



Sitka Pacific

Capital Management LLC

Disclosure Brochure

The following contains information filed with the State of Washington in Form ADV part II.

Advisory Fees and Services

Sitka Pacific Capital Management, LLC, manages and has discretionary authority over investment accounts for clients. This does not include investment supervisory services. Fees are assessed for investment advisory services as a percentage of assets under management at an annualized rate that is negotiable at the sole discretion of the Advisor. Fees are deducted on an annualized basis from client accounts daily.

The client may terminate the Investment Advisory Agreement at any time, and termination of the agreement will be considered effective thirty (30) days after written notice is received. Fees will cease to be deducted from the account within thirty (30) days after receipt of cancellation notice from Client, or when all assets have been transferred from the account, whichever comes first. Pre-paid fees will be refunded on a pro rata basis to thirty (30) days after receipt of cancellation from the Client.

Types of Investments

Sitka Pacific Capital Management, LLC, offers advice on the following types of investments: Equity Securities, including exchanged-listed securities, securities traded over-the-counter and foreign issuers; Investment company securities, including mutual fund shares; United States Government Securities; Options contracts on securities.

Conditions for Managing Accounts

The minimum initial investment for a new client advisory relationship is \$200,000. The minimum account balance for each individual account is \$50,000. Accounts that fall below \$25,000 will be placed on probation for 60 days, during which time the account will remain actively managed by the Advisor. If the account has not been brought above \$25,000 by the end of the probationary period, the account will cease to be actively managed by the advisor.

Types of Clients

Sitka Pacific Capital Management, LLC, generally provides investment advice to: Individuals; Pensions and profit sharing plans; Trusts, estates, or charitable organizations; Corporations or business entities other than those listed above.

Methods of Analysis, Sources of Information, and Investment Strategies

Security analysis methods include: Charting; Fundamental; Technical; Cyclical; and other methods detailed here. The majority of portfolio positions are selected using proprietary methods. Hedging, either by selling or buying options on individual positions, or by buying or shorting index shares or other instruments, is based on technical, cyclical and fundamental analysis of the markets. Other individual positions may also be entered on the basis of similar technical, cyclical or fundamental analysis.

The main sources of information used include: Annual reports, prospectuses, filing with the Securities and Exchange Commission; Market data provided by various vendors.

The investment strategies used to implement investment advice include: Long-term purchases (securities held at least a year); Short-term purchases (securities held within a year); Trading (securities held within 30 days); Short sales; Margin transactions; Option writing, including covered options, uncovered options, and spreading strategies; Option buying, including protective puts, protective calls, and spreading strategies.

Investment or Brokerage Discretion

Sitka Pacific Capital Management, LLC, has the authority to determine, without obtaining specific client consent, the securities to be bought and sold, the amount of securities to be bought and sold, and the broker or dealer to be used. Sitka Pacific Capital Management, LLC, recommends the client open an account with Interactive Brokers, LLC to be managed by the Advisor. Interactive Brokers, LLC has been selected based on their commission rates, trading platform and administrative infrastructure. Commission rates charged to the client are believed to be among the lowest available, and are not believed to be higher as a result of administrative and trading support the advisor receives from Interactive Brokers, LLC. Other services received from Interactive Brokers, LLC by Sitka Pacific Capital Management, LLC are not supported by client accounts.

Upon signing the Investment Advisory Agreement, Sitka Pacific Capital Management, LLC will assist the client with opening an account with Interactive Brokers, LLC. Sitka Pacific Capital Management, LLC will provide all required application documents. Although commissions and fees charged by Interactive Brokers, LLC may not be the lowest possible in all cases, Sitka Pacific Capital Management, LLC believes that the total commission and fee cost to the client is among the lowest available from any brokerage.



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Participation or Interest in Client Transactions

Sitka Pacific Capital Management, LLC, may buy or sell for itself positions it also recommends to clients, and also may follow the same or similar trading strategies for its own accounts that are used for client accounts. If it is believed that the dollar amounts traded by client or advisor accounts have a reasonable chance of affecting the price of a security, advisor accounts will be traded at least one day following any action taken in client accounts. All trading is done in the open market, and no securities are directly passed between advisor and client accounts. The client is advised of potential conflicts of interest in part 11 of the Investment Advisory Agreement:

11. Non-Exclusive Advisory Services. The Client hereby acknowledges that the Advisor performs investment advisory services for various clients. The Client agrees that the Advisor may give advice and take action with respect to any of its other clients which may differ from advice given, or the timing or nature of action taken, with respect to the Account, so long as it is the Advisor's policy, to the extent practical, to allocate investment opportunities to the Account over a period of time on a fair and equitable basis relative to the Advisor's other clients. Nothing in this Agreement shall limit or restrict the Advisor or any of its directors, officers, affiliates or employees from buying, selling or trading in any securities or other assets for its or their own account or accounts, and the Client acknowledges that the Advisor may at any time acquire, increase, decrease or dispose of all or any portions of investments which are at the same time being acquired, held or disposed of for the Account. The Advisor will have no obligation to initiate the purchase or sale of any securities or other assets for the Account which the Advisor, its directors, officers, affiliates, or employees may purchase, hold or sell for its or their own accounts or for the accounts of other clients of the Advisor.

Review of Accounts

All accounts are reviewed by the Advisor at least monthly. Clients can access their account and statements electronically through the custodian's web site at any time at www.interactivebrokers.com. Clients can elect to receive daily, monthly and annual printed statements from the custodian if desired. Statements include: account information, total equity, a profit/loss summary, total cash, positions and transactions (including fees paid to the advisor).

Education, Business Background, and Other Activities

Brian Richard McAuley is the sole owner of Sitka Pacific Capital Management, LLC, a SEC-Registered Investment Advisor. Mr. McAuley was born in 1975, graduated from the University of Oregon in 1999, and attended the University of Washington from 1999-2000 as a graduate student.

In 2000 Mr. McAuley formed Pacific Crest Investment Group, Inc., and served as an investment consultant until 2003. In 2003 he joined Amgen, Inc., a biotechnology company. In 2005, he founded Sitka Pacific Capital Management.

Additional Compensation

Sitka Pacific Capital Management, LLC does not receive cash or any other economic benefit (including commissions, equipment, or non-research services) from non-clients in connection to giving advice to clients. Sitka Pacific Capital Management, LLC also does not directly or indirectly compensate any person for client referrals.

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