

## Uniform Application for Investment Adviser Registration

## Part II - Page 1

OMB APPROVAL

OMB Number: 3235-0049

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response . . . 4.07

Name of Investment Adviser:

**Shepherd Kaplan LLC**

Address: (Number and Street)

(City)

(State)

(Zip Code)

Area Code Telephone Number

**125 Summer Street****Boston****MA****02110****617 896-1600**

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.  
The information has not been approved or verified by any governmental authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential Persons who are not to respond to the collection of information contained in this form are not  
required to respond unless the form displays a currently valid OMB control number.

**1. A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

**Applicant:**

- |   |         |
|---|---------|
| <input checked="" type="checkbox"/> (1) Provides investment supervisory services  | 90 %    |
| <input type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services   | _____ % |
| <input type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above   | _____ % |
| <input type="checkbox"/> (4) Issues periodicals about securities by subscription  | _____ % |
| <input type="checkbox"/> (5) Issues special reports about securities not included in any service described above  | _____ % |
| <input type="checkbox"/> (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which client may use to evaluate securities | _____ % |
| <input checked="" type="checkbox"/> (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities                                   | 10 %    |
| <input type="checkbox"/> (8) Provides a timing service  | _____ % |
| <input type="checkbox"/> (9) Furnishes advice about securities in any manner not described above  | _____ % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

Yes No

B. Does applicant call any of the services it checked above financial planning or some similar term?

☒ ☐

C. Applicant offers investment advisory services for: (check all that apply)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management      | <input type="checkbox"/> (4) Subscription fees |
| <input type="checkbox"/> (2) Hourly charges  | <input type="checkbox"/> (5) Commissions       |
| <input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other             |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

**2. Types of Clients** -- Applicant generally provides investment advice to: (check those that apply)

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> A. Individuals                      | <input type="checkbox"/> E. Trusts, estates, or charitable organizations                    |
| <input type="checkbox"/> B. Banks or thrift institutions                | <input type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies                        | <input type="checkbox"/> G. Other (describe on Schedule F)                                  |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans |   |

**3. Types of Investments** Applicant offers advice on the following: (check those that apply)

- |  |  |
|--|--|
| <p>A. Equity securities</p> <p><input type="checkbox"/> (1) exchange-listed securities</p> <p><input type="checkbox"/> (2) securities traded over-the-counter</p> <p><input type="checkbox"/> (3) foreign issuers</p> <p><input type="checkbox"/> B. Warrants</p> <p><input type="checkbox"/> C. Corporate debt securities<br/>(other than commercial paper)</p> <p><input type="checkbox"/> D. Commercial paper</p> <p><input type="checkbox"/> E. Certificates of deposit</p> <p><input type="checkbox"/> F. Municipal securities</p> <p>G. Investment company securities:</p> <p><input type="checkbox"/> (1) variable life insurance</p> <p><input type="checkbox"/> (2) variable annuities</p> <p><input type="checkbox"/> (3) mutual fund shares</p> | <p><input type="checkbox"/> H. United States governmental securities</p> <p>I. Options contracts on:</p> <p><input type="checkbox"/> (1) securities</p> <p><input type="checkbox"/> (2) commodities</p> <p>J. Futures contracts on:</p> <p><input type="checkbox"/> (1) tangibles</p> <p><input type="checkbox"/> (2) intangibles</p> <p>K. Interests in partnerships investing in:</p> <p><input type="checkbox"/> (1) real estate</p> <p><input type="checkbox"/> (2) oil and gas interests</p> <p><input type="checkbox"/> (3) other (explain on Schedule F)</p> <p><input type="checkbox"/> L. Other (explain on Schedule F)</p> |
|--|--|

**4. Methods of Analysis, Sources of Information, and Investment Strategies.**

A. Applicant's security analysis methods include: (check those that apply)

- |  |  |
|--|--|
| <p>(1) <input type="checkbox"/> Charting</p> <p>(2) <input type="checkbox"/> Fundamental</p> <p>(3) <input type="checkbox"/> Technical</p> | <p>(4) <input type="checkbox"/> Cyclical</p> <p>(5) <input type="checkbox"/> Other (explain on Schedule F)</p> |
|--|--|

B. The main sources of information applicant uses include: (check those that apply)

- |  |  |
|--|--|
| <p>(1) <input type="checkbox"/> Financial newspapers and magazines</p> <p>(2) <input type="checkbox"/> Inspections of corporate activities</p> <p>(3) <input type="checkbox"/> Research materials prepared by others</p> <p>(4) <input type="checkbox"/> Corporate rating services</p> | <p>(5) <input type="checkbox"/> Timing services</p> <p>(6) <input type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission</p> <p>(7) <input type="checkbox"/> Company press releases</p> <p>(8) <input type="checkbox"/> Other (explain on Schedule F)</p> |
|--|--|

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- |   |   |
|---|---|
| <p>(1) <input type="checkbox"/> Long term purchases (securities held at least a year)</p> <p>(2) <input type="checkbox"/> Short term purchases (securities sold within a year)</p> <p>(3) <input type="checkbox"/> Trading (securities sold within 30 days)</p> <p>(4) <input type="checkbox"/> Short sales</p> | <p>(5) <input type="checkbox"/> Margin transactions</p> <p>(6) <input type="checkbox"/> Option writing, including covered options, uncovered options, or spreading strategies</p> <p>(7) <input type="checkbox"/> Other (explain on Schedule F)</p> |
|---|---|

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**5. Education and Business Standards.**

Yes No

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?.....

☒ ☐

(If yes, describe these standards on Schedule F.)

**6. Education and Business Background.**

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- |                 |  |
|-----------------|--|
| • name          | • formal education after high school               |
| • year of birth | • business background for the preceding five years |

**7. Other Business Activities.** (check those that apply)

- ☒ A. Applicant is actively engaged in a business other than giving investment advice.
- ☒ B. Applicant sells products or services other than investment advice to clients.
- ☒ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations.** (check those that apply)

- ☒ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☒ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- |  |  |
|--|--|
| <input checked="" type="radio"/> (1) broker-dealer   | <input checked="" type="radio"/> (7) accounting firm                                       |
| <input checked="" type="radio"/> (2) investment company  | <input checked="" type="radio"/> (8) law firm  |
| <input checked="" type="radio"/> (3) other investment adviser  | <input checked="" type="radio"/> (9) insurance company or agency                           |
| <input checked="" type="radio"/> (4) financial planning firm   | <input checked="" type="radio"/> (10) pension consultant                                   |
| <input checked="" type="radio"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input checked="" type="radio"/> (11) real estate broker or dealer                         |
| <input checked="" type="radio"/> (6) banking or thrift institution   | <input checked="" type="radio"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

Yes No

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?...

☒ ☐

(If yes, describe on Schedule F the partnerships and what they invest in.)

**9. Participation of Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☒ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

**10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?

Yes No

☒ ☐

(If yes, describe on Schedule F.)

**11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggers factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Client accounts are under continuous review, and formal reviews of client accounts are conducted on a quarterly basis. Quarterly reviews include the client's objectives, portfolio performance, portfolio investment monitoring, portfolio strategy and any recommendations for changes.

Client reviews are completed by the investment representative assigned to the client account and any additional client service personnel, or investment representatives that aid with the relationship. Each investment representative handles on average approximately 20 client accounts.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

Each client receives a monthly statement from the custodian summarizing cash and securities positions at the close of the previous month. In addition, clients receive quarterly performance reports from SK detailing, among other things, (1) dollar gains and losses for each asset class, investment position and the total portfolio; (2) Time-Weighted Return and Internal Rate of Return for each asset class and the total portfolio over various periods; (3) Internal Rate of Return for each investment position for various periods; and Annualized Internal Rate of Return for the total portfolio.

**12. Investment or Brokerage Discretion.**

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- |  |                       |                       |
|--|-----------------------|-----------------------|
| (1) securities to be bought or sold? .....               | Yes                   | No                    |
|  | <input type="radio"/> | <input type="radio"/> |
| (2) amount of the securities to be bought or sold? ..... | Yes                   | No                    |
|  | <input type="radio"/> | <input type="radio"/> |
| (3) broker or dealer to be used? .....                   | Yes                   | No                    |
|  | <input type="radio"/> | <input type="radio"/> |
| (4) commission rates paid? .....                         | Yes                   | No                    |
|  | <input type="radio"/> | <input type="radio"/> |

B. Does applicant or a related person suggest brokers to clients? ..... ☐ Yes ☐ No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commission higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- |   |                       |                       |
|---|-----------------------|-----------------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ..... | Yes                   | No                    |
|   | <input type="radio"/> | <input type="radio"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes                   | No                    |
|   | <input type="radio"/> | <input type="radio"/> |

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
  - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- |  |                       |                       |
|--|-----------------------|-----------------------|
| Has applicant provided a Schedule G balance sheet? ..... | Yes                   | No                    |
|  | <input type="radio"/> | <input type="radio"/> |

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:  <b>Shepherd Kaplan LLC</b>	SEC File Number:  801- <b>62349</b>	Date:  3/19/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Shepherd Kaplan LLC</b>	IRS Empl. Ident. No.: 83-0368447
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Item of Form (identify)	Answer
Item 1.D.	<p><b>INVESTMENT ADVISORY SERVICES</b></p> <p>Shepherd Kaplan LLC (SK) provides investment advisory, asset management and wealth management services to both private (individuals, families, and trusts) and institutional clients (defined contribution plans, defined benefit plans, endowments, foundations, and corporate cash accounts).</p> <p><b>Private Client Services and Fees</b> SK extends the following services to private clients: cash management, investment planning, retirement planning, estate planning, and financial risk management. To facilitate these services, SK gathers required information through in-depth personal interviews, document analysis and questionnaires, which focus on the client's current financial status, future goals, cash flow, estate issues and attitudes toward risk. Clients receive a written Investment Policy Statement reflecting SK's analysis and recommendations.</p> <p>SK receives no fees from investment managers or investment funds in which its clients invest. All fees paid to SK for advisory services are separate from the fees and expenses charged by investment managers, a complete explanation of which are contained in each prospectus, offering, or placement letter. Clients are encouraged to read all documents carefully. Payment of SK fees may be made directly by the client or paid directly from the client's account(s) by the custodian. SK sends each client an invoice reflecting the specific manner in which the fees were calculated, and, in turn, the custodian sends a statement which includes fees paid out of the client's account to SK.</p> <p>SK's fees are documented in the client's management agreement. Fees are assessed based on assets under management and type of account. Annual fees generally range from 20bps to 100bps and are negotiated on an individual basis. SK bills on a quarterly basis in advance. Any fees received for services not yet performed will be refunded at the time of termination. Clients may also pay a negotiated initial consulting fee.</p> <p>SK will not act as custodian for any client accounts. The custodian charges separate transaction fees associated with these accounts which are in addition to the fees for SK's investment advisory services.</p> <p><b>Corporate Client Services and Fees</b> SK extends the following services to corporate clients: plan analysis, implementation, monitoring and education. Clients will receive a written Investment Policy Statement reflecting SK's analysis and recommendations.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 1

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:  <b>Shepherd Kaplan LLC</b>	SEC File Number:  801- <b>62349</b>	Date:  3/19/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Shepherd Kaplan LLC</b>		IRS Empl. Ident. No.: 83-0368447
Item of Form (identify)	Answer	
	<p>SK's fees are documented in the client's management agreement. Fees are assessed based on assets under management and plan type. Annual fees generally range from 20bps to 60bps and are negotiated on an individual basis. SK bills on a quarterly basis in advance. Any fees received for services not yet performed will be refunded at the time of termination. Typically, clients also pay an initial negotiated consulting fee.</p> <p>SK's corporate client service group offers advice to clients in addition to security investment advice, consulting to boards and pension plans regarding revenue recapture and pension plan structure. In addition, SK's services include, but are not limited to, new plan design, existing plan redesign, and preparation of adoption agreements, and other necessary documents. These services are included in the corporate fee structure.</p> <p>SK will not act as custodian for any client accounts. The custodian charges separate transaction fees associated with these accounts which are in addition to the fees for SK's investment advisory services.</p>	
3.K.3	Hedge Funds, Fund of Funds, Private Equity	
4.B.(8)	<p>SK is a member of the Callan Associates' Independent Advisor Group (IAG). Callan Associates provides strategic investment consulting services to Pension, Endowment, Foundation, and other Institutional clients. In addition to our membership in the IAG, we currently use the following software and databases for supplemental security analysis:</p> <p>Bloomberg, Morningstar, Zephyr Style Advisor, Zephyr Allocation Advisor, Callan PEP, Advent</p> <p>SK also relies upon various portfolio managers, economists, advisors, newsletters, online and printed analysis.</p>	
5.	SK requires that individuals who are involved in determining or giving investment advice to clients have a college degree, practical related experience, and all of the necessary licenses to conduct investment advisory business.	
6.	<p><b>David C. Kaplan</b>  Year of Birth: 1969  University of Massachusetts / Amherst 1991 BA  Managing Partner - Shepherd Kaplan LLC, 8/03 to present  Managing Partner - Shepherd, Kaplan &amp; Acuna, LLC, 1/98 to 8/03</p>	



**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:  <b>Shepherd Kaplan LLC</b>	SEC File Number:  801- <b>62349</b>	Date:  3/19/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Shepherd Kaplan LLC</b>	IRS Empl. Ident. No.: 83-0368447
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Item of Form (identify)	Answer
	<p><b>David M. Shepherd</b> Year of Birth: 1968 Boston University 1991, BS, Economics Managing Partner- Shepherd Kaplan LLC, 8/03 to present Managing Partner- Shepherd, Kaplan &amp; Acuna, LLC, 1/98 to 8/03</p> <p><b>Bruce Goodman</b> Year of Birth: 1948 Harvard College AB 1970 Columbia Law School JD 1973 General Counsel &amp; Chief Compliance Officer-Shepherd Kaplan, 6/08 to Present Partner-Hinckley Allen and Snyder LLP (Law Firm) 1995-2008</p> <p><b>Christopher A. Shepherd</b> Year of Birth: 1971 St. Lawrence University 1993, BA Economics Principal - Shepherd Kaplan LLC, 9/03 to present Director - Richemont Ltd, 4/96 to 6/03</p> <p><b>Shawn Samperi</b> Year of Birth: 1966 Siena College, BS Rutgers University Graduate School of Management, MBA Principal - Shepherd Kaplan LLC, 6/07 to present Senior Manager - PricewaterhouseCoopers 92-07 The Wharton School, Certified Investment Management Analyst (CIMA) The University of Pittsburgh, Accredited Investment Fiduciary Auditor (AIFA)</p> <p><b>Mike Vien</b> Year of Birth: 1971 University of Vermont, BA 1993 General Manager-Shepherd Kaplan LLC, 6/08 to Present Founder &amp; CEO- Poppo Brands LLC, 1/06-present Vice President/GM-Institutional Retirement Services at Fidelity Investments 10/04-1/07</p>
9.	<p><b>Code of Ethics Summary</b></p> <p>The Code of Ethics establishes rules of conduct for all employees of Shepherd Kaplan. The Code is based upon the principle that Shepherd Kaplan and its employees owe a fiduciary duty to Shepherd Kaplan's clients to conduct their affairs, including their</p>

**Schedule F of  
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Continuation Sheet for Form ADV  
Part II**

Applicant:  <b>Shepherd Kaplan LLC</b>	SEC File Number:  801- <b>62349</b>	Date:  3/19/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Shepherd Kaplan LLC</b>	IRS Empl. Ident. No.: 83-0368447
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Item of Form (identify)	Answer
	<p>personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.</p> <p>Pursuant to Section 206 of the Advisers Act, both Shepherd Kaplan and its employees are prohibited from engaging in fraudulent, deceptive or manipulative conduct. Compliance with this section involves more than acting with honesty and good faith alone. It means that Shepherd Kaplan has an affirmative duty of utmost good faith to act solely in the best interest of its clients.</p> <p>Shepherd Kaplan and its employees are subject to the following specific fiduciary obligations when dealing with clients and other employees:</p> <ul style="list-style-type: none"> <li>• The duty to have a reasonable, independent basis for the investment advice provided;</li> <li>• The duty to obtain best execution for a client's transactions where the Firm is in a position to direct brokerage transactions for the client;</li> <li>• The duty to ensure that investment advice is suitable to meeting the client's individual objectives, needs and circumstances; and</li> <li>• A duty to be loyal to clients.</li> </ul> <p>Shepherd Kaplan employees will treat everyone fairly, have mutual respect, promote a team environment and avoid the intent and appearance of unethical or compromising practices.</p> <p>Employees must disclose any conflict of interests regarding their position within Shepherd Kaplan.</p> <p>The Code of Ethics includes policies and procedures regulating trading activity by Firm employees which are discussed below. It also includes provisions prohibiting giving to or receiving gifts from brokers, money managers, custodians and others who might have any influence on the investment-related decisions and recommendations that the Firm makes. The Code also sets forth policies to protect the confidentiality of client information, which policies are also published on the Firm's website and disclosed in annual notices to clients.</p> <p>Shepherd Kaplan will provide a copy of the Code of Ethics to any client or prospective client upon request.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 4

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:  <b>Shepherd Kaplan LLC</b>	SEC File Number:  801- <b>62349</b>	Date:  3/19/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Shepherd Kaplan LLC</b>	IRS Empl. Ident. No.: 83-0368447
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Item of Form (identify)	Answer
9.D & 9.E	<p><b>Supervised Person Trading Restrictions and Internal Procedures</b></p> <p>Shepherd Kaplan does not invest in securities for its own account. Shepherd Kaplan monitors supervised persons' trading activities, in accordance with SEC regulations, in order to assure that no conflicts arise between the interests of Shepherd Kaplan's clients and such supervised persons as a result of their personal trading activities. The term "supervised persons" includes members, managers, employees of Shepherd Kaplan and consultants, if any, who provide advice on behalf of Shepherd Kaplan and are subject to Shepherd Kaplan's supervision and control.</p> <p>Shepherd Kaplan has adopted the following principles governing personal investment activities by Shepherd Kaplan's supervised persons:</p> <ul style="list-style-type: none"> <li>• The interests of client accounts will be placed before employee interests;</li> <li>• All personal securities transactions will be conducted in such manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility; and</li> <li>• Supervised persons must not take inappropriate advantage of their positions.</li> </ul> <p><b>Material Nonpublic Information</b></p> <p>No supervised person may trade, either personally or on behalf of others, while in the possession of material, nonpublic information, nor may any personnel of Shepherd Kaplan communicate material, nonpublic information to others in violation of the law.</p> <p><b>Pre-Clearance Required for Participation in IPOs and Private or Limited Offerings:</b></p> <p>No supervised person shall acquire any beneficial ownership in any securities in an Initial Public Offering or in Private Placement or Limited Offerings without the prior written approval of the Chief Compliance Officer (CCO) who has been provided with full details of the proposed transaction (including written certification that the investment opportunity did not arise by virtue of the supervised person's activities on behalf of a client) and, if approved, the security will be subject to continuous monitoring for possible future conflicts.</p> <p>Shepherd Kaplan may also establish a Restricted List of securities for which trading by supervised persons is prohibited or a Watch List of securities for which CCO approval is required prior to trading by supervised persons where deemed necessary to avoid conflicts with client interests or other concerns.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 5

**Schedule F of  
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Applicant:  <b>Shepherd Kaplan LLC</b>	SEC File Number:  801- <b>62349</b>	Date:  3/19/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Shepherd Kaplan LLC</b>	IRS Empl. Ident. No.: 83-0368447
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Item of Form (identify)	Answer
	<p><b>Supervised Person Reporting</b></p> <p>Supervised persons are required to report certain securities holdings upon initial employment or engagement and annually thereafter. Also, they are required to report securities transactions quarterly, as required by SEC regulations. The CCO reviews such reports for compliance with SK policies regarding personal securities transactions and SEC rules. If a supervised person is found to have a securities holding that potentially conflicts with advice that such person or other supervised persons may give to clients, the Firm may require divestiture of the holding or establish procedures to avoid a conflict, such as restrictions on or management approval of such advice and disclosures to affected clients.</p>
10.	<p>Shepherd Kaplan ordinarily requires a minimum total account size of \$10,000,000 for private clients.</p>
12.A(1), 12.A(2)	<p>Most client accounts are managed on a non-discretionary basis (over 95% of client assets under management are in non-discretionary accounts). Where client assets are managed on a discretionary basis, Shepherd Kaplan agrees with the client regarding the asset classes to be included in the account and the approximate amounts to be invested in each class. Clients may change the target allocation at any time by notifying Shepherd Kaplan in writing of their new allocation.</p>
12.A(3), 12.A(4), 12.B.	<p>The majority of client assets that are managed on a discretionary basis are managed by separate account managers unaffiliated with, but recommended by, Shepherd Kaplan.</p> <p>Most Shepherd Kaplan client assets are invested in securities which involve minimal or no brokerage commissions, e.g. mutual funds, alternative investments. Most client securities transactions are executed by the client's custodian, with transaction and other asset-based fees established pursuant to contracts directly between the custodian and the client. Shepherd Kaplan occasionally directs the use of a particular fixed income broker or dealer who can obtain better execution of the client's order than the custodian, because it has a better inventory of the desired type of bonds and competitive commissions.</p> <p>Shepherd Kaplan primarily recommends the custodial services of Fidelity Investments and Schwab Institutional. Shepherd Kaplan does not receive any fees or other compensation from any custodian, broker or dealer. Shepherd Kaplan has no "soft dollar" arrangement with Fidelity, Schwab or any other custodian, broker or dealer.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 6

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:  <b>Shepherd Kaplan LLC</b>	SEC File Number:  801- <b>62349</b>	Date:  3/19/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Shepherd Kaplan LLC</b>	IRS Empl. Ident. No.: 83-0368447
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Item of Form (identify)	Answer
	<p>Shepherd Kaplan does not purchase research or other products or services from any outside sources affiliated with brokers, dealers or custodians. Shepherd Kaplan seeks to negotiate the best terms and pricing from Fidelity, Schwab and other custodians, brokers or dealers for the benefit of our clients.</p> <p>Shepherd Kaplan has a reasonable belief that the custodians, brokers or dealers utilized by Shepherd Kaplan are able to obtain best execution and competitive pricing. Shepherd Kaplan reserves the right to decline acceptance of any investment management client account that directs the use of a broker or dealer if we believe that this would adversely affect our duties to obtain best execution.</p> <p>Shepherd Kaplan has pursued this approach so its clients may receive benefits from custodians, brokers, or dealers used to implement client transactions. Depending on the custodian, broker or dealer, these benefits may include any or all of the following: receipt of duplicate client confirmations and bundled account statements; access to a specialized trading desk; access to an electronic communication network for client account information; and access to mutual funds that generally require significantly higher minimum initial investments or are generally available to institutional investors; ability to have loads waived on certain loaded funds; and use of electronic order entry systems offering better execution.</p> <p>For Institutional clients, Shepherd Kaplan has negotiated the ability to "re-capture" certain brokerage revenue for the sole benefit and use of the client. All re-captured revenue is deposited into an account owned by the client.</p>
Proxy Voting Policy	As a matter of firm policy and practice, SK has no authority to vote proxies on behalf of advisory clients. The firm may offer assistance as to proxy matters upon client request. However, the client always retains the proxy voting responsibilities.
Privacy Policy Summary	<p>Shepherd Kaplan LLC holds both our firm and our employees to the highest standards of trust and fiduciary duty in the safekeeping and use of our clients' personal and financial data. To that end, we remain committed to maintaining the confidentiality of information we collect regarding our relationship with our clients (including current, former, and potential clients), and adhere to the following privacy policies and practices with regard to all client relationships:</p> <p>1. We do not give or sell any non-public, personal information to any individual, company or group, except as stated below.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 7

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:  <b>Shepherd Kaplan LLC</b>	SEC File Number:  801- <b>62349</b>	Date:  3/19/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Shepherd Kaplan LLC</b>	IRS Empl. Ident. No.: 83-0368447
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Item of Form (identify)	Answer
	<p>2. We may receive non-public, personal information, such as personally identifying data and investment information, about our clients from the clients and from information service and consumer reporting agencies when clients engage us or when we open accounts for them. We also exchange such information with custodians, investment managers, brokers and other nonaffiliated financial service providers as required or permitted by law in the course of providing services for the client.</p> <p>3. All information regarding Shepherd Kaplan's clients is confidential. Information may only be disclosed when the disclosure is consistent with the firm's policy and the client's direction. Shepherd Kaplan does not share confidential client information with any third parties, except with the client's consent or in the following circumstances:</p> <ul style="list-style-type: none"> <li>• As necessary to provide the services that the client has requested or authorized, or to maintain and service the client's account;</li> <li>• As required by regulatory authorities or law enforcement officials who have jurisdiction over Shepherd Kaplan LLC, or as otherwise required by any applicable law; and</li> <li>• To the extent reasonably necessary to prevent fraud, unauthorized transactions, claims or other liability.</li> </ul> <p>4. We restrict access to our clients' personal data and account information to only those Shepherd Kaplan LLC employees who need to know that information to provide service to Shepherd Kaplan LLC's clients.</p> <p>5. We maintain physical, electronic, and procedural safeguards to protect our clients' non-public, personal information.</p> <p>6. Employees with access to confidential client information may not use or disclose the information except for business use. All of our employees are required to safeguard such information as specified in their signed confidentiality agreement with our firm.</p> <p>7. When there is a need to dispose of non-public personal information, we require our employees to shred, not discard, the data.</p> <p>8. We continue to evaluate our efforts to protect personal information and make every effort to keep our privacy policy and practices accurate and current.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 8