

Form ADV Part 2A Brochure

Item 1 – Cover Page

Sunbeam Capital Management, LLC

886 Cumberland Road NE Atlanta, Georgia 30306

(901) 229-2132

March 27, 2020

This brochure provides you with information about the qualifications, business practices and nature of advisory services of Sunbeam Capital Management, LLC ("**Sunbeam**" or the "**Firm**"), all of which should be considered before becoming an advisory client of our Firm. If you have any questions about the contents of this brochure, please contact us at (901) 229-2132 or ellis@sunbeamcapmgmt.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("**SEC**"), or by any state securities authority.

The Firm is registered as an investment adviser with the SEC. Registration does not imply a certain level of skill or training. Additional information about our Firm is available on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number known as a CRD number. Our Firm's CRD number is 289723.

Item 2 – Material Changes

Sunbeam Disclosure Brochure

This Form ADV Part 2A, also known as our "**Brochure**," has 18 separate disclosure items that we must address, each of which must be presented in the order set forth in this Brochure. We will provide an updated Brochure, or a summary of material changes to our Brochure, to our continuing clients at least annually.

This Brochure is filed as an annual updating amendment to the Form ADV Part 2. The date of this brochure is March 26, 2020. The last annual update of this brochure was March 27, 2019. The following material changes have been made since the last annual update March 27, 2019:

1. We have simplified the billing section in Item 5 (Fees and Compensation) to make the Brochure more consistent with the billing language that appears in our Client Agreement. Please see Item 5 for more information.
2. We have also revised Item 5 (Fees and Compensation) to further describe the fees that for which Clients will be responsible and separately describe the fees and expenses for which the Adviser will be responsible. Please see Item 5 for more information.
3. We have also revised the refund policy section in Item 5 (Fees and Compensation) to further elaborate on the process by which Clients can seek to obtain refunds of any prepaid advisory fee. Please see Item 5 for more information.
4. We have supplemented the Risk of Loss section in Item 8 (Methods of Analysis, Investment Strategies and Risk of Loss) to more fully describe risks associated with investment strategies, investing in the market, and investing in specific types of securities. Please see Item 8 for more information on investment risks.
5. We have revised Item 8 (Methods of Analysis, Investment Strategies and Risk of Loss) to disclose that Sunbeam utilizes a separate, unaffiliated investment consulting firm for input on its investment strategies and analyses. Please see Item 8 for more information.
6. We have revised Item 12 (Brokerage Practices) to describe additional factors we consider when recommending or using a custodian or broker. Please see Item 12 for more information.
7. We modified Item 12 (Brokerage Practices) to clarify that we do not currently aggregate the purchase or sale of the same securities for various client accounts ("block trade") but have included policies and procedures should we start to block trade. Please see Item 12 for more information.
8. We have revised Item 13 (Review of Accounts) to make it clear that we conduct reviews of advisory accounts of our clients, at minimum, on an annual basis. Please see Item 13 for more information.

9. We have revised Item 13 (Review of Accounts) to indicate that in addition to receiving quarterly written statements directly from the account custodian, Clients may also receive reports from our Firm regarding the Client's account. Clients should compare any such reports with their actual account statements received from the custodian. Please see Item 13 for more information.
10. We have revised Item 14 (Client Referrals and Other Compensation) to clarify that Sunbeam does not receive any compensation, directly or indirectly, for referring clients to other advisers. Please see Item 14 for more information.
11. We have revised Item 15 (Custody) to indicate that, in limited cases, we have custody of client funds or securities due our standing authority to make third-party transfers on behalf of our clients who have granted us this authority via standing letters of authorization. Please see Item 15 for more information on custody and letters of authorization.

We may, at any time, update this Brochure and send a copy to you with a summary of material changes, or send you only a summary of material changes that includes an offer to send you a copy of the full Brochure either by electronic means (email) or in hard copy form.

A current Form ADV Part 2A is available to our existing and prospective clients at no charge, 24 hours a day through the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov or by contacting us at (901) 229-2132 or ellis@sunbeamcapmgmt.com.

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Item 4 – Advisory Business

A. FIRM DESCRIPTION

Sunbeam Capital Management, LLC (“**Sunbeam**” or the “**Firm**”) is organized as a Georgia limited liability company and was founded in 2017. Ellis A. Carson II is the Managing Member, Chief Compliance Officer and controlling owner of the Firm. He is currently the only Investment Adviser Representative of the Firm.

Sunbeam’s current business activities consist of providing investment advisory services to clients (each a “**Client**” and collectively, “**Clients**”), primarily through separately managed accounts (each an “**Account**” and collectively, the “**Accounts**”).

B. TYPES OF ADVISORY SERVICES

Sunbeam provides fee-only investment management services through separately managed Accounts to Clients that include high net worth individuals and related investment entities. Sunbeam provides discretionary portfolio management services to clients aimed at growing assets over the long-term. Subject to any written guidelines, which the Client may provide in regard to an Account, the Firm will be granted discretion and authority to manage each Account. Sunbeam will generally select Exchange Traded Funds (“ETFs”), mutual funds, and in some limited cases individual stocks or bonds for client portfolios.

Sunbeam requires that a written client agreement (a “**Client Agreement**” or “Investment Management Agreement”) be signed by each Client prior to the provision of services by the Firm. Among other things, the Client Agreement outlines the services rendered by Sunbeam and the fees that the Client will be charged.

Accordingly, Sunbeam is authorized to perform various functions, at the Client’s expense, without further approval from Client. Such functions include the determination of securities and other investments to be purchased or sold and the amount of securities and other investments to be purchased or sold in the Account. Clients that invest through an Account may impose restrictions on investing in certain securities or types of securities. Once the portfolio for an Account is constructed, Sunbeam will provide continuous monitoring and rebalancing of the portfolio as market conditions change and as Client circumstances may require.

Accounts under the Firm’s investment management supervision are usually treated as discretionary relationships. The Firm typically has full discretion over the investment management, security selection, and execution of related trades for each Account and each Fund. However, Clients may be permitted to direct the purchase or sale of certain securities within the portfolio of an Account.

C. TAILORED RELATIONSHIPS

Sunbeam provides asset allocation and portfolio management advice based on the individual needs, goals and risk tolerance of each Client. The asset management services offered by

Sunbeam are based on the individual needs of each Client and the suitability of products and services for such Client. Sunbeam will work with clients to understand their complete balance sheet, income needs, spending requirements (now and into the future), risk tolerance, current investment exposures, investment objectives and other factors to determine the best financial plan moving forward. Clients may impose reasonable restrictions on the management of their Account. Sunbeam will work with clients to understand any restrictions they may have and allocate the portfolio accordingly.

Securities selection will be based on a Client-by-Client basis, generally based on the Client's portfolio size, goals and risk tolerance. All positions are actively monitored with a focus on managing volatility risk, sector risk and overall portfolio risk. Sunbeam reserves the right to advise a Client on any types of investment that it deems appropriate based on the Client's stated goals and objectives.

Clients are advised to promptly notify Sunbeam if there are any material changes in a Client's financial situation, investment objectives, or in the event such Client wishes to alter any guidelines relevant to the investment management services provided by Sunbeam.

D. WRAP FEE PROGRAMS

Wrap Fee Programs are arrangements between broker-dealers, investment advisers, banks or other financial institutions and affiliated and unaffiliated investment advisers through which clients of such firms receive investment advisory, execution, clearing, and custodial services in a "bundled" form. In exchange for these "bundled" services, clients pay an all-inclusive (or "wrap") fee determined as a percentage of the assets held in the wrap account.

Sunbeam does not currently participate in and is not a sponsor of a wrap fee program.

E. ASSETS UNDER MANAGEMENT

When calculating regulatory assets under management, an Investment Adviser must include the value of Accounts over which it exercises continuous and regular supervisory or management services. As of December 31, 2019, Sunbeam had approximately \$70 million in assets under management on a discretionary basis, with no non-discretionary Account assets.

IRA Rollover Considerations – Important Information

As part of our advisory services, we may provide the Client recommendations and advice concerning the Client's employer retirement plan or other qualified retirement account. Sunbeam's recommendations may include that the Client consider transferring the assets from their employer's retirement plan or other qualified retirement account to an individual retirement account ("**IRA**") that we can manage together with other client assets for compensation, a process sometimes known as "rolling" over into an IRA. If the Client elects to roll the assets to an IRA that is subject to Sunbeam's management, Sunbeam will charge the Client an asset-based fee as described below under Item 5. This practice presents a conflict of interest because we have an incentive to recommend a rollover to the Client to

increase our fee revenue rather than solely based on the Client's needs. The Client is under no obligation, contractually or otherwise, to complete a rollover. Furthermore, if the Client does complete a rollover, the client is under no obligation to have the assets in an IRA managed by us.

It is important for the Client to understand that many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, the Client should consider the costs and benefits of each.

An employee will typically have four options:

1. Leave the funds in the Client's employer's (former employer's) plan.
2. Move the funds to a new employer's retirement plan.
3. Cash out and taking a taxable distribution from the plan.
4. Roll the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage the Client speak with their CPA and/or tax attorney.

If the Client is considering rolling over their retirement funds to an IRA for Sunbeam to manage, it is important the Client understand the following:

1. Determine whether the investment options in the Client's retirement plan address their needs or whether the Client might want to consider other types of investments.
 - a. Employer retirement plans generally have a more limited investment menu than IRAs.
 - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. The Client's current plan may have lower fees than Sunbeam' fees.
 - a. If the Client is interested in investing only in mutual funds, the Client should understand the cost structure of the share classes available in the Client's retirement plan and how the costs of those share classes compare with those available in an IRA.
 - b. The Client should understand the various products and services the Client might take advantage of at an IRA provider and the potential costs of those products and services.
 - c. It is likely the Client will not be charged a management fee and will not receive ongoing asset management services unless the Client elects to have such services. In the event the Client's plan offers asset management or model management, there may be a fee associated with the services that is more or less than Sunbeam's asset management fee.

3. Sunbeam's strategy may have higher risk than the option(s) provided in the Client's plan.
4. The current plan may offer financial advice, guidance, and/or model management or portfolio options at no additional cost.
5. If the Client keeps assets titled in a 401k or retirement account, the Client could potentially delay the required minimum distribution beyond age 70.5 (70 ½) to 72, depending on whether the client turned 70.5 (70 ½) in 2019.
6. The Client's 401k may offer more liability protection than a rollover IRA; each state may vary. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so the Client should consult an attorney if the Client is concerned about protecting the retirement plan assets from creditors.
7. The Client may be able to take out a loan on their 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If the Client owns company stock in the plan, the Client may be able to liquidate those shares at a lower capital gains tax rate.
10. The Client's plan may allow the Client to hire Sunbeam as the manager and keep the assets titled in the plan name.

It is important that the Client understand the differences between these types of accounts and to decide whether a rollover is best for the client. Prior to proceeding, if the Client has questions, they should contact Sunbeam using the information on the cover page of this brochure.

Item 5 – Fees and Compensation

A. ADVISORY FEES

Sunbeam earns its fees and compensation by providing advice and investment management services. Clients pay Sunbeam a quarterly management fee in advance based on the net asset value of assets under management.

The Advisory Fee structure for Sunbeam is as follows:

Account Value (Net Asset Value)	Quarterly Management Fee
Up to \$50 million	0.375% (1.5% <i>per annum</i>)
\$50 million to \$100 million	0.3125% (1.25% <i>per annum</i>)
\$100 million and over	0.25% (1.0% <i>per annum</i>)

All fees are subject to negotiation.

B. BILLING

Client authorizes Adviser to make deductions or withdrawals from any Account under Sunbeam's management for any fees due to Adviser under this Agreement.

The management fee will be billed quarterly in advance. Management fees for the initial quarter will be prorated based on the number of days in the quarter in which the account is subject to this agreement, said fee to be charged in arrears. Any unearned amounts will be refunded in the event a Client closes their Account during a calendar quarter. Management fees will be assessed based on the fair market value of the account as of the last day of the previous quarter.

C. OTHER FEES AND EXPENSES

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

Adviser shall be responsible for its own out-of-pocket expenses, including its own administrative, legal, tax, accounting, and operational expenses. Client or the respective Account owner shall be responsible for any and all other expenses related to investments

made for an Account according to Adviser recommendations, including administrative, legal, tax, accounting, and operational expenses. Fees charged by the custodian will be described in the custodial account agreement.

Item 12 further describes the factors that Sunbeam considers in selecting or recommending broker-dealers for Client transactions, determining the reasonableness of their compensation (e.g., commissions) and other expenses incurred by Clients in connection with their investments through Accounts.

D. REFUND POLICY

In the event of termination, Clients will be entitled to a prorated refund of any prepaid advisory fee based upon the number of days remaining in the quarter after the termination date. Clients can contact Sunbeam at the address or phone number indicated on Page 1 of this disclosure brochure for a refund for unearned portions of the Advisory Fee.

E. OTHER COMPENSATION

Sunbeam does not receive any compensation other than management fees described in this Brochure and Client Agreements. All fees are subject to negotiation.

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

Sunbeam does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a Client).

“Side-by-Side Management” refers to a situation in which the same adviser manages accounts that are billed based only on a percentage of assets under management and at the same time manages other accounts for which fees are performance-based. Sunbeam does not currently manage any Accounts on a side-by-side basis.

Item 7 – Types of Clients

A. TYPES OF CLIENTS

Sunbeam provides portfolio management services to high net worth individuals and related entities such as retirement accounts, family trusts and limited partnerships.

B. CONDITIONS FOR ACCOUNT MANAGEMENT

The Firm does not require a specific minimum amount of Client assets, but does not expect to work with Clients that do not have several million dollars of investable assets.

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

A. METHODS OF ANALYSIS

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

Sunbeam will determine the most appropriate asset allocation for clients after in-depth discussions about current assets, liabilities, income needs, both current and future, investment goals, risk tolerance, tax status and other factors. Client portfolios will be invested over multiple asset classes with different weightings to achieve the desired risk and return profile. Each portfolio will be reviewed periodically for rebalancing to ensure the portfolio remains invested in accordance with the planned objectives. Once the appropriate allocation has been determined, Sunbeam will generally select Exchange Traded Funds ("*ETFs*"), mutual funds, and in some limited cases individual stocks or bonds for client portfolios.

Sunbeam will choose the most effective investment vehicles to implement the asset allocation plan. Investment vehicles will be selected based on Sunbeam due diligence and third-party research providers and consultants, among other factors. Sunbeam believes that diversification across asset classes affords clients some level of protection from being overly exposed to one particular asset class. However, portfolios exposed to multiple asset classes can be volatile during any given time periods and may lose value.

ETFs and mutual funds will be selected based on a number of factors including Sunbeam's due diligence, third party research and consultants, manager tenure, past performance, assets under management of the manager, fees, fund sponsor, fund rankings, fund ratings for risk versus return, and other factors.

Fixed income investments may be used as part of a strategic asset allocation or to generate income, possibly both. Individual bonds or bond funds will be selected based on a number of factors including Sunbeam's due diligence, third party research and consultants, manager tenure, past performance, assets under management of the manager, fees, fund rankings, rating of the bond(s), duration, yield, and other factors.

Should Sunbeam select individual stocks, Sunbeam will utilize its own due diligence, third party research and consultants, fundamental analysis, and other factors. The Firm's fundamental analysis consists of calculating financial ratios and reviewing cyclical trends of industries in conjunction with other monetary policy indicators to assess the overall performance and profitability of companies. Fundamental analysis is performed on historical and present data. There are risks associated in making financial forecasts on such data. Since fundamental analysis takes a long-term approach to analyzing markets and often looking at data over a number of years, patience is necessary and even an ultimately successful investment may not be evident for an extended period of time.

B. INVESTMENT STRATEGIES

Sunbeam strives at all times to meet the investment objectives of each Client. During an interview with a new Client, Mr. Carson will seek to understand the Client's goals and time horizon while also evaluating the Client's risk tolerance through discussion and feedback. Mr. Carson will use this experience to help design client portfolios that will try to protect capital over the long term. Sunbeam will carefully examine the entire balance sheet and household wealth situation of each Client before making any recommendations. Sunbeam

aims to create balanced and conservative portfolios for clients to preserve wealth. **However, investing involves risk and any client may lose a substantial amount of his or her account value.**

Securities used to build the investment portfolio will generally consist of mutual funds, exchange traded funds, individual stocks, and individual bonds. Security selection will be on a Client-by-Client basis but will generally be based on the client's portfolio size, goals, and risk tolerance.

Sunbeam may also utilize the following investment strategies, among others, when implementing investment advice given to Clients:

- **Long Term Purchases** - Securities purchased with the expectation that the value of those securities will grow over a relatively long period, generally greater than one year. Long-term purchases may be affected by unforeseen long-term changes in the company in which you are invested or in the overall market. The risk involved with this type of strategy is that, if you need your money in the short term, you may not be able to wait for the market to recover from a downturn.
- **Short Term Purchases** - Securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. We may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk.
- **Trading** - Securities purchased with the expectation that they will be sold within a very short period of time, generally within 30 days. Trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk. Frequent trading strategies may be used occasionally in an effort to capture significant market gains and avoid significant losses during a volatile market. However, frequent trading can negatively affect investment performance, particularly through increased brokerage and other transactional costs and taxes.
- **Balanced Strategy** - A portfolio allocation and management method aimed at balancing risk and return. Such portfolios are generally divided equally between equities and fixed-income securities. Although the balanced investment strategy aims to balance risk and return, it does carry more risk than those strategies aiming at capital preservation or current income. In other words, the balanced investment strategy is a somewhat aggressive strategy, and is suitable for those investors who have some tolerance for risk with a longer time horizon (generally over five years).
- **Options** - Purchasing and writing options is a strategy whereby a contract is sold by one party to another, which offers the purchaser the right to buy or sell a security at an agreed-upon price during a certain period of time or on a specific date. We may use this strategy to hedge a portion of a Client's portfolio, or

generate additional income. Options can be highly volatile instruments and can lose most or all of their value in a short amount of time, so clients must be willing to accept this risk.

There are always risks to investing and it is impossible to describe all possible types of risks which may affect investments. In addition to risks relating to significant investment strategies, a prospective Client should also carefully consider the following risks prior to retaining the Firm:

- **General Investment Risks** - An Account's success depends upon Sunbeam's ability to implement its investment strategy. Any factor that would make it more difficult to execute timely trades may also be detrimental to Account profitability.
- **Dependence on Key Personnel** - Sunbeam is entirely dependent on the services of Mr. Carson. His departure or incapacity would currently require termination of Client relationships and each Client would be responsible to reviewing Account positions or retaining an alternative investment adviser.
- **Investment and Trading Risks** - All investments involve the risk of a loss of capital. Sunbeam believes that its investment program and its research and risk-management techniques moderate this risk through the careful selection of securities and other financial instruments. No guarantee or representation is made that Sunbeam's investment program will be successful, and investment results may vary substantially over time.
- **Risks Relating to Markets** - Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason and may take some time to recover any lost value. The value of those securities in which Accounts invest and that are traded on exchanges or over-the counter and the risks associated therewith vary in response to events that affect such markets and that are beyond Sunbeam's control. Market disruptions such as those that occurred during October of 1987, on September 11, 2001 and following the systemic loss of confidence during the recent financial crisis of 2008 and 2009, could have a material effect on general economic conditions, market volatility, and market liquidity which could result in substantial losses to Clients. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.
- **Risks Relating to Currency** - Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Interest Rate Risk** - Movements in interest rates may directly cause prices of fixed income securities fluctuate. For example, rising interest rates can cause "high quality, relatively safe" fixed income investments to lose principal value.
- **Credit Risk** - If debt obligations held by an account are downgraded by ratings agencies or go into default, or if management action, legislation or other

government action reduces the ability of issuers to pay principal and interest when due, the value of those obligations may decline, and an account's value may be reduced. Because the ability of an issuer of a lower-rated or unrated obligation (including particularly "junk" or "high yield" bonds) to pay principal and interest when due is typically less certain than for an issuer of a higher-rated obligation, lower rated and unrated obligations are generally more vulnerable than higher-rated obligations to default, to ratings downgrades, and to liquidity risk.

- **Purchasing Power Risk** - Purchasing power risk is the risk that an investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **Liquidity Risk** - Liquidity is the ability to readily convert an investment into cash. For example, Treasury Bills are highly liquid, while real estate properties are not. Some securities are highly liquid while others are highly illiquid. Illiquid investments carry more risk because it can be difficult to sell them.
- **Political Risks** - Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **Regulatory Risk** - Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- **Risks Related to Investment Term** - If the Client requires a liquidation of their portfolio during a period in which the price of the security is low, the Client will not realize as much value as they would have had the investment had the opportunity to regain its value, as investments frequently do, or had it been able to be reinvested in another security.
- **Business Risk** - Many investments contain interests in operating businesses. Business risks are risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Financial Risk** - Many investments contain interests in operating businesses. Excessive borrowing to finance a business' operations decreases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Default Risk** - This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.

C. MATERIAL RISKS OF METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

Notwithstanding the method of analysis or investment strategy employed by Sunbeam, the assets of each Account are subject to risk of devaluation or loss. A prospective Client should carefully consider the following risks prior to retaining the Firm:

- **Equity Securities** - The value of the equity securities held in an Account are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and riskier than some other forms of investment
- **Small- and Medium-Capitalization Stocks** - An Account may be invested in stocks of companies with smaller market capitalizations. Small- and medium-capitalization companies may be of a less seasoned nature or have securities that may be traded in the over-the-counter market. These "secondary" securities often involve significantly greater risks than the securities of larger, better-known companies because they may have smaller revenue, narrower product lines, less management depth, small market share, fewer financial resources and less competitive strength. In addition to being subject to the general market risk that stock prices may decline over short or even extended periods, such companies may not be well-known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate growth prospects. Additionally, stocks of such companies may be more volatile in price and have lower trading volumes than larger capitalized companies, which results in greater sensitivity of the market price to individual transactions. Accordingly, these assets require a longer-term investment horizon.
- **Large-Capitalization Stocks** - An Account may be invested in stocks of companies with larger market capitalizations. Investment strategies focusing on large-cap companies may underperform other equity investment strategies as large cap companies may not experience sustained periods of growth in the mature product markets in which they operate.
- **Mutual Funds** - A substantial portion of Account assets may be allocated to registered investment companies, which are subject to all of the risks described in this Brochure that apply to direct investments. In addition, Accounts will incur a second layer of investment management fees and expenses when invested in mutual funds.
- **Bonds/Fixed-Income Market Risk** - Economic and other market developments can adversely affect fixed-income securities markets in Canada, the United States, Europe and elsewhere. At times, participants in debt securities markets may develop concerns about the ability of certain issuers to make timely principal and interest payments, or they may develop concerns about the ability of financial institutions that make markets in certain debt securities to facilitate an orderly market which may cause increased volatility in those debt securities and/or markets.

- ***Municipal Bonds*** - The firm may use municipal bonds or municipal bond funds owing to the tax-advantaged nature of the income and relatively low incidences of default. However, municipal bonds do have risks including call risk, credit risk, interest rate risk, inflation risk, liquidity risk, among other possible risks.
- ***U.S. Treasury Notes and Bonds*** - The firm may use U.S. Treasury Notes and Bonds owing to the relatively low credit risk. However, Treasury securities do have risks including interest rate risk and inflation risk.
- ***Exchange Traded and Closed-End Funds*** - Accounts will typically be invested in a type of investment company called an exchange traded fund ("ETF"). ETFs are a type of investment security that can represent an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry, sector or asset class. Some ETF portfolios are actively managed. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with the fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETFs performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.
- ***Private Placement and Private Equity Investment Risk*** - In addition to the general risks to which all securities are subject, securities received in a private placement generally are subject to strict restrictions on resale, and there may be no liquid secondary market or ready purchaser for such securities. Securities sold through private placements are not publicly traded and, therefore, are less liquid. Companies seeking private placement investments can be in earlier stages of development and have not yet been fully tested in the public marketplace. Due to their illiquidity, investors in private placements must be comfortable with being invested for long periods of time without having further access to their invested funds.
- ***Illiquid Investments*** - Accounts may invest in securities, loans or other assets for which no (or only a limited) liquid market exists or that are subject to legal or other restrictions on transfer or sale. It may take longer to liquidate these positions (if they can be liquidated) than would be the case for more liquid investments. The prices realized on the resale of illiquid investments could be less than those originally paid. The market prices, if any, for such assets tend to be volatile, and may fluctuate due to a variety of factors that are inherently difficult to predict including, but not limited to, changes in interest rates, prevailing credit

spreads, general economic conditions, financial market conditions, domestic or international economic or political events, developments or trends in any particular industry, and the financial condition of obligors. An Account may not be able to sell assets when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. The sale of illiquid assets and restricted securities often requires more time and may result in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale.

- **Highly Volatile Instruments** - The prices of financial instruments in which an Account invests can be highly volatile. Price movements of the securities and derivative contracts in which an Account may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. Accounts are subject to the risk of failure of any of the exchanges on which its positions trade or of their clearinghouses.
- **OTC Transactions** - An Account may engage in transactions involving securities traded on “over the counter” (“OTC”) markets. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes a Client to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. Therefore, to the extent that Accounts engage in trading on OTC markets, Clients could be exposed to greater risk of loss through default than if it confined its trading to regulated exchanges.
- **Options Risk** - Options entail numerous types of risks, depending on whether you buy (or “hold”) the option or whether you sell (or “write”) option. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. The more an option is out of the money and the shorter the remaining time to expiration, the greater the risk that an option holder will lose all or part of his or her investment in the option. Option writers take on different risks. The writer of a covered call, for example, forgoes the opportunity to benefit from an increase in the value of the underlying interest above the option price, but continues to bear the risk of a decline in the value of the underlying interest. The writer of an uncovered call is in an extremely risky position and may incur large losses in the value of the underlying interest increases above the exercise price.

As with writing uncovered calls, the risk of writing put options is substantial. The writer of a put option bears a risk of loss if the value of the underlying interest declines below the exercise price, and such loss could be substantial if the decline is significant. The obligation of a writer of an uncovered call or of a put that is not

cash-secured to meet applicable margin requirements creates additional risks. All clients for whom we recommend options trading will receive additional risk disclosures from the custodian at the time of submission of authorization to buy and sell options. Sunbeam urges all Clients to review those disclosures carefully and call or contact Sunbeam if they have any question.

- ***Risks of Investment in Futures, Options and Derivatives*** - Such strategies present unique risks. For example, should interest or exchange rates or the prices of securities or financial indices move in an unexpected manner, the Firm may not achieve the desired benefits of the futures, options and derivatives or may realize losses. Thus, the Client would be in a worse position than if such strategies had not been used. In addition, the correlation between movements in the price of the securities and securities hedged or used for cover will not be perfect and could produce unanticipated losses.

While this information provides a synopsis of the events that may affect Client Accounts, this listing is not exhaustive. **ANY CLIENT MAY LOSE A SUBSTANTIAL AMOUNT OF ITS ACCOUNT VALUE.**

On occasion, Sunbeam will utilize a separate, unaffiliated investment consulting firm ("Consulting Firm") to provide input to Sunbeam with respect to manager selection and due diligence, portfolio construction, asset allocation, macroeconomic views, marketing materials and other tasks. Specifically, the Consulting Firm provides Sunbeam with market commentary, macroeconomic and capital market outlooks, macroeconomic and capital market charts, asset class performance recaps, long-term forward return and volatility expectations across asset classes, asset allocation recommendations, asset class overviews and recommendations and marketing emails with current market events.

D. RECOMMENDATION OF SPECIFIC TYPES OF SECURITIES

Sunbeam recommends investments to Accounts which are designed for investors who are able to bear the risk of such investments. Permissible investments for Accounts may include, but are not limited to, equity securities, fixed income and debt securities, mutual funds, exchange-traded funds, options and other derivatives.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Sunbeam or the integrity of Sunbeam's management. None of the Firm, its principals or its employees have been involved in any legal or disciplinary matters.

Item 10 – Other Financial Industry Activities and Affiliations

A. FINANCIAL INDUSTRY ACTIVITIES

Sunbeam is not a registered broker-dealer and does not have an application pending to register as a broker-dealer. Furthermore, none of Sunbeam management or supervised persons is a registered representative of a broker-dealer and no such person has an application pending to become a registered representative of a broker-dealer.

B. FINANCIAL INDUSTRY AFFILIATIONS

Sunbeam is not a registered futures commission merchant, commodity pool operator, a commodity trading advisor and does not have an application pending to register as such. Furthermore, none of Sunbeam management or supervised persons is an associated person of the foregoing entities or has an application pending to become such an associated person.

C. OTHER MATERIAL RELATIONSHIPS

Sunbeam does not have any other arrangements with a related person who is a broker-dealer, investment company, other investment adviser, financial planning firm, commodity pool operator, commodity trading adviser, futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships.

D. OTHER INVESTMENT ADVISERS

Sunbeam does not have any material arrangements with other investment advisers that would be material to its advisory Clients.

Item 11 – Code of Ethics

A. CODE OF ETHICS

Sunbeam, its management and supervised persons (collectively “personnel”), subscribe to a strict Code of Ethics. The Code of Ethics is designed to comply with the investment advisory laws and regulations that require firms to act as fiduciaries in transactions with their Clients. The Firm’s inherent fiduciary duty requires that the Firm act solely in its Clients’ best interest and adhere to standards of utmost integrity in its communications and transactions. These standards ensure that Clients’ interests are preeminent.

Accordingly, the Firm has implemented extensive policies, guidelines, and procedures that promote ethical practices and conduct by all of the Firm’s personnel. The Firm’s Code of Ethics specifies and prohibits certain types of transactions deemed to create conflicts of interest (or perceived conflicts of interest), as well as to establish reporting requirements and enforcement procedures relating to personal transactions by its personnel. The Code of Ethics, which specifically deals with professional standards, insider trading, personal trading, gifts and entertainment, and fiduciary duties, establishes the Firm’s ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. The

Firm will provide a copy of the complete Code of Ethics to any Client or prospective Client upon request.

B. PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS

Neither Sunbeam nor any related person recommends to Clients, or buys or sells for Client accounts, securities in which Sunbeam or a related person may have a material financial interest.

C. PROPRIETARY TRADING

Sunbeam and its representatives are permitted to buy or sell securities for their own accounts that the Firm also recommends to Clients, consistent with the Firm's policies and procedures. This presents a conflict of interest because it may be possible for the Firm or its representatives to receive more favorable prices than the Firm's Clients. Sunbeam will always document any transactions that could be construed as a conflict of interest. To mitigate this conflict of interest, Sunbeam will monitor trading reports for adherence to Sunbeam's Code of Ethics.

D. SIMULTANEOUS TRADING

From time to time, Sunbeam and its representatives may buy or sell securities for their own accounts at or around the same time as Clients. This presents a conflict of interest in that Sunbeam's representatives have an incentive to prioritize their own trading over their Clients. To mitigate this conflict of interest, in any instance where such securities are purchased or sold, Sunbeam will uphold its fiduciary duty by always ensuring that transactions are beneficial to the interest of Sunbeam's Clients and that neither the sequence nor timing of execution or any other factor results in a benefit to the Firm or the Firm's representatives.

Item 12 – Brokerage Practices

A. SELECTION AND RECOMMENDATION

Sunbeam has chosen to utilize Fidelity Brokerage Services, LLC as its Custodian. Specifically, Sunbeam uses the services of Fidelity Family Office Services (FFOS) to serve the needs of some of its high net worth clients. Additionally, Sunbeam has determined that some of its high net worth clients will be better served by the Fidelity RIA Services Group (FRSG). Regardless of which services are utilized, Sunbeam does not maintain custody of Client assets, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account to pay management fees (see Item 15 – Custody, below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We expect to request that our clients use a specified broker-dealer firm that offers a platform that facilitates the management of multiple client accounts (the "**Broker**"), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and not affiliated with any potential Broker. The Broker will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we request that you use the Broker as custodian/broker, you will decide

whether to do so and open your account with the Broker by entering into an account agreement directly with them. We do not open the account for you. If you do not wish to place your assets with the Broker, then we can still manage your account, and even if your account is maintained at the Broker, we can still use other brokers to execute trades for your account, as described in the next paragraph.

How We Select Brokers/Custodians to Recommend

We seek to recommend or use a custodian or broker who will hold your assets and execute transactions on terms that are overall most advantageous when compared with other available providers and their services. We consider a wide range of factors, including:

- Combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Reputation for timely execution of transactions
- Range of brokerage services
- Breadth of investment products made available (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- Experience with the nature and character of the securities or instruments expected to be traded and the activity existing and expected in the markets on which it is purchased or sold
- Ability to make quality investment research and tools that assist us in making investment decisions to the Firm;
- Quality of services
- Knowledge of negotiated commission rates and spreads currently available
- Competitiveness of the price of those services (reasonable commission rates, margin interest rates, other fees, or other transaction charges for specific transactions etc.) and willingness to negotiate them
- Whether the broker-dealer is expected to engage in “step-out” trades or similar practices that lead to additional costs to the clients
- Reputation, capital strength, and stability of the provider
- Responsiveness to the needs of advisory firms and their prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below (see “Products and Services Available to Us from the Broker”)

Your Custody and Brokerage Costs

For our clients' accounts it maintains, the Broker generally does not charge you separately for custody services but may be compensated by charging you transaction charges in the form of commissions or similar fees on trades that it executes or that settle into your Broker account. Neither Sunbeam nor any of its representatives receives any part of these transaction charges. At present, the Broker for your Account does not charge commission for most equity trades. If the Firm elects to use a broker that will charge commissions, the Broker's commission rates and fees applicable to our client accounts will be negotiated based on our commitment to maintain a specified minimum of our clients' assets statement equity in accounts at the Broker. This commitment benefits you because the overall commission rates and fees you pay are lower than they would be if we had not made the commitment. In addition to commissions and other fees the Broker may charge you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Broker account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we will have the Broker execute most trades for your account. In certain circumstances, however, we could approve a trade away from your Broker and you would incur the additional trade away fee.

Products and Services Available to Us from the Broker (Soft Dollar Benefits)

The Broker serves independent investment advisory firms like Sunbeam. They provide our clients and us with access to its institutional brokerage — trading, custody, reporting, and related services — many of which are not typically available to the Broker retail customers. The Broker also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Here is a more detailed description of the Broker's support services:

Services That Benefit You. The Broker's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through the Broker include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. The Broker's services described in this paragraph generally benefit you and your account.

Services That May Not Directly Benefit You. The Broker also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both the Broker's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at the Broker.

In addition to investment research, the Broker also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

Services That Generally Benefit Only Us. The Broker also offers other services intended to help us manage and further develop our business enterprise. These services include educational conferences and events and technology, compliance, legal, and business consulting.

The Broker may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. The Broker may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. The Broker may also provide us with other benefits such as occasional business entertainment of our personnel. This is a conflict of interest, as We have an incentive to recommend the Broker because of Our existing relationship and the benefits We receive. We mitigate this conflict by conducting annual best execution reviews and through application of Our policies and procedures.

Sunbeam generally recommends that Clients establish an Account with the Broker. This allows for certain operational efficiencies for Sunbeam as it relates to trade allocations and Account monitoring, among others. However, with Sunbeam's agreement, Clients are free to open accounts at another broker of such Client's choosing. That is to say, clients may "direct brokerage" to another Broker than the one recommended by the Firm. Please be advised that if the Firm may be unable to achieve the most favorable execution of Client transactions and that our allowing Clients to direct brokerage may cost the Client more money.

B. ORDER AGGREGATION

Order aggregation (or "block trading") occurs when trade orders are placed in multiple clients' accounts at the same time. Often the orders are filled at different prices over a period of time. Although Sunbeam does not currently engage in block trading, if it were to do so in the future, the Firm's policies and procedures, described below, apply to such block trades.

First, the allocation procedure will be equitable and fair to all accounts. No account will be favored over another account unless reasons, consistent with the best interests of each account, are documented. Second, all allocations will be made as soon as possible after the trade is complete. Immediate post-trade allocation is most desirable. An allocation decision will never be delayed until the day after securities are purchased or sold in a block without the approval of the CCO. Lastly, aggregation decisions will be well documented; order tickets

or trade blotters should be noted with time or time stamped when the order is placed, when the order is filled, and when the order is allocated to client accounts. The CCO will review trade blotters to substantiate proper documentation of allocation decisions.

Item 13 – Review of Accounts

A. PERIODIC REVIEWS

Sunbeam reviews advisory accounts at least annually, with the cooperation of clients. These reviews examine the performance of the advisory accounts and also compare them to the objectives stated by the client in the Investment Management Agreement. The reviews of advisory accounts are done by Mr. Carson.

B. INTERMITTENT REVIEW FACTORS

Intermittent reviews may be triggered by substantial market fluctuation, economic or political events, or by changes in the client's financial status or investment objectives or risk tolerance. Intermittent reviews may also be triggered by substantial market fluctuation, economic or political events, or by changes in your financial status (such as retirement, termination of employment, relocation, or inheritance).

It is the responsibility of the client to notify Sunbeam of any change to financial status, investment objectives or risk tolerance (such as retirement, termination of employment, relocation, or inheritance).

C. CLIENT REPORTS

Clients will receive written transaction confirmations from the account custodian shortly after executing purchases or sales. Additionally, the account custodian will send at least quarterly written statements for each quarter in which the client has an account under management by Sunbeam. These statements will provide details regarding account activity, holdings, and performance.

Sunbeam will not necessarily send any additional reports regarding Client Accounts. Sunbeam may, however, issue separate written reports regarding accounts to clients. The written updates may include a performance report, statement of gains and losses, and/or a financial markets summary. We encourage the client to compare the information on the client's reports prepared by Sunbeam against the information in the statements provided directly from the account custodian and alert Us of any discrepancies.

Item 14 – Client Referrals and Other Compensation

A. ECONOMIC BENEFITS FROM OTHERS

Except as described elsewhere in this Brochure, Sunbeam does not receive and does not have any arrangement to receive economic benefits (such as sales awards or other prizes) from any third party for providing investment advice or other advisory services to Our clients. (See Research and Other Soft Dollar Benefits, Item 12).

B. COMPENSATION TO UNAFFILIATED THIRD PARTIES

Sunbeam does not directly or indirectly compensate any person for client referrals.

Sunbeam does not receive compensation, directly or indirectly, for referring clients to other advisers.

Item 15 – Custody

Custody means holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them except as explained below. Sunbeam does not have physical custody of any Client funds or securities and Sunbeam will not maintain physical possession of Client funds or securities. Physical custody of Client funds and securities are held by the Custodian and such other qualified custodians as Sunbeam or a Client may designate.

With respect to Client Accounts, the physical assets of such Accounts are maintained with the Custodian or with another broker designated by Client.

Sunbeam is deemed to have a limited form of custody of the Account assets because Sunbeam has been given the authority under the applicable Client Agreement to withdraw fees directly from the Account. As part of the billing process, the Account's custodian is advised of the amount of Sunbeam's fees to be deducted from that Account. On at least a quarterly basis, the custodian is required to send the Client a statement showing all transactions within the Account during the reporting period. Sunbeam's authority to transfer funds is limited to its ability to deduct fees for most Clients.

For certain other Clients and in limited cases, Sunbeam has custody of Client funds because the Client has granted Sunbeam discretion to transfer funds to third parties through a standing letter of authorization ("LOA") established by the Client with his or her qualified custodian. The standing LOA authorizes Sunbeam to disburse funds to one or more third parties specifically designated by the Client pursuant to the terms of the LOA, and can be changed or revoked by the client at any time. We have implemented procedures to comply with the requirements outlined by the SEC in its February 21, 2017 No-Action Letter to the Investment Adviser Association. Further, we require that a qualified custodian hold client assets.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian which holds and maintains client's investment assets. When you receive these statements, please review the statements carefully. Please compare asset values, holdings, and fees to the Account statement issued for the previous period and raise any concerns directly with the custodian of record and with the Firm.

Item 16 – Investment Discretion

It is Sunbeam's customary procedure to obtain full discretionary authority in order to supervise and direct the investments of Client Accounts. Each Client grants this authority to Sunbeam by executing the applicable Investment Management Agreement. This authority is for the purpose of making and implementing investment decisions, without a Client's prior consultation. The Firm's discretionary authority does not give the Firm authority to take or have possession of any assets in the Account or to direct delivery of any securities or payment of any funds held in the Account to Sunbeam. Furthermore, the Firm's authority granted through the Client Agreement does not allow Sunbeam to direct the disposition of such securities or funds to anyone except the Client. Further, any activity in a Client's Account directed by Sunbeam will be made only in accordance with such Client's previously stated investment objectives and risk tolerance. For managed Accounts, Clients may impose reasonable restrictions on this authority. (Please refer to Item 4 above).

Item 17 – Voting Client Securities

As a matter of firm policy and practice, Sunbeam does not have any authority to and does not vote proxies on behalf of advisory clients. All proxy materials on behalf of a client's accounts are to be sent directly to the client or a designated representative of the client, who is responsible for voting the proxy. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. The Firm may answer client questions regarding proxy-voting matters and otherwise provide advice to clients regarding the clients' voting of proxies, however, the final decision of how to vote the proxy rests with the client.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Sunbeam's financial condition. Sunbeam 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.

Sunbeam does not require or solicit prepayment of more than \$1,200 in advisory fees, six (6) months or more in advance, and therefore is not required to include a balance sheet with this Brochure.

Notification of Privacy Policy

At Sunbeam Capital Management, LLC, protecting your privacy is very important to us. As a financial services firm, we collect and use nonpublic personal information (NPI) in order to provide our clients (prospective, current, or former) with a broad range of financial services as effectively and conveniently as possible. We are providing this notification to inform you of the types of NPI we collect, our privacy safeguards and sharing practices. We handle all NPI in accordance with this policy.

WHAT IS NPI? WHAT TYPES OF NPI DOES SUNBEAM CAPITAL MANAGEMENT, LLC COLLECT AND FROM WHOM DO WE COLLECT IT?

Nonpublic personal information (NPI) is confidential personal information about you that we obtain in connection with providing financial services or products to you. We generally collect nonpublic personal information about you from the following sources:

- ❖ Information we receive from you on applications or other forms (e.g., name, address, income, etc);
- ❖ Information about your transactions with us, our affiliates, our service providers, or other parties to transactions; and
- ❖ Information we may receive about you from unaffiliated financial service providers (e.g. custodians, insurance agents, attorneys, and consumer reporting agencies).

HOW IS YOUR NPI UTILIZED?

We do not disclose any nonpublic personal information (NPI) about you without your express consent, or except as described in this notice. We only share your nonpublic personal information with (1) employees of our firm or any company affiliated with our firm; (2) affiliates of our firm, (3) unaffiliated entities that either perform services for us or function on our behalf (such as check printing, account aggregation, broker dealer, custodial, investment company, and insurance services); (4) account aggregation services chosen by mutual agreement; and (5) others who need to know such information in order to provide products or services to you and (6) any other situation where we are permitted or required by law to share it. We will also receive nonpublic personal information from some or all of the entities listed above. Disclosure of nonpublic personal information to such parties is unrestricted and facilitated by your agreement and consent.

HOW DO WE PROTECT YOUR PERSONAL INFORMATION?

We maintain physical, electronic, and procedural safeguards to protect your nonpublic personal information. Our safeguards include measures to protect your information prior to, during and upon termination of our financial services engagement (i.e., disposal of your data).

DISCLOSING PERSONAL INFORMATION TO NON-AFFILIATED THIRD PARTIES

We do not sell, share or disclose your personal information to persons or entities that are neither service providers nor affiliates. We will not share or disclose such information to non-affiliated third-party marketing companies.

FUTURE POLICY REVISIONS

This policy may change to reflect updates in our practices, procedures, or regulatory requirements concerning the collection and use of NPI. As our client, you will receive notifications at least annually and our revisions or changes to this policy will be highlighted in our annual notifications. If you have any questions regarding our privacy policy, please do not hesitate to contact your investment advisor representative or you may write to, email, or call us at:

Sunbeam Capital Management, LLC
886 Cumberland Road NE
Atlanta, Georgia 30306

Firm Contact: Ellis Carson
Phone: (901) 229-2132
Email: ellis@sunbeamcapmgmt.com

We are providing this notification to you in accordance with Federal and State regulations.