

**Item 1 – Cover Page**

**Bedrock Capital Management, Inc**

**5050 El Camino Real, Suite 204**

**Los Altos, CA 94022**

**650-964-7024**

**[www.bedrockcapital.com](http://www.bedrockcapital.com)**

**18 March 2011**

This Brochure provides information about the qualifications and business practices of Bedrock Capital Management, Inc. (“Bedrock”). If you have any questions about the contents of this Brochure, please contact Joel Shaps at [joel@bedrockcapital.com](mailto:joel@bedrockcapital.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Bedrock Capital Management, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Bedrock Capital Management, Inc. is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

Our firm is required to advise you of any material changes to our Firm Brochure (“Brochure”) from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

Please note that we do not have to provide this information to a client or prospective client who has not received a previous version of our brochure. At this time, there are no material changes to report about our Brochure.

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## **Item 4 – Advisory Business**

Our firm has been based in Los Altos, CA. since 1987. Our principal owners are Joel Shaps, CFP®, CIMA® and Eric Lewis, CFA, CFP®.

We offer comprehensive portfolio management, which encompasses asset management as well as providing financial planning/financial consulting to high-net-worth clients on a fee-only basis.

We specialize in building portfolios that contain a diversified mix of no-load, low-cost mutual funds, exchange-traded funds and individual bonds.

As of March 1, 2011 we have discretionary authority over assets totaling \$170,601,016.

## **Item 5 – Fees and Compensation**

Bedrock is a fee-only investment management firm. This means our only compensation comes from our clients, typically based on a percentage of their assets we manage. Our standard maximum fee is 1.00% annually on assets up to \$1,000,000 and 0.75% on assets over \$1,000,000. We generally require clients to maintain assets under management of \$1,000,000, though this minimum may be waived. Our minimum quarterly fee is \$2,500, though this minimum may be lower for some clients. Alternatively some clients may be charged an annual retainer fee. Bedrock has a financial arrangement with one third-party adviser where we share clients. Bedrock manages these clients' portfolios and the adviser offers additional services beyond investment management. These clients are generally billed up to 2% per annum. The fee is typically divided equally between Bedrock and the third-party adviser.

For all clients, fees are billed in advance on the first day of each quarter, calculated on the value of assets under management as of the last day of the previous calendar quarter. Clients typically authorize us to directly debit fees from their managed accounts though they may elect to be billed directly.

A client may terminate their contract with us at any time for any reason by written notice. Upon termination, any prepaid fees will be prorated to the date of termination and unearned fees will be promptly refunded.

Our fees are exclusive of brokerage commissions, transaction fees and other related costs and expenses which shall be incurred by the client. Mutual funds and exchange-traded funds also charge internal management fees, which are reflected in the fund's expense ratio and are

disclosed in each fund's prospectus. Bedrock does not receive any portion of these commissions, fees, and costs. We believe that our fees are competitive; however, fees for comparable services vary and lower fees for comparable services may be available from other sources.

We do not offer wrap fee programs.

We offer financial planning as an integral part of our services in conjunction with asset management. We work with our clients on tax issues, financial independence and retirement planning, estate planning and wealth transfer issues, insurance analysis, employee benefits, stock options, deferred compensation and education funding. We do not normally charge a separate fee for this financial planning.

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

Bedrock does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

### **Item 7 – Types of Clients**

Bedrock provides portfolio management services to individuals, families, trusts, estates, corporate pension and profit-sharing plans, other retirement plans and charitable institutions.

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

Bedrock takes a long-term approach in analyzing investments and developing our clients' portfolios. We believe in managing a broadly diversified portfolio across many asset classes using a mutually agreed-upon investment policy for each client based on their goals, financial situation and tolerance for risk.

We use both a tactical and strategic approach to portfolio management. For many of our clients our tactical model is analytical and uses expectations of returns on three asset classes: US large-cap stocks, investment-grade bonds and cash, to determine the optimal allocation of assets among these asset classes. The expectations of returns are derived from databases of earnings estimates by security analysts, historical risk and how these asset classes perform relative to each other during various market cycles. We then use this data to attempt to determine the best mix of

these three assets going forward at any point in time for each client's risk tolerance. The risk of using the model is it can lose money in certain market cycles.

The strategic portion of client portfolios is actively managed to maintain a target asset allocation. This portfolio can include a diversified mix of no-load, low-cost mutual funds, exchange-traded funds, individual bonds and cash. Our investments approach does not include timing the market, buying individual stocks, picking hot sectors, industries or specific countries or investing in hedge funds or speculative derivatives.

Investing in securities involves risk of loss that clients should be prepared to bear. We may invest a client's portfolio in the following types of securities, among others:

- Stocks, also referred to as equity securities. Equities are generally considered the riskier asset class over both bonds and cash, but historical returns have been higher as well. A well-diversified portfolio of stocks can reduce individual company risk or sector risk, but even a diversified portfolio of equity securities is exposed to the risk of a decline in market price that can cause a client's holdings to lose significant value.
- Bonds, CDs, and other debt or fixed-income securities. These pose a number of risks, including:
  - Default risk, which is the risk that the issuer will fail to pay principal and interest in a timely manner. Even if an issuer does not actually default, worries about the potential for a default may cause the prices of bonds to fall.
  - Interest rate risk, which is the risk that rising interest rates reduce the market value of existing bonds paying fixed rates of interest.
  - Liquidity risk. Individual bonds may be difficult or impossible to sell at a reasonable price, especially at times of market stress.
  - Inflation risk. Rising price levels for goods and services can reduce the real value of a fixed set of interest and principal payments.
  - Market risk. A bond or CD sold before maturity can result in a loss if, for the reasons above or other reasons having to do with the desirability of that particular investment, the market value of the bond is lower than the price paid for it.
- International securities, both bonds and stocks. Investing internationally can carry additional risks, including the risk of loss due to unfavorable changes in currency exchange rates and the risk of actions by foreign governments, such as tax or regulatory changes, which hurt international investors.

- Money market funds. We will often hold cash reserves in money market funds, a type of mutual fund. While these are conservatively managed under government regulations and attempt to maintain a stable \$1.00 share price, these funds are not insured by the FDIC or any other government agency and there is no guarantee that a money market fund will not lose value, although losses have historically been rare.
- Mutual fund shares. The risk of a particular mutual fund depends on the types of investments held by that fund. Different mutual fund categories have inherently different risk characteristics. For example, stock funds generally have a higher risk/return potential than bond funds. Mutual fund managers may also make investment decisions that cause a fund to either do better or worse than the relevant market sector.
- Options contracts on securities. Covered options present limited risk, the limit being the amount of money you paid for the option. Protective puts or portfolio hedging are meant to reduce risk, but there is no guarantee that any hedging strategy will actually accomplish its goal. We do not normally engage in options or derivative trading other than strategies that are designed to reduce portfolio volatility or hedge against unfavorable outcomes.

We use financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, company press releases, industry databases and meetings with fund management to evaluate individual mutual funds.

### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Bedrock or the integrity of our management. Bedrock has not been subject to any legal or disciplinary actions.

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

Bedrock has an arrangement with George H. Coughlin II of Foothill Securities, Inc. to provide investment management services to his clients. Bedrock's sole responsibility is to manage the assets for these clients. This relationship does not create a material conflict of interest with our other clients.

## **Item 11 – Code of Ethics and Fiduciary Commitment**

An investment adviser, whether registered or not, has a duty to act in the best interests of its clients. Bedrock acts as a fiduciary for our clients and commits to act in their best interest, before our own, with written disclosure of any conflict of interest. Bedrock does not receive any compensation or other remuneration that is contingent on any client's purchase or sale of a financial product. Bedrock does not receive a fee or other compensation from anyone based on the referral of a client or the client's business.

Bedrock has adopted a Code of Ethics for the purpose of instructing its personnel in their ethical obligations and to provide rules for their personal securities transactions. We owe our clients a duty of loyalty, fairness and good faith, and the obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Bedrock must acknowledge the terms of the Code of Ethics annually.

Our employees may buy or sell for their own accounts the same securities that may be purchased or sold for client accounts. Our employees are required to follow our Code of Ethics. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. In all cases, client orders are given priority, and we seek to ensure that employees do not personally benefit from the short-term market effects of their recommendations to clients.

Bedrock's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Sharon Lacy ([sharon@bedrockcapital.com](mailto:sharon@bedrockcapital.com)).

## **Item 12 – Brokerage Practices**

We have authority to determine, without obtaining specific client consent, the securities to be bought or sold and the amount of securities to be bought or sold.

We use Fidelity Investments as our custodian. We have the authority to execute transactions through Fidelity without obtaining prior written consent for each transaction. Any commissions



or transactions fees, which may be charged by Fidelity, have been fully disclosed to our clients by Fidelity prior to opening an account at Fidelity. None of these fees are paid to Bedrock.

It may be the case that Fidelity charges a higher fee for a particular type of service, such as commission rates, than can be obtained from another broker/custodian. It may also be the case that the total costs of all services provided by Fidelity may be higher than can be obtained at another broker/custodian if we determine in good faith that such total costs are reasonable in relation to the value of brokerage/custodial services provided by Fidelity, viewed in terms of our overall responsibilities to our clients.

When we purchase or sell stocks or exchange-traded funds for multiple clients on the same day, it is our normal practice to aggregate these orders so that all clients receive the same, average price.

### **Item 13 – Review of Accounts**

Each client's portfolio is reviewed at the inception of the client relationship, and thereafter each month by either Joel Shaps, CFP®, CIMA®, President, Eric Lewis, CFA, CFP®, Chief Investment Officer or Tony Blagrove, CFA, Portfolio Strategist and potentially rebalanced. All investment vehicles are reviewed regularly by the our investment committee made up of Joel Shaps, CFP®, CIMA®, President, Eric Lewis, CFA, CFP®, Chief Investment Officer and Tony Blagrove, CFA, Portfolio Strategist.

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

Bedrock may employ solicitors to whom we will pay cash or a portion of the advisory fees paid by clients referred to it by those solicitors. In such cases, this practice will be disclosed in writing to our clients and we will comply with the other requirements of Rule 206(4)-3, under the Investment Advisers Act of 1940, as amended.

### **Item 15 – Custody**

As a matter of policy and practice, Bedrock does not permit owners or employees of the firm to accept or maintain custody of client assets. It is our policy that we will not accept, hold, directly or indirectly, client funds or securities, or have any authority to obtain possession of them.

Generally, all investment reports are provided to each client in writing during each review cycle (at least quarterly), as mutually agreed. Clients should also receive at least quarterly statements from Fidelity. We urge our clients to carefully review such statements and compare such official custodial records to the account statements that we may provide. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### **Item 16 – Investment Discretion**

Bedrock has the power and authority to supervise and direct on a discretionary basis the investments of and for client accounts. This includes the power and authority to buy, sell, exchange, convert, and otherwise effect transactions in any stocks, bonds, mutual funds, exchange traded funds, other securities, and related contracts (including covered and uncovered option contracts). In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

### **Item 17 – Voting Client Securities**

As a matter of firm policy and practice, Bedrock does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the right and responsibility to receive and vote proxies for any and all securities maintained in their client portfolios.

### **Item 18 – Financial Information**

Bedrock has no financial commitments that impair its ability to meet contractual and fiduciary commitments to clients



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**Joel M. Shaps**

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**650-964-7024**

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**18 March 2011**

This Brochure Supplement provides information about Joel M. Shaps that supplements the Bedrock Capital Management, Inc. (“Bedrock”) Brochure. You should have received a copy of that Brochure. Please contact Joel Shaps at [joel@bedrockcapital.com](mailto:joel@bedrockcapital.com) if you did not receive Bedrock’s Brochure or if you have any questions about the contents of this supplement.

Additional information about Joel M. Shaps is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Education Background and Business Experience

Joel M. Shaps, CFP®, CIMA® was born in 1952, earned a B.A. in American Civilization and an elective concentration in Accounting, Economics, Finance, Insurance, Business Law and Entrepreneurship from the University of Pennsylvania in 1973. In 2004 Joel received his CERTIFIED FINANCIAL PLANNER™ (CFP®) designation and was accepted as a Registered Financial Advisor of the National Association of Professional Financial Advisors (NAPFA™). In 2009 Joel received the Certified Investment Management Analyst (CIMA®) designation.

### Business Background

03/01 – present	Bedrock Capital Management, Inc., formerly known as JMS Capital Management, Inc., Investment Advisor, President
01/97 - 03/01	Profit Recovery Group, Los Altos, CA Accounts Payable Recovery Firm, Divisional President
01/90 - 01/97	Shaps Group, Inc., Los Altos, CA Accounts Payable Recovery Firm, President

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

The Certified Investment Management Analyst (CIMA®) certification signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for investment management consulting, including advanced investment management theory and application.

Prerequisites for the CIMA certification are

- three years of financial services experience and
- an acceptable regulatory history

To obtain the CIMA certification, candidates must:

- pass an online Qualification Examination

- successfully complete a one-week classroom education program provided by a Registered Education Provider at an AACSB accredited university business school, and
- pass a Certification Examination

CIMA designees are required to adhere to IMCA's Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks. CIMA designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification.

The designation is administered through Investment Management Consultants Association (IMCA®).

### **Item 3 – Disciplinary Information**

Joel has had no disciplinary action taken against him.

### **Item 4 – Other Business Activities**

Joel is not involved in any business activities outside of Bedrock.

### **Item 5 – Additional Compensation**

Joel does not receive compensation from any source other than Bedrock.

### **Item 6 – Supervision**

Joel is the President of our firm and as such is not subject to internal supervision. He is however bound by our firm's code of Ethics.

**Item 1 – Cover Page**

Eric R. Lewis

Bedrock Capital Management, Inc

5050 El Camino Real, Suite 204

Los Altos, CA 94022

650-964-7024

[www.bedrockcapital.com](http://www.bedrockcapital.com)

18 March 2011

This Brochure Supplement provides information about Eric R. Lewis that supplements the Bedrock Capital Management, Inc. (“Bedrock”) Brochure. You should have received a copy of that Brochure. Please contact Joel Shaps at [joel@bedrockcapital.com](mailto:joel@bedrockcapital.com) if you did not receive Bedrock’s Brochure or if you have any questions about the contents of this supplement.

Additional information about Eric R. Lewis is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Education Background and Business Experience

Eric R. Lewis, CFA, CFP® was born in 1958, and earned a B.A. in Public and International Affairs from the Woodrow Wilson School of Princeton University, and an M.B.A. from the Harvard Business School. In 2006 Eric received his CERTIFIED FINANCIAL PLANNER™ (CFP®) designation and in 2009 he received his Chartered Financial Analyst (CFA) charter.

### Business Background

08/03 - present	Bedrock Capital Management, Inc., formerly known as JMS Capital Management, Inc. Chief Investment Officer
01/00 - 08/03	Independent marketing, finance, and strategy consultant
03/93 – 01/00	International Data Corporation, Mountain View, CA Manager, Personal Systems Research

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and



client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

The CFA charter is a globally recognized credential for investment analysis and management. The CFA Program sets a globally recognized standard for measuring the competence and integrity of financial analysts, portfolio managers, and investment advisers. Currently, more than 82,800 investment professionals in 128 countries and territories hold the CFA charter.

Recipients of the CFA charter have:

- Successfully completed a graduate-level, self-study curriculum
- Passed a series of three intensive examinations taken sequentially over at least two years. It is recommended that candidates prepare a minimum of 250 hours per exam, with substantially more recommended for individual circumstances.

Since the inception of the CFA Program 45 years ago, pass rates at each of the three exam levels have averaged about 50 percent. Because of the rigor of the program, only about one in five candidates who enter the program pass all three exams and successfully complete all the requirements to earn the charter.

Administered exclusively in English, the international language of business, the three six-hour exams cover ethical and professional standards, securities analysis and valuation, financial statement analysis, quantitative methods, economics, corporate finance, portfolio management, and performance measurement.

### **Item 3 – Disciplinary Information**

Eric has had no disciplinary action taken against him.

### **Item 4 – Other Business Activities**

Eric is not involved in any business activities outside of Bedrock.

### **Item 5 – Additional Compensation**

Eric does not receive compensation from any source other than Bedrock.

### **Item 6 – Supervision**

Eric is the Chief Investment Officer of our firm and is an equity holder in the firm. Eric is supervised by Joel Shaps, CFP®, CIMA® ([joel@bedrockcapital.com](mailto:joel@bedrockcapital.com)) who is also the president of our firm. Advice given by Eric is reviewed by Joel in the context of the collaborative environment that is part of our culture.



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Additional information about Lois A. Springsteen is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Education Background and Business Experience

Lois A. Springsteen, CFP®, EA was born in 1951, and earned a B.A. in Natural Sciences from California State University, Chico in 1975. In 2004 Lois received her CERTIFIED FINANCIAL PLANNER™ (CFP®) designation and in 2005 Lois became an Enrolled Agent.

### Business Background

06/04 – present	Bedrock Capital Management, Inc., formerly known as JMS Capital Management, Inc.
01/01 – 05/04	Student, earning CFP®
05/89 – 10/94	The Aerospace Corporation, Project Engineer

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To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
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- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

An Enrolled Agent (EA) is a federally-authorized tax practitioner who has technical expertise in the field of taxation and who is empowered by the U.S. Department of the Treasury to represent taxpayers before all administrative levels of the Internal Revenue Service for audits, collections, and appeals. The license is earned in one of two ways, by passing a comprehensive examination which covers all aspects of the tax code, or having worked at the IRS for five years in a position which regularly interpreted and applied the tax code and its regulations. All candidates are subjected to a rigorous background check conducted by the IRS. In addition to the stringent testing and application process, the IRS requires Enrolled Agents to complete 72 hours of continuing professional education every three years to maintain their Enrolled Agent status. Lois is a member of NAEA and CSEA whose members are obligated to complete an additional 18 hours of continuing professional education per three year reporting period. Because of the knowledge necessary to become an Enrolled Agent and the requirements to maintain the license, there are only about 46,000 practicing Enrolled Agents.

### **Item 3 – Disciplinary Information**

Lois has had no disciplinary action taken against her.

**Item 4 – Other Business Activities**

Lois is not involved in any business activities outside of Bedrock.

**Item 5 – Additional Compensation**

Lois does not receive compensation from any source other than Bedrock.

**Item 6 – Supervision**

Lois is supervised by Joel Shaps, CFP®, CIMA® ([joel@bedrockcapital.com](mailto:joel@bedrockcapital.com)). Advice given by Lois is reviewed by Joel or by Eric Lewis, CFA, CFP® ([eric@bedrockcapital.com](mailto:eric@bedrockcapital.com)) in the context of the collaborative environment that is part of our culture.



**BEDROCK**  
CAPITAL MANAGEMENT

Proven Investment Management, Personal Service

**Item 1 – Cover Page**

**Sharon L. Lacy**

**Bedrock Capital Management, Inc**

**5050 El Camino Real, Suite 204**

**Los Altos, CA 94022**

**650-964-7024**

**[www.bedrockcapital.com](http://www.bedrockcapital.com)**

**18 March 2011**

This Brochure Supplement provides information about Sharon L. Lacy that supplements the Bedrock Capital Management, Inc. (“Bedrock”) Brochure. You should have received a copy of that Brochure. Please contact Joel Shaps at [joel@bedrockcapital.com](mailto:joel@bedrockcapital.com) if you did not receive Bedrock’s Brochure or if you have any questions about the contents of this supplement.

Additional information about Sharon L. Lacy is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Education Background and Business Experience

Sharon L. Lacy, CFP® was born in 1952, and earned a B.S. in Electrical Engineering from The University of Washington in 1975 and a Master of Science in Computer Science from The University of California, Davis in 1980. In 2009 Sharon received her CERTIFIED FINANCIAL PLANNER™ (CFP®) designation.

### Business Background

05/06 – present	Bedrock Capital Management, Inc., formerly known as JMS Capital Management, Inc. Chief Compliance Officer
11/05 – 04/06	Student, earning CFP®
01/81 – 10/05	Hewlett-Packard Company, Software Engineer
09/75 – 12/80	Lawrence Livermore Laboratories, Software Engineer
04/74 – 08/75	Boeing Aerospace, Software Engineer

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and



client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

### **Item 3 – Disciplinary Information**

Sharon has had no disciplinary action taken against her.

### **Item 4 – Other Business Activities**

Sharon is not involved in any business activities outside of Bedrock.

### **Item 5 – Additional Compensation**

Sharon does not receive compensation from any source other than Bedrock.



## **Item 6 – Supervision**

Sharon is supervised by Joel Shaps, CFP®, CIMA® ([joel@bedrockcapital.com](mailto:joel@bedrockcapital.com)). Advice given by Sharon is reviewed by Joel or by Eric Lewis, CFA, CFP® ([eric@bedrockcapital.com](mailto:eric@bedrockcapital.com)) in the context of the collaborative environment that is part of our culture.



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**18 March 2011**

This Brochure Supplement provides information about Tony L. Blagrove that supplements the Bedrock Capital Management, Inc. (“Bedrock”) Brochure. You should have received a copy of that Brochure. Please contact Joel Shaps at [joel@bedrockcapital.com](mailto:joel@bedrockcapital.com) if you did not receive Bedrock’s Brochure or if you have any questions about the contents of this supplement.

Additional information about Tony L. Blagrove is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Education Background and Business Experience**

Tony L. Blagrove, CFA was born in 1984 and earned a B.S. in Finance and a B.S. in Economics from Santa Clara University in 2006. In 2010 Tony received his Chartered Financial Analyst (CFA) charter.

### **Business Background:**

01/08 – present	Bedrock Capital Management, Inc., formerly known as JMS Capital Management, Inc., Portfolio Analyst
08/06 – 12/07	Symantec Corporation, Financial Analyst

The CFA charter is a globally recognized credential for investment analysis and management. The CFA Program sets a globally recognized standard for measuring the competence and integrity of financial analysts, portfolio managers, and investment advisers. Currently, more than 82,800 investment professionals in 128 countries and territories hold the CFA charter.

Recipients of the CFA charter have:

- Successfully completed a graduate-level, self-study curriculum
- Passed a series of three intensive examinations taken sequentially over at least two years. It is recommended that candidates prepare a minimum of 250 hours per exam, with substantially more recommended for individual circumstances.

Since the inception of the CFA Program 45 years ago, pass rates at each of the three exam levels have averaged about 50 percent. Because of the rigor of the program, only about one in five candidates who enter the program pass all three exams and successfully complete all the requirements to earn the charter.

Administered exclusively in English, the international language of business, the three six-hour exams cover ethical and professional standards, securities analysis and valuation, financial statement analysis, quantitative methods, economics, corporate finance, portfolio management, and performance measurement.

## **Item 3 – Disciplinary Information**

Tony has had no disciplinary action taken against him.

**Item 4 – Other Business Activities**

Tony is not involved in any business activities outside of Bedrock.

**Item 5 – Additional Compensation**

Tony does not receive compensation from any source other than Bedrock.

**Item 6 – Supervision**

Tony is supervised by Eric Lewis, CFA, CFP® ([eric@bedrockcapital.com](mailto:eric@bedrockcapital.com)). Advice given by Tony is reviewed by Eric or by Joel Shaps, CFP®, CIMA® ([joel@bedrockcapital.com](mailto:joel@bedrockcapital.com)) in the context of the collaborative environment that is part of our culture.