

## Uniform Application for Investment Adviser Registration

## Part II - Page 1

OMB APPROVAL

OMB Number: 3235-0049

Expires: July 31, 2008

Estimated average burden hours per  
response . . . 9.402

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.**

## Table of Contents

<u>Item Number</u>	<u>Item</u>	<u>Page</u>
1	Advisory Services and Fees . . . . .	2
2	Types of Clients. . . . .	2
3	Types of Investments. . . . .	3
4	Methods of Analysis, Sources of Information and Investment Strategies. . . . .	3
5	Education and Business Standards. . . . .	4
6	Education and Business Background. . . . .	4
7	Other Business Activities. . . . .	4
8	Other Financial Industry Activities or Affiliations. . . . .	4
9	Participation or Interest in Client Transactions. . . . .	5
10	Conditions for Managing Accounts. . . . .	5
11	Review of Accounts. . . . .	5
12	Investment or Brokerage Discretion. . . . .	6
13	Additional Compensation. . . . .	6
14	Balance Sheet. . . . .	6
	Continuation Sheet. . . . .	Schedule F
	Balance Sheet, if required. . . . .	Schedule G

(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  | 93 %    |
| <input type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services   | _____ % |
| <input checked="" type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above                                    | 1 %     |
| <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                                   | 5 %     |
| <input type="checkbox"/> (8) Provides a timing service  | _____ % |
| <input checked="" type="checkbox"/> (9) Furnishes advice about securities in any manner not described above   | 1 %     |

(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 checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations                    |
| <input checked="" type="checkbox"/> B. Banks or thrift institutions     | <input checked="" 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)

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

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

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

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

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

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

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

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

**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.)

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

**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.

- |  |                                  |                       |
|--|----------------------------------|-----------------------|
| <b>10. Conditions for Managing Accounts.</b> Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services <i>and</i> impose a minimum dollar value of assets or other conditions for starting or maintaining an account? | Yes                              | No                    |
|  | <input checked="" type="radio"/> | <input type="radio"/> |

(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.

**The firm has accounts under continuous review, however, formal reviews are conducted quarterly with regard to the objectives of the account and the client's needs. These reviews cover investment and portfolio performance, transactions, investment monitoring and portfolio strategy. The reviews are conducted by the investment professional primarily responsible for the account.**

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

**Each client receives a monthly report from the respective clearing broker or custodian summarizing cash and securities positions marked to market as of the close of that month. In addition, each client receives a quarterly report listing assets at cost and marked to market as of the close of the quarter. Each client is provided with a calculation of total return and a calculation of total return of the standard benchmarks.**

**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

**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:  <b>1-22-08</b>
--	---	-----------------------------

(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
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, tax management, 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 will 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 these expenses is 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 may be pulled from the custodian. SK sends each client an invoice reflecting the specific manner in which the fees were calculated, and in turn, such custodian will send a statement of fees paid out of the client's account to the client.</p> <p>Fees are negotiated and documented in the client's management agreement. Fees are assessed based on assets under management and SK bills on a quarterly basis. Any fees received for services not yet performed will be refunded at the time of termination.</p> <p>SK will not act as custodian for any investment supervisory client accounts. The custodian charges separate transaction fees associated with these accounts which are in addition to the fees negotiated for SK' management services.</p> <p><b>Corporate Client Services and Fees</b> SK extends the following services to corporate clients: Defined Contribution and Defined Benefit plan analysis, implementation, monitoring and education. Clients will receive a written Investment Policy Statement reflecting SK's analysis and recommendations.</p> <p>Fees are negotiated and documented in the client's management agreement. Fees are assessed based on assets under management and SK bills on a quarterly basis. Any fees received for services not yet performed will be refunded at the time of</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:  <b>1-22-08</b>
--	---	-----------------------------

(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
4.A.(5)	<p>termination. Typically, clients pay a one-time negotiated conversion fee at the time of asset transfer. Fees generally range from 20bps to 100 bps and are negotiated on an individual basis.</p> <p>SK will not act as custodian for any investment supervisory client accounts. The custodian charges separate transaction fees associated with these accounts which are in addition to the fees negotiated for SK' management services.</p> <p>SK is a member of the Callan Associates Independent Advisor Group. 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>Ibbotson Optimizer Ibbotson Analyzer Zephyr Style Advisor Zephyr Allocation Advisor Callan PEP Bloomberg</p> <p>Advent Axys Morningstar</p>
4.B.(8)	SK relies heavily upon contact with various portfolio managers, economists, advisors, newsletters, online and printed analysis.
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> <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>



**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:  <b>1-22-08</b>
--	---	-----------------------------

(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><b>David W. Glossinger, CFA</b>  Year of Birth: 1953  Ashland College 1975, BSBA, Marketing, Management  Principal - Shepherd Kaplan LLC, 1/04 to Present  Vice-President - Parametric Portfolio Associates, 1/00 to 1/04</p> <p><b>Paul J. Roberts</b>  Year of Birth: 1958  University of Massachusetts / Amherst 1982, BA  Principal - Shepherd Kaplan LLC, 6/03 to Present  Senior Consultant - Sentinel Benefits, 1/94 to 9/03</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>Kristen Stewart</b>  Year of Birth: 1959  Univerisity of Maine, Orono 1981, BS Business Administration  Principal - Shepherd Kaplan LLC, 6/06 to Present  Sr VP and Director of Private Banking - Wainwright Bank and Trust Co., 9/99 to 6/06</p> <p><b>Shannon McKenna</b>  Year of Birth: 1976  St. Michael's College 1998, BA  Principal - Shepherd Kaplan LLC, 6/06 to Present  VP and Financial Consultant - Charles Schwab &amp; Co., Inc. 10/99 to 6/06</p> <p><b>Julie Rousseau</b>  Year of Birth: 1980  Providence College 2002, BA  Principal - Shepherd Kaplan LLC, 6/05 to Present  Senior Operations Associate - Brown Brothers Harriman &amp; Co, 2002 to 2005</p> <p><b>Shawn Samperi</b>  Year of Birth: 1966  Siena College, BS  Principal - Shepherd Kaplan LLC, 6/07 to Present  Senior Manager - PriceWaterhouse Coopers 92-07  University Graduate School of Management MBA,  Wharton School, Certified Investment Mangement Analyst (CIMA)</p>

Rutgers  
The  
The

**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:  <b>1-22-08</b>
--	---	-----------------------------

(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
8.C.(10)	University of Pittsburg, Accredited Investment Fiduciary Auditor (AIFA)
9.E.	<p>Shepherd Kaplan LLC also operates a full service pension consulting group. This includes but is not limited to design of new plans, redesign of existing plans, preparation of adoption agreements, IRS filings and other such issues relating to plan compliance. At times, we may refer clients to third party administrators, and those administrators may refer clients to Shepherd Kaplan LLC. At all times, any such relationship will be fully disclosed to the client and there are no fees received for referring clients.</p> <p>(Trading Policy Summary) SK employees or individuals associated with SK <u>may</u> buy or sell securities identical to those recommended to clients for their personal accounts (i.e. 401(k) accounts). It is the expressed policy of SK that no person employed by SK may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employee from benefitting from the transaction placed on behalf of the advisory accounts. No financial compensation is received by anyone affiliated with SK by recommending any investment product.</p> <p>SK has established the following restrictions in order to ensure its fiduciary responsibilities:</p> <ol style="list-style-type: none"> <li>1) An officer, employee or associated person shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, from material non-public information (insider information). This information may be acted upon only when this information is also available to the investing public on reasonable inquiry. In maintaining our fiduciary duty to our clients, and acting in accordance with applicable Federal and State regulations governing registered investment advisory practices, no person of SK shall prefer his or her own interest to that of an advisory client.</li> <li>2) SK maintains a list of all security holdings for anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer of SK.</li> <li>3) SK emphasizes the unrestricted right of the client to select and choose any broker or dealer (except in the rare circumstances where SK is granted discretionary authority), and/or insurance company (s)he wishes.</li> </ol>

**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:  <b>1-22-08</b>
--	---	-----------------------------

(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
10.	4) SK requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisors.
12.A(1) & 12.A(2)	5) Any individual not in observance of the above will be subject to termination.
	SK ordinarily requires a minimum total account size of \$10,000,000 for private clients.
	Most clients do not receive discretionary services (over 95% are non-discretionary). For those that do, the following applies:
	SK buys and sells securities for discetionary accounts only when establishing or liquidating an account, when rebalancing an account to an asset allocation agreed upon in advance with the client, or when replacing a security due to performance factors and/or a violation of the Investment Policy Statement standards. In each case, SK agrees with client at the outset of the relationship on the asset classes to be included in the account and the approximate amounts to be invested in each.
12.B.	SK is limited in the amount of securities to be bought or sold to the general asset allocation agreed upon by both SK and the client at the outset of the relationship. Clients may change the target allocation at any time by notifying SK in writing of their new allocation.
	SK primarily utilizes the custodial services of Fidelity Investments and Schwab Institutional. SK has no "soft dollar" arrangement with Fidelity, Schwab or any other institution. SK seeks to negotiate the best terms and pricing from Fidelity and Schwab for the benefit of SK's clients. The negotiated terms do not depend on the volume of transactions directed by SK.
	SK has a reasonable belief that Fidelity and Schwab are able to obtain best execution and competitive pricing. SK reserves the right to decline acceptance of any investment management client account that directs the use of a broker or dealer if SK believes that this would adversely affect SK's duties to obtain best execution.
	SK has pursued this approach so its clients may receive benefits from custodians used to implement client transactions. Depending on the custodian, 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; ability to have advisory fees directly debited from client accounts; access to an electronic communication network for client account information; receipt of compliance publications; and access to mutual funds that generally require significantly higher minimum initial investments or are

**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:  <b>1-22-08</b>
--	---	-----------------------------

(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>generally available to institutional investors; ability to have loads waived on certain loaded funds; and use of electronic order entry systems.</p> <p>For Institutional clients, SK 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> <p>Soft Dollar Policy In accordance with our firm policy, and as stated previously, SK does not participate in any soft dollar arrangement of any kind.</p> <p>Proxy Voting Policy SK as a matter of firm policy and practice, 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.</p> <p>Privacy Policy Summary: SK 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> <ol style="list-style-type: none"> <li>1) We do not give or sell any non-public, personal information to any individual, company or group.</li> <li>2) We may receive non-public personal information about our clients from meetings and forms necessary to establish and provide service to the client relationship.</li> <li>3) We will not release information about our clients' portfolios to unaffiliated third parties unless one of the following conditions have been met: <ol style="list-style-type: none"> <li>a) We receive prior written consent from our client (i.e. audit request).</li> <li>b) We believe the recipient to be our client or their authorized representative.</li> <li>c) We are required by law to release information to the recipient.</li> <li>d) With our client's prior knowledge, we may disclose the information described above to custodians, investment managers, venture capital and private equity fund managers and other nonaffiliated financial service providers as permitted or required by law in the course of providing consulting services on the clients behalf. This information is only provided with the understanding that it will be maintained in confidence.</li> </ol> </li> </ol>

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:  <b>1-22-08</b>
--	---	-----------------------------

(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
Code of Ethics	<p>4) We restrict access to our clients' personal data and account information to only those SK employees who need to know that information to provide service to Sk's clients.</p> <p>5) We maintain physical, electronic, and procedural safeguards to protect our clients' non-public, personal information.</p> <p>6) Our corporate policy requires that 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 dated 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> <p><b>Code of Ethics (Summary):</b></p> <p>It is the policy of SK to place the the financial interests of its clients above and before its own and those of its employees. To assure its clients of this commitment, and to comply with the mandates of the SEC, SK has established a Code of Ethics.</p> <p>The Code of Ethics defines and elaborates on potential conflicts, details penalties for violation of the Code, requires reporting of personal securities transactions and outside business activities, and outlines the role of the Compliance Officer. The Code of Ethics also requires all employees to report activity which may be in violation of the Code, SK policies and procedures, and any suspicious activity which may effect SK or its clients. The Code of Ethics also contains a "whistleblower" provision which states that employees reporting activity suspected of being in conflict with the code will be held with the highest confidentiality allowed by law, and will not be subject to repercussions as a result of the report.</p> <p>Additional policies address communicationwith clients, and confidentiality of client records. These policies, as well as other policies establish the guidelines by which SK conducts its business.</p> <p>In summary, SK is committed to providing its clients with not only superior investment performance and advice, but also exemplaryprofessional and personal conduct. To that</p>

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

Applicant:	SEC File Number:	Date:
<b>Shepherd Kaplan LLC</b>	801- <b>62349</b>	<b>1-22-08</b>

(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>end, SK continually monitors the conduct of itself and its employees and when necessary will revise these policies and procedures to meet a changing investment environment.</p> <p>Compliance Organization:</p> <p>Marcus Hunter is the firms Chief Compliance Officer.</p>

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