



## **Disclosure Brochure**

August 28, 2020

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This Disclosure Brochure provides information about the qualifications and business practices of Wisconsin Capital Management, LLC ("WisCap"). If you have any questions about the contents of this Disclosure Brochure, please contact us at (608) 960-4616. 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.

Wisconsin Capital Management, LLC is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Wisconsin Capital Management, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

Please see the following summary of material changes made to our Brochure (Form ADV Part 2A) since our last annual update on August 21, 2019:

- Item 4: Added a disclosure of WisCap's new model portfolio service, whereby WisCap provides models of certain managed investment portfolios to other entities for a fee.
- Item 5: Added a new disclosure summarizing WisCap's fee practices related to its model portfolio service.
- Item 5: Added a description of WisCap's practice to use its portfolio management system (Orion) to calculate client fees and investment performance. Orion uses prices as provided by various custodial feeds it receives, generally defaulting to the price used by the majority of the custodial feeds received.
- Item 7: Added a clarification that while WisCap is not soliciting new clients at this time, the minimum account size for future clients would be \$2 million.
- Item 7: Added a description of conflicts clients may encounter when rolling over an employer retirement account into a WisCap-managed Individual Retirement Account.
- Item 7: Added a new disclosure regarding WisCap's model portfolio services offering.
- Item 8: Updated to clarify clients may choose to allow WisCap to invest their portfolios in the Plumb Funds.
- Item 11: Added a disclosure of WisCap's gift policy.
- Item 12: Added a disclosure noting WisCap has negotiated a higher per share commission rate for broker-dealers which provide research services than WisCap believes it could otherwise negotiate if the broker-dealer did not provide such research services. Also, included a description of inherent conflicts associated with research services received from broker-dealers.
- Item 14: Added a new disclosure summarizing the services a broker-dealer provides WisCap to support sales of the Plumb Funds and WisCap's model portfolio service offering.
- Item 15: Updated disclosure to describe WisCap's practices to assist clients in communicating transfers of client funds to third-party entities, including the related controls in place.
- Item 16: Clarified WisCap does not offer investment management services associated with its model portfolio service offering.
- Item 17: Added disclosure noting WisCap will, when voting proxies, take into consideration whether voting a proxy is not in the clients' best interests because, for example, the cost of voting exceeds the expected benefit. Also, clarified WisCap will analyze all highly contested or controversial proxy proposals (e.g., significant corporate events, contested director elections, or mergers) related to a company on a case-by-case basis.

- Item 19: Updated to note WisCap's Chief Compliance Officer also serves as Chief Compliance Officer to the Plumb Funds in addition to being responsible for other WisCap responsibilities.
- Item 19: Added disclosure regarding WisCap's approach to work with a third-party vendor which provides class action litigation monitoring and securities claim filing services.

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## **Item 4 – Advisory Business**

Established in 1984, Wisconsin Capital Management, LLC (“WisCap” or the “firm”) provides investment management services on a discretionary basis for the portfolios of primarily individual and high net-worth individual clients. WisCap also provides management services to the Plumb Balanced Fund and the Plumb Equity Fund (collectively, the “Plumb Funds” or the “Funds”). WisCap is principally owned by TGP, Inc., which is wholly and directly owned by Thomas G. Plumb. Thomas G. Plumb is President of and sole Portfolio Manager for WisCap. The firm does not have any other fully dedicated portfolio management staff. Thus, should Mr. Plumb become incapacitated or otherwise unable to fulfill his portfolio management responsibilities, WisCap’s clients could suffer a discontinuation of service.

See Item 10 for further ownership and business affiliates information.

### **Investment Management Services**

At the time of engagement, WisCap reviews each client’s financial assets, investment needs, tolerance for risk, and investment objectives. From this initial overview, WisCap and the client develop specific objectives and guidelines for WisCap to follow while managing the client’s portfolio. Upon request, clients may impose reasonable restrictions on certain assets or certain types of assets.

WisCap thereafter exercises its discretion to determine what securities, when, and in what amounts, to buy or sell for its client. Investment portfolios are diversified across various styles and strategies, and can consist of any combination of securities, including mutual funds, exchange-traded funds (“ETFs”), individual equity and fixed income securities, and/or other investments. Clients receive information about their accounts from WisCap no less than quarterly, unless otherwise directed.

Upon request, WisCap will provide a new client with a complementary written initial financial plan that incorporates the client’s stated financial goals and objectives. In general, such written plans address the following areas: the client’s personal cash flow, taxes, education and/or retirement funding, and other investments.

### **“Wrap” Account Advisory Services**

WisCap provides advisory services to clients in wrap fee programs that are sponsored by an unaffiliated bank or a broker-dealer (“wrap fee sponsor”). WisCap offers the same investment management strategies to clients in wrap fee programs as it does to any other client. In a wrap fee program, the client pays a bundled fee for an array of investment services, such as brokerage, advisory, research, custody, and management services. The client pays this bundled fee directly to the program sponsor, and WisCap receives a portion of it in payment for its services.

### **Mutual Fund Services**

WisCap is the investment advisor to the Plumb Funds. WisCap may invest some or all of its clients' accounts in the Funds. As do its other clients, the Plumb Funds has granted WisCap the authority to effect securities transactions on the Funds' behalf. WisCap uses its discretion to effect transactions that it believes will achieve the capital appreciation objective of the Plumb Balanced Fund, and the long-term capital appreciation objective of the Plumb Equity Fund. WisCap has managed the Funds since its inception, subject to the oversight of the Funds' Board of Directors/Trustees. See Item 10 for additional information on WisCap's business affiliates and its role in managing the Funds.

#### Model Portfolio Services

WisCap offers models of portfolios following the investment process and holdings of select investment strategies to investment advisers, broker-dealers or other financial institutions (collectively "Financial Institutions") for a fee. WisCap offers to provide each Financial Institution with updated portfolio information at or near the same time it purchases or sells securities for WisCap clients. WisCap is not responsible for managing the Financial Institution's client accounts; rather, each Financial Institution maintains investment discretion over its client accounts and is responsible for placing trades as communicated by WisCap. The Financial Institution may purchase or sell securities at the same time, prior to or after WisCap purchases and sells those same securities for WisCap client accounts. While the resulting activity could have a positive or negative impact on WisCap's ability to execute trades for WisCap's clients, the securities in which WisCap invests on behalf of its clients are generally considered liquid in nature. As such, WisCap believes the impact (positive or negative) on client portfolios should be nominal under normal market conditions.

#### Assets Under Management

As of 05/31/2020

WisCap Discretionary	\$273,188,683
WisCap Non-Discretionary	\$0

### **Item 5 – Fees and Compensation**

#### Fees Related to Investment Management Services

The standard fee schedule shown below is negotiable and will thus vary from client to client. Factors the firm considers in negotiating fees are: type of account, type of securities subject to management services, value of securities, anticipated nature and volume of trading, and special service requests by the client. Over the years it has been in business, WisCap has had other fee schedules in effect that may be lower or higher fees than those outlined below. Based on the fee schedule in effect at the time of engagement and the size of a particular account, WisCap clients may pay different fees. WisCap maintains policies and procedures for portfolio

management, trade aggregation and allocation, and portfolio valuation to address potential conflicts of interest related to the differences in client fees.

Although subject to change at WisCap's discretion, fees are generally based upon the market value of assets under management as of the last business day of the previous quarter. Fees are due in advance of each new quarter. Clients may choose to either receive fee invoices from WisCap or have WisCap deduct fees from their accounts directly.

When a client's portfolio includes shares of the Plumb Funds, the value of a client's Plumb Funds shares does not factor into WisCap's calculation of the client's advisory fee. Those assets are subject only to the Funds' expenses, which are paid from Funds' shareholder fees. More information on the Funds' expenses and fees is available in each Fund's Prospectus. WisCap receives payment for its advisory services directly from the Funds. Depending upon which Fund a WisCap client's account is invested in, each Fund's fees may be more or less than the advisory fee that would otherwise apply to that account. Clients can also purchase the Plumb Funds through other brokers or agents not affiliated with WisCap.

Either party to a WisCap investment management agreement can end the relationship with 30 days' advance written notice to the other party, unless otherwise dictated by the terms of the agreement. WisCap will return the fees a client has already paid for the days following the termination date until the end of that quarter, if any. A client's termination of an investment management agreement will not affect transactions WisCap has initiated on the client's behalf prior to the effective date of the termination.

Clients will incur separate custodian, brokerage and transaction costs. Custodian fees are negotiated by the clients and their selected custodian(s). In addition, the firm may invest a client's account in registered investment companies or ETFs not affiliated with the firm. Depending on the fund and its share class offering, a client may be able to invest directly in a fund without incurring any sales or advisory fees. Each fund's prospectus will contain a complete explanation of the expenses it charges to its shareholders. Such charges, including brokerage fees and commissions, are exclusive of and in addition to WisCap's fee, and WisCap does not receive any portion of these commissions, fees, and costs. Item 12 of this brochure further describes the factors WisCap considers in selecting broker-dealers to recommend for client transactions, and for determining the reasonableness of a broker-dealer's compensation (e.g., commissions).

WisCap generally charges clients a fee based on the value of assets under management.

Individually Managed Accounts

1.00% on the first \$1,000,000  
0.90% on the next \$1,000,000  
0.80% on the next \$2,000,000  
0.70% on the next \$1,000,000  
0.60% on assets over \$5 million

WisCap offers a discounted fee for employees and certain family members of employees. Select employees are not charged fees for individual accounts managed by WisCap.

### Fees Related to Wrap Account Management Services

WisCap's fee for wrap account management services ranges from 0.50% to 1.00% per year and is payable according to the Client's agreement with the wrap program's sponsor.

### Fees Related to Model Portfolio Services

WisCap's fee for model portfolio services are separately negotiated with each Financial Institution.

### Fees Related to Mutual Fund Services

The Plumb Funds pays WisCap's advisory fees monthly, in arrears, in an amount calculated at the annual rate of 0.65% of the value of each Fund's assets, less any fees waived, or expenses reimbursed by WisCap when an expense limitation on Fund assets is in effect. A complete description of all operating expenses of each Fund may be found in the Plumb Funds' Prospectus, a copy of which is available by calling 1-866-987-7888.

### Fees for Additional Services

Advisory accounts that do not utilize WisCap-recommended custodians for custody of their assets may, at WisCap's discretion, have their fee schedule increased by 0.10%. WisCap charges for special services requested by a client based on the time, complexity, and responsibility involved. WisCap does not charge a termination fee for advisory accounts.

### Account Valuation Practices

Where possible, WisCap uses pricing information provided by WisCap's portfolio management system ("Orion") to calculate client fees and investment performance. Orion uses prices as provided by various custodial feeds it receives, generally defaulting to the price used by the majority of the custodial feeds received. As such, the price used by WisCap to price a client's portfolio for fee billing purposes and/or for reporting investment performance could be different than the price provided by the client's custodian.

In the unlikely event that (a) Orion is unable to provide a price; (b) WisCap's portfolio manager believes the price received from Orion does not reflect fair market value; or (c) a security has halted trading, WisCap will determine a fair value for such security. To make this determination, WisCap will consider its knowledge of the security, current market conditions, and any other relevant information. No single factor is determinative, nor is a single method used, in determining the value of a security. Rather, WisCap will make every valuation decision on a case-by-case basis, with an objective of arriving at a price it believes it could reasonably receive upon a current sale of the particular security.

### Fund Valuation Practices

The Plumb Funds' Accounting Agent, U.S. Bancorp Global Fund Services, LLC, determines the Funds' daily net asset values using the Funds' approved pricing procedures. When determining



a fair value for securities held within the Funds, if necessary, WisCap will work with an appropriate agent of the Funds to price the security in accordance with the Funds' fair valuation policy and procedures.

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

WisCap does not charge any performance-based fees (fees based on a share of capital gains on, or capital appreciation of, a client's assets).

#### **Item 7 – Types of Clients**

WisCap provides investment management services to individuals, high net worth individuals and registered mutual funds. WisCap will generally decline or terminate a client who imposes investment restrictions that WisCap believes will preclude the development of a consistent, long-term investment program for the client's account.

WisCap maintains separate relationships with certain clients. For example, some clients also serve as firm vendors. Over the course of time, given the inherently close working relationship we have with our clients, we expect relationships with clients to continue to evolve. These expanded relationships could present an inherent conflict to provide preferential treatment to certain clients. We believe WisCap's dedication to fairness and integrity, along with policies and procedures designed to ensure clients are treated fairly, as summarized within this disclosure document, address this conflict.

As noted in Item 5 above, either party to a WisCap investment management agreement can end the relationship with 30 days' advance written notice to the other party, unless otherwise dictated by the terms of the agreement.

While WisCap is not soliciting new clients at this time, our minimum account size for future WisCap clients would be \$2 million.

WisCap has an incentive to encourage individual clients to rollover an employer retirement account into a WisCap-managed Individual Retirement Account ("IRA"), with the potential of higher fees and lower liquidity. The decision of whether to rollover an employer retirement account rests with the individual account owner, and we are committed to providing information to help a client make a decision that is in that client's overall best interests.

WisCap also offers model portfolio services to Financial Institutions.

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

WisCap strives to provide strong absolute and relative long-term investment returns through a combination of capital appreciation and current income. Clients rely on WisCap to manage their assets and minimize portfolio volatility during market fluctuations.

In its investment selection process, WisCap seeks diversification by asset class, geography, capitalization and industry. WisCap works closely with its clients to develop a portfolio appropriate to a client's financial objectives and risk profile. The individual securities and

proprietary mutual funds WisCap manages serve as core holdings around which WisCap will add complementary assets, depending on client objectives.

### Investment Process

As noted, WisCap works closely with clients to develop portfolios appropriate to a client's objectives. Clients consult with the Portfolio Manager who will work through a logical investment process to develop and maintain investment portfolios. Together, the client and Portfolio Manager define goals and objectives for the client's account and determine the client's comfort with risks related to various levels of market volatility and asset quality.

Once the basic structure for an individual client account is established, WisCap will produce an account investment policy statement for the client. The Portfolio Manager then generates an investment portfolio designed to meet the client's specific goals. The Portfolio Manager will monitor the client's investments and meet with the client periodically (as mutually determined by the client and WisCap) to review the portfolio and determine whether changes are necessary or advisable.

### Investment Strategies for Individual Securities

WisCap looks for growing companies that demonstrate a competitive advantage among industry peers, with reasonably priced stock, the purchase of which will fall into predetermined investable themes. WisCap focuses on identifying market inefficiencies and maintains a goal of outperforming over entire business cycles. WisCap believes analyzing and taking advantage of long-term investable themes, including organizations with sustained revenue and profit growth, will produce an attractive risk-adjusted return for its clients.

WisCap seeks to invest in a diversified portfolio of companies that meet its investment criteria. WisCap utilizes a fundamental growth at reasonable prices investment strategy.

WisCap evaluates security prices based on fundamental analysis that includes review of the issuer's balance sheet, cash-flow and income statements, and on its knowledge about the competitive environment, product sustainability, market power, and management incentive structure. WisCap also analyzes the structural trends faced by the industry at both a micro and macro level, as it believes that even the best companies are influenced by such trends. WisCap typically invests in U.S. companies, but may also invest in foreign companies. Foreign investing usually occurs through the purchase of American Depositary Receipts ("ADRs") and involves foreign companies that are dual listed on U.S. stock exchanges.

Depending on the client's investment objectives, risk tolerance, and on market opportunities, WisCap supplements equity investments with fixed income investments and other suitable securities. Fixed income investments typically include investment-grade bonds and government securities. As with its equity selection, WisCap performs research when purchasing fixed income securities and other investments with the aim of augmenting client returns and reducing portfolio volatility. Investments in client accounts may include the following:

- Equities / Stocks
- Fixed Income / Bonds
- Cash Equivalents / Money Market Funds
- Preferred stocks
- Real estate investment trusts (“REITs”), publicly traded master limited partnerships (“MLPs”), royalty trusts
- American Depositary Receipts
- Index Funds / Exchange Traded Funds
- Mutual Funds

As part of a client’s asset management plan, WisCap strategizes to minimize the potential tax exposure through asset allocation and selection. Specific investments depend on such factors as the client’s particular tax situation, risk tolerance, time horizon, and account size. WisCap generally seeks to purchase securities with a long-term investment horizon.

WisCap’s base selection strategies for individual securities are outlined below:

Buy-strategy indicators:

- Favorable market/economic conditions for industry
- Strong balance sheets with high cash flows, which can be an indicator of a company’s ability to self-fund new projects
- Experienced, capable, and prudently structured management team incentives

Sell-strategy indicators:

- Potential catalyst for recovery is no longer deemed to be available
- Deterioration of fundamentals not yet reflected in market price
- More compelling alternatives exist with a better expected return profile

#### Investment Strategy for Mutual Funds

WisCap selects mutual funds for its clients to achieve portfolio diversification, and to complement the overall portfolio investment strategy. WisCap chooses from a wide assortment of funds available through institutional trading platforms. Mutual fund and exchange-traded fund selection criteria generally include: consistency of performance vs. peer group; risk-adjusted performance; consistency and longevity of management team; consistency of management style and avoidance of style drift; tax efficiency; and fund expenses. Our clients may choose to provide us with the flexibility to invest their portfolios in the Plumb Funds, supplementing with other mutual funds or ETFs and individual securities for sectors not covered by the Plumb Funds or for other portfolio considerations. Please see Item 10 for additional information regarding WisCap’s role in managing the Plumb Funds.

WisCap uses various quantitative tools to research investment options and monitors relevant academic and industry publications to identify trends and new products.

When investing in mutual funds for a client, WisCap monitors the selected funds with the objective of ensuring they remain appropriate for achieving the client's investment strategy, replacing such funds as deemed necessary.

WisCap may receive research services from third parties, or through brokers or dealers, including some purchased through economic arrangements with such parties. Please see Item 12 for a discussion of WisCap's brokerage practices.

### Risk Factors

WisCap's investment management strategy emphasizes diversification to help mitigate and manage risk. Diversification includes geographic concentration, investment style, capitalization of underlying investments, as well as the maturity, credit quality, and geographic exposure. While all investing involves some risk, including loss of capital and purchasing power, WisCap diversifies not only asset classes and sectors, but philosophies and strategies as well, to broaden participation in advancing markets and reduce portfolio volatility.

WisCap uses investment strategies when managing client assets and/or providing investment advice that are subject to the following associated risks:

#### INVESTMENT OR PRODUCT RISKS

*Individual Security Selection Risk.* Securities selected for client investment may decline due to events unique to the individual security. Such events include, but are not limited to, changes in a company's business or credit outlook, its geographic exposure, events at competitor companies, and changes in government policy or the regulatory environment.

*Mutual Funds and ETFs.* Investments in ETFs are subject to different risks than investments in mutual funds. This is because some ETFs do not issue and redeem shares on a continuous basis, potentially making such ETFs less liquid than open-end mutual funds. Depending on the mutual fund or ETF, underlying investments that hold specialty or hybrid investment vehicles, and/or derivatives, may be more volatile and less liquid than other investments, and may employ leverage that can magnify the vehicles' gains and losses. Where mutual funds or ETFs are designed to obtain investment results corresponding generally to the price and yield performance of a particular index, their returns may not match those they aim to replicate.

*Fixed Income Risk.* Changes in interest rates will significantly affect a fixed income security's market value – typically, when interest rates rise, a fixed income security's market value declines, and vice versa. A fixed income security with a longer maturity generally involves greater interest-rate risk but generally has a higher yield. Conversely, a fixed income security with a shorter maturity has less interest rate risk but typically has a lower yield. The market value of a fixed income security may also be affected by credit risk due to changes in its credit quality rating or the issuer's financial condition.

*Credit Risk.* The value of a client's investments in fixed income securities depends on WisCap's analysis of a number of factors, including the underlying creditworthiness of the fixed income

instrument's issuer. A reduction in the issuer's creditworthiness or a negative perception of the issuer's ability to pay may reduce the price of the security, resulting in a greater risk of principal loss. An issuer bankruptcy may result in a total loss of principal.

*REITs.* Equity REITs invest directly in real property, while mortgage REITs invest in mortgages on real property. REITs may be subject to certain risks associated with the direct ownership of real estate, including declines in value, risks related to general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, fluctuations in interest rates, and variations in rental income. In addition, the failure of a REIT to qualify as such for tax purposes would adversely affect the value of the participating fund's investment in that REIT. Some REITs have relatively small market capitalizations, which could increase their market volatility. REITs tend to rely on specialized management skills, and may have limited diversification, making them susceptible to the risks inherent to the operation and financing of a limited number of properties.

*Foreign Securities.* Although WisCap invests primarily in securities priced in U.S. dollars and traded on U.S. exchanges or issued by U.S. mutual fund companies, it may from time to time invest in foreign securities. Foreign securities investments are subject to special risks, including currency fluctuations, less liquidity, less developed or less efficient trading markets, lack of comprehensive company information, political instability, and differing auditing and legal standards.

## MARKET RISK

*Risk of Loss.* WisCap-selected investments are subject to the risks associated with all investing. Clients should be prepared to bear such risks, including the possible loss of some or all of the principal amount invested. There is no guarantee that investments will appreciate during the time a client holds them, and some or all may depreciate in price. Past performance is not necessarily indicative of future results. WisCap cannot guarantee success in meeting its investment objectives.

*Market Risk.* The market value of a security may decline due to general market conditions that are not specifically related to a particular company, or to factors that affect general economic conditions of the market as a whole.

*Sector Risk.* Securities within the same industry may decline in price due to sector-specific market or economic developments. Government regulation or technological changes often influence specific industry characteristics and profitability. Although WisCap seeks to invest in a diversified portfolio of securities, the firm may find numerous attractive investments within a particular industry sector. In such cases, WisCap may overweight investment in a particular sector, relative to the weightings in the S&P 500 Index. Such overweighting exposes the portfolios to risks specific to that industry that may not correlate with the overall market.

## FIRM RISKS

*Reliance on Key Personnel.* Thomas G. Plumb, WisCap's owner and President is the firm's sole portfolio manager. This presents the risk that WisCap may not be able to continue its service to clients in the event that Mr. Plumb is unable to perform his responsibilities.

*Allocation of Time and Resources.* Generally, WisCap personnel are not subject to specific obligations or requirements concerning the allocation of time, efforts, resources, or investment opportunities to any particular client. WisCap personnel devote time to the affairs of the Firm's clients as they, in their discretion, determine necessary for conducting business in a manner consistent with WisCap's contractual obligations, fiduciary duties to clients, allocation procedures, and compliance policies and procedures.

*Cybersecurity.* Information security impacts every user of the internet, and investment advisers such as WisCap are no exception. WisCap recognizes the importance of protecting clients' personal information as well as the confidential and proprietary information of the firm and its employees. However, WisCap cannot guarantee the protection of all such information, nor can it insure against all related losses especially given the evolving nature of cybersecurity risks.

WisCap believes clear communications represent critical controls to identifying and managing cybersecurity risks and encourages employees to communicate early and often regarding any potential cybersecurity risk. Additionally, WisCap encourages all clients to communicate any information security risk or breach they may detect to their primary relationship manager immediately.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of WisCap or the integrity of its management. WisCap has nothing to disclose relative to this Item.

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

WisCap is owned by TGP, Inc., which is owned by Thomas G. Plumb.

WisCap is the investment adviser to the Plumb Funds. WisCap may invest some or all of its clients' accounts in the Plumb Funds. As adviser to the Funds, WisCap earns fees for its services to the Plumb Funds based on the value of the funds it manages. Thus, a conflict of interest exists when WisCap invests a client's account in the Funds. WisCap does not charge clients directly any fees for that portion of a client's account invested in the Plumb Funds. WisCap has an incentive to recommend the Plumb Funds to its client in order to grow the Plumb Funds. However, WisCap only recommends the Plumb Funds to clients when it determines the investment is appropriate for the client's account. In addition, a WisCap employee serves as the Plumb Funds' Chief Compliance Officer. WisCap absorbs all costs associated with this employee, including salary and benefits.

Existing and prospective clients of WisCap are encouraged to carefully consider the affiliations and conflicts of interest described above. Please see Item 11 for a discussion of WisCap's Personal Trading activity.

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

WisCap has adopted a Code of Ethics for its supervised persons describing the firm's high standard of business conduct and the fiduciary duty owed clients. The Code of Ethics (or the "Code") includes provisions for maintaining confidentiality of client information, a prohibition on insider trading, restrictions on providing and accepting gifts and business entertainment, and procedures for personal securities trading, among other things. All supervised persons of WisCap sign an acknowledgement of the terms of WisCap's Code of Ethics initially upon employment and annually thereafter.

WisCap's Code of Ethics governs personal securities trading activity. Supervised persons are permitted to buy and sell securities that WisCap also recommends to clients.

The Code is designed to provide reasonable assurance that the personal securities transactions, and the activities and interests of WisCap's access persons do not interfere with them making decisions in the best interest of advisory clients and in implementing such decisions. Under the Code of Ethics, certain classes of securities have been designated exempt for employee transactions, based on a determination that transactions in these securities would not materially interfere with the best interest of WisCap's clients. In addition, the Code requires pre-clearance of many transactions and restricts or prohibits employee trading in close time proximity to client trading in the same security.

Nonetheless, because the Code allows access persons to invest in the same securities as clients in some instances, it is possible an access person could benefit from a client's market activity in a security also held by the access person. WisCap routinely monitors the personal trading of its access persons, including those related to investing in the same securities as clients.

WisCap may recommend that a client invest some or all of its accounts in the Plumb Funds. Because WisCap earns investment advisory fees for its services to the Funds based on the value of the funds it manages, a conflict of interest exists when WisCap makes such purchases for a client. Refer to Item 10 for further details on conflicts arising related to the Plumb Funds and how they are addressed.

WisCap access persons are permitted to invest in the Plumb Funds. This may create an incentive for WisCap to put the interests of the Funds ahead of its other clients. However, the Code of Ethics requires WisCap access persons to place clients' interests ahead of their own, and to report personal transactions and securities holdings, including mutual funds managed by WisCap.

Further, supervised persons are prohibited from using inside information to trade in personal accounts or on behalf of clients. The firm also maintains physical and electronic safeguards to protect nonpublic client information in WisCap's possession.

WisCap employees may not accept any gift, favor, gratuity or invitation offered by any broker, client, supplier, or other person or organization with whom WisCap has a business relationship, except those extended as a customary courtesy and of a nominal value.

WisCap's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting WisCap at 608-960-4616.

## **Item 12 – Brokerage Practices**

### **Investment Management Services**

WisCap generally recommends that clients utilize the custody, brokerage and clearing services of a non-affiliated broker-dealer (a "Preferred Custodian"). The Preferred Custodian used provides WisCap with access to its institutional trading and custody services. These services are generally available to independent investment advisers on an unsolicited basis and are not otherwise contingent upon an adviser committing any specific amount of business (assets in custody or trading) to the Preferred Custodian. The Preferred Custodian provides services such as brokerage, custody, research, and access to mutual funds to WisCap clients.

For WisCap's client accounts maintained in its custody, the Preferred Custodian generally does not charge separately for custody but is compensated by account holders through a variety of means, including fees incurred for cash management and commissions or other transaction-related fees for securities trades. WisCap typically processes transactions solely through the Preferred Custodian. While it is generally advantageous to the client for the Preferred Custodian to execute trades, WisCap at times directs certain transactions (often fixed income instruments) to other qualified broker/dealers as executing broker in an effort to obtain better execution.

The Preferred Custodian used also makes available other products and services that benefit WisCap by assisting it in managing and administering client accounts, but that may not specifically benefit its clients' accounts. These other products and services include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitating trade execution; providing research, pricing information and other market data; facilitating payment of WisCap's fees from its clients' accounts; and assisting with back-office functions, recordkeeping and client reporting. WisCap can make use of these services for all or a substantial number of its client accounts, including some not maintained at that Preferred Custodian if it chooses to do so.

The Preferred Custodian used also offers other services to advisers intended to help them manage and further develop their business enterprises. Such services may include consulting, publications, and conferences on practice management, information technology, business succession, regulatory compliance, and marketing.



As WisCap receives benefits from a Preferred Custodian, an inherent conflict of interest could arise from a WisCap recommendation to maintain a client's assets at a Preferred Custodian. While the firm encourages clients to consider the use of a Preferred Custodian's services for the efficiencies they offer, selecting a custodian is ultimately the client's decision. Further, as a practical matter, the benefits attributable directly to WisCap are not material factors in recommending a Preferred Custodian to a client.

#### Wrap Account Advisory Services

Wrap account assets are held at the program sponsor (or, an affiliate of the program sponsor), and WisCap is directed to trade through that broker-dealer. The program sponsor provides various administrative services to WisCap as manager of the account, including access to client account data (such as trade confirmations and account statements); facilitating trade execution; and facilitating payment of WisCap's fees from the clients' accounts. WisCap is not affiliated with any wrap account program sponsor used by its clients. Further, WisCap does not recommend clients to use any specific program sponsor.

#### Mutual Fund Services

WisCap selects the broker-dealers through which its mutual fund clients trade, with the objective of negotiating the best price obtainable given market conditions and the nature of the account at the most favorable commission. The specific factors considered in selecting a broker-dealer for mutual fund client transactions include: WisCap's knowledge of the broker-dealer's commission structure; the broker-dealer's knowledge of and dominance in specific markets, securities, and industries; quality of execution including best price under the circumstances; the broker-dealer's ability to locate liquidity; the overall relationship of the broker-dealer with WisCap, including responsiveness and dependability; the broker-dealer's inventory of fixed income securities; price(s) of available securities; the broker-dealer's reputation and integrity; and research services provided by the broker-dealer (as described in further detail below).

#### Soft Dollar Practices

WisCap considers the value of proprietary research services received in selecting broker-dealers to execute its clients' trades, including access to research conferences, research analysts and company management of publicly traded securities. WisCap does not presently engage in additional traditional "soft dollar" arrangements with broker-dealers; as such, WisCap uses client commissions to pay only for proprietary research services as described above. WisCap reserves the right to expand upon its soft dollar practices in the future.

When WisCap receives proprietary research or other services as a result of commissions paid by clients, WisCap receives a benefit because it does not have to produce or pay for the research or services. As such, WisCap has an incentive for us to place trades through the broker-dealer providing these proprietary research services. WisCap's Compliance Committee routinely reviews trading activity and the value provided by broker-dealers to address this conflict.

Research services provided by broker-dealers are used in servicing any or all WisCap clients and such research products or services are not necessarily used by WisCap in connection with the accounts that paid commissions to the broker-dealer providing the research services. WisCap does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate. Currently, the commissions used to compensate broker-dealers for access to proprietary research services are generated by WisCap's mutual fund clients. WisCap may in the future choose to allocate commissions from either existing or prospective clients to compensate broker-dealers for access to proprietary research services.

WisCap negotiates commission rates with broker-dealers used to trade securities within client accounts. In order to compensate broker-dealers which provide proprietary research services to WisCap as outlined above, WisCap has negotiated a higher per share commission rate than WisCap believes it could otherwise negotiate if the broker-dealer did not provide such services. WisCap management routinely reviews the amount of commissions its clients pay to broker-dealers (both on a per-share basis and in aggregate) to determine whether it believes the value of research services is worth the commission dollars incurred by WisCap clients. WisCap's investment management team believes it gains tremendous value from the proprietary research services provided by third-party broker-dealers.

As noted above, WisCap recommends clients use a Preferred Custodian for custody, brokerage and clearing services. To service these clients, WisCap uses standard technology and research services provided by the Preferred Custodian, including services related to trade execution, clearance and settlement functions, as well as trading software and general economic commentary and analyses. All services provided by a Preferred Custodian are generally available to all advisors with clients on the Preferred Custodian's platform and are used to service all WisCap accounts.

WisCap may have an incentive to select or recommend a broker-dealer based on the firm's interest in receiving research or other products or services, rather than its client's interest in receiving the most favorable execution. To mitigate such soft dollar conflicts, WisCap maintains policies and procedures designed to provide reasonable assurance that it selects brokers based on its fiduciary role, and not for its own interest. WisCap also routinely reviews allocation of commissions to brokers and related soft dollar matters, including evaluating whether the value of soft dollar services received are reasonable in light of the commissions paid.

#### Client Directed Brokerage

WisCap does not anticipate clients to direct the use of a specific broker-dealer to effect transactions in their accounts ("Directed Accounts"). However, WisCap considers clients that maintain their accounts at a Preferred Custodian as well as wrap fee arrangements to be Directed Accounts, as most trades are expected to be executed through the custodian's affiliated broker-dealer. The use of Directed Accounts may limit WisCap's ability to block the client's orders with those of other clients to receive an average price for securities bought or sold, or to otherwise obtain best price and execution. Further, the costs and commissions of a full-service brokerage account may be higher than other available brokerage arrangements, even after the brokerage firm's rates have been discounted.

### Aggregation and Allocation of Trade Orders

WisCap strives to allocate investment opportunities among clients in a fair and equitable manner based on the characteristics and needs of the clients and market conditions. In general, WisCap reviews each account on an individual basis, and therefore places trades within client accounts on an individual basis. However, WisCap may, at its discretion, aggregate trades among clients, often referred to as “block” trading, in an effort to obtain best execution and the best security price available.

In the event of a partial fill equity trade, WisCap allocates shares to accounts included in the trade on a pro-rata basis.

When trading fixed income securities in block orders, shares will be allocated to clients participating in the block when there is sufficient volume. Where there is not sufficient volume, WisCap allocates fixed income securities to accounts based on need; specifically, those accounts with excess cash and those accounts whose current investment allocation is out of line with the account owner’s desired strategy.

WisCap’s approach to managing client accounts results in certain accounts trading the same security after other client accounts. Trading activity in the security (including our trading activity) will inherently place either upward or downward pressure on the security, the degree to which depends upon numerous external factors including the liquidity profile of the security. While clients trading after other clients may pay more or less than other WisCap clients for the same security, as a practical matter WisCap considers this risk to be controlled as WisCap generally invests client assets in securities deemed to be liquid in nature.

### Cross Transactions

Although expected to occur infrequently, WisCap reserves the ability to affect a purchase and sale transaction between two client accounts (a “cross” trade). Such transactions will occur when WisCap determines that: a) a cross trade is in the best interest of each participating client; and b) no client will be disadvantaged by the transaction. If a broker-dealer is used to facilitate settlement of the cross trade, the broker-dealer may charge a customary, nominal fee to the client(s).

### Trade Error Correction

WisCap maintains a Trade Error Correction Policy to address trade errors that may occur in a client account. WisCap considers a trade error to be an unintentional mistake, such as purchasing instead of selling a security, purchasing (or selling) an incorrect amount of a security, or purchasing (or selling) a security contrary to an applicable client guideline. WisCap strives to correct all trade errors within a reasonable period of time following discovery of the error by reversing the original action that caused the error. WisCap does not use commissions from other client accounts to correct trade errors. It is WisCap’s policy for clients to be made whole following a trade error.

A Preferred Custodian generally requires advisers to follow its trade error correction policy for client accounts which custody assets at the Preferred Custodian. Clients may obtain a copy of the relevant Preferred Custodian's trade error correction policy by contacting the custodian directly or by contacting WisCap.

### **Item 13 – Review of Accounts**

It is important that you discuss any changes in your financial objectives, circumstances, or risk profile with WisCap.

WisCap performs periodic reviews of clients' accounts, including their holdings, for whether recommended transactions continue to be consistent with: 1) the guidelines established at the inception of the account; 2) written agreements; 3) correspondence; and/or 4) changes in life circumstances. Reviews are also performed at the client's request or when a client communicates a change in objective, when warranted by changes in the market or economic trends, and/or at the discretion of the Portfolio Manager.

WisCap conducts reviews of client account objectives, asset class exposures, and risk tolerance parameters continuously. Final decisions regarding investments in each account are left to the judgment of WisCap.

Unless otherwise requested by a client, WisCap provides its clients with quarterly reports showing the securities held, the current market value of the securities, and details describing the performance of the account.

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

WisCap has entered into an agreement with a broker-dealer, whereby the broker-dealer will initially assist WisCap in: 1) placing the Plumb Funds on platforms of select Financial Institutions; and 2) establishing WisCap's model portfolio service offering with select Financial Institutions. All fees associated with services provided by this broker-dealer are paid directly from WisCap's resources, and are not borne by Plumb Funds shareholders nor any WisCap client.

WisCap receives an economic benefit from the Preferred Custodian primarily used in the form of the support products and services it makes available to WisCap and other independent investment advisers that have clients' accounts maintained at the Preferred Custodian. These products and services, how they benefit WisCap, and the related conflicts of interest are described in Item 12, Brokerage Practices. The availability to WisCap of a Preferred Custodian's products and services is not based on WisCap giving particular investment advice, such as buying particular securities for WisCap clients.

### **Item 15 – Custody**

WisCap maintains custody over client funds or securities only to the extent: 1) advisory fees are deducted from a client's account; and 2) as a result of our limited ability to assist clients in communicating transfers of client funds to third-party entities. Both the client's custodian and

WisCap maintain controls related to the transfer of such client funds to third-party entities, in the interest of ensuring such client funds remain secure. These controls include a requirement for the client to provide written instructions.

Clients should receive at least quarterly statements from the broker-dealer, bank, or other qualified custodian holding a client's assets. WisCap encourages clients to review these statements carefully.

WisCap believes that account information in these statements is derived from reliable sources, but the firm cannot guarantee its accuracy as WisCap has no control over statements provided by the clients' custodian. Performance information contained within WisCap statements is presented net of WisCap management fees, and past performance shown is not indicative of future results. WisCap encourages clients to compare information contained within its statements to those provided by clients' custodians. Further, WisCap clients should not rely on information in WisCap's statements for tax or legal purposes; rather, WisCap recommends clients rely upon information provided by their custodians for such purposes. Clients are encouraged to contact WisCap with any questions regarding their account statements.

#### **Item 16 – Investment Discretion**

In their investment agreements, clients generally provide discretionary authority to WisCap to select the identities and amounts of securities to be bought or sold, and to determine when securities should be bought or sold. In all cases, however, such discretion is to be exercised in accordance with the client's stated investment objectives for a particular account.

When selecting securities and determining amounts, WisCap considers the investment policies, limitations, and restrictions stated in a client's investment agreement. For registered investment companies managed by WisCap, WisCap's authority to trade securities may also be limited by certain federal securities and tax laws requiring diversification of investments and favoring holding investments once made.

WisCap does not provide discretionary nor nondiscretionary investment management services associated with its model portfolio services offering.

#### **Item 17 – Voting Client Securities**

The following information summarizes WisCap's Policy and Procedures regarding proxy voting for client accounts. Clients must instruct their custodians to forward copies of all proxy and shareholder communications relating to their investment assets: 1) to WisCap, if the client elects to have WisCap vote proxies on their behalf; or 2) to the client, if the client wishes to retain proxy voting authority. WisCap may offer assistance as to proxy matters upon a client's request.

##### **Proxy Voting**

Where the client authorizes WisCap to vote its proxies, WisCap strives to vote all proxies in the best economic interests of its clients, including the Plumb Funds. The Policies and Procedures

do not apply to those situations in which the client has retained voting discretion. WisCap shall vote proxies for clients pursuant to the authority granted in a client's investment management agreement, or as granted by written direction from a client. WisCap is responsible for ensuring that proxies are voted in accordance with WisCap's policies.

In general, proxies will be voted in a manner designed to maximize the value of client and Fund investments. In evaluating a particular proxy proposal, WisCap takes into consideration, among other things: 1) management's assertions about the proposal; 2) WisCap's determination of how the proxy proposal will affect its clients; 3) WisCap's determination of possible dilution for shareholders; and 4) whether voting the proxy is not in the clients' best interests because, for example, the cost of voting exceeds the expected benefit.

WisCap's policy is to support management's recommendations on proxy issues related to business operations matters, since management's ability is a key factor WisCap considers in selecting equity securities for client portfolios. WisCap believes a company's management should generally have the latitude to make decisions related to the company's business operations. However, when WisCap believes the company's management is acting in a manner inconsistent with its clients' best interests, WisCap will vote against management's recommendations.

WisCap will analyze all highly contested or controversial proxy proposals (e.g., significant corporate events, contested director elections, or mergers) related to a company on a case-by-case basis. While WisCap does not explicitly consider Environmental, Social or Governance ("ESG") matters when determining whether to purchase a security, it will consider ESG proxy proposals on a case-by-case basis, using the same criteria it uses to vote other proxy matters.

WisCap has a duty to recognize a material conflict of interest, and to resolve the conflict before voting the proxy. For purposes of proxy voting, material conflicts are defined as those that WisCap believes a reasonable investor would view as important in deciding how to vote a proxy. Upon identifying a material conflict of interest relating to a specific proxy vote, WisCap will take one of the following actions designed to provide reasonable assurance the voting decision is based on the clients' and/or Funds' best interests and not on the conflict:

1. Engage an independent party to determine how to vote the proxy;
2. Prepare a report that (i) describes the conflict of interest; (ii) discusses procedures for addressing such conflict; (iii) discloses any contacts from outside parties (other than routine communications from proxy solicitors) regarding the proposal; and (iv) confirms the recommendation was made solely on the investment merits and without regard to any other consideration;
3. Refer the proxy to a client or to a representative of the client for voting purposes;
4. Disclose the conflict to the affected clients or Funds, and seek consent to vote the proxy prior to casting the vote; or
5. Vote in accordance with pre-determined voting policy, as disclosed to clients and the Funds.

Clients may obtain a copy of WisCap's complete proxy voting policies and procedures upon request. Clients may also obtain information from WisCap regarding how it voted proxies on behalf of their account(s) by calling (608) 960-4616.

## **Item 18 – Financial Information**

Registered investment advisers are required to provide their clients with certain financial information or disclosures about their financial condition. WisCap has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

## **Item 19 – Other Information**

### *Dual Roles*

WisCap's Chief Compliance Officer ("CCO") is also responsible for other firm-related activities, including serving as the Plumb Funds' CCO as well as providing operational support to WisCap. These other responsibilities may at times create an inherent conflict with the CCO's WisCap compliance responsibilities. WisCap management is aware of such inherent conflicts and strives for a strong compliance culture combined with appropriate processes and controls designed to provide reasonable assurance that the CCO's other responsibilities do not interfere with her WisCap CCO obligations.

### *Identity Theft*

WisCap recognizes the inherent risk all individuals face with respect to identity theft. WisCap requests any client who suspects his/her identity may have been compromised to immediately notify the client's primary relationship manager, thereby permitting WisCap to consider implementing additional controls around the client's account.

### *Disaster Recovery*

WisCap maintains a Disaster Recovery Plan designed to reasonably assure that its essential business functions are promptly restored in the event of a disaster. WisCap strives to establish and maintain comprehensive processes supporting this Disaster Recovery Plan. However, the firm cannot assure its ability to continue operations during every disaster, given the inherently unknown nature and scope of future disaster events. Such events could include acts of war, terrorism, accidents and sabotage. If an actual disaster should occur, WisCap will make every attempt to notify clients of the event's impact on the firm and its clients.

### *Class Action Processing*

WisCap works with a third-party vendor which provides class action litigation monitoring and securities claim filing services. In return for this service, the vendor receives a percentage of any settlement collected. WisCap does not receive a payment for services provided by the third-party vendor, aside from its negotiated investment management fees as described within Item 5 above.





## **Exhibit A – Privacy Notice**

### ***Our Promise to You***

As a client of WisCap, you share both personal and financial information with us. Your privacy is important to us, and we are dedicated to safeguarding your personal and financial information.

### ***Information Provided by Clients***

In the normal course of doing business and depending on the product or service you have with us; we may obtain non-public personal information about you. This information can include:

- Name, address, social security number, and date of birth;
- Information regarding securities transactions effected by us;
- Financial information such as net-worth, assets, income, bank account information, personal income tax information, and account balances;
- Information we receive from custodians with respect to your account(s); and
- Information received from service bureaus or other third parties.

### ***How We Manage and Protect Your Personal Information***

We do not sell information about current or former clients to third parties, nor do we disclose such information to third parties unless requested or permitted to do so by a client or client representative or, if necessary, in order to process a transaction, service an account or as permitted by law. Also, we may share information with outside companies that perform administrative duties for us. However, our arrangements with these service providers require them to treat your information as confidential.

In order to protect your personal information, we maintain physical, electronic, and procedural safeguards to protect your personal information.

### ***Client Notifications***

We annually provide a notice describing our Privacy Policy. In addition, we will inform you and provide a revised notice if there are changes to our policy. Please do not hesitate to contact us with questions about this notice.