

**ITEM 1: Cover Page for  
PART 2A OF FORM ADV:  
FIRM BROCHURE  
DATED 03/2011**

**NEWBURY CAPITAL MANAGEMENT, LLC (“NCM”)  
101 EAST GREEN STREET, SUITE 12  
PASADENA, CA 91105**

**FIRM CONTACT: JON LAM, CHIEF COMPLIANCE OFFICER**

**FIRM’S WEBSITE ADDRESS: [WWW.NEWBURYLLC.COM](http://WWW.NEWBURYLLC.COM)**

**This brochure provides information about the qualifications and business practices of NCM. If you have any questions about the contents of this brochure, please contact by telephone at (626) 796-8898 or email at [jon.lam@newburyllc.com](mailto:jon.lam@newburyllc.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.**

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

**Please note that the use of the term “registered investment adviser” and description of NCM and/or our associates as “registered” does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm’s associates who advise you for more information on the qualifications of our firm and our employees.**

**ITEM 2. MATERIAL CHANGES TO OUR PART 2A OF FORM ADV:**  
**FIRM BROCHURE**

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

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

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#### **Item 4. Advisory Business**

We specialize in the following types of services: asset management and referrals to third party money managers. Our assets under management are \$50,700,000 as of 12/31/2010.

A. Description of our advisory firm, including how long we have been in business and our principal owner(s)<sup>1</sup>.

We are dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed in the State of California. Our firm has been in business as an investment adviser since 2009 and is owned as follows:

Jon Lam – 47.5 percent owner

Stuart Sneddon – 47.5 percent owner

Anton Pereiaslavitsev – 5 percent owner

B. Description of the types of advisory services we offer.

(i) Asset Management:

We emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds (“ETFs”), options, mutual funds and other public and private securities or investments. The client’s individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client’s circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the client’s individual needs, stated goals and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

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<sup>1</sup> Please note that: (1) For purposes of this item, our principal owners include the *persons* we list as owning 25% or more of our firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E). (2) If we are a publicly held company without a 25% shareholder, we simply need to disclose that we are publicly held. (3) If an individual or company owns 25% or more of our firm through subsidiaries, we must identify the individual or parent company and intermediate subsidiaries. If we are a state-registered adviser, on Form ADV Part 2A Page 2, we must identify all intermediate subsidiaries. If we are an SEC-registered adviser, we must identify intermediate subsidiaries that are publicly held, but not other intermediate subsidiaries.

(ii) Referrals to Third Party Money Managers:

We provide clients with a list of investment advisory services of third party professional portfolio management firms for the individual management of client accounts. As part of this process, we assist clients in identifying an appropriate third party money manager. We provide initial due diligence on third party money managers and ongoing reviews of their management of your account.

In order to assist clients in the selection of a third party money manager, we typically gather information from the client about their financial situation, investment objectives, and reasonable restrictions they can impose on the management of the account, which are often very limited. It is important to note that we do not offer advice on any specific securities or other investments in connection with this service. Investment advice and trading of securities is only offered by or through the third party money managers to clients.

We periodically review third party money managers' reports provided to the client, but no less often than on an annual basis. Our associates contact the clients from time to time, as agreed to with the client, in order to review their financial situation and objectives; communicate information to third party money managers as warranted; and, assist the client in understanding and evaluating the services provided by the third party money manager. The client will be expected to notify us of any changes in his/her financial situation, investment objectives, or account restrictions that could affect their account. The client may also directly contact the third party money manager managing the account or sponsoring the program.

C. Explanation of whether (and, if so, how) we tailor our advisory services to the individual needs of *clients*, whether *clients* may impose restrictions on investing in certain securities or types of securities.

(i) Individual Tailoring of Advice to Clients:

We offer individualized investment advice to clients utilizing the following services offered by our firm: Asset Management. Additionally, we offer general investment advice to clients utilizing the following services offered by our firm: Referrals to Third Party Money Managers.

(ii) Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities:

We usually do not allow clients to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing their account. In the rare instance that we would allow restrictions, it would be limited to the following services: Asset Management. We do not manage assets through our other services.

#### D. Participation in wrap fee programs.

We do not offer wrap fee programs.

E. Disclosure of the amount of *client* assets we manage on a *discretionary* basis and the amount of *client* assets we manage on a non-*discretionary* basis as of 12/31/2010.

We manage<sup>2</sup> \$48,700,000 on a discretionary basis and \$2,000,000 on a non discretionary basis as of 12/31/2010.

## Item 5. Fees and Compensation

We are required to describe our brokerage, custody, fees and fund expenses so you will know how much you are charged and by whom for our advisory services provided to you. Our fees are generally not negotiable.

A. Description of how we are compensated for our advisory services provided to you.

(i) **Asset Management:**

MARKET VALUE OF ASSETS	ANNUAL FEE
0 - 100,000	0.50%
100,000 - 250,000	0.40%
250,000 - 500,000	0.30%
500,000 - 1,000,000	0.20%
1,000,000 - 2,500,000	0.15%
2,500,000 - 5,000,000	0.10%
5,000,000 - 10,000,000	0.08%
10,000,000 - 25,000,000	0.06%
25,000,000 - 50,000,000	0.05%
50,000,000 - 100,000,000	0.04%
100,000,000 - 250,000,000	0.03%
250,000,000 - 500,000,000	0.02%
500,000,000 - 1,000,000,000	0.01%
1,000,000,000 - 2,500,000,000	0.01%
2,500,000,000 - 5,000,000,000	0.01%
5,000,000,000 - 10,000,000,000	0.01%
10,000,000,000 - 25,000,000,000	0.01%
25,000,000,000 - 50,000,000,000	0.01%
50,000,000,000 - 100,000,000,000	0.01%
100,000,000,000 - 250,000,000,000	0.01%
250,000,000,000 - 500,000,000,000	0.01%
500,000,000,000 - 1,000,000,000,000	0.01%
1,000,000,000,000 - 2,500,000,000,000	0.01%
2,500,000,000,000 - 5,000,000,000,000	0.01%
5,000,000,000,000 - 10,000,000,000,000	0.01%
10,000,000,000,000 - 25,000,000,000,000	0.01%
25,000,000,000,000 - 50,000,000,000,000	0.01%
50,000,000,000,000 - 100,000,000,000,000	0.01%
100,000,000,000,000 - 250,000,000,000,000	0.01%
250,000,000,000,000 - 500,000,000,000,000	0.01%
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100,000,000,000,000,000,000,000 - 250,000,000,000,000,000,000,000	0.01%
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500,000,000,000,000,000,000,000 - 1,000,000,000,000,000,000,000,000	0.01%
1,000,000,000,000,000,000,000,000 - 2,500,000,000,000,000,000,000,000	0.01%
2,500,000,000,000,000,000,000,000 - 5,000,000,000,000,000,000,000,000	0.01%
5,000,000,000,000,000,000,000,000 - 10,000,000,000,000,000,000,000,000	0.01%
10,000,000,000,000,000,000,000,000 - 25,000,000,000,000,000,000,000,000	0.01%

**Common Stock Fee Schedule:**

Under \$1 ,000,000	1.500%
\$ 1,000,000 and up	1.000%

**Fixed Income Fee Schedule:**

Up to \$999,000	1.000%
\$1,000,000 - \$2,499,000	.750%
\$2,500,000 - \$4,999,999	.625%
\$5,000,000 and up	.500%

**Mutual Fund Fee Schedule:**

	Equity	Fixed Income
1 <sup>st</sup> \$100,000	1.500%	1.000%
2 <sup>nd</sup> \$100,000	1.375%	.875%
3 <sup>rd</sup> \$100,000	1.250%	.750%
4 <sup>th</sup> \$100,000 and up	1.000%	.500%

<sup>2</sup> Please note that our method for computing the amount of “*client* assets we manage” can be different from the method for computing “assets under management” required for Item 5.F in Part 1A of Form ADV. However, we have chosen to follow the method outlined for Item 5.F in Part 1A of Form ADV. If we decide to use a different method at a later date to compute “*client* assets we manage,” we must keep documentation describing the method we use and inform you of the change. The amount of assets we manage may be disclosed by rounding to the nearest \$100,000. Our “as of” date must not be more than three months before the date we last updated our *Brochure* in response to Item 4.E of Form ADV Part 2A.

Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter.

(ii) Referrals to Third Party Money Managers:

We are paid by third party money managers when we refer you to them and you decide to open a managed account. Third party money managers pay us a portion of the investment advisory fee that they charge you for managing your account. Fees paid to us by third party money manager are generally ongoing. All fees we receive from third party money managers and the written separate disclosures made to you regarding these fees comply with applicable state statutes and rules. The separate written disclosures you need to be provided with include a copy of the third party money manager's Form ADV Part 2, all relevant Brochures, a Solicitation Disclosure Statement detailing the exact fees we are paid and a copy of the third party money manager's privacy policy. The third party money managers we recommend will not directly charge you a higher fee than they would have charged without us introducing you to them.

B. Description of whether we deduct fees from *clients'* assets or bill *clients* for fees incurred.

(i) Asset Management:

Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter. Fees will generally be automatically deducted from your managed account\*. As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing all disbursements for your account, including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms;
- c) We send a copy of our invoice to you, we send a copy of our invoice to the independent custodian at the same time we send the invoice to you;
- d) We send a copy of our invoice to you, our invoice includes a legend as required by California State statutes and rules.\*\*

\*In rare cases, we will agree to directly bill clients.

\*\*The legend urges the client to compare information provided in their statements with those from the qualified custodian in account opening notices and subsequent statements sent to the client for whom the adviser opens custodial accounts with the qualified custodian.

(v) Referrals to third party money managers:

Third party money managers establish and maintain their own separate billing processes which we have no control over. In general, they will directly bill you and describe how this works in their separate written disclosure documents.

C. Description of any other types of fees or expenses *clients* may pay in connection with our advisory services, such as custodian fees or mutual fund expenses.

Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm that the trades are executed through. Also, clients will pay the following separately incurred expenses, which we do not receive any part of: charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

D. Client's advisory fees are due quarterly in advance.

We charge our advisory fees quarterly in advance. In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You need to contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

E. Commissionable securities sales.

We do not sell securities for a commission. In order to sell securities for a commission, we would need to have our associated persons registered with a broker-dealer. We have chosen not to do so.

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

We do not charge performance fees to our clients.

### **Item 7. Types of Clients and Account Requirements**

We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit Sharing Plans;
- Corporations, limited liability companies and/or other business types

Our requirements for opening and maintaining accounts or otherwise engaging us:

- We require a minimum account balance of \$100,000 for our asset management service. Generally, this minimum account balance requirement is not negotiable and would be required throughout the course of the client's relationship with our firm.



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

### **A. Description of the methods of analysis and investment strategies we use in formulating investment advice or managing assets.**

#### **Methods of Analysis:**

- Fundamental;
- Quantitative;
- Technical.

#### **Investment Strategies we use:**

- Long term purchases (securities held at least a year);
- Short term purchases (securities sold within a year);
- Trading (securities sold within 30 days);
- Margin transactions.

#### **Please note:**

Investing in securities involves risk of loss that *clients* should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

### **B. Our practices regarding cash balances in *client* accounts, including whether we invest cash balances for temporary purposes and, if so, how.**

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to our asset management service, as applicable.

## **Item 9. Disciplinary Information**

We are required to disclose whether there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of our advisory business or the integrity of our management. There are a number of specific legal and disciplinary events that we must presume are material for this Item. If our advisory firm or a *management person* has been *involved* in one of these events, we must disclose it under this Item for ten years following the date of the event,

unless (1) the event was resolved in our or the *management person's* favor, or was reversed, suspended or vacated, or (2) the event is not material (see Note below). For purposes of calculating this ten-year period, the "date" of an event is the date that the final *order*, judgment, or decree was entered, or the date that any rights of appeal from preliminary *orders*, judgments or decrees lapsed.

The SEC and/or State Regulators have not provided us with an exclusive list of material disciplinary events, which need to be disclosed. If our advisory firm or a *management person* has been *involved* in a legal or disciplinary event that is not specifically required to be disclosed, but nonetheless is material to a *client's* or prospective *client's* evaluation of our advisory business or the integrity of our management, we must disclose the event. Similarly, even if more than ten years has passed since the date of the event, we must disclose the event if it is so serious that it remains currently material to a *client's* or prospective *client's* evaluation of our firm or management.

We have determined that our firm and management have nothing to disclose under the aforementioned standard.

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

Mr. Barnett maintains an insurance license with Crump Insurance. He also maintains securities licenses (Series 7 & 66) with P.J. Robb Variable Corp., a broker-dealer. He may offer securities and insurance products and receive normal and customary commissions as a result of transactions. This presents a conflict of interest to the extent that Mr. Barnett recommends that a client invest in a security or insurance product which results in a commission being paid to him.

A conflict of interest may arise as these commissionable securities and insurance product sales may create an incentive to recommend products based on the compensation our firm and/or our Mr. Barnett may earn and may not necessarily be in the best interests of the client.

- A. If we recommend or select other investment advisers for our *clients* and we receive compensation directly or indirectly from those advisers, or we have other business relationships with those advisers, we are required to describe these practices and discuss the conflicts of interest these practices create and how we address them.

Please see Item 4 of this Brochure.

## **Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

- A. Brief description of our Code of Ethics adopted pursuant to SEC rule 204A-1 and offer to provide a copy of our Code of Ethics to any *client* or prospective *client* upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts<sup>3</sup>. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

- B. If our firm or a *related person* invests in the same securities (or related securities, *e.g.*, warrants, options or futures) that our firm or a *related person* recommends to *clients*, we are required to describe our practice and discuss the conflicts of interest this presents and generally how we address the conflicts that arise in connection with personal trading.

See Item 11A of this Brochure.

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<sup>3</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

- C. If our firm or a *related person* recommends securities to *clients*, or buys or sells securities for *client* accounts, at or about the same time that you or a *related person* buys or sells the same securities for our firm's (or the *related person's* own) account, we are required to describe our practice and discuss the conflicts of interest it presents. We are also required to describe generally how we address conflicts that arise.

See Item 11A of this Brochure.

## **Item 12. Brokerage Practices**

- A. Description of the factors that we consider in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (e.g., commissions).

1. Research and Other Soft Dollar Benefits. If we receive research or other products or services other than execution from a broker-dealer or a third party in connection with *client* securities transactions ("soft dollar benefits"), we are required to disclose our practices and discuss the conflicts of interest they create. Please note that we must disclose all soft dollar benefits we receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

Our firm participates in the Schwab Institutional/ TD Ameritrade Institutional programs. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") /Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab") members FINRA/SIPC/NFA. Schwab/TD Ameritrade is an independent [and unaffiliated] SEC-registered broker-dealer. Schwab/TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from Schwab/TD Ameritrade through our participation in the program. (Please see the disclosure under Item 14 of this Brochure.)

Our firm maintains an institutional brokerage account with Merrill Lynch. In addition to execution of securities transactions the services we receive from Merrill Lynch include access to Merrill research reports and attendance at Merrill sponsored investor meetings.

Our firm also maintains an institutional brokerage account with BNY ConvergeEx. In addition to execution of securities transactions the services we receive from BNY ConvergeEx include a variety of third party research services, databases, and publications.

- a. Explanation of when we use *client* brokerage commissions (or markups or markdowns) to obtain research or other products or services, and how we receive a benefit because our firm does not have to produce or pay for the research, products or services.

As part of the arrangement described in Item 12A1, Schwab/TD Ameritrade also makes certain research and brokerage services available at no additional cost to our firm. These services include certain research and brokerage services, including research services obtained by Schwab/TD Ameritrade directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by Schwab/TD Ameritrade to our firm may include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by Schwab/TD Ameritrade to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services are used by our firm to manage accounts for which we have investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

- b. Incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on our *clients'* interest in receiving best execution.

As a result of receiving the services discussed in 12A(1)a of this Firm Brochure for no additional cost, we may have an incentive to continue to use or expand the use of Schwab/TD Ameritrade's services. Our firm examined this potential conflict of interest when we chose to enter into the relationship with Schwab/TD Ameritrade and we have determined that the relationship is in the best interest of our firm's clients and satisfies our client obligations, including our duty to seek best execution.

Schwab/TD Ameritrade charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Schwab/TD Ameritrade enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Schwab/TD Ameritrade's commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by Schwab/TD Ameritrade may be higher or lower than those charged by other custodians and broker-dealers.

- c. Causing *clients* to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as *paying-up*).

Our non-wrap fee program clients may pay a commission to Schwab/TD Ameritrade that is higher than another qualified broker dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best

execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

- d. Disclosure of whether we use soft dollar benefits to service all of our *clients*' accounts or only those that paid for the benefits, as well as whether we seek to allocate soft dollar benefits to *client* accounts proportionately to the soft dollar credits the accounts generate.

Although the investment research products and services that may be obtained by our firm will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

- e. Description of the types of products and services our firm or any of our *related persons* acquired with *client* brokerage commissions (or markups or markdowns) within our last fiscal year.

We are required to specifically describe to our clients the types of products or services that we are acquiring and to permit them to evaluate possible conflicts of interest. Our description must be more detailed for products or services that do not qualify for the safe harbor in Section 28(e) of the Securities Exchange Act of 1934, such as those services that do not aid in investment decision-making or trade execution. Merely disclosing that we obtain various research reports and products is not specific enough.

In addition to the benefits described in Item 12A1 of this Brochure, Schwab/TD Ameritrade also makes available to our firm other products and services that benefit us, but may not benefit our clients' accounts. These benefits may include national, regional or investment adviser specific educational events organized and/or sponsored by Schwab/TD Ameritrade. Other potential benefits may include occasional business entertainment of personnel of our firm by Schwab/TD Ameritrade personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Some of these products and services assist our firm in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of our accounts, including accounts not maintained at

Schwab/TD Ameritrade. Schwab/TD Ameritrade also makes available to our firm other services intended to help our firm manage and further develop our business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance, and marketing. In addition, Schwab/TD Ameritrade may make available, arrange and/or pay vendors for these types of services rendered to our firm by independent third parties. Schwab/TD Ameritrade may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. While, as a fiduciary, our firm endeavors to act in our clients' best interests, Adviser's recommendation/requirement that clients maintain their assets in accounts at Schwab/TD Ameritrade may be based in part on the benefit to our firm of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost, or quality of custody and brokerage services provided by Schwab/TD Ameritrade, which may create a potential conflict of interest. We would have to obtain the aforementioned services and products for cash if we did not have soft dollars available to pay for them. As a result of receiving such products and services for no cost, we may have an incentive to continue to place client trades through broker-dealers that offer soft dollar arrangements. This interest conflicts with the clients' interest of obtaining the lowest commission rate available. Therefore, we must determine in good faith, based on the best execution policy stated above that such commissions are reasonable in relation to the value of the services provided by such executing broker-dealers.

f. Explanation of the procedures we used during our last fiscal year to direct *client* transactions to a particular broker-dealer in return for soft dollar benefits we received.

All soft dollars arrangements must be approved in writing by our Chief Compliance Officer. A brief description of the purpose of the soft dollar arrangement outlining the benefits received by our firm and clients along with any noted concerns about increased costs to our clients and how such concerns were alleviated will be maintained on file. Our Chief Compliance Officer undertakes a review of parties which propose to pay our firm in soft dollars and analyzes a number of criteria. When deciding whether to approve or disapprove of a soft dollar relationship, the following criteria is reviewed: the broker-dealer's business reputation and financial position and our ability to consistently execute orders professionally and on a cost effective basis, provide prompt and accurate execution reports, prepare timely and accurate confirms, deliver securities or cash proceeds promptly and provide meaningful research services that are useful to us in investment decision-making or other desired and appropriate services. Our Chief Compliance Officer also annually reviews all our soft dollar relationships for appropriateness, benefits to our clients, etc.

At times, a product or service we would like to purchase with soft dollars may have a "mixed use", meaning that a portion of the product is used to provide bona fide research as part of the investment decision-making process and part of it may be used

for a non-research purpose. In these situations, our Chief Compliance Officer will make a pro-rata allocation of the cost of such service based on our evaluation of the research and non-research uses of the product. The cost of the product must be paid using both hard and soft dollars, the hard dollars being paid by our firm for the non-research portion and soft dollars for the research portion. For services that have a "mixed use", our Chief Compliance Officer will make a fair and reasonable determination as to how much of the cost may be paid with soft dollars. The basis for such determination shall be documented and will include an explanation as to how the computation of such percentage was reached. Our Chief Compliance Officer's computation shall be retained in our firm's files along with any records used to determine the "mixed use" percentages. Whenever there is a substantial change in the use of "mixed use" services, our Chief Compliance Officer will reevaluate such services. Providers of services that have a "mixed use" will be directed to either bill the paying broker for such service and the broker will be directed to bill us for the non-research portion, or to send separate bills to us and the paying broker for the appropriate amounts.

As a fiduciary, we have an obligation to obtain "best execution" of clients' transactions under the circumstances of the particular transaction. Consequently, notwithstanding the safe harbor provided under Section 28(e), no allocation for soft dollar payments shall be made unless best execution of the transaction is reasonably expected to be obtained.

- 2) Brokerage for Client Referrals. If we use client brokerage to compensate or otherwise reward brokers for client referrals, we must disclose this practice, the conflicts of interest it creates, and any procedures we used to direct client brokerage to referring brokers during the last fiscal year (*i.e.*, the system of controls used by us when allocating brokerage)

Our firm does not receive brokerage for client referrals.

- 3) Directed Brokerage.
- a. If we routinely recommend, request or require that a *client* directs us to execute transactions through a specified broker-dealer, we are required to describe our practice or policy. Further, we must explain that not all advisers require their *clients* to direct brokerage. If our firm and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, we are further required to describe the relationship and discuss the conflicts of interest it presents by explaining that through the direction of brokerage we may be unable to achieve best execution of *client* transactions, and that this practice may cost our *clients* more money.

In certain instances, clients may seek to limit or restrict our discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected. Clients may seek to limit our authority in this area by



directing that transactions (or some specified percentage of transactions) be executed through specified brokers in return for portfolio evaluation or other services deemed by the client to be of value. Any such client direction must be in writing (often through our advisory agreement), and may contain a representation from the client that the arrangement is permissible under its governing laws and documents, if this is relevant.

We provide appropriate disclosure in writing to clients who direct trades to particular brokers, that with respect to their directed trades, they will be treated as if they have retained the investment discretion that we otherwise would have in selecting brokers to effect transactions and in negotiating commissions and that such direction may adversely affect our ability to obtain best price and execution. In addition, we will inform you in writing that your trade orders may not be aggregated with other clients' orders and that direction of brokerage may hinder best execution.

### **Special Considerations for ERISA Clients**

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

- b. If we permit a *client* to direct brokerage, we are required to describe our practice. If applicable, we must also explain that we may be unable to achieve best execution of your transactions. Directed brokerage may cost *clients* more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices on transactions.

See Item 12A(3) of this Brochure.

- B. Discussion of whether, and under what conditions, we aggregate the purchase or sale of securities for various *client* accounts in quantities sufficient to obtain reduced transaction costs (known as bunching). If we do not bunch orders when we have the opportunity to do so, we are required to explain our practice and describe the costs to *clients* of not bunching.

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts.

When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

### **Item 13. Review of Accounts or Financial Plans**

- A. Review of *client* accounts or financial plans, along with a description of the frequency and nature of our review, and the titles of our *employees* who conduct the review.

We review accounts on at least a weekly basis for our clients subscribing to the following services: Asset Management. Third Party Money Management clients receive at least quarterly reviews. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Only our Financial Advisors or Portfolio Managers will conduct reviews.

- B. Review of *client* accounts on other than a periodic basis, along with a description of the factors that trigger a review.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

- C. Description of the content and indication of the frequency of written or verbal regular reports we provide to *clients* regarding their accounts.

We do not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when we meet with clients who subscribe to the following services: Asset Management and Third Party Money Management.

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

- A. If someone who is not a *client* provides an economic benefit to our firm for providing investment advice or other advisory services to our *clients*, we must generally describe the arrangement. For purposes of this Item, economic benefits include any sales awards or other prizes.

Our firm may recommend that clients establish brokerage accounts with Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), registered broker-dealers, Members SIPC, to maintain custody of Clients' assets and to effect trades for their accounts. Our firm

is independently owned and operated and not affiliated with Schwab. Our firm may also recommend that Clients establish accounts with firms other than Schwab.

Our firm places trades for its Clients' accounts subject to its duty to seek best execution and its other fiduciary duties. Our firm may use broker-dealers other than Schwab to execute trades for client accounts maintained at Schwab, but this practice may result in additional costs to clients so that we are more likely to place trades through Schwab rather than other broker-dealers. Schwab's execution quality may be different than other broker-dealers.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Some of the products, services and other benefits provided by Schwab benefit us and may not benefit our firm's client accounts. Our recommendation/requirement that a client place assets in Schwab's custody may be based in part on benefits Schwab provides to us, and not solely on the nature, cost or quality of custody and execution services provided by Schwab.

Schwab also makes available to our firm other products and services that benefit us but may not benefit clients' accounts. These benefits may include national, regional or specific to our firm, educational events organized and/or sponsored by Schwab Institutional. Other potential benefits may include occasional business entertainment of personnel of our firm by Schwab Institutional personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist us in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of our firm's accounts, including accounts not maintained at Schwab Institutional. Schwab Institutional also makes available to us other services intended to help our firm manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to our firm by independent third parties. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to us. While, as a fiduciary, Our firm endeavors to act in its clients' best interests, our recommendation/requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to our firm of the availability of some of the foregoing products and services and other

arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

But for soft dollar arrangements, we would have to obtain the aforementioned services and products for cash. As a result of receiving such products and services for no cost, we may have an incentive to continue to place Client trades through broker-dealers that offer soft dollar arrangements. This interest conflicts with the Clients' interest of obtaining the lowest commission rate available. Therefore, our firm must determine in good faith, based on the "best execution" policy stated above that such commissions are reasonable in relation to the value of the services provided by such executing broker-dealers.

From time-to-time our firm may make an error in submitting a trade order on a client's behalf. When this occurs, we may place a correcting trade with the broker-dealer which has custody of the client's account. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should have received the gain, it is not permissible for the client to retain the gain, or our firm confers with the client and the client decides to forego the gain (e.g., due to tax reasons). If the gain does not remain in the client's account and Schwab is the custodian, Schwab will donate the amount of any gain \$100 and over to charity. If a loss occurs greater than \$100, we will pay for the loss. Schwab will maintain the loss or gain (if such gain is not retained in the client's account) if it is under \$100 to minimize and offset its administrative time and expense. Generally, if related trade errors result in both gains and losses in the client's account, they may be netted.

Apart from the arrangements outlined in Item 12 of this brochure, we have no additional TD AMERITRADE arrangements to disclose.

- B. If our firm or a *related person* directly or indirectly compensates any *person* who is not our *employee* for *client* referrals, we are required to describe the arrangement and the compensation.

We may pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with California State statutes and rules. Such referral fee represents a share of our investment advisory fee charged to our clients. This arrangement will not result in higher costs to you. In this regard, we maintain *Solicitors Agreements* in compliance with California State statutes and rules and applicable state and federal laws. All clients referred by Solicitors to our firm will be given full written disclosure describing the terms and fee arrangements between our firm and Solicitor(s). In cases where state law requires licensure of solicitors, we ensure that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If we are paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

We may pay a portion of the ongoing investment advisory fee to independent solicitors who are registered as an investment advisor, investment advisor representative, or properly exempted from registration ("registered solicitor") for the referral of their Clients to the Advisor in accordance with California State statutes and rules. In addition, a registered

solicitor may provide advice to a client regarding a security, the securities market, a client's investment objective, an investment adviser's investment strategy or performance. A registered solicitor will be granted full access to a Client's account data, while they are a client of our firm. Such referral fee represents a share of our asset-based investment Advisory fee. This arrangement will not result in higher costs to the Client. In this regard, we maintain *Solicitors Agreements* in compliance with California State statutes and rules and applicable state and federal laws.

### **Item 15. Custody**

- A. If we have custody of client funds or securities and a qualified custodian as defined in SEC rule 206(4)-2 or similar state rules (for example, a broker-dealer or bank) does not send account statements with respect to those funds or securities directly to our clients, we must disclose that we have custody and explain the risks that you will face because of this.

State Securities Bureaus or their equivalent generally take the position that any arrangement under which a registered investment adviser is authorized or permitted to withdraw client funds or securities maintained with a custodian upon the adviser's instruction to the custodian is deemed to have custody of client funds and securities.

As such, we have adopted the following safeguarding procedures:

- (1) Our clients must provide us with written authorization permitting direct payment to us of our advisory fees from their account(s) maintained by a custodian who is independent of our firm;
- (2) We must send a statement to our clients showing the amount of our fee, the value of your assets upon which our fee was based, and the specific manner in which our fee was calculated;
- (3) We must disclose to you that it is your responsibility to verify the accuracy of our fee calculation, and that the custodian will not determine whether the fee is properly calculated; and
- (4) Your account custodian must agree to send you a statement, at least quarterly, showing all disbursements from your account, including advisory fees.

- B. If we have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to our clients, we are required to explain that you will receive account statements from the broker-dealer, bank, or other qualified custodian and that you should carefully review those statements.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

## **Item 16. Investment Discretion**

If we accept *discretionary authority* to manage securities accounts on behalf of *clients*, we are required to disclose this fact and describe any limitations our *clients* may place on our authority. The following procedures are followed before we assume this authority:

Our clients need to sign a discretionary investment advisory agreement with our firm for the management of their account. This type of agreement only applies to our Asset Management clients. We do not take or exercise discretion with respect to our other clients.

## **Item 17. Voting Client Securities**

- A. If we have, or will accept, proxy authority to vote *client* securities, we must briefly describe our voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6.

SEC Rule 206(4)-6 requires investment advisers who have voting authority with respect to securities held in their clients' accounts to monitor corporate actions and vote proxies in their clients' interests. We are required by the SEC to adopt written policies and procedures, make those policies and procedures available to clients, and retain certain records with respect to proxy votes cast.

We consider proxy voting an important right of our clients as shareholders and believe that reasonable care and diligence must be taken to ensure that such rights are properly and timely exercised. As a customer of NCM, you have the ability to choose whether to vote your proxies or have NCM vote proxies on your behalf. However, unless otherwise agreed in writing, NCM will vote proxy ballots for securities held in clients' accounts. Management review is made prior to investing in any security and NCM will take into consideration changes in management. If you choose to have NCM vote proxies on your behalf, NCM will strive to vote proxies in the best interest of all NCM customers who own a particular security.

### ***Proxy Voting Policy & Procedures***

In general, NCM will vote with management in routine matters. Routine matters include ratification of the current Board of Directors, ratification of management's choice of auditor, approval of payment of a standard stock dividend, etc. Non-routine matters such as company mergers, buyouts, or spin offs will be reviewed by NCM's Proxy Voting Committee which is comprised of portfolio managers and the President and voted in the best interest of all of NCM's customers as agreed by the Proxy Voting Committee of NCM.

Conflicts of interest should be minimal but could arise if the one or more of the Proxy Voting Committee members has an interest in a particular security. All security ownership conflicts of interest must be disclosed by the Committee members to the

Committee. If one of the Committee members has an interest in shares of a particular security (outside of a mutual fund), that Committee member shall be temporarily removed from the committee.

The Proxy Voting Committee shall be comprised of the Portfolio Managers, Stuart Sneddon, Chief Investment Officer and Jon Lam, Chief Executive Officer and Chief Compliance Officer.

A record of how each proxy was voted will be made and retained for a period of five years. Should you wish to obtain a copy of how a particular proxy was voted, please send a request by email to [Jon.Lam@NewburyLLC.com](mailto:Jon.Lam@NewburyLLC.com) or in writing to Newbury Capital Management, LLC, 101 East Green Street, Suite 12, Pasadena, CA 91105.

We may pay for proxy voting services with soft dollars. Our soft dollar procedures are described in item 12 of this brochure. We do not charge an additional fee to vote proxies.

If we do not have authority to vote *client* securities, we must disclose this fact.

See Item 17.A. of this brochure.

### **Item 18. Financial Information**

- A. If we require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, we must include a balance sheet for our most recent fiscal year.

We do not require nor do we solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance. Therefore we have not included a balance sheet for our most recent fiscal year.

- B. If we are an SEC-registered adviser and have *discretionary authority or custody of client funds or securities*, or we require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, we must disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to *clients*.

We have nothing to disclose in this regard.

**Note:** With respect to Items 18.A and 18.B, if we are registered or are registering only with one or more of the *state securities authorities*, the dollar amount reporting threshold for including the required balance sheet and for making the required financial condition disclosures is more than \$500 in fees per *client*, six months or more in advance.

- C. If we have been the subject of a bankruptcy petition at any time during the past ten years, we must disclose this fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.

If we are registering or are registered with one or more *state securities authorities*, we must respond to the following additional Item.

**Item 19. Requirements for State-Registered Advisers**

- A. Identification of each of our principal executive officers and *management persons*, and description of their formal educations and business backgrounds.

Please see Part 2B, Brochure Supplements for Messrs. Lam, Sneddon, and Barnett, II.

- B. Description of any business in which we are actively engaged (other than giving investment advice) and the approximate amount of time spent on that business.

We have nothing to disclose in this regard.

- C. In addition to the description of our fees in response to Item 5 of Part 2A, if our firm or a *supervised person* is compensated for advisory services with *performance-based fees*, we must explain how these fees will be calculated. Further, we must disclose specifically that performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the *client*.

We do not charge performance-based fees.

- D. If our firm or a *management person* has been *involved* in one of the events listed below, we must disclose all material facts regarding the event.

1. An award or otherwise being *found* liable in an arbitration claim alleging damages in excess of \$2,500, *involving* any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

2. An award or otherwise being *found* liable in a civil, *self-regulatory organization*, or administrative *proceeding* involving any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.



We have nothing to disclose in this regard.

- E. In addition to any relationship or arrangement described in response to Item 10.C. of Part 2A, we must describe any relationship or arrangement that our firm or any of our *management persons* have with any issuer of securities that is not listed in Item 10.C. of Part 2A.

We have nothing to disclose in this regard.

Pursuant to California Code of Regulations, CCR Section 260.238(j), we hereby disclose that Clients may receive the same or comparable services from other Financial Advisors at a lower fee.

Pursuant to California Code of Regulations, Title 10, CCR Section 260.235.2, we disclose that we may utilize various firms for the execution of securities transactions and to custody assets.

All material conflicts of interest under California Code of Regulations, CCR Section 260.238(k) are disclosed regarding our firm, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

**ITEM 1: Cover Page for  
PART 2B OF FORM ADV:  
BROCHURE SUPPLEMENT  
DATED 03/2011**

**NEWBURY CAPITAL MANAGEMENT, LLC (“NCM”)  
101 EAST GREEN STREET, SUITE 12  
PASADENA, CA 91105**

**FIRM CONTACT: JON LAM, CHIEF COMPLIANCE OFFICER**

**FIRM’S WEBSITE ADDRESS: [WWW.NEWBURYLLC.COM](http://WWW.NEWBURYLLC.COM)**

**This brochure supplement provides information about Jon Lam that supplements our brochure. You should have received a copy of that brochure. Please contact Mr. Jon Lam if you did not receive NCM’s brochure or if you have any questions about the contents of this supplement.**

**Additional information about NCM and Jon Lam is available on the SEC’s website at  
[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 Educational Background and Business Experience**

We are required to disclose the following information about *Jon Lam*:

### ***Jon Christopher Lam***

*Born in 1966*

#### Business Experience

- 2009—Present, Chief Executive Officer and Chief Compliance Officer, Newbury Capital Management LLC, Pasadena, CA
- 2005—2009, President, Tower Asset Management, Beverly Hills, CA
- 2002—2005 C.O.O., Tower Asset Management, Beverly Hills, CA
- 1997—2002 Director of Client Services, Tower Asset Management
- 1997—2009 Registered Representative, M. L. Stern & Co., LLC
- 1989—1997 Regional Marketing Representative, Charles Schwab & Co., Inc.
- 1989—1989 Account Executive, Osborne Stern & Co., Los Angeles, CA
- 1988—1988 Account Executive, J. T. Moran & Co., Hartford, CT

#### Educational Background

- 1997—MBA, University of Southern California
- 1988—B.S., Boston University

#### Professional Designations, Licensing & Exams

- 1992—Series 8
- 1988—Series 7
- 1988—Series 63

## **Item 3 Disciplinary Information<sup>1</sup>**

If there are legal or disciplinary events material to your evaluation of Mr. Lam, we are required to disclose all material facts regarding those events.

We have nothing to disclose in this regard.

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<sup>1</sup> **Note:** Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Mr. Lam to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Mr. Lam to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.

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

- A. If Mr. Lam is actively engaged in any *investment-related* business or occupation, including if Mr. Lam is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), or an associated *person* of an FCM, CPO, or CTA, we are required to disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

We have nothing to disclose in this regard.

- B. If Mr. Lam is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of Mr. Lam’s income or involve a substantial amount of Mr. Lam’s time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Mr. Lam’s time and income, we may presume that they are not substantial.

We have nothing to disclose in this regard.

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

If someone who is not a *client* provides an economic benefit to Mr. Lam for providing advisory services, we are required to generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include Mr. Lam’s regular salary. Any bonus that is based, at least in part, on the number or amount of sales, *client* referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

We have nothing to disclose in this regard.

#### **Item 6            Supervision**

We are required to explain how we *supervise* Mr. Lam, including how we monitor the advice Mr. Lam provides to *you*. Our firm has to provide the name, title and telephone number of the *person* responsible for supervising Mr. Lam’s advisory activities on behalf of our firm.

Mr. Lam is the Chief Compliance Officer and as such has no internal supervision placed over him. He is however bound by our firm’s Code of Ethics and Written Supervisory Procedures.

If we are registered or are registering with one or more *state securities authorities*, we must respond to the following additional Item.

**Item 7            Requirements for State-Registered Advisers**

A. In addition to the events listed in Item 3 of Part 2B, if Mr. Lam has been *involved* in one of the events listed below, we disclose all material facts regarding the event.

1. An award or otherwise being *found* liable in an arbitration claim alleging damages in excess of \$2,500, *involving* any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

2. An award or otherwise being *found* liable in a civil, *self-regulatory organization*, or administrative *proceeding* involving any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

B. If Mr. Lam has been the subject of a bankruptcy petition, we must disclose that fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.

**ITEM 1: Cover Page for  
PART 2B OF FORM ADV:  
BROCHURE SUPPLEMENT  
DATED 03/2011**

**NEWBURY CAPITAL MANAGEMENT, LLC (“NCM”)  
101 EAST GREEN STREET, SUITE 12  
PASADENA, CA 91105**

**FIRM CONTACT: JON LAM, CHIEF COMPLIANCE OFFICER**

**FIRM’S WEBSITE ADDRESS: [WWW.NEWBURYLLC.COM](http://WWW.NEWBURYLLC.COM)**

**This brochure supplement provides information about Stuart Sneddon that supplements our brochure. You should have received a copy of that brochure. Please contact Mr. Jon Lam if you did not receive NCM’s brochure or if you have any questions about the contents of this supplement.**

**Additional information about NCM and Stuart Sneddon is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2            Educational Background and Business Experience**

We are required to disclose the following information about *Stuart Sneddon*:

### ***Stuart Michael Sneddon***

*Born in 1962*

#### Business Experience

- 2009—Present, Chief Investment Officer, Newbury Capital Management LLC, Pasadena, CA
- 1992—2009, Chief Investment Officer & Portfolio Manager, Tower Asset Management, Beverly Hills, CA
- 1990—1992 Credit Analyst, ML Stern & Co., Beverly Hills, CA
- 1989—1990 Quantitative Analyst, Washington Square Capital, Minneapolis, MN

#### Educational Background

- 1985—B.A., University Wisconsin
- 1988—MBA, Texas Christian University

#### Professional Designations, Licensing & Exams

- 1992—CFA (Chartered Financial Analyst)®

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 90,000 CFA charterholders working in 134 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

### **High Ethical Standards**

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

### **Global Recognition**

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and

decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 22 countries and territories recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

### **Comprehensive and Current Knowledge**

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org).

### **Item 3            Disciplinary Information<sup>1</sup>**

If there are legal or disciplinary events material to your evaluation of Mr. Sneddon, we are required to disclose all material facts regarding those events.

We have nothing to disclose in this regard.

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<sup>1</sup> **Note:** Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Mr. Sneddon to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Mr. Sneddon to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.



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

- A. If Mr. Sneddon is actively engaged in any *investment-related* business or occupation, including if Mr. Sneddon is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), or an associated *person* of an FCM, CPO, or CTA, we are required to disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

We have nothing to disclose in this regard.

- B. If Mr. Sneddon is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of Mr. Sneddon’s income or involve a substantial amount of Mr. Sneddon’s time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Mr. Sneddon’s time and income, we may presume that they are not substantial.

We have nothing to disclose in this regard.

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

If someone who is not a *client* provides an economic benefit to Mr. Sneddon for providing advisory services, we are required to generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include Mr. Sneddon’s regular salary. Any bonus that is based, at least in part, on the number or amount of sales, *client* referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

We have nothing to disclose in this regard.

#### **Item 6            Supervision**

We are required to explain how we *supervise* Mr. Sneddon, including how we monitor the advice Mr. Sneddon provides to *you*. Our firm has to provide the name, title and telephone number of the *person* responsible for supervising Mr. Sneddon’s advisory activities on behalf of our firm.

Mr. Jon Lam, Chief Compliance Officer of NCM, supervises and monitors Mr. Sneddon’s activities on a regular basis. Mr. Lam reviews all outgoing correspondence for written financial advice that Mr. Sneddon provides to his clients. Please contact Mr. Lam if you have any questions about Mr. Sneddon’s brochure supplement at (626) 796-8898.

If we are registered or are registering with one or more *state securities authorities*, we must respond to the following additional Item.

**Item 7            Requirements for State-Registered Advisers**

A. In addition to the events listed in Item 3 of Part 2B, if Mr. Sneddon has been *involved* in one of the events listed below, we disclose all material facts regarding the event.

1. An award or otherwise being *found* liable in an arbitration claim alleging damages in excess of \$2,500, *involving* any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

2. An award or otherwise being *found* liable in a civil, *self-regulatory organization*, or administrative *proceeding* involving any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

B. If Mr. Sneddon has been the subject of a bankruptcy petition, we must disclose that fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.

**ITEM 1: Cover Page for  
PART 2B OF FORM ADV:  
BROCHURE SUPPLEMENT  
DATED 03/2011**

**NEWBURY CAPITAL MANAGEMENT, LLC (“NCM”)  
101 EAST GREEN STREET, SUITE 12  
PASADENA, CA 91105**

**FIRM CONTACT: JON LAM, CHIEF COMPLIANCE OFFICER**

**FIRM’S WEBSITE ADDRESS: [WWW.NEWBURYLLC.COM](http://WWW.NEWBURYLLC.COM)**

**This brochure supplement provides information about Edward Barnett, II that supplements our brochure. You should have received a copy of that brochure. Please contact Mr. Jon Lam if you did not receive NCM’s brochure or if you have any questions about the contents of this supplement.**

**Additional information about NCM and Edward Barnett, II is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Item 2 Educational Background and Business Experience

We are required to disclose the following information about *Edward Barnett, II*:

### ***Edward Barnett, II***

*Born in 1974*

#### Business Experience

- 2009—Present, Vice President, Private Client Group, Newbury Capital Management LLC, Pasadena, CA
- 2006—2009, Vice President, Wealth Management Group, ML Stern & Co., LLC, Beverly Hills, CA
- 2003—2006 Director, Retirement Services, ML Stern & Co., LLC, Beverly Hills, CA
- 2000—2003 Retirement Services Administrator, ML Stern & Co., LLC Beverly Hills, CA

#### Educational Background

- B.A., University of California, Los Angeles (UCLA)

#### Professional Designations, Licensing & Exams

2004--Series 7, 2004--Series 66, Life Insurance License

## Item 3 Disciplinary Information<sup>1</sup>

If there are legal or disciplinary events material to your evaluation of Mr. Barnett, II, we are required to disclose all material facts regarding those events.

We have nothing to disclose in this regard.

## Item 4 Other Business Activities

- A. If Mr. Barnett, II is actively engaged in any investment-related business or occupation, including if Mr. Barnett, II is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant

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<sup>1</sup> **Note:** Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Mr. Barnett, II to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Mr. Barnett, II to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.

(“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), or an associated *person* of an FCM, CPO, or CTA, we are required to disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

Mr. Barnett maintains an insurance license with Crump Insurance. He also maintains securities licenses (Series 7 & 66) with P.J. Robb Variable Corp., a broker-dealer. He may offer securities and insurance products and receive normal and customary commissions as a result of transactions. This presents a conflict of interest to the extent that Mr. Barnett recommends that a client invest in a security or insurance product which results in a commission being paid to him.

A conflict of interest may arise as these commissionable securities and insurance product sales may create an incentive to recommend products based on the compensation our firm and/or our Mr. Barnett may earn and may not necessarily be in the best interests of the client.

- B. If Mr. Barnett, II is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of Mr. Barnett, II’s income or involve a substantial amount of Mr. Barnett, II’s time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Mr. Barnett, II’s time and income, we may presume that they are not substantial.

We have nothing to disclose in this regard.

## **Item 5            Additional Compensation**

If someone who is not a *client* provides an economic benefit to Mr. Barnett, II for providing advisory services, we are required to generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include Mr. Barnett, II’s regular salary. Any bonus that is based, at least in part, on the number or amount of sales, *client* referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

We have nothing to disclose in this regard.

## **Item 6            Supervision**

We are required to explain how we *supervise* Mr. Barnett, II, including how we monitor the advice Mr. Barnett, II provides to *you*. *Our firm has to provide the name, title and telephone number of the person responsible for supervising Mr. Barnett, II’s advisory activities on behalf of our firm.*

Mr. Jon Lam, Chief Compliance Officer of NCM, supervises and monitors Mr. Barnett, II's activities on a regular basis. Mr. Lam reviews all outgoing correspondence for written financial advice that Mr. Barnett, II provides to his clients. Please contact Mr. Lam if you have any questions about Mr. Barnett, II's brochure supplement at (626) 796-8898.

**If we are registered or are registering with one or more *state securities authorities*, we must respond to the following additional Item.**

**Item 7            Requirements for State-Registered Advisers**

A. In addition to the events listed in Item 3 of Part 2B, if Mr. Barnett has been *involved* in one of the events listed below, we disclose all material facts regarding the event.

1. An award or otherwise being *found* liable in an arbitration claim alleging damages in excess of \$2,500, *involving* any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

2. An award or otherwise being *found* liable in a civil, *self-regulatory organization*, or *administrative proceeding* involving any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

B. If Mr. Barnett has been the subject of a bankruptcy petition, we must disclose that fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.