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This wrap fee program brochure provides information about the qualifications and business practices of Sitrin Capital Management LLC. If you have any questions about the contents of this brochure, please contact Efren Bolisay, Chief Compliance Officer, by telephone at (424) 777-4400 or by email at [efren@sitrincapital.com](mailto:efren@sitrincapital.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 Sitrin Capital Management LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Please note use of the term "registered investment adviser" and description of Sitrin Capital Management LLC 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 which advise you for more information on the qualifications of our firm and its employees.

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## ITEM 2: MATERIAL CHANGES TO OUR PART 2A OF FORM ADV WRAP FEE PROGRAM BROCHURE

Sitrin Capital Management LLC ("SCM") is required to advise you of any material changes to our Wrap Fee Program Brochure ("Wrap Brochure") from our last annual update. We must state clearly that we are discussing only material changes since the last annual update of our Wrap Brochure.

At this time, there are no material changes to report about our Wrap Brochure.

Last Annual Amendment: January 17, 2013

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## ITEM 4: SERVICE, FEES, AND COMPENSATION

### **Description of our Services and Fees**

The Sitrin Capital Management Wrap Program is an investment advisory program sponsored by SCM. Our wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, and risk tolerance.

#### **(i) Comprehensive Portfolio Management Wrap Fee Program:**

Our comprehensive portfolio management service encompasses asset management as well as providing financial planning/financial consulting to clients. It is designed to assist clients in meeting their financial goals through the use of financial investments. We conduct at least one, but sometimes more than one meeting (in person if possible, otherwise via telephone conference) with clients in order to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment approach to the client. We may propose an investment portfolio, consisting of exchange traded funds, mutual funds, individual stocks or bonds, or other securities. Upon the client's agreement to the proposed investment plan, we work with the client to establish or transfer investment accounts so that we can manage the client's portfolio. Once the relevant accounts are under our management, we review such accounts on a regular basis and at least quarterly. We may periodically rebalance or adjust client accounts under our management. If the client experiences any significant changes to his/her financial or personal circumstances, the client must notify us so that we can consider such information in managing the client's investments.

#### **Comprehensive Portfolio Management Wrap Fee Program Fee Schedule:**

Investment management services are offered through the Program on a fee basis, meaning that clients pay a single annualized fee based upon assets under management

SCM provides investment management services for an annual fee based upon a percentage of the market value of the assets in the Program. The annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by SCM on the last day of the previous quarter. The annual fee varies depending on the market value of the assets in the Program and the type of investment management services to be rendered, but generally range up to 2.00%.

If assets are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is not adjusted or prorated to account for the change in portfolio value. For the initial term of the Program, the fee is calculated on a *pro rata* basis. In the event the *Agreement* is terminated, the fee for the final quarter is prorated through the effective date of the termination and the remaining balance is refunded to the client, as appropriate.

#### **A. Relative Cost of the Program**

A wrap fee program allows our clients to pay a specified fee for investment advisory services and the execution of transactions. The advisory services may include portfolio management and/or advice concerning selection of other advisers, and the fee is not based directly upon transactions in your account. Your fee is bundled with our costs for executing transactions in your account(s). This results in a higher advisory fee to you. We do not charge our clients higher advisory fees based on their trading activity, but you should be aware that we may have an incentive to limit our trading activities in your account(s) because we are charged for executed trades.

By participating in a wrap fee program, you may end up paying more or less than you would through a non-wrap fee program where a lower advisory fee is charged, but trade execution costs are passed directly through to you by the executing broker.

## **B. Additional Fees**

You may pay custodial fees, 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), mark-ups and mark-downs, spreads paid to market makers, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. These fees are not included within the wrap-fee you are charged by our firm.

## **C. Advisor Compensation**

Our investment advisory representatives receive a portion of the advisory fee that you pay us, either directly as a percentage of your overall fee or as their salary from our firm. In cases where our investment advisory representatives are paid a percentage of your overall advisory fee, this may create an incentive to recommend that you participate in a wrap fee program rather than a non-wrap fee program (where you would pay for trade execution costs) or brokerage account where commissions are charged. This is because, in some cases, we may stand to earn more compensation from advisory fees paid to us through a wrap fee program arrangement if your account is not actively traded.

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## **ITEM 5: FEES AND COMPENSATION**

SCM does not impose a stated minimum fee or minimum portfolio value for participation in our Wrap Fee Program.

Types of clients we typically manage wrap fee accounts on behalf of, include:

- 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.

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## **ITEM 6: PORTFOLIO MANAGER SELECTION AND EVALUATION**

### **A. Portfolio Management**

Our firm does not utilize outside portfolio managers. All accounts are managed by our in-house professionals. This may create a conflict of interest in that other investment advisory firms may charge the same or lower fees than our firm for similar services.

Our related person portfolio managers are not subject to the same selection and review as outside portfolio managers that participate in the wrap fee program. This is because we have chosen not to utilize outside portfolio managers.

### **B. Advisory Business**

For accounts managed through the Program, SCM primarily allocates assets among individual debt and equity securities, but may also incorporate exchange-traded funds (ETFs) for certain accounts. SCM also provides advice about any type of investment held in clients' portfolios. The Firm also provides advice about any type of legacy position or investment otherwise held in its clients' portfolios.

SCM tailors its advisory services to accommodate the needs of its individual clients and continuously seeks to ensure that its clients' portfolios are managed in a manner consistent with their specific investment profiles. Clients are advised to promptly notify SCM if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if SCM determines, in its sole discretion, the conditions will not materially impact the performance of a portfolio strategy or prove overly burdensome to the Firm's management efforts.

Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, and risk tolerance. We do not manage wrap fee accounts in a different fashion than non-wrap fee accounts.

**C. Performance-based fees and Side-by-Side Management**

We do not charge performance fees to our clients.

**D. Methods of analysis, investment strategies and risk of loss**

SCM employs an investment process focused on top-down analysis, closely tracking the S&P 500 index. The firm first identifies and analyzes the current market environment. From there, SCM seeks to identify leading sectors and industries and then seeks out what it believes are the best companies within those industries. SCM predominantly invests in individual equities and fixed income, but may also incorporate ETFs for small accounts to provide diversification.

As part of its evaluation, SCM's evaluations of securities may contain aspects of fundamental, technical and cyclical analysis.

*Fundamental analysis* involves the fundamental financial condition and competitive position of a company. SCM will analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

*Technical analysis* involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that SCM will be able to accurately predict such a reoccurrence.

*Cyclical analysis* is similar to technical analysis in that it involves the analysis of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the health of the particular company that SCM is recommending. The risks with cyclical analysis are similar to those of technical analysis.

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.

## **E. Voting client securities**

SCM may vote client securities (proxies) on behalf of its clients. When SCM accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully- described in SCM's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in SCM's Proxy Voting Policies and Procedures, as they may be amended from time-to-time. Clients may contact SCM to request information about how SCM voted proxies for that client's securities or to get a copy of SCM's Proxy Voting Policies and Procedures. A brief summary of SCM's Proxy Voting Policies and Procedures is as follows:

- SCM has formed a Proxy Voting Committee that will be responsible for monitoring corporate actions, making voting decisions in the best interest of clients, and ensuring that proxies are submitted in a timely manner.
- The Proxy Voting Committee will generally vote proxies according to SCM's then current Proxy Voting Guidelines. The Proxy Voting Guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including: composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.
- Although the Proxy Voting Guidelines are followed as a general policy, certain issues are considered on a case-by-case basis based on the relevant facts and circumstances. Since corporate governance issues are diverse and continually evolving, SCM devotes an appropriate amount of time and resources to monitor these changes.
- Clients cannot direct SCM's vote on a particular solicitation but can revoke SCM's authority to vote proxies.

In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that SCM maintains with persons having an interest in the outcome of certain votes, SCM takes appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict.

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## **ITEM 7: CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGER(S)**

We are required to describe the information about you that we communicate to your portfolio manager(s), and how often or under what circumstances we provide updated information. Our firm communicates with your portfolio manager(s) on a regular basis as needed (daily, weekly, monthly, etc) to ensure your most current investment goals and objectives are understood by your portfolio manager(s). In most cases, we will communicate such information as part of our regular investment management duties. Nevertheless, we will also communicate information to your portfolio manager(s) when you ask us to, when market or economic conditions make it prudent to do so, etc.

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## **ITEM 8: CLIENT CONTACT WITH PORTFOLIO MANAGER(S)**

Clients are always free to directly contact their portfolio manager(s) with any questions or concerns they have about their portfolios or other matters.

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## **ITEM 9: ADDITIONAL INFORMATION**

### **A. Disciplinary Information and Other Financial Industry Activities and Affiliations**

1. We have determined that our firm and management have no disciplinary information to disclose.

2. We have no other financial industry activities and affiliations to disclose.

**B. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading, Review of Accounts, Client Referrals and Other Compensation, and Financial Information**

**1. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

**a.) Description of Code of Ethics**

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>1</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. Such requests can be made by contacting our Chief Compliance Officer, Efen Bolisay, by phone at (424) 777-4407 or email at [efren@sitincapital.com](mailto:efren@sitincapital.com).

**b.) Purchases/Sales By Owners/Employees**

Related persons of our firm are encouraged to invest their money in the same way as our clients and, accordingly, may invest in securities that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

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<sup>1</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, and/or in which a member of his/her household has a direct or indirect beneficial interest.

**c.) Timing of Purchases/Sales by Owners/Employees**

Related persons of our firm are encouraged to invest their money in the same was as our clients and, accordingly, may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

**2. Review of Accounts**

SCM monitors its clients' investment portfolios on a continuous and ongoing basis, and conducts regular account reviews at least quarterly. Such reviews are conducted by one of the Firm's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with SCM and to keep SCM informed of any changes thereto. SCM contacts ongoing investment advisory clients at least annually to review its previous services and recommendations, and to discuss the impact resulting from any changes in their financial situation and/or investment objectives.

**3. Client Referrals and Other Compensation**

**a.) Economic Benefits From Others**

Our firm generally recommends that clients establish brokerage accounts with Charles Schwab & Co., Inc., registered broker-dealer, Member SIPC ("Schwab") to maintain custody of their assets and to effect trades for their accounts. Schwab may provide us with access to their institutional custody and trading services, which are typically not available to Schwab retail investors. Schwab's services may also include research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. Please note, however, that our firm is independently owned and operated and not affiliated with Schwab, and we may recommend that clients establish accounts with firms other than Schwab.

For client accounts maintained in their custody, Schwab does not charge separately for trading, but is compensated by our firm out of the advisory fees that we charge. Our firm places trades for clients' accounts subject to its duty to seek best execution and its other fiduciary duties. While our firm may use broker-dealers other than Schwab to execute trades for client accounts maintained at Schwab, 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. Neither our firm, nor any of its principals and/or employees, receives any portion of the brokerage commissions and/or transaction fees directly charged by a broker-dealer to our firm or charged to Client by a broker-dealer, which are then absorbed by our firm and credited back to Client.

Our firm may have arrangements with Schwab which provide us with their "platform" services. Schwab's services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support our firm in conducting business and in serving the best interests of our clients.

Schwab also makes certain research services available at no additional cost to our firm, including services obtained by Schwab directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by Schwab 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 to our firm in the performance of our investment decision-making responsibilities.

The aforementioned research 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. The investment research products and services that may be obtained by our firm will generally be used to service all of our clients.

We may also gain access to non soft-dollar products and services that will help us in managing and administering client accounts. These include software and other technology that: provide access to client account data (i.e. trade confirmations and account statements); facilitate trade executions; provide research, pricing information, and other market data; facilitate in the payment of our firm's fees from its clients' accounts; and assist with back-office functions, record-keeping, and client reporting. Many of these services may be used to service all or a substantial number of our accounts.

As a result of receiving the services for no additional cost, we may have an incentive to continue to use or expand the use of Schwab's services. Our firm examined this potential conflict of interest when we chose to enter into the relationship with Schwab 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 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). In some instances, Schwab does charge transaction fees to clients, in which case, our firm will reimburse the client those fees. Schwab enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Schwab's commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by Schwab may be higher or lower than those charged by other custodians and broker-dealers.

Schwab also makes available to our firm other products and services that benefit us, but may not benefit our clients' accounts. These non soft-dollar benefits may include national, regional or investment adviser specific educational events organized and/or sponsored by Schwab. Other potential benefits may include occasional business entertainment of personnel of our firm by Schwab personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Schwab 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 assistance, legal and business consulting, and 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 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 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.

**b.) Compensation to Others**

While we receive client referrals from, among others, existing clients, accountants, attorneys and bankers, we do not pay for those referrals.

#### **4. Financial Information**

- a.) We are not required to provide financial information to our clients because:
  - 1.) We do not require the prepayment of more than \$1,200 in fees and six or more months in advance.
  - 2.) We do not take custody of client funds or securities.
  - 3.) We do not have a financial condition or commitment that impairs its ability to meet contractual and fiduciary obligations to clients.
- b.) We have never been the subject of a bankruptcy proceeding.