

McCarthy Asset Management, Inc.

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January 11, 2016

This brochure provides information about the qualifications and business practices of McCarthy Asset Management, Inc. If you have any questions about the contents of this brochure, please contact us at the telephone number and/or e-mail address above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

McCarthy Asset Management, Inc. is a registered investment advisor. Registration of an investment advisor does not imply any level of skill or training. The verbal and written communications of an investment adviser provide you with information you need to determine whether to hire or retain the advisor.

Additional information about McCarthy Asset Management, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

McCarthy Asset Management, Inc.

Our previous annual update was dated January 9, 2015. Following is a summary of the material changes made to Part 2 since that amendment.

Item 4: As of December 31, 2015, we manage assets of \$214.1 million on a discretionary basis.

Item 5: Our hourly fee for financial planning services is \$255.

ITEM 3

TABLE OF CONTENTS

Item 1: Cover Sheet	
Item 2: Material Changes	
Item 3: Table of Contents	
Item 4: Advisory Business	1
Who we are	1
Services we offer.....	1
Assets under management.....	1
Item 5: Fees and Compensation	1
Investment Management Services.....	1
Financial Planning.....	2
Item 6: Performance-Based Fees and Side-By-Side Management	3
Item 7: Types of Clients.....	3
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.....	3
Item 9: Disciplinary Information	3
Item 10: Other Financial Industry Activities and Affiliations	4
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	4
Code of Ethics.....	4
Personal Trading for Associated Persons.....	4
Item 12: Brokerage Practices	5
The Custodian and Brokers We Use	5
How We Select Brokers/Custodians	5
Your Brokerage and Custody Costs	6
Products and Services Available to Us From Schwab	6
Aggregation of Orders	8
Soft Dollars	8
Item 13: Review of Accounts.....	8
Item 14: Client Referrals and Other Compensation.....	9
Item 15: Custody	9
Item 16: Investment Discretion.....	9
Item 17: Voting Client Securities.....	10
Item 18: Financial Information	10

ITEM 4: ADVISORY BUSINESS

Who we are

McCarthy Asset Management, Inc. (referred to as “we,” “our,” “us,” or “MAM”) has been registered as an investment advisor since November 2004. Our principal and sole owner is Stephen P. McCarthy. From August 1999 until November 2004, Mr. McCarthy was a sole proprietor entity registered as an investment advisor.

Services we offer

We provide portfolio management and financial planning services. The primary financial planning service we provide is the creation and annual update of a client's Net Worth Analysis (NWA). The NWA is an Excel-based spreadsheet designed by us to track the accumulation of Invested Assets for pre-retirees and the retention of Invested Assets for retirees. In addition, we provide a Retirement Analysis utilizing MoneyGuide Pro software to determine the financial viability of a client's retirement.

We create and manage customized investment portfolios based on each client's investment objectives, investment timeframe, and risk tolerance. Portfolios are primarily made up of no-load mutual funds and exchange traded funds (ETF's). All portfolios are reviewed and adjusted at least twice per year to reflect any changes in MAM's investment strategy and the stock market environment.

Clients may impose restrictions on the types of securities in which we invest.

Assets under management

As of December 31, 2015, we manage assets of \$214.1 million on a discretionary basis. We do not manage assets on a non-discretionary basis.

ITEM 5: FEES AND COMPENSATION

Investment Management Services

Advisory Fees & Billing Practices

Fees for investment management services are calculated as a percentage of assets under management. These fees are billed quarterly in arrears, based on the assets under management as of the last day of the calendar quarter. Our fee schedule is:

<u>Assets under Management</u>	<u>Annual Fee</u>
On the first \$500,000	1.00%
On the next \$2,000,000	0.75%
On the next \$2,000,000	0.50%
On values over \$4,500,000	0.25%

We do not negotiate lower fees with clients.

You may provide authorization for us to deduct our fees directly from your investment account. Important information about the deduction of management fees:

- You must provide authorization for us to deduct fees in the appropriate section of our Investment Advisory Agreement.
- You will receive a detailed invoice each quarter which outlines our fees and how they are calculated at the same time we request payment from the custodian.
- You will receive a statement from your custodian which shows your holdings.
- You are responsible for reviewing the accuracy of the fees being billed, as the custodian will not do so.

You may elect to pay by check rather than having payment deducted directly from your account.

If you would like to end our advisory relationship, you may do so by providing 30 days written notice. We will prorate the advisory fees received through the termination date and send you an invoice for the advisory fees due.

Other Costs Involved

In addition to our advisory fee shown above, you are responsible for paying fees associated with investing for your account. These fees include:

- management fees for ETFs and mutual funds. These are fees charged by the managers of the ETF or mutual fund and are a portion of the expenses of the ETF or mutual fund.
- brokerage costs and transaction fees for any securities or fixed income trades. These are generally charged by your custodian and/or executing broker.
- Certain mutual funds charge a “short-term redemption fee” if the fund is sold before the redemption period has lapsed. Typically the redemption period is one to three months from the date of purchase.

Additional information about brokerage costs and services is provided in “Item 12: Brokerage Practices.”

Financial Planning

Financial planning services are provided for an hourly fee of \$255. You will receive an invoice upon completion of the financial plan that is payable upon receipt. You may pay for financial planning services by check or cash.

You may cancel our financial planning agreement at any time by providing written notice. Upon cancellation, we will present you with an invoice for time spent. This invoice is payable upon receipt.

We have a conflict of interest when you implement the financial plan through us. In these cases, we receive the customary fees as disclosed in the above section. You are not required to employ us to implement the financial plan, or implement the plan, or any portion of it, at all.

We believe the fees mentioned above are competitive; however you may be able to obtain similar services from other sources at a lower price.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not receive performance fees for managing accounts.

ITEM 7: TYPES OF CLIENTS

Our clients are diverse, located across the country, and have a broad range of backgrounds, ages and objectives. These clients include individuals, trusts, small businesses and pension plans. Our current minimum for new clients is \$500,000 of assets under management. However, we may waive that minimum at our sole discretion.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Our philosophy is to invest portfolios over a broad range of asset classes (large, mid & small cap U.S. equities, foreign equities, bonds and alternative assets). Based on the economic and investment outlook for these various asset classes (as gauged by the reading of numerous investment publications by Steve McCarthy), at least twice per year portfolio adjustments are made to the investments in the various asset classes.

Portfolios are well diversified among various asset classes. Generally portfolios are incrementally adjusted over time, rather than dramatic changes being made in a short period of time. We are not "market timers" who move in and out of the investments. It is our belief that many market timing investors are emotionally driven in their decision making, which can be detrimental to portfolio performance.

We invest for the long-term and ignore the vagaries of short-term stock market fluctuations. The risk to our portfolios is tied to the risk and volatility of the stock market. Our belief is that this volatility lessens the longer portfolios stay invested.

We primarily invest in mutual funds and exchange traded funds. Generally these investments are no more risky than the overall stock market.

All investments involve different degrees of risk. You should be aware of your risk tolerance level and financial situations at all times. We cannot guarantee the successful performance of an investment and we are expressly prohibited from guaranteeing accounts against losses arising from market conditions.

ITEM 9: DISCIPLINARY INFORMATION

Registered investment advisors are required to disclose any material facts regarding any legal or disciplinary actions that would be material to your evaluation of the investment advisor and each investment advisor representative providing investment advice to you. We have no information of this type to report.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Mr. McCarthy, President of MAM, is also a sole practitioner CPA. In that capacity he provides tax planning and preparation services to individuals and business entities. Our clients are also clients of Mr. McCarthy's CPA practice. Mr. McCarthy expects to spend approximately 15% of his time working on tax matters with clients.

You are under no obligation to use the services of Mr. McCarthy for any accounting or tax work recommended by us.

Because of custody rules governing investment advisors, we cannot accept you as an advisory client if you have provided Mr. McCarthy with the authority to sign checks, pay bills, or transfer funds on your behalf.

Lauree Murphy is owner of Murphy Financial Planning a Registered Investment Advisor in the state of California. Murphy Financial Planning is in the business of preparing tax returns and doing tax and financial planning for individuals and small businesses. Murphy Financial Planning does not manage assets and is not associated with a broker dealer. Lauree Murphy spends about 12% of her time on Murphy Financial Planning business.

Murphy Financial Planning may refer clients who are looking for asset management to McCarthy Asset Management. Other advisors or brokers may be recommended when the client is not a good fit for McCarthy Asset Management. McCarthy Asset Management may refer tax clients to Murphy Financial Planning when the client is not a good fit for McCarthy Asset Management.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

We have adopted a set of enforceable guidelines (Code of Ethics), which describes unacceptable conduct by MAM and our associated persons. Summarized, this Code of Ethics prohibits us from:

- placing our interests before yours,
- using non public information gathered when providing services to you for our own gains, or
- engaging in any act, practice or course of business that is, or might be considered, fraudulent, deceptive, manipulative, or in violation of any applicable law, rule or regulation of a governmental agency.

Please contact us if you would like to receive a full copy of this Code of Ethics.

Personal Trading for Associated Persons

We may buy or sell some of the same securities for you that we already hold in our personal account. We may also buy for our personal account some of the same securities that you already hold in your account. It is our policy not to permit our associated persons (or their immediate relatives) to trade in a way that takes advantage of price movements caused by your transactions.

We may restrict trading for a particular security for our accounts or those of our associated persons if there is a pending trade in that security in a client account. Trades for our accounts (and those of our associated persons) will be placed as part of a block trade with client trades, or individually after client trades have been completed. Additional information about block trades is provided in the Aggregation of Orders section of “Item 12: Brokerage Practices.” When our trades are placed after our client trades, we may receive a better or worse price than that received by the client.

All persons associated with us are required to report all personal securities transactions to us quarterly.

ITEM 12: BROKERAGE PRACTICES

In limited circumstances, and solely at the discretion of MAM, we will allow clients to direct us to use a broker/dealer custodian. Approximately 98% of our assets under management are held at Charles Schwab & Co., Inc. (“Schwab”). We have agreed to hold the assets for a few clients at TD Ameritrade Institutional, a Division of TD Ameritrade, Inc., member FINRA/SIPC/NFA (“TD Ameritrade”). We will receive many of the benefits outlined in Services That May Not Directly Benefit You section below from TD Ameritrade as well as Schwab. TD Ameritrade does not charge a fee for the services it provides to us.

The Custodian and Brokers We Use

We do not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see “Item 15: Custody”). Your assets must be maintained in an account at a “qualified custodian,” generally a broker/dealer or bank. We require that our clients use Charles Schwab & Co., Inc. (“Schwab”), a registered broker/dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. If you do not have existing Charles Schwab accounts for us to manage, we will assist you in filling out the Schwab forms to set up your account(s).

Not all advisors require their clients to use a particular broker-dealer or other custodian selected by the advisor. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below (see “Your Brokerage and Custody Costs”).

How We Select Brokers/Custodians

We seek to use a custodian/broker who will hold your assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- 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, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below (see “*Products and Services Available to Us From Schwab*”)

Your Brokerage and Custody Costs

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. 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 \$100,000,000 of their assets in accounts at Schwab. This commitment benefits you because the overall commission rates you pay are lower than they would be otherwise. In addition to commissions, Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “*How We Select Brokers/Custodians*”).

Products and Services Available to Us From Schwab

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab’s business serving independent investment advisory firms like us. They provide MAM and our clients with access to its institutional brokerage—trading, custody, reporting, and related services—many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts; while others help us manage and grow our business. Schwab’s support services generally are available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of Schwab’s support services:

Services That Benefit You.

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 we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab’s services described in this paragraph generally benefit you and your account.

Services That May Not Directly Benefit You.

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available 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 Us.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

We frequently utilize these services provided by Schwab to better manage portfolios and improve upon the services we provide to clients.

We also receive certain additional economic benefits from Schwab that may or may not be offered to any other independent investment advisers. Specifically, we receive a discount of \$3,500 off our annual fee to renew our PortfolioCenter software. PortfolioCenter provides certain portfolio management and performance reporting capabilities. In 2012, Schwab paid \$600 toward the expense of a client satisfaction survey conducted on behalf of MAM.

Schwab provides this discount to us in its sole discretion and at its own expense, and MAM does not pay any fees to Schwab as compensation for this discount. Our receipt of this discount raises potential conflicts of interest. In providing this discount to MAM, Schwab most likely considers the amount and profitability to Schwab of the assets in, and trades placed for, MAM's client accounts maintained with Schwab. Schwab has the right to terminate the Client Benefit Agreement with MAM, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the discount

from Schwab, we may have an incentive to require that the assets under management by MAM be held in custody with Schwab and to place transactions for client accounts with Schwab. Our receipt of this discount does not diminish our duty to act in the best interests of our clients, including to seek best execution of trades for client accounts.

Aggregation of Orders

There are occasions on which portfolio transactions will be executed as part of concurrent authorizations to purchase or sell the same security for another client or one or more of our associated persons.

We may choose to block (aggregate) trades for your account with those of other client accounts and personal accounts of persons associated with MAM. This is done only if a mutual fund that we are purchasing for multiple clients has a high minimum and aggregating would allow clients to meet that minimum. When we place a block trade, all participants included in the block receive the same price per share on the trade. The price is calculated by averaging the price of all of the shares traded. Due to the averaging of price over all of the participating accounts, aggregated trades could be either advantageous or disadvantageous. Commission costs are not averaged. You will pay the same commission whether your trade is placed as part of a block or on an individual basis.

Other than this limited circumstance, we do not aggregate client orders. Trading is typically done as a result of a contribution to the account by the client, or adjustments made upon MAM's review of the account.

Soft Dollars

"Soft dollars" are typically generated when an investment advisor enters into an agreement with an executing broker to receive a portion of the commissions generated by the advisor's client trades. The soft dollars are allocated to the investment advisor and can then be used to purchase items or services. The investment advisor has a fiduciary duty to its clients to obtain best execution, on an overall basis, for any securities transactions.

We do not use soft dollars as described above. The SEC recently changed the wording of certain questions on the Form ADV and has indirectly changed the definition of soft dollars. Due to the new wording, the receipt of goods and/or services from a third party in connection with providing advice to clients could be seen as "soft dollars." The additional services we receive from Schwab, as disclosed in the section entitled "Products and Services Available to Us From Schwab" above, would fall under this description of soft dollars. We also receive similar services from TD Ameritrade for accounts held there.

ITEM 13: REVIEW OF ACCOUNTS

Portfolio Management

Steve McCarthy, President, reviews accounts on a semi-annual basis. More frequent reviews may be triggered by market conditions or changes in a client's financial situation. Mr. McCarthy reviews the account performance and asset allocation.

We provide reports which show current positions and values in addition to year-to-date and cumulative performance. These reports are available on a monthly basis on our website. These reports are also sent out via mail on a quarterly basis (or via e-mail for those clients who prefer it).

Financial Planning

Lauree Murphy, Financial Planner, updates the Net Worth Analysis (NWA) on an annual basis. A questionnaire is sent to the client 12 months after we created or last updated their NWA. The NWA analysis is updated only for those clients who complete and return the questionnaire. In addition, for those clients who are interested and have filled out a “workbook,” Lauree prepares a Retirement Analysis.

You may request that MAM review your financial plan at any time. All financial plan reviews are performed by Steve McCarthy, President.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

We receive an economic benefit from Schwab and TD Ameritrade in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see “Item 12: Brokerage Practices”). The availability to us of these products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

We do not compensate outside parties for client referrals.

ITEM 15: CUSTODY

If you give us authority to deduct our fees directly from your separately managed account, we have custody of those assets. In order to avoid additional regulatory requirements in these cases, we follow the procedures outlined in “Item 5: Fees and Compensation.” You will receive account statements directly from your custodian at least quarterly. They will be sent to the email or postal mailing address you provided. You should carefully review those statements promptly when you receive them.

ITEM 16: INVESTMENT DISCRETION

You may provide discretionary authority for us to manage your assets. Discretionary authority means that you are giving us a limited power of attorney to place trades on your behalf. This limited power of attorney does not allow us to withdraw money from your account, other than advisory fees if you agree to give us that authority.

You grant us discretionary authority by completing the following items:

- Sign a contract with us that provides a limited power of attorney for us to place trades on your behalf. Any limitations to the trading authorization will be added to this agreement.
- Provide us with discretionary authority on the new account forms that are submitted to the broker/dealer acting as custodian for your account(s).

You may request that we notify you in advance of any portfolio adjustments we are planning. You may also request that we not invest in a specific mutual fund or industry/sector.

ITEM 17: VOTING CLIENT SECURITIES

As a matter of policy and as a fiduciary to our clients, we have responsibility for voting proxies for your portfolio securities consistent with your best economic interests. We maintain written policies and procedures as to the handling, research, voting and reporting of proxy voting and make appropriate disclosures about our proxy policies and practices. Our policy and practice includes the responsibility to monitor corporate actions, receive and vote client proxies and disclose any potential conflicts of interest as well as making information available to clients about the voting of proxies for their portfolio securities and maintaining relevant and required records. You may provide direction regarding any particular proxy solicitation.

You may elect to retain the authority to vote the proxies yourself. If you retain this authority, you will receive proxy materials directly from Schwab. We will provide guidance regarding the vote of a specific proxy solicitation upon request.

You may request a copy of our Proxy Policies and Procedures and/or information about how a proxy was voted at any time by contacting Anthony Bertolacci.

ITEM 18: FINANCIAL INFORMATION

We do not charge or solicit pre-payment of more than \$1,200 in fees per client six months or more in advance. We have never filed for bankruptcy and are not aware of any financial conditions that are reasonably likely to impair our ability to meet our contractual obligations to clients.

BROCHURE SUPPLEMENT
ITEM 1: COVER SHEET

Stephen P. McCarthy
McCarthy Asset Management, Inc.
3 Lagoon Drive, Suite 155
Redwood Shores, CA 94065
(650) 610-9540

January 11, 2016

This Brochure Supplement provides information about Stephen P. McCarthy that supplements the McCarthy Asset Management, Inc. Brochure. You should have received a copy of that Brochure. Please contact Stephen P. McCarthy, President at (650) 610-9540 or steve@mamportfolios.com if you did not receive McCarthy Asset Management, Inc.'s Brochure or if you have any questions about the content of this supplement.

Additional information about Stephen P. McCarthy is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Stephen P. McCarthy was born in 1957.

Educational Background

<u>School Name</u>	<u>Degree</u>	<u>Year</u>	<u>Major(s)</u>
University of California, Davis	BS	1979	Agricultural Economics
University of California, Berkeley	MBA	1986	Business
Golden Gate University	MS	1990	Taxation

Employment Background

Employment Dates: 11/2004 - Present
Firm Name: McCarthy Asset Management, Inc.
Type of Business: Investment Advisor
Job Title: President.

Employment Background (continued)

Employment Dates: 9/1986 - Present
Firm Name: Stephen P. McCarthy, CPA
Type of Business: CPA Firm
Job Title: Owner. Preparation of income tax returns and tax planning.

Employment Dates: 9/1999 – 12/2004
Firm Name: McCarthy Asset Management
Type of Business: Investment Advisor
Job Title: Sole proprietor.

Professional Designations

Certified Financial Planner (CFP) – 1990
Certified Public Accountant (CPA) – 1981

The CFP designation is issued by the Certified Financial Planner Board of Standards, Inc. In order to receive a CFP designation, the candidate must have a bachelor's degree or higher from an accredited college or university and have 3 years of full-time personal financial planning experience. In addition, the candidate must complete a CFP board-registered program or hold one of the following: CPA, ChFC, Chartered Life Underwriter(CLU), CFA, Ph.D. in business or economics, Doctor of Business Administration or attorney's license. Once the designation is earned, the CFP must complete 30 hours of continuing education every 2 years.

Certified Public Accountants (CPAs) are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two year period or 120 hours over a three year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous Code of Professional Conduct which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. The vast majority of state boards of accountancy have adopted the AICPA's Code of Professional Conduct within their state accountancy laws or have created their own.

ITEM 3: DISCIPLINARY INFORMATION

Registered investment advisors are required to disclose any material facts regarding any legal or disciplinary actions that would be material to your evaluation of each investment advisor representative providing investment advice to you. There is no information of this type to report.

ITEM 4: OTHER BUSINESS ACTIVITIES

Mr. McCarthy spends approximately 15% of his time providing tax preparation and tax planning services.

ITEM 5: ADDITIONAL COMPENSATION

Mr. McCarthy does not receive any economic benefit from any non-client for providing advisory services.

ITEM 6: SUPERVISION

Mr. McCarthy, President, is the sole owner and person responsible for the supervision of all investment personnel. His telephone number is (650) 610-9540.

BROCHURE SUPPLEMENT
ITEM 1: COVER SHEET

Lauree J. Markham-Murphy

McCarthy Asset Management, Inc.

3 Lagoon Drive, Suite 155
Redwood Shores, CA 94065
(650) 610-9540

January 11, 2016

This Brochure Supplement provides information about Lauree J. Murphy that supplements the McCarthy Asset Management, Inc. Brochure. You should have received a copy of that Brochure. Please contact Stephen P. McCarthy, President at (650) 610-9540 or steve@mamportfolios.com if you did not receive McCarthy Asset Management, Inc.'s Brochure or if you have any questions about the content of this supplement.

Additional information about Lauree J. Murphy is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Lauree J. Murphy was born in 1957.

Educational Background

<u>School Name</u>	<u>Degree</u>	<u>Year</u>	<u>Major(s)</u>
Merrimack College	BS	1980	Accounting
Santa Clara University	MBA	1986	Business
University of California, Irvine	Certificate	2007	Financial Planning

Employment Background

Employment Dates: 5/2014 - Present
Firm Name: McCarthy Asset Management, Inc.
Type of Business: Investment Advisor
Job Title & Duties: Financial Planning and Tax Preparation

Employment Background (continued)

Employment Dates: 6/2007 - Present
Firm Name: Murphy Financial Planning
Type of Business: Investment Advisor/Tax Preparation and Planning
Job Title & Duties: Tax Preparation and Planning

Employment Dates: 4/2013 - 9/2013
Firm Name: NestWise LLC
Type of Business: Investment Advisor
Job Title & Duties: Financial Planning and Investment Advice

Employment Dates: 1/2010 - 12/2010
Firm Name: LPL Financial
Type of Business: Investment Advisor
Job Title & Duties: Registered Representative

Employment Dates: 2/2009 - 12/2009
Firm Name: Gosho Financial Group
Type of Business: Financial Advisor
Job Title & Duties: Financial Planner

Employment Dates: 4/2001 - 5/2007
Firm Name: Nurserymen's Exchange
Type of Business: Horticulture Business
Job Title & Duties: Operations Controller

Professional Designations

Certified Financial Planner (CFP) – 2010

The CFP designation is issued by the Certified Financial Planner Board of Standards, Inc. In order to receive a CFP designation, the candidate must have a bachelor's degree or higher from an accredited college or university and have 3 years of full-time personal financial planning experience. In addition, the candidate must complete a CFP board-registered program or hold one of the following: CPA, ChFC, Chartered Life Underwriter (CLU), CFA, Ph.D. in business or economics, Doctor of Business Administration or attorney's license. Once the designation is earned, the CFP must complete 30 hours of continuing education every 2 years.

ITEM 3: DISCIPLINARY INFORMATION

Registered investment advisors are required to disclose any material facts regarding any legal or disciplinary actions that would be material to your evaluation of each investment advisor representative providing investment advice to you. There is no information of this type to report.

ITEM 4: OTHER BUSINESS ACTIVITIES

Lauree Murphy is owner of Murphy Financial Planning a Registered Investment Advisor in the state of California. Murphy Financial Planning is in the business of preparing tax returns and doing tax and financial planning for individuals and small businesses. Murphy Financial Planning does not manage assets and is not associated with a broker dealer. Lauree Murphy spends about 12% of her time on Murphy Financial Planning business.

Additional information regarding this relationship is provided in Part 2A, Item 10.

ITEM 5: ADDITIONAL COMPENSATION

Ms. Murphy does not receive any economic benefit from any non-client for providing advisory services.

ITEM 6: SUPERVISION

Stephen P. McCarthy, President, is responsible for the supervision of Ms. Murphy. His telephone number is (650) 610-9540.