
Merion Capital LLC
3020 Brandywine Road
Kalamazoo, MI 49008
(269) 381-9635
www.merioncapital.com
12/31/2015

This Brochure provides information about the qualifications and business practices of Merion Capital LLC. If you have any questions about the contents of this Brochure, please contact us at (269) 381-9635 and/or ccruppel@merioncapital.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.

MERION CAPITAL LLC 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 an Adviser by which you may determine to hire or retain an Adviser.

Additional information about Merion Capital LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated 12/31/2014 is a document prepared according to the SEC’s requirements and rules effective 12/31/2013. As such, this document is materially different in structure and requires certain new information that our previous (pre-2013) brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Chris C. Ruppel, President, at (269) 381-9635 or ccruppel@merioncapital.com. Our Brochure is also available on our web site www.merioncapital.com, also free of charge.

Additional information about Merion Capital LLC is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with Merion Capital LLC who are registered, or are required to be registered, as investment adviser representatives of Merion Capital LLC.

Material Changes

In 2015 Merion Capital LLC engaged the services of a third party registered investment adviser for back office support as described in Item 4.

Item 3 -Table of Contents

| | |
|--|-------------------|
| Item 1 – Cover Page | i |
| Item 2 – Material Changes | ii |
| Item 3 -Table of Contents..... | iii |
| Item 4 – Advisory Business | 1 |
| Item 5 – Fees and Compensation..... | 3 |
| Item 6 – Performance-Based Fees and Side-By-Side Management | 5 |
| Item 7 – Types of Clients | 5 |
| Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss | 5 |
| Item 9 – Disciplinary Information..... | 7 |
| Item 10 – Other Financial Industry Activities and Affiliations | 7 |
| Item 11 – Code of Ethics..... | 7 |
| Item 12 – Brokerage Practices | 9 |
| Item 13 – Review of Accounts | 10 |
| Item 14 – Client Referrals and Other Compensation | 10 |
| Item 15 – Custody..... | 10 |
| Item 16 – Investment Discretion | 10 |
| Item 17 – Voting Client Securities | 11 |
| Item 18 – Financial Information | 11 |

Brochure Supplement(s)

NONE

Item 4 – Advisory Business

Merion Capital LLC is a fee-only, independent financial advisor. Merion Capital LLC is not owned by nor affiliated with any service provider or product. Our independence and expertise allows for objective, critical evaluation of the universe of providers and products solely in the best interest of the client. Merion Capital LLC was founded in 2000 by Chris C. Ruppel who is the sole principal and sole owner. Merion Capital LLC has no intermediaries.

Merion Capital LLC provides “investment consulting services” which consists of on-going investment advice based on regular reviews of the investments in a client’s investment portfolio and, based on these reviews, recommends changes to the investments held which, in the opinion of Merion Capital LLC, can meet the client’s stated goals, objectives and restrictions.

In doing so, Merion Capital LLC will consider such factors as the client’s identity, background, and income, the size and source of the client’s funds, client’s cash flow requirements, the client’s growth objectives, and the relative risk aversion of the client. Merion Capital LLC does not offer advice on other assets which may be held by the client which are not under the management of Merion Capital LLC, such as real estate or insurance.

Merion Capital LLC’s investment advisory services are typically for the development and implementation of an investment program suitable to each client’s investment needs and includes the services of: (1) establishing acceptable investment objectives and allocations; (2) monitoring and adjusting investment allocations; (3) selecting and monitoring investment managers; and (4) evaluating and reporting to clients on the performance of their investments. These services are provided in connection with the implementation of Merion Capital LLC’s recommended asset allocation investment strategy for the client.

Merion Capital LLC mainly provides investment consulting services to pension plans, foundations, endowments, business and not-for-profit institutions, and municipal government entities. These consulting services are designed to fit a client’s particular needs, and often include extensive discussions regarding how a benefit plan works, risk/return analysis, asset allocation, manager selection, distributions from plans and related topics. Merion Capital LLC does not offer services or advice in the areas of estate planning, tax planning, insurance, brokerage, or trust services.

Merion Capital LLC will support research and make recommendations on common stocks, exchange traded securities, certificates of deposit, mutual fund shares, and U.S. government

securities. Merion Capital LLC does not research or make recommendations regarding life insurance, variable or otherwise, or annuities of any kind. Merion Capital LLC will review and advise client's on the activities of asset managers that may use options, futures, securities lending, or limited partnerships. Merion Capital LLC does not directly or indirectly engage in the issuance of options, futures, securities lending, or limited partnerships.

Merion Capital LLC advises on long-term investment portfolios using the principles of modern portfolio theory emphasizing that there are essentially only two variables that the investor can control, namely, diversification (asset allocation) and investment costs. Portfolios are constructed based on the risk profile of the client and the client's long-term funding requirements from the perspective of on-going cash needs and the desire to have a stated level of assets at some future time.

Every client is treated individually. Upon engagement Merion Capital LLC will meet with the client as often as necessary to determine the investment objectives and the risk tolerance of the client. The client may impose any type of restrictions on investing in certain types of securities, asset classes, geographic regions, or any other reason. If the investment restrictions imposed by the client do not allow, in the opinion of Merion Capital LLC, the construction of an investment portfolio sufficient to achieve the client's objectives, Merion Capital LLC will so inform the client. This may lead to Merion Capital LLC withdrawing from an on-going engagement, or from prospect discussions.

A wrap fee is comprehensive charge levied by an investment manager or investment advisor to a client for providing a bundle of services, such as investment advice, investment research and brokerage services. Merion Capital does not participate in any wrap fee programs for any services.

Clients are not required to pay for consulting services in advance.

Custodians and regulatory authorities may differentiate client accounts by whether the client has authorized Merion Capital LLC to execute trades on the client's behalf.

Discretionary accounts are client accounts wherein the advisory/consulting firm provides continuous and regular supervisory or management services with the respect to an account and the advisory/consulting firm has discretionary authority over trading within the account.

Non-discretionary accounts are client accounts wherein the advisory/consulting firm provides continuous and regular supervisory or management services with the respect to an account and although the advisory/consulting firm does not have discretionary authority over the account, the advisory/consulting firm has ongoing responsibility to select or make recommendations, based upon the needs of the client, as to specific securities or other investments the account may purchase or sell, and, if such recommendations are accepted by the client, the advisory/consulting firm is responsible for arranging or effecting the purchase or sale.

At Merion Capital LLC no trade is executed in a non-discretionary account without prior consultation with the client. Clients will furnish approval for Merion Capital LLC to execute trades on the client's behalf either in written or electronic form. In cases where the client issues verbal approval for trade execution, a confirmation, written or electronic, will be furnished to Merion Capital LLC as soon as possible subsequent to the client requesting the trade(s).

Merion Capital LLC is not a broker, not a dealer, nor a custodian. Merion Capital LLC has no affiliation with any broker, dealer, or custodian. Merion Capital LLC receives no compensation, special consideration, or benefit of any kind from any broker, dealer or custodian.

Merion has engaged the services of a third party registered investment adviser tasked with providing continuous and regular investment management services with respect to client accounts, based on the client's investment objectives, policies and restrictions. In providing these services, the third party adviser recommends asset allocation, provides research and performs back office support such as, but not limited to, the preparation of quarterly reports for client meetings.

As of 12/31/2015 Merion Capital LLC had 10 clients with 29 accounts with total market assets of \$1,257,421,000. Merion capital has no discretionary assets under management. (Assets are rounded to the nearest \$1,000).

Item 5 – Fees and Compensation

Client fees are commensurate with the services offered and are negotiated with each client.

Client and Merion Capital LLC will prepare a “Scope of Services” attachment and a “Compensation” attachment to the Investment Consulting Agreement.

The Scope of Services attachment will address those consulting services to be provided to a client by Merion Capital LLC, such as, but not limited to:

- Meeting and Participation/Availability
- Formulation and Review of Investment Goals, Objectives, and Policies

-
- Asset/Liability and Spending Policy Modeling Studies
 - Investment Manager Search/Recommendation/Implementation
 - Performance, Governance, and Compliance Monitoring
 - Educational Sessions/Policy Development
 - Performance Measurement and Reporting
 - Review of Fees and Contracts of service providers
 - Other

With the reduced staffing at municipal and county governments, foundations and endowments, Merion Capital LLC's traditional client base, the compliance and governance activities provided by Merion Capital LLC contribute to the effective execution of the fiduciary responsibilities of the client and/or the investment committees of the client.

The Compensation attachment will specify the

- Agreed upon fee and payment schedule
- Term of the engagement
- Terms of settlement in case of early termination by either party

As indicated, the specific manner in which fees are charged by Merion Capital LLC is established in a client's written agreement with Merion Capital LLC. Merion Capital LLC will generally bill its fees on a quarterly basis. Clients may elect to be billed in advance or arrears each calendar quarter. Clients may also elect to be billed directly for fees or to authorize Merion Capital LLC to directly debit fees from client accounts. Management fees are calculated on an average quarterly balance during the applicable calendar quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. Clients may elect to pay a specified fee per year with quarterly payments. Such a fee arrangement is established in a client's written agreement with Merion Capital LLC.

Merion Capital LLC's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment providers and other third parties such as fees charged by investment managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Merion Capital LLC's fee, and Merion Capital LLC shall not receive, directly or indirectly, any portion of these commissions, fees, and costs.

Merion Capital LLC or any supervised person(s) at Merion Capital LLC do not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds or any other investment product.

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

Merion Capital LLC 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

Merion Capital LLC provides portfolio management services to corporate pension and profit-sharing plans, charitable institutions, foundations, endowments, municipalities, and county governments. Merion may offer services to individuals and high net worth individuals.

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

Investing in securities involves risk of loss that clients should be prepared to bear.

A brief, non-inclusive discussion of the investment process at Merion Capital LLC follows.

Philosophy

Merion Capital LLC's investment philosophy embodies the following principles derived from academic research and the principles of Modern Finance:

Securities markets are generally efficient

- There is a systematic relationship between risk and return
- Asset allocation is the most important investment decision,
- Fees matter, and,
- Active management and market timing are not successful long-term investment strategies.

Asset Class Investing

Academic and industry studies have shown asset allocation to be the most important factor in determining future levels of return. Asset class investing allows us to meet our primary objectives for our clients of optimal diversification at the client's specific risk tolerance. The classic study by Brinson & Beebower determined that 80% of active money managers, stock pickers and market timers, did not beat the market indices over time. The study also indicated that more than 90% of the variation in portfolio returns can be explained by asset

class investing while less than 10% can be explained by attempts at market timing and stock/security selection.

Descriptions of the three major points of the research follow:

- **Security Selection**
This strategy attempts to identify and to invest in a limited number of issues, which are expected to provide above average market returns in both the short and long terms. The difficulty is in making the correct selections consistently.
- **Market Timing**
Market timers believe they can maximize returns by shifting portfolio investments in and out of the market, or among asset classes, at the right time(s). Again, the problem is consistency.
- **Asset Class Investing**
This strategy spreads investments among major asset classes in both equity and fixed income funds, and in sub-asset classes such as large and small companies; domestic and international companies; and value versus growth to gain the highest possible rates of return at the lowest possible risk as measured by the standard deviation.

The basic premise of the efficient market hypotheses is that there is a relationship between risk and reward (return). A prudent investor will not accept the same return from investments of different risk. If two investments have different risks and offer the same return, the investor will reallocate funds from the more risky investment and concentrate the funds in the less risky investment with the same return. Investors are risk averse. Similarly, given two investments with the same level of risk with one investment yielding a higher return than the other, a prudent investor will move funds from the lower yielding investment to the higher yielding investment without altering the investment risk. Investors are return sensitive

The definition of risk used by Merion Capital LLC is that risk is the uncertainty about future expected returns. Uncertainty is quantified using probability distributions. As long as the probability of an historical return series is more or less symmetrical about the mean, the standard deviation (σ) is considered a proxy for risk. Measures that attempt to take risk into account incorporate both a measure of historic return and a measure of historic variability. Since investment decisions only affect the future, the use of historic results involves an implicit assumption that the statistics derived from past performance have at least some predictive content for future

performance. While measures of historic variability can be useful for predicting future levels of risk, evidence of average or cumulative return are at best imperfect predictors of expected future return. Ultimately, of course, the goal is to use all relevant information to make unbiased forecasts of expected returns, risks, and other relevant characteristics of future performance. Thereafter, these estimates are used to determine an optimal combination of investments in appropriate assets that will provide the highest expected return for a given level of acceptable risk within a client portfolio.

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 Merion Capital LLC or the integrity of Merion Capital LLC's management. Merion Capital LLC has no legal or disciplinary information, material or otherwise, applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Merion Capital LLC has no other business activities, no other financial activities, and no affiliations with any other business.

Merion Capital LLC or management persons are not registered nor have applications pending to register as a broker-dealer, a representative of a broker dealer, or any other financial provider. Merion Capital LLC or management persons have no with relationships with banking, accounting or legal firms. All service provider relationships are at "arms-length" to ensure no conflict of interest and to avoid the perception of conflict of interest with client objectives.

Item 11 – Code of Ethics

Merion Capital LLC or related persons may recommend to clients that clients buy or sell securities in which Merion Capital LLC or related persons have prior positions. Merion Capital LLC has no financial interest, i.e. ownership, in investments offered to clients. Merion Capital LLC or related persons may recommend to clients that clients buy or sell securities that Merion Capital LLC or related persons may, in separate transactions, also buy or sell for their own accounts or the accounts of other clients.

Merion Capital LLC has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. 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 Merion Capital LLC must acknowledge the terms of the Code of Ethics annually, or as amended.

Merion Capital LLC anticipates that, in appropriate circumstances, consistent with clients' investment objectives, the normal course of business may cause accounts over which Merion Capital LLC has advisory management authority to consider the purchase and/or sale of common assets. Merion Capital LLC may recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Merion Capital LLC, its affiliates and/or clients, directly or indirectly, have a position of interest. Merion Capital LLC's employees and persons associated with Merion Capital LLC are required to follow Merion Capital LLC's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Merion Capital LLC and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Merion Capital LLC's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Merion Capital LLC 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. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Merion Capital LLC's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics to record and to reasonably prevent conflicts of interest between Merion Capital LLC and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Merion Capital LLC's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Merion Capital LLC will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata

basis. Any exceptions will be explained on the Order.

Merion Capital LLC's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Chris C. Ruppel.

It is Merion Capital LLC's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Merion Capital LLC will also not effect cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer. Merion Capital LLC is not a broker-dealer.

Item 12 – Brokerage Practices

Merion Capital LLC or any related person will not, without obtaining specific client consent, execute trades on behalf of a client with regard to the securities to be bought and sold, the amount of securities to be bought and sold, the broker-dealer to be used, or the commissions to be paid. Merion Capital or related persons will recommend trades to clients and may suggest brokers to clients based solely on best execution and lowest cost.

Merion Capital LLC has no soft dollar arrangements with any other institution, business, or persons. Research is done within Merion Capital LLC. Research tools, software, and data are purchased from commercial vendors at open market prices. Academic or financial industry publications are used without obligation or compensation. Merion Capital LLC has no incentive other than best execution at the lowest cost to recommend securities, broker-dealers, custodial services or any other products or services to clients.

Item 13 – Review of Accounts

Client accounts are reviewed by Chris C. Ruppel, owner and officer as well as by the Operations Manager. Accounts are reviewed monthly with formal reporting issued quarterly. Accounts are reviewed on an on-going basis for appropriateness and adherence to the client's investment policy statement. Major contributions or withdrawals will result in account reviews. The investment holdings of each account are inventoried and appraised monthly, and reviewed for accuracy from an administrative, accounting and investment standpoint. Asset prices are determined or confirmed independently by the custodian on each account.

Reports are issued to every account quarterly and reflect account positions, performance results, and the calculation of the quarterly consulting fees. Quarterly reports are usually accompanied by a memo, articles of interest, any of which may address pertinent investment issues and/or performance results. Other correspondence in letter and/or report form may be submitted as a result of individual client requests.

Item 14 – Client Referrals and Other Compensation

Merion Capital LLC or a related person does not receive from someone who is not a client an economic benefit for providing investment advice or other advisory services to Merion Capital LLC clients.

Merion Capital LLC or a related person does not directly or indirectly compensate any person who is not a Merion Capital LLC supervised person for client referrals.

Item 15 – Custody

Merion Capital LLC does not custody assets, client or otherwise.

Clients receive at least quarterly statements directly from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Merion Capital LLC urges clients to carefully review such statements and compare such official custodial records to the account statements that Merion Capital LLC may provide to the client. Merion Capital LLC statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

Merion Capital LLC is engaged by the client at the outset of a consulting relationship to select the identity and amount of securities to be bought or sold. Some clients authorize

Merion Capital LLC to trade in the client accounts on the client's behalf. Such authority to trade on behalf of a client requires a limited power of attorney executed by the client for each account. In all cases, however, such trading discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Merion Capital LLC observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Merion Capital LLC's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Merion Capital LLC in writing.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, Merion Capital LLC does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Merion Capital LLC may provide advice to clients regarding the clients' voting of proxies.

Should a client request Merion Capital LLC to vote proxies on their behalf, clients may obtain a copy of Merion Capital LLC's complete proxy voting policies and procedures upon request. Clients may also obtain information from Merion Capital LLC about how Merion Capital LLC voted any proxies on behalf of their account(s).

Clients will not direct Merion Capital LLC on the voting of proxies.

Existing accounts that have Merion Capital LLC voting their proxies are being redirected to the clients.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Merion Capital LLC's financial condition. Merion Capital LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Merion Capital LLC does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, therefore, a balance sheet for the most recent fiscal year is not required.

If so requested, company financials may be shared with clients or prospects on a confidential basis.