

Farmhouse Investment Management

PART 2A of FORM ADV

THE BROCHURE

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This Brochure provides information about the qualifications and business practices of Farmhouse Investment Management LLC (“FIM”). If you have any questions about the contents of this brochure, please contact us at 415-870-9748. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about FIM is also available on the SEC’s website at: <http://www.adviserinfo.sec.gov/>.

Item 2 – Material Changes

No material changes.

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Item 4 – Advisory Business

Farmhouse Investment Management (“FIM” or the “Adviser”) believes that families build and preserve wealth over time through large concentrated holdings. We seek to provide a low turnover, low cost, research centric, tax efficient approach to building concentrated portfolios for family offices. Our ideal client has a “legacy” position, the result of a significant wealth creation event, which the family has held for a long period of time. There generally are high tax consequences to diversify these assets. These assets also generally generate a consistent income stream. We aim to diversify without selling such assets by holding the legacy position on an advisory basis and deploying all of the net income into faster growing companies on a managed or full discretion basis. We take a long term approach focusing on building complimentary concentrated positions that when held with the legacy position accomplish the goal of diversification over time.

We accomplish this goal through low management costs, aiming to be as tax efficient as possible and focusing on the compounding of returns in all holdings. At times we find ourselves out of step with a wealth management industry focused on repetitive transactions to generate revenue, even when fewer transactions will suffice. All of our concentrated positions have similar characteristics. They are what we believe to be high quality businesses with proven management that instill and maintain company cultures working toward enhancing defensible advantages in their industries and throwing off steady streams of cash to shareholders in the form of stock buybacks or dividends.

FIM offers two types of accounts: (1) full discretionary accounts where FIM will manage the client’s assets without having to receive prior authorization from the client for investment decisions (“Managed Accounts”); and (2) non-discretionary accounts where FIM will advise the client with respect to investment of his or her assets, but must obtain prior authorization from the client for investment decisions (“Advised Accounts”). Investment Policies, clearly defining the distinction in investment discretion for each type of account, are attached as an exhibit to the investment services contract and reviewed annually with the client.

FIM, founded January 2015, is owned 100% by Mark D. Gamble. FIM is a Delaware limited liability company registered to operate in the state of California. As of January 1, 2017 FIM managed approximately \$450 million of discretionary assets and advised on approximately \$1.05 billion in non-discretionary assets. FIM does not participate in any wrap fee programs.

Item 5 – Fees and Compensation

Clients generally pay flat fees billed quarterly for both Advised Accounts and Managed Accounts. Advised Account fees are designed to cover basic research and reporting costs and are billed per account. Managed Account fees are designed to cover all services provided by FIM, including managing the client’s assets with full discretion, and are billed per account. All fees are commensurate with the complexity of the relationship. Below is the current fee schedule for new clients:

<i>Account Value</i>			<i>Annual Managed Fee</i>	<i>Annual Advised Fee</i>
<i>0</i>	<i>to</i>	<i>99,999,999</i>	<i>125,000</i>	<i>6,000</i>
<i>100,000,000</i>	<i>to</i>	<i>199,999,999</i>	<i>200,000</i>	<i>6,000</i>
<i>100,000,000</i>	<i>to</i>	<i>299,000,000</i>	<i>250,000</i>	<i>6,000</i>
<i>300,000,000 and above</i>			<i>300,000</i>	<i>6,000</i>

Fees paid by legacy clients may be lower or higher than the schedule above and are based on fee schedules set in the investment management agreement upon the initiation of the relationship. Fees are negotiable at the discretion of FIM.

Fees are billed on a calendar quarter basis in advance using the market value of the account as of March 31, June 30, September 30 and December 31, respectively. Market values of an independent pricing service are used. FIM deducts fees directly from the designated client account and mails a copy of the bill to the client on a calendar quarter basis in advance using the market value of the account as of March 31, June 30, September 30 and December 31, respectively. Upon request, we will send our invoices directly to a client for payment. Our advisory agreement provides that a client or FIM may terminate the management agreement at any time upon 30 days written notice with fees refunded pro rata.

We require a minimum \$125,000 in Annual Account Fees in order to establish a new family office relationship. However, in certain instances, we may open a new client account for less than the minimum. We believe our fees are competitive with other similar advisers. However, comparable services may be offered at lower rates by other advisers or companies.

FIM clients will incur charges by the executing broker-dealer in the form of brokerage commissions and transaction fees on the investment transactions entered into by FIM on behalf of the clients. In addition, clients may incur certain charges imposed by their custodians and other third parties. All of these charges, fees and commissions are in addition to FIM's investment management fee.

FIM does not accept compensation for the sale of securities or other investment products.

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

No part of FIM's investment management fee is based upon capital gains or the capital appreciation of assets. We do not perform side-by-side management.

Item 7 – Types of Clients

FIM provides investment management services to the following types of clients:

Individuals	Foundations
Families	Endowments
Trusts	Corporations
Estates	IRAs and retirement plans

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

We look at both macroeconomic factors, such as the overall economy and industry conditions, as well as various methods of securities analysis to identify value. We start by identifying favorable sector(s) for investment and then, within those sectors, we look for companies that we believe are fundamentally undervalued and can compound invested capital at attractive rates of return. The investment team seeks to identify companies that it believes are out of favor or may be undergoing significant transition. Such companies may be temporarily mispriced for a variety of reasons, including perceived unfavorable industry conditions, poor business performance, reorganizations, changes in management or ownership or other external factors. FIM believes that these conditions often result in the availability of fundamentally sound investments at depressed valuations. The main sources of information used by FIM in identifying investments include research materials prepared by others, financial newspapers and magazines, corporate rating services, timing services, annual reports, prospectuses, filings with the SEC, and company press releases. FIM representatives may attend conferences sponsored by companies and by research firms.

All investing involves a risk of loss that clients should be prepared to bear. It is important to understand that investment decisions are subject to various market, currency, economic, political and business risks, which will result in the values of securities or other investments in your portfolio to go up or down, sometimes rapidly or unpredictably. Investment decisions will not always be profitable nor do we guarantee any level of performance. Our concentrated portfolio approach, which seeks investments in a limited number of sectors, adds an additional layer of risk.

Below are specific risks that may be applicable to your investment:

Stock Market Risk – The market value of securities may go up and down, sometimes rapidly or unpredictably. A security's market value may fall due to market activity or due to supply and demand.

Concentration Risk – To the extent your investments are focused in particular sectors or companies from time to time, your investment will be subject to greater risks of adverse developments affecting those sectors or companies than an investment in a wider variety of sectors or companies.

Value Strategy Risk – Investing in undervalued companies subjects your investment to the risk that the company’s stock may not increase in value as anticipated or may decline even further in value.

Smaller and Mid-Sized Companies Risk – Securities issued by smaller and midsize companies may be more volatile in price than those of larger companies and may involve additional risks, including that such companies may be more sensitive to economic conditions, may have less certain growth prospects, may lack depth of management and funds for growth and development, and may have limited or less developed product lines.

Management Risk – FIM applies investment techniques and risk analyses in making investment decisions, but there can be no guarantee that these decisions will produce the desired results.

Interest Rate Risk – Interest rate changes can be sudden and unpredictable. When interest rates rise, debt security prices generally fall. The opposite is also true: debt security prices rise when interest rates fall. In general, securities with longer maturities are more sensitive to these interest rate changes.

Credit Risk – An issuer of debt securities may fail to make interest payments and repay principal when due, in whole or in part.

Income Risk – Distributions to a client may decline when prevailing interest rates fall.

Item 9 – Disciplinary Information

FIM and its employees have not been involved in any legal or disciplinary events related to past or present activities.

Item 10 – Other Financial Industry Activities and Affiliations

FIM and its management persons are not registered, and do not have an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor or an associated person of the foregoing entities.

FIM manages all of its client assets in house and does not have a related person who is a broker-dealer; investment company or other pooled investment vehicle; other investment adviser or financial planner; futures commission merchant; commodity pool operator; commodity trading advisor; banking or thrift institution; accountant or accounting firm; lawyer or law firm; insurance company or agency; pension consultant; real estate broker or dealer or sponsor; or syndicator of limited partnerships.

FIM may at times suggest that clients seek advice from unrelated, third party professionals such as attorneys or CPAs who have expertise in certain disciplines when appropriate for the client. FIM does not receive any compensation for the recommendation and recommends that clients conduct proper due diligence of any provider when selecting these professionals.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Employees of FIM have committed to a written Code of Ethics pursuant to Rule 204A-1 of the Investment Advisers Act of 1940. FIM follows standards and principles that emphasize an investment adviser's fiduciary duty. As a fiduciary, an investment adviser owes its clients a duty of honesty, good faith, and fair dealing. An investment adviser must act at all times in the client's best interests and must avoid or disclose conflicts of interests.

Violation of the Code of Ethics may result in disciplinary action that FIM's President deems appropriate, including a warning, suspension or termination of employment, and/or requiring that personal trades be reversed or profits be disgorged. FIM will provide a copy of the Code of Ethics to any client or prospective client upon request.

Neither FIM nor its associated persons recommends to clients or buys or sells for client accounts any securities in which FIM or any associated person has a material financial interest.

FIM and its employees may at times buy or sell securities that are also bought and sold for clients. Therefore, this creates a conflict of interest because FIM and/or its employees may have an interest or position in certain securities that are also recommended and bought or sold for you. Personal trades for FIM's associated persons should be executed in a manner consistent with FIM's fiduciary obligations to its clients: trades should avoid actual improprieties, as well as the appearance of impropriety. In addition, no associated person of FIM shall buy or sell a security within three (3) calendar days before or after any account managed or advised by FIM trades in that security (the "Blackout Period"), unless the associated person had no actual knowledge that such security (or any closely related security, such as an option or a related convertible or exchangeable security) was being considered for purchase or sale for any such account, or the transaction satisfies an exception to the Blackout Period. Exceptions to the Blackout Period are permitted for purchases or sales of associated persons that have received the prior approval of FIM's CCO (or his or her designee), and for certain de minimis trades.

Certain associated persons of FIM who are responsible for managing accounts of clients are the beneficiaries of certain Managed Accounts, which represents a conflict of interest that trades may be allocated more favorably to the accounts of such associated persons than the accounts of FIM's clients. To address this conflict, in cases where an associated person of FIM is a beneficiary of a Managed Account that invests in securities in which client accounts are also invested, trades will be allocated proportionately between all applicable accounts.

The Chief Compliance Officer of FIM is Mark D. Gamble. Mr. Gamble reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees was not based on inside information and did not conflict with trading for client accounts.

Item 12 – Brokerage Practices

With respect to Advised Accounts, a client may direct FIM in writing to use a particular broker-dealer to execute some or all transactions for the client's account. In that case, the client is responsible for negotiating the terms and arrangements for the account with that broker-dealer

and FIM will not seek better execution services or prices from other broker-dealers. In addition, FIM will not be able to aggregate client transactions with other transactions for execution through other broker-dealers with orders for other accounts managed by FIM. As a result, the client may pay higher commissions or other transaction costs than would otherwise be the case.

With respect to Managed Accounts, FIM does not permit clients to direct brokerage and FIM has complete discretion to select the broker-dealers to be used and the commission rates to be paid. FIM selects broker-dealers that it believes are capable of providing best execution on a per-trade basis. In selecting a broker-dealer and determining its compensation for any transaction or series of transactions, FIM may consider a number of factors, including, but not limited to, net price, reputation, financial strength and stability, efficiency of execution, clearance, settlement and error resolution, block trading and block positioning capabilities, and other matters involved in the receipt of brokerage services generally. The value of research furnished to us by the broker-dealer is also a factor.

Transactions for Managed Accounts generally are aggregated or “batched” to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among the client account and FIM’s other clients’ accounts. FIM is not obligated to aggregate transactions and may execute transactions individually in its discretion. Aggregating clients’ transactions may result in differences in prices and commissions or other transaction costs from those that might have been obtained had such orders been placed independently. If purchases or sales of portfolio securities by client accounts are considered at or about the same time, transactions in such securities may be allocated among the clients in a manner deemed equitable to all by FIM.

FIM may receive certain investment research products or services which assist FIM in its investment decision-making process for clients. The brokerage commissions used to acquire these services are known as “soft dollars.” Section 28(e) of the Securities Exchange Act of 1934 and related SEC interpretive materials provide a “safe harbor” which allows FIM to pay for research and brokerage services with soft dollars generated by client account transactions. Section 28(e) permits FIM, under certain circumstances, to cause client accounts to pay broker-dealers a commission for effecting portfolio transactions in excess of the commission another broker-dealer would have charged to effect such transactions. Broker-dealers typically provide a bundle of services, including research and execution. The services provided can be either proprietary (created and provided by the broker-dealer, including tangible research products as well as access to analysts and traders) or third-party (created by third-party but provided by broker-dealer). FIM only uses soft dollars to acquire proprietary services. It is not generally possible to place a dollar value on the special executions or on the research services FIM receives from broker-dealers effecting transactions in portfolio securities. Brokerage and/or research services that may be provided to FIM from a brokerage commission paid by a specific client may be used to service all of FIM’s clients. In addition, 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. FIM does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

In using client brokerage commissions to obtain research or other products or services, FIM receives a benefit because it does not have to produce or pay for such research, products or services. Consequently, FIM may have an incentive to select or recommend a broker-dealer

based on its interest in receiving such research, products or other services, rather than on FIM's clients' interest in receiving the most favorable execution. However, in causing clients to pay such greater brokerage commissions, FIM will determine in good faith that the greater commission is reasonable in relation to the value of the brokerage and research services provided by the broker-dealer, viewed in terms of either a particular transaction or its overall responsibilities to its clients. In addition, although research, market and statistical information from broker-dealer can be useful to FIM, such information is only supplemental to FIM's own research effort since the information must still be analyzed, weighed and reviewed by its staff.

Item 13 – Review of Accounts

Mark Gamble, Chief Compliance Officer, conducts a formal review of client accounts on an annual basis. Reviews will be performed more frequently when market conditions dictate, upon a client's request, or when a client's objectives or financial situation changes.

FIM clients receive statements from their broker-dealer or bank custodians every month. Each quarter FIM provides clients with a written account summary, appraisal and performance review. FIM also includes a financial market outlook report.

Item 14 – Client Referrals and Other Compensation

FIM is open to client referrals. Regardless as to where referrals come from, FIM does not pay for referrals. FIM does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them. Further, FIM does not receive an economic benefit from a non-client for providing investment advice or other advisory services to clients.

Item 15 – Custody

All client assets are held at qualified broker-dealer or bank custodians who are unaffiliated with FIM. The custodians provide account statements directly to clients at their address of record on a monthly basis. Clients are encouraged to carefully review the statements provided by their custodians and compare them to the statements prepared by FIM.

Item 16 – Investment Discretion

We require discretionary authority on Managed Accounts. FIM has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold.

Clients must sign a limited power of attorney before FIM is given discretionary authority. The limited power of attorney is included in the qualified custodian's account application.

On Advised Accounts, no discretionary authority or limited power of attorney has been given. With respect to these accounts, FIM consults with the client and takes direction from the client prior to each trade to obtain concurrence

Item 17 – Voting Client Securities

As a matter of policy, FIM does not vote proxies on behalf of clients. We advocate all clients implement a proxy voting service if desired. We can work with your custodian to forward you copies of all proxies and shareholder communications relating to your account.

Item 18 – Financial Information

FIM does not require or solicit prepayment of more than \$1,200 in fees from clients six months or more in advance. In addition, FIM has never filed for bankruptcy and we are not aware of any financial condition that is expected to affect our ability to manage client accounts.