating its firm. They include 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
- ☐ facilitate payment of our fees from our clients' accounts
- ☐ assist with back-office functions, recordkeeping, and client reporting

#### Services that generally benefit only DCM:

Schwab also offers other services intended to help DCM manage and further develop the firm's business enterprise. These services include:

- ☐ Educational conferences and events
- ☐ Consulting on technology and business needs

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to DCM. Schwab also discounts or waives its fees for some of these services or pays all or a part of a third party's fees. If DCM's clients did not maintain their accounts with Schwab, DCM would be required to pay for those services from the firm's own resources.

In evaluating whether to recommend or require that clients custody their assets at Schwab, DCM may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors DCM considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

While DCM generally recommends Schwab for brokerage services for client accounts, DCM will accept direction from a client as to which broker is to be used for a client account. If the client directs the use of a particular broker dealer, the client should be aware that DCM might be able to obtain a more favorable commission cost from another broker-dealer in particular transactions. As a result, the client may pay higher commissions or other transaction costs on transactions for the account than would otherwise be the case if DCM selected the broker dealer based on best execution. Consequently, best execution may not be achieved.

DCM's interest in Schwab's services:

The availability of these services from Schwab benefits DCM because the firm does not have to produce or purchase them. DCM does not have to pay for Schwab's services. Furthermore, Schwab also provided additional services and support, including the payment of certain expenses, at the start of DCM's relationship with Schwab.

The fact that DCM receives these benefits from Schwab is an incentive for the firm to recommend the use of Schwab rather than making such a decision based exclusively on clients' interest in receiving the best value in custody services and the most favorable execution of client transactions. This is a conflict of interest. DCM believes, however, that taken in the aggregate the firm's recommendation of Schwab as custodian and broker is in the best interests of DCM's clients. DCM's selection is primarily supported by the scope, quality, and price of Schwab's services (see "How DCM selects brokers/ custodians") and not Schwab's services that benefit only DCM.

Affiliate Agreements with Broker-Dealers:

As described in Item 10, an affiliate of DCM - Dinosaur Financial Group, LLC ("DFG") - has entered into a revenue sharing agreement with broker-dealer RBC wherein DFG receives payments from RBC based on certain aggregate balances, including DCM's clients. Clients should be aware that this agreement presents a conflict of interest, since DCM and its IARs have an incentive to recommend that clients' assets are held at RBC. In addition, DCM and its IARs have an incentive to maintain larger cash or margin balances in client accounts in order to increase revenue. Additional information regarding RBC revenue sharing agreement is described in Item 10, "Other Financial Industry Activities and Affiliations".

Research and Other Soft Dollar Benefits:

DCM has other existing broker-dealer/custodial relationships it entered after considering the judgmental factors described above (see "How DCM selects brokers/custodians"). DCM uses soft dollars generated by certain client accounts to pay for certain research and/or related services provided by some of these brokers. The term "soft dollars" refers to the receipt by an investment manager of products and services (including research) provided by brokers without any cash payment by the investment manager, based on the volume of revenues generated from brokerage commissions for transactions executed for clients of the investment manager. The products and services available from brokers include both internally generated items (such as research reports prepared by employees of the broker) as well as items acquired by the broker from third parties (such as quotation equipment).

Using soft dollars to obtain investment research and/or related services creates a conflict of interest between DCM and its clients. Soft dollars may be used to acquire products and services that are not exclusively for the benefit of clients which paid the commissions-- these soft dollars may primarily or exclusively benefit DCM and/or other clients of DCM. If DCM is able to acquire these products and services without expending its own resources (including management fees paid by clients), its use of soft dollars would tend to increase profitability. Furthermore, DCM has an incentive to select or recommend brokers based on its interest in receiving research or

other products or services, rather than on its clients' interest in receiving most favorable execution. DCM may cause clients to pay commissions (or markups or markdowns) higher than those charged by other brokers in return for soft dollar benefits.

Soft dollar benefits generally will be used to service all of DCM's clients. DCM will seek to allocate soft dollar benefits among client accounts in a fair and equitable manner under the circumstances, but there can be no assurance that DCM will be successful in this regard.

Section 28(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") provides a safe harbor to advisers who use soft dollars generated by client accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to DCM in the performance of investment decision-making responsibilities. DCM intends that any soft dollars that it receives in connection with client-related matters would be within the limitations set forth in Section 28(e) of the Exchange Act.

In the first quarter 2024, DCM terminated all soft dollar arrangements.

#### Brokerage for Client Referrals:

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

#### Directed Brokerage:

In certain cases, clients may direct DCM in writing to use a particular broker-dealer to execute some or all of the transactions for their account. If clients do so, they are responsible for negotiating the terms and arrangements for the account with that broker-dealer. DCM may not be able to negotiate commissions, obtain volume discounts, or best execution. In addition, under these circumstances, a difference in commission charges may exist between the commissions charged to clients who direct DCM to use a particular broker or dealer and other clients who do not direct DCM to use a particular broker or dealer.

#### Trade Errors:

An error occurs whenever there is a transaction for a client that is different from what was intended. When an employee of DCM discovers a trade error, the CCO shall be informed and will take appropriate action. DCM will use its best efforts to assure that orders are entered correctly, however, to the extent that an error occurs, it is to be (i) corrected as soon as possible; and (ii) reported to the CCO. DCM is not responsible for the errors of other persons, including third party brokers and custodians, unless otherwise expressly agreed to by DCM.

When an error is made on behalf of a client account, DCM will use its best efforts to break or otherwise correct the trade. Wherever possible, erroneous trades will be cancelled with the broker-dealer. If an incorrect trade entry cannot be cancelled, DCM will promptly enter into a corrective transaction and investigate the matter to determine a resolution. The goal of error correction is to return clients to the position as if the error had not occurred (to make the client "whole") in terms of the originally intended trade, the erroneous trade, and transaction costs. However, DCM is responsible only for its own errors and not for the errors of others. If a trade error is caused by a third party, such as a broker-dealer, DCM will take reasonable steps to recover from the third party the losses resulting from that error.

## Principal and Cross Trades:

DCM does not engage in principal transactions. DCM may cross trades between client accounts where permitted and where DCM believes such a cross trade serves the best interests of each client involved.

Depending on various considerations including asset custody, availability of pricing, transaction and/or administrative costs, and operational efficiency, trades may be crossed directly between client accounts based on prevailing market prices or in the market through a broker-dealer (an agency cross).

## Order Aggregation:

DCM may buy or sell the same security for two or more clients (including the firm's personal accounts) when concurrent orders are placed to be executed together as a single "block" in order to facilitate orderly and efficient execution. Each client account will be charged or credited with the average price per unit. DCM receives no additional compensation or remuneration of any kind because DCM aggregates client transactions, and no client is favored over any other client.

A potential conflict of interest exists when DCM executes transactions through its affiliated broker-dealer, Dinosaur Financial Group, LLC. This potential conflict of interest is mitigated by the fact that DCM does not execute clients' transactions using Dinosaur Financial Group, LLC as the broker-dealer.

## Item 13: Review of Accounts

Financial planning accounts are reviewed upon financial plan creation and plan delivery by DCM's CCO, or the CCO's designee, with the applicable IAR's input. Clients generally are provided with a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a nominal fee.

Collectively the CCO and the IARs on at least an annual basis will review advisory investment policies, priorities, and risk tolerance levels, and performance in accordance with the investment policies by maintaining communication between departments at DCM to facilitate optimal investment strategies. Reviews may be triggered by material market, economic or political events, or by changes in clients' financial situations (including, but not limited to, retirement, termination of employment, physical move, or inheritance). Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms.

DCM is required to provide the DCM-Managed Funds with records concerning DCM's activities, which the DCM Managed Funds are required to maintain, and to render regular reports to the DCM-Managed Funds' trustees and officers concerning DCM's discharge of the responsibilities set forth in the investment advisory agreement. DCM is required to communicate to the officers and trustees of the DCM-Managed Funds such information relating to portfolio transactions as they may reasonably request. DCM provides investors in the DCM-Managed Funds with semi-annual commentary which is mailed to investors by the administrator of the DCM-Managed Funds. The administrator for the DCM-Managed Funds also posts daily net asset values on its website and provides investors with periodic written statements. All such reports and statements generally are written.

## Item 14: Client Referrals and Other Compensation

DCM makes cash payments to a third-party promoter for client referrals to our Funds and the Fund of our affiliate.

DCM also receives an economic benefit from Schwab in the form of the support products and services it makes available to DCM and other independent investment advisors whose clients maintain their accounts at Schwab. In addition, Schwab has also agreed to pay for certain products and services for which DCM would otherwise have to pay once the value of its clients' assets in accounts at Schwab reaches a certain size. DCM's clients do not pay more for assets maintained at Schwab as a result of these arrangements. However, DCM benefits from the arrangement because the cost of these services would otherwise be borne directly by the firm. DCM's clients should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit DCM, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices).

DCM has entered into a relationship with an unaffiliated person that refers clients to DCM for a fee. The referring party has signed an agreement with DCM. The referring party will not provide investment advisory or supervisory services to clients. The referring party must provide the potential client with a copy of DCM's Brochure, along with a copy of DCM's solicitor disclosure statements and client acknowledgment. The referring party receives a referral fee that is a portion of the annual investment advisory fee paid to DCM by the client. The fee charged to the client is not greater than it would have been without the referring party.

IARs of DCM or agents of Dinosaur Financial Group, LLC may receive 12(b)-1 fees from a mutual fund in which DCM has invested a client. The payment creates an incentive to recommend mutual funds and, thereby, an inherent risk for a potential conflict of interest. This potential conflict of interest is mitigated by the fact that DCM does not execute clients' transactions using Dinosaur Financial Group, LLC as the broker-dealer.

## Item 15: Custody

DCM does not have physical custody of any client funds and/or securities and does not take custody of client accounts at any time. Client funds and securities will be held by a bank, broker-dealer, or other independent qualified custodian. DCM is deemed to have limited custody due to the direct debiting of fees from client accounts. Clients will receive account statements from the independent, qualified custodian holding client funds at least quarterly. The account statement from a client's custodian will indicate the amount of advisory fees deducted from the client's account(s) each billing cycle. Clients should carefully review statements received from the custodian and compare them to the periodic account statements they receive from DCM. Clients are advised to notify DCM of any questions or concerns. Clients are also asked to promptly notify DCM if the custodian fails to provide statements on each account held.

## Item 16: Investment Discretion

Before DCM can buy or sell securities on behalf of clients, clients generally must first sign the discretionary management agreement, a limited power of attorney, and/or trading authorization forms. By choosing to do so, clients may grant DCM discretion over the selection and quantity of securities to be purchased or sold for their account(s) without obtaining specific consent or approval prior to each transaction. Clients may impose limitations on discretionary authority for investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, etc.), as well as other limitations as requested in writing by the client and agreed to by DCM. Please refer to Item 4 "Advisory Business" in this Brochure for more information on

DCM's discretionary management services.

With respect to the DCM-Managed Funds, DCM has discretionary authority over the types of financial instruments to be bought and sold, as well as the amount to be bought and sold. In addition, DCM has authority to determine the broker-dealer, futures commission merchant or other counterparty to be used for client transactions and the negotiation of commission rates and other consideration to be paid by the DCM-Managed Funds.

### Item 17: Voting Client Securities

The investment advisory agreement between DCM and each client indicates whether or not DCM votes proxies for the client. In most cases, DCM does not have proxy voting authority over client accounts. DCM does maintain proxy voting authority for the DCM-Managed Funds.

For those clients for which DCM does not vote proxies, at a client's request, DCM may offer advice regarding corporate actions and the exercise of clients' proxy voting rights. If a client owns shares of common stock or mutual funds, the client is responsible for exercising the right to vote as a shareholder. DCM does not take responsibility in any way to ensure such clients' securities are voted. In most cases, clients will receive proxy materials directly from the account custodian. However, in the event DCM were to receive any written or electronic proxy materials, DCM would forward them directly to clients by mail or electronic mail.

With respect to the DCM-Managed Funds and certain other clients, DCM has adopted a Proxy Voting Policy in its compliance manual. In general, DCM's policy is to vote proxies in a manner that serves the best interests of the client, as determined in DCM's discretion. DCM does not allow clients to direct any vote. DCM has retained a third-party voting service for proxy-related services, including providing proxy guidelines. All proxies received are evaluated against "Glass Lewis" guidelines, which address several topics, including shareholder voting rights, antitakeover defenses, board structures, the election of directors, executive and director compensation, reorganizations, mergers and acquisitions and various other shareholder proposals. In cases where DCM is aware of a proxy voting conflict between the interests of a client and the interests of DCM or an affiliated person of DCM, DCM will notify the applicable client of the conflict and will either abstain from voting or vote the applicable shares in accordance with the client's instructions.

DCM generally will not disclose to the client how DCM intends to vote a particular proxy until after DCM has voted the proxy. Clients may obtain copies of DCM's Proxy Voting Policy, together with information regarding how DCM has voted past proxies, by contacting DCM.

### Item 18: Financial Information

DCM is not required to provide financial information to its clients because it does not require or solicit the prepayment of more than \$1,200 six or more months in advance. DCM does actively monitor its financial condition to ensure that no event impairs its ability to meet its contractual commitments to clients. In the event DCM has determined that its financial condition is impaired DCM will notify its clients accordingly.