

**Item 1. Cover Page**



**Form ADV, Part 2A**

**Disclosure Brochure  
of**

**Essex Ridge Capital Group, LLC  
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St Louis, MO 63144  
(314) 961-9400**

**<http://www.essexridgecapital.com>**

**Dated: March 7, 2024**

This brochure provides information about the qualifications and business practices of Essex Ridge Capital Group, LLC. If you have any questions about the contents of this brochure, please contact us at (314) 961-9400 and [john@essexridgecapital.com](mailto:john@essexridgecapital.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

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

## **Item 2. Material Changes Summary**

This brochure provides clients and prospective clients with information about Essex Ridge Capital Group, LLC that should be considered before or at the time of obtaining our advisory services. This brochure is required to be updated at least annually, or sooner when material changes to our business take place. Each year we will deliver to you, by no later than April 30<sup>th</sup>, either: (i) a free updated brochure that includes or is accompanied by a summary of material changes; or (ii) a summary of material changes and an offer to provide a free copy of the updated brochure and how to obtain it.

Since our last annual update of this brochure on March 14, 2023, we have updated Item 5 of this brochure to reflect that we charge advisory fees monthly in advance.

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#### **Item 4. Advisory Business**

##### ***Firm Description***

Essex Ridge Capital Group, LLC ("Adviser") is an investment adviser currently registered with the SEC pursuant to Section 203 of the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Adviser was organized as a limited liability company in 2007.

##### ***Principal Owners***

Adviser's principal owner is the David T. Printup Exempt Trust.

##### ***Types of Advisory Services***

Adviser provides investment supervisory services, and on more than an occasional basis, furnishes advice to clients on matters not involving securities. Adviser primarily offers advice on the following types of investments: equity securities, warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, mutual fund shares, U.S. government securities, and option contracts on securities.

Adviser's investment advisory services for high net worth individual and other institutional accounts include assisting clients with establishing the appropriate portfolio asset allocation, selecting investment managers for various strategies, and monitoring the selected investment managers (which includes an evaluation and performance analysis of the investment managers).

##### ***Assets Under Management***

Adviser provides investment advisory services on a discretionary basis to institutions, high-net worth individuals and investment companies. As of December 31, 2023, Adviser's total assets under management are as follows:

Discretionary Clients = \$143,841,895

Non-Discretionary Clients = \$0

#### **Item 5. Fees and Compensation**

##### ***Description***

The annual fee for high net worth individual and other institutional accounts is typically 1.00% of assets under management.

### ***Fee Billing***

Fees for high net worth individual and other institutional accounts are generally charged monthly in advance. New accounts are charged a pro-rata fee for the month based on initial assets deposited in the account.

Clients typically grant Adviser authority to deduct their fees directly from their account. The client's custodian will provide regular account statements directly to the client that reflect all transactions in the client's account(s), including the amount of any advisory fee deducted. The client is responsible for verifying the accuracy of the fee calculation, as the client's custodian will not determine whether or not the fee was properly calculated.

### ***Other Fees and Expenses***

Adviser's fees do not include any expenses related to its advice to clients on matters not involving securities, which expenses will be charged to the client upon Adviser's receipt of an invoice from third-party service providers. Adviser's fees do not include brokerage commissions or securities transaction fees charged by client's custodian. Adviser's fees do not include fees charged by other investment managers engaged by the client for various strategies. Mutual funds, exchange-traded funds ("ETFs") or other investment vehicles in which a client's assets may be invested charge their own advisory fees and other fees and expenses, as described in each fund's prospectus or offering document, and such fees and expenses are in addition to those charged by Adviser.

### ***Termination of Advisory Agreement***

Either the client or Adviser may terminate the investment advisory contract by providing prior written notice to Adviser as provided in its investment advisory agreement, typically 30 days.

Upon termination, accounts are charged a pro-rata daily fee through the termination date based on the value of the account on the termination date. The proration is determined as the number of calendar days through the termination date relative to the number of calendar days in the month. Earned, unpaid fees, if any, will be due and payable.

## **Item 6. Performance Based Fees and Side by Side Management**

Adviser does not charge performance-based fees.

## **Item 7. Types of Clients and Minimum Requirements**

Adviser generally provides investment advice to high net worth individuals, investment companies (including private funds), pension and profit sharing plans, trusts, estates, or charitable organizations, corporations and other business entities.

Adviser has certain minimum thresholds that have been established to allow Adviser to provide the high level of personal services and attention which Adviser believes its clients deserve. Adviser has established a minimum initial account value of \$100,000 for new accounts of high net worth individuals. The minimum account size for an institutional account is \$250,000. Adviser may, in its sole discretion, accept such lesser amounts as it deems appropriate.

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

### ***Methods of Analysis***

Adviser typically selects a variety of professional investment managers to oversee portions of a client's investment portfolio. Underlying managers are initially screened through a rigorous and disciplined due diligence process by Adviser or Adviser's investment consultant. The diligence process typically involves personal visits, phone interviews and a review of the managers' responses to a questionnaire. Each manager's philosophy, decision-making process, organization, and performance are analyzed and tested to ensure accuracy, and evaluated relative to the needs of each client. Adviser will apply the same rigorous analysis to the selected managers on an ongoing basis.

Managers are monitored through quarterly communications, end-of-year reviews, in-person meetings as appropriate and ongoing analyses of their performance and investment strategies.

The individual investment managers selected by Adviser typically employ fundamental and/or technical analyses, but may also use charting or cyclical analyses.

Although Adviser typically implements its investment strategy through a variety of managers that are particularly experienced in different segments of the securities markets, Adviser may also directly implement its investment strategies. Adviser recommends investment strategies that it believes are appropriate based on each client's investment objectives and investment restrictions, if any. Adviser's method of security analysis is primarily fundamental. Adviser examines macroeconomic, financial and other qualitative and quantitative factors, regardless of the size of the account. Adviser obtains information about potential investments from all types of public information including, but not exclusively, filings with the SEC and other federal and state regulatory agencies, financial publications, discussions with corporate management, sell-side analysts, industry reports, press releases, research reports and corporate rating services. In conducting such analysis, the data that Adviser reviews is

generally considered reliable but Adviser cannot guarantee nor has it verified its accuracy. In addition, the data that Adviser reviews is sometimes subjective in nature and open to interpretation. Even if Adviser's data and interpretation of the data is correct, there may be other factors that determine the value of securities other than those considered in fundamental analysis.

### ***Investment Strategies***

Adviser typically uses a long-term investment strategy to implement its advice to clients, but may occasionally use a short-term strategy if Adviser believes it is appropriate.

A long-term purchase strategy generally assumes the financial markets will go up in the long-term, which may not be the case. There is also the risk that the segment of the market that a client is invested in, or perhaps just a client's particular investment, will go down over time even if the overall financial markets advance. Purchasing investments long-term may involve an opportunity cost – that of “locking-up” assets that may be better utilized in the short-term for other investments.

A short-term purchase strategy generally assumes that an adviser can predict how financial markets will perform in the short-term, which may be very difficult. There are many factors that can affect financial market performance in the short-term (e.g., short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

Periodically, Adviser may invest in ETF's, which own a basket of stocks that track a particular stock market index. Changes in the price of an ETF, before deducting its expenses, track the movement of the associated index relatively closely.

### ***Risk of Loss***

**Investing in securities involves risk of loss that clients should be prepared to bear.** Risk refers to the possibility that a client will lose money (both principal and any earnings) or fail to make money on an investment. Adviser cannot guarantee that it will achieve a client's investment objective. Below are some of the more specific risks of investments in which clients may invest:

**Market Risk.** The prices of securities in which clients invest may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by the client or an underlying fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Clients should have a long-term perspective and be able to tolerate potentially sharp declines in market value.

**Management Risk.** Adviser's investment approach may fail to produce the intended results. If Adviser's perception of the performance of a specific asset class or

underlying fund is not realized in the expected time frame, the overall performance of client's portfolio may suffer.

**Equity Risk.** Equity securities tend to be more volatile than other investment choices. The value of an individual equity security can be more volatile than the market as a whole. This volatility affects the value of the client's overall portfolio. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies. Smaller companies may also have a lower trading volume, which may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger companies.

**Other Investment Companies Risk.** When a client invests in underlying funds, including private funds, open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, some of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (e.g., the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below its net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. Adviser has no control over the risks taken by the underlying funds in which clients invest.

**Derivatives Risk.** Funds in a client's portfolio may use derivative instruments. The value of these derivative instruments derives from the value of an underlying asset, currency or index. Derivative investments by mutual funds, ETFs or other investment vehicles in which the client invests involve the risk that the value of the underlying fund's derivatives may rise or fall more rapidly than other investments, and the risk that it may lose more than the amount that it invested in the derivative instrument in the first place. Derivative instruments also involve the risk that other parties to the derivative contract may fail to meet their obligations, which could cause losses.

**Foreign Securities Risk.** Foreign securities are subject to additional risks not typically associated with investments in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could



adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.

**Fixed Income Risk.** The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will decline because investors will demand a higher rate of return. As nominal interest rates rise, the value of fixed income securities is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.

**Municipal Securities Risk.** The value of municipal obligations can fluctuate over time, and may be affected by adverse political, legislative and tax changes, as well as by financial developments that affect the municipal issuers. Because many municipal obligations are issued to finance similar projects by municipalities (e.g., housing, healthcare, water and sewer projects, etc.), conditions in the sector related to the project can affect the overall municipal market. Payment of municipal obligations may depend on an issuer's general unrestricted revenues, revenue generated by a specific project, the operator of the project, or government appropriation or aid. There is a greater risk if investors can look only to the revenue generated by the project. In addition, municipal bonds generally are traded in the "over-the-counter" market among dealers and other large institutional investors. From time to time, liquidity in the municipal bond market (the ability to buy and sell bonds readily) may be reduced in response to overall economic conditions and credit tightening.

#### **Item 9. Disciplinary Information**

Adviser has no material legal or disciplinary events to report.

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

Adviser has no financial industry activities or affiliates to report.

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

##### ***Code of Ethics***

Adviser has adopted a Code of Ethics pursuant to Rule 204A-1 under the Advisers Act which is based on the principle that Adviser and its employees owe a fiduciary duty to clients. To comply with this duty, Adviser's advisory personnel must avoid activities or interests that might interfere with making decisions in the best interests of clients. Under the Code of Ethics, Adviser's advisory personnel are required to submit regular

reports of their personal securities transactions to the Chief Compliance Officer of Adviser for review. In addition, each person subject to the Code of Ethics is required to report all violations of which such person becomes aware to the Chief Compliance Officer. Adviser will provide a copy of its Code of Ethics, free of charge, upon the written request of any client.

### ***Participation or Interest in Client Transactions***

Adviser generally does not recommend investments to clients in which Adviser or any of its owners, officers, directors and employees has a financial interest. If any such investment were proposed, Adviser shall disclose such an interest in the transaction to the client.

### ***Personal Trading***

From time to time, Adviser's owners, officers, directors and employees may purchase securities for their own personal accounts, which are also purchased on behalf of clients. In such cases, Adviser's owners, officers, directors and employees will not effect transactions for their personal accounts which will be contrary to recommendations being made to clients. Adviser and its owners, officers, directors and employees will not compete with clients in connection with such transactions. Adviser has adopted an Insider Trading Policy that prohibits Adviser's owners, officers, directors and employees advisory representatives from trading on material non-public information.

## **Item 12. Brokerage Practices**

### ***Recommending Brokerage Firms***

In selecting and recommending brokers to execute client transactions, Adviser considers a number of factors, including but not limited to price, the quality of trade executions, quality of client services, and the broker's responsiveness to and communication with Adviser.

### ***Client-Directed Brokerage***

A client may, in writing, direct Adviser to use a particular broker to execute portfolio transactions for its account or request that certain types of securities not be purchased for its account. In such instances, Adviser will place all orders pursuant to its investment determinations on behalf of client's portfolio through the broker selected by the client, even though Adviser may be able to obtain a more favorable net price and execution from another broker in particular transactions. A client who designates the use of a particular broker should understand that it may lose (i) the possible advantage that Adviser's other clients derive from aggregation of orders for several clients as a single transaction for the purchase or sale of a particular security and (ii) the ability of Adviser to effectively negotiate the commission rate, obtain volume discounts and best

execution may not be achieved. In addition, under these circumstances a disparity in commission rates may exist between commissions charged to other clients. Such a client's trades may also be affected with or after the trades of clients that have not designated a particular broker.

### ***Best Execution***

Adviser prefers to select the broker/dealer that will provide best execution of portfolio transactions for client's accounts. Generally, the client leaves the selection of the broker/dealer to Adviser. In selecting a broker/dealer for each specific transaction, Adviser uses its best judgment to choose the broker/dealer most capable of providing the services necessary to obtain the best available price and most favorable execution reasonably obtainable under the circumstances. Adviser typically considers the full range and quality of brokerage services when making this judgment. Such brokerage services may include: capable floor brokers or traders, competent block trading coverage, ability to position, capital strength and stability, reliable and accurate communications and settlement processing, use of automation, knowledge of other buyers or sellers, administrative ability, underwriting and provision of information on the particular security or market in which the transaction is to occur. In light of all relevant factors, Adviser typically will select the market mechanism which offers the best qualitative execution for client transactions.

Adviser attempts to assess the reasonableness of commissions paid in light of the total brokerage and research services provided by each particular broker-dealer. The determination may be viewed in terms of either the particular transaction involved or the overall responsibilities of Adviser with respect to the accounts over which it exercises investment discretion.

### ***Soft Dollars***

Adviser does not enter into so-called "soft dollar arrangements," where Adviser directs client commissions to a broker-dealer that provides research and brokerage services to Adviser.

### ***Order Aggregation***

Adviser does not aggregate trades.

## **Item 13. Review of Accounts**

Client portfolios are reviewed regularly by David T. McGinnis, Adviser's Managing Director, and John C. Goltermann, Jr., Adviser's Chief Compliance Officer. Adviser typically provides a quarterly performance report to individual and institutional clients showing performance of client's account for the most recent quarter, year-to-date, and since inception of the account.

Adviser will contact each client at least annually to determine whether there have been any changes in the client's financial situation or investment objectives, or whether the client wishes to impose reasonable restrictions on the management of the account or modify an existing restriction. Clients will be notified quarterly in writing that Adviser should be contacted if there have been any changes in the client's financial situation or the way in which the client's portfolio should be managed.

At the client's request, Adviser's owners, officers or directors who are knowledgeable about Adviser's management style, are available on a reasonable basis to meet with the client at Adviser's office or by telephone.

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

##### ***Incoming Referrals***

Adviser encourages and promotes referrals of clients to our advisory firm. Adviser does not, but may in the future, compensate people or firms for providing referrals.

##### ***Referrals of Other Professionals***

Adviser may refer clients to other service professionals if requested or deemed necessary, based on the specific needs of the client. For example, Adviser may refer clients to legal counsel or accountants. It is possible that these professionals may, in turn, make referrals of their clients seeking investment advice to Adviser.

##### ***Other Compensation***

Adviser does not receive sales charges, commissions, service fees, 12b-1 fees or other compensation from a non-client in connection with providing investment advice to a client.

#### **Item 15. Custody**

Adviser typically will not accept physical custody of clients' securities or cash. Clients will retain ownership of all securities and cash in their accounts. Custody of client assets will be maintained only with "qualified custodians" as defined under the Advisers Act and selected by Adviser in its discretion, which selection may change from time to time. Clients typically grant Adviser authority to deduct its fees directly from the client's account. Each client's qualified custodian will provide regular account statements directly to them that reflects all transactions in their account(s), including the amount of any advisory fee deducted. Clients should inform Adviser promptly if they are not receiving account statements from their qualified custodian at least quarterly. The client is responsible for verifying the accuracy of the fee calculation, as the client's qualified custodian will not determine whether or not the fee was properly

calculated. Clients are encouraged to compare the account statements received from their qualified custodian with any reports received from Adviser.

## **Item 16. Investment Discretion**

### ***Discretionary Trading Authority***

Any client may provide in its advisory contract or otherwise instruct Adviser as to specific conditions or limitations on the types of investments to be made for its account. Absent such conditions or limitations, Adviser's written investment advisory agreements typically grant Adviser general discretionary authority in the management of client accounts, including:

- which securities are to be bought or sold;
- the total amount of the securities to be bought or sold;
- through which brokers securities are to be bought or sold; and
- the commission rates at which securities transactions for client accounts are effected.

Adviser may delegate its discretionary authority to other investment managers selected by Adviser.

### ***Limited Power of Attorney***

Clients who have granted discretionary trading authority to Adviser are required to grant a "limited power of attorney" to Adviser over client's custodial account for purposes of trading and fee deduction. The client grants this authority in the brokerage account application.

## **Item 17. Voting Client Securities**

Generally, Adviser does not accept authority to vote proxies for clients. Each client retains proxy voting authority over the securities held in the client's account and is responsible for directing its custodian to promptly forward to them all proxy solicitation notices that relate to securities held in their account. Such clients may thereafter, in their sole discretion and at their sole expense, decide how to vote such proxies. Adviser may offer assistance as to proxy matters upon a client's request, but the client always retains the proxy voting authority, unless Adviser and the client agree otherwise in writing.

## **Item 18. Financial Information**

Adviser is not aware of any financial conditions that are reasonably likely to impair the fulfillment of its contractual commitments to its clients.

**Item 19. Requirements for State Registered Advisers**

Because Adviser is registered with the SEC, this Item is not applicable.

## **Miscellaneous**

### **Business Continuity Plan**

Adviser has adopted a business continuity plan that governs how its operations will be conducted in the case of an internal or external significant business disruption. In the case of a significant business disruption that affects communication with or to Adviser's main offices, clients are urged to call Adviser's emergency number at 314-406-5542 (John C. Goltermann, Jr.) or the client's qualified custodian for any and all questions that they may have with respect to their account. A summary of Adviser's business continuity plan will be made available to any client upon written request.

### **Appendix 1 - Privacy Policy**

Adviser collects personal financial information about clients from the following sources:

- Information received from the client during the investment advisory process, through conversations and correspondence, and
- Information about the client's transactions with independent money managers or broker-dealers who may manage the client's assets or effect securities transactions on the client's behalf.

Adviser does not disclose any personal financial information about clients to anyone, except with such client's consent or as required or permitted by law. As permitted by law, Adviser may disclose some or all of the information it collects to independent parties that service clients' accounts in order to provide services requested by such clients. These service providers may include broker-dealers, banks, and security clearing agencies, and others who provide services to us, parties who provide technical support for our systems and Adviser's legal and accounting professionals, as well as government agencies and other parties.