

Part 2B of Form ADV: *Brochure Supplement*

DAVID BRUCE SHEPARD
492 SANDHILL CIR
STEAMBOAT SPRINGS, CO 80487
970-291-1122

CALLAHAN CAPITAL MANAGEMENT
STEAMBOAT SPRINGS, CO 80487

02/10/2011

This brochure supplement provides information about DAVID BRUCE SHEPARD that supplements the CALLAHAN CAPITAL MANAGEMENT brochure. You should have received a copy of that brochure. Please contact DANIEL CALLAHAN if you did not receive CALLAHAN CAPITAL MANAGEMENT's brochure or if you have any questions about the contents of this supplement.

Additional information about DAVID BRUCE SHEPARD is available on the SEC's website at www.adviserinfo.sec.gov

Item 2 Educational, Background and Business Experience

Full Legal Name: DAVID BRUCE SHEPARD

Born: 1971

Education

- rAWLINS COLLEGE; BS, ECONOMICS; 1993

Business Experience

none

Item 3 Disciplinary Information

DAVID BRUCE SHEPARD has no reportable disciplinary history.

Item 4 Other Business Activities

A. Investment-Related Activities

1. DAVID BRUCE SHEPARD is not engaged in any other investment-related activities.

2. DAVID BRUCE SHEPARD does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non Investment-Related Activities

DAVID BRUCE SHEPARD is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his or her time.

Item 5 Additional Compensation

DAVID BRUCE SHEPARD does not receive any economic benefit from a non-advisory client for the provision of advisory services.

Item 6 Supervision

Supervisor: DANIEL E CALLAHAN

Title: PRES

Phone Number: 970-870-8750

Provide text here detailing the firm's Supervisory oversight practices.

DANIEL CALLAHAN makes final decisions on how discretionary accounts assets are allocated. However, he consults with DAVID SHEPARD prior the determining investment strategies and allocations. Therefore, client assets are managed in the same manner whether DANIEL CALLAHAN or DAVID SHEPARD executes discretionary trades. DANIEL CALLAHAN receives a trade blotter daily of all security trades that day. Each trade is reviewed and initialed, whether discretionary or non-discretionary. These trade blotters are then chronologically filed. DAVID SHEPARD is authorized to execute non-discretionary trades at the direction of the specific client.

If DANIEL EDWARD CALLAHAN is unable to serve client service and management responsibilities for an extended period but plans to resume practice, DAVID SHEPARD, VP will temporarily assume his responsibilities. If DANIEL EDWARD CALLAHAN becomes permanently unavailable, DAVID SHEPARD will also assume all service and management responsibilities.

Important communications with clients are entered and archived as they occur in Bill Good Marketing contact mangement software.

Questions should be addressed to DANIEL CALLAHAN, Pres. @ 970-870-8750 or dan@callahancapital.com.