

EAST COAST

ASSET MANAGEMENT

FORM ADV PART 2A - CLIENT BROCHURE

March 27, 2020



©2015 EAST COAST ASSET MANAGEMENT, LLC

East Coast Asset Management, LLC
16 Martin Street, Essex, MA 01929
(978) 801-0860

www.eastcoastasset.com

This Brochure provides information about the qualifications and business practices of East Coast Asset Management, LLC (ECAM). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer (CCO), Jane Bolger at 16 Martin Street, Essex, MA 01929 or at jbolger@eastcoastasset.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. ECAM is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skills or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about us also is available on the SEC's website at www.adviserinfo.sec.gov. The SEC's website also provides information about any persons affiliated with us who are registered, or are required to be registered as an investment adviser representative of our firm. You can search this site by a unique identifying number, known as a CRD number. The CRD number for ECAM is 147910 and our SEC number is 801-69456.

Item 2 – Material Changes

Since our last Brochure update in March 2019, we have made the following material changes:

We have added a new fund with ECAM being the General Partner of the Fund effective April 1, 2020. Please see updated information pertaining to the Fund in “Item 4 – Advisory Business”, “Item 5 – Fees and Compensation”, “Item 6 – Performance -Based Fees and Side-By-Side Management”, “Item10 – Other Financial Industry Activity and Affiliations” and “Item 11 – Code of Ethics”.

Item 3 – Table of Contents

Item 1 – Cover Page	i
Item 2 – Material Changes	ii
Item 3 – Table of Contents	iii
Item 4 – Advisory Business	1
Item 5 – Fees and Compensation	2
Item 6 – Performance-Based Fees and Side-By-Side Management.....	4
Item 7 – Types of Clients	5
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	5
Item 9 – Disciplinary Information.....	8
Item 10 – Other Financial Industry Activities and Affiliations.....	8
Item 11 – Code of Ethics.....	9
Item 12 – Brokerage Practices	10
Item 13 – Review of Accounts.....	14
Item 14 – Referrals and Other Compensation	14
Item 15 – Custody	14
Item 16 – Investment Discretion	14
Item 17 – Voting Client Securities	15
Item 18 – Financial Information	15

Item 4 – Advisory Business

Investment Management Services

East Coast Asset Management, LLC (“ECAM”, the “Firm”, “We”) is a Limited Liability Company organized in Massachusetts. ECAM has been in business since 2008 and provides investment management services to individual and institutional clients. The principal owners are Christopher Begg and Benjamin Favazza.

ECAM provides customized and comprehensive investment management services to individuals, trusts, foundations, endowments, pension, and profit-sharing plans, charitable organizations, and other entities. These investment management clients are also referred to as “Separately Managed Accounts Clients” or “SMA Clients”. ECAM also provides investment management services to its affiliated hedge fund, the ECAM Partners Fund, LP (the “Fund”).

For our SMA Clients, we provide customized and comprehensive investment management services on a continuous or regular basis. These services include the design and execution of appropriate investment strategies that may be applied to an entire portfolio or a portion of an SMA Client’s assets to meet a specific objective within an overall investment strategy (e.g., a concentrated, single asset class mandate). ECAM also conducts ongoing research to support our selection of equity, fixed income, and cash reserve instruments. We adjust our overall strategy based on discussions with SMA Clients or due to shifting fundamental conditions within the global capital markets. We also may factor in our SMA Clients’ tax situations and multi-generational considerations. On a case-by-case basis, ECAM has the ability to satisfy the needs of SMA Clients with specific restrictions.

For prospective clients who have not directed us to utilize a particular strategy or follow a specific mandate, we generally recommend one of ECAM’s proprietary investment strategies:

Partners Strategy Replaced with the ECAM Partners Fund

Existing SMA Clients that utilize this strategy will not be affected. However, this strategy is no longer available to prospective clients in the form of separately managed accounts. However, prospective investors can utilize the same Partners Strategy by investing in the ECAM Partners Fund, LP. The Fund is available to qualified clients¹ with a minimum purchase of \$1,000,000, subject to waiver at the discretion of the General Partner.

Partners Strategy for Separately Managed Accounts and the ECAM Partners Fund

This strategy invests in the equity securities of publicly-traded companies without any specific constraints relating to the country of origin or market capitalization. The profile of our typical client utilizing this strategy also uses several other investment managers that specialize in investment strategies that differ from the Partners Strategy. This alleviates us from the need to provide a diversified portfolio in the traditional sense and allows us to build a concentrated portfolio of approximately 8 to 15 companies. It is expected (but not required) that 50% or more

¹ The term “Qualified Client” is defined in the Securities and Exchange Commission’s rules to the Investment Advisers Act of 1940.

of the Fund's assets will be invested in U.S. equities. Although not anticipated, the Fund may occasionally assume a short position, utilize margin, options, futures, or other derivatives.

Global Focused Value

Our Global Focused Value strategy is available to all SMA Clients. For our Global Focused Value strategy, we employ a concentrated investment approach, typically holding between 20 and 30 securities. We are opportunistically global with the flexibility to invest anywhere in the world.

As of December 31, 2019, ECAM has the following assets under management (AUM):

Total AUM:	\$498,461,096
Discretionary AUM:	\$487,772,867
Non-Discretionary AUM:	\$ 10,688,229

Item 5 – Fees and Compensation

Investment Management Services

Separately managed account annual fees are charged as follows:

<u>Assets Managed</u>	<u>Fee</u>
Up to \$5,000,000	1.25%
Next \$2,500,000	1.15%
Next \$2,500,000	1.00%
Next \$5,000,000	0.85%

Additional Institutional Fee Schedule

\$15,000,000 to \$30,000,000	0.70%
Next \$15,000,000	0.60%
Next \$15,000,000	0.55%
Any amounts over \$60,000,000	0.50%

Fees are negotiable and may be adjusted based upon circumstances and relationships with clients. Fixed fee arrangements are not common among individuals but are often negotiated among institutional clients. Some clients may have a fee schedule that predates the current schedule and therefore, may pay ECAM a higher or lower fee than reflected on this schedule for their respective asset size.

All client fees and specifics regarding the billing frequency and method of calculation will be delineated in all client agreements. Clients may be billed quarterly either in advance or in arrears based on the portfolio assets on the last day of the prior quarter's billing cycle.

Clients generally authorize ECAM through custodial paperwork to deduct management fees directly from each account or accounts. When authorized, ECAM may deduct fees from one account on behalf of other accounts in the relationship.

In the event, a client decides to terminate his or her relationship with ECAM. For those clients that pay advisory fees in advance, we will refund a portion of the investment management fee that reflects periods in which those services were not yet provided. Clients may direct in what form or manner they would like their refund. In the event a client who pays in arrears terminates their relationship, ECAM will bill the client account for the partial period in which those services were rendered. Clients always have the right to terminate their agreement without penalty at any time.

General Information on Fees

A client agreement may be canceled at any time by either party but must be promptly followed up in writing if the termination is oral. The termination will be effective at the close of business on the day notice was received. Upon termination of any account, any prepaid, unearned fees will be promptly refunded.

All fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund (including exchange-traded funds) directly without our services. In that case, the client would not receive our advice, which among other things, is designed to help the client select which mutual fund or funds are most appropriate to each client's financial condition and objectives. The client should review both the fees charged by the funds and the fees charged by us to fully understand the total amount of fees to be paid by the client and to evaluate thereby the advisory services being provided.

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses, which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third-party investment managers, and other third parties such as fees charged by managers, custodial fees, SEC fees, exchange 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 our fee, and we do not receive any portion of these commissions, fees, and costs. For more information on our brokerage practices, please see "Item 12 - Brokerage Practices".

Fees for ECAM Partners Fund, LP

The ECAM Partners Fund, LP is available to investors meeting stringent qualification standards as detailed in the Fund's Confidential Private Placement Memorandum ("PPM"). Offers are only made via the PPM, subscription agreement, and other related documentation. For more information on fees and expenses as it relates to the Fund, please request a copy of the PPM.

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

ECAM offers both separately managed accounts (“SMAs”) and interests in its affiliated private Fund, the ECAM Partners Fund, LP. The Fund charges fund investors a performance fee. Clients invested in a similar strategy in an SMA are generally not charged a performance fee². ECAM reserves the right to negotiate performance fees for qualified clients³ in SMAs.

Performance fees may vary for both SMA clients and investors in the Fund. In calculating performance-based fees, ECAM will include realized and unrealized capital gains and losses in its calculation. Performance fees for SMAs are detailed in each client’s investment advisory agreement. For investors in the Fund, performance fees are described in the Fund’s PPM.

As previously stated, ECAM may offer a similar investment strategy to its Fund investors and its SMA clients. As a consequence, Fund investors may potentially be subject to higher total fees than SMA clients; this may result in lower performance for Fund investors.

Performance fees are subject to potential conflicts of interest that Fund investors should carefully consider before investing. Examples of potential conflicts of interest include, but are not limited to, the following:

- Performance fees have the potential to generate significant fees for ECAM that would not be available in SMA accounts that are not subject to a performance fee.
- Performance fees may incentivize ECAM to make riskier investments that may not be made in an account that does not carry a performance fee.
- ECAM may have an incentive to recommend that SMA clients (not under a performance fee arrangement) transition to becoming a Fund investor, which contains a performance fee.
- ECAM owners and employees may have a proprietary interest in the Fund. Therefore, to reduce the Fund’s operating expenses or other related costs, ECAM is generally incentivized to recommend investing in the Fund as opposed to an SMA.
- Portfolio managers may have an incentive to allocate more time and resources to performance-based arrangements as managers profit directly from the performance.
- Portfolio managers may have an incentive to favor performance-based arrangements concerning the timing of trades, allocations, and execution prices.
- If limited availability for an investment opportunity exists, or a block transaction is partially executed, ECAM may be incentivized to favor the Fund and any performance-based SMAs over non-performance based SMAs.
- Trading of securities for the Fund or SMAs under a performance-based arrangement could adversely affect the performance of SMAs not subject to a performance-based arrangement.

² Certain exceptions may apply.

³ The term “Qualified Client” is defined in SEC Rule 205-3 of the Investment Advisers Act of 1940. Fund investors will be required to make certain representations as outlined in the Fund’s subscription agreement. SMA clients will be required to make certain representation in their investment advisory agreements.

ECAM has taken several steps in addressing and potentially mitigating these conflicts of interest to ensure that all clients are treated equitably. Specifically, ECAM:

- has adopted policies and procedures reasonably designed to ensure that neither the Fund or its SMA Clients (performance and non-performance SMAs) receive preferential treatment;
- will not assess any performance-based fees prior to fully disclosing and obtaining written consent from Fund investors and SMA Clients; and
- will only enter into performance-based fees with qualified clients.

For more detailed information on fees, please see “Item 5 - Fees and Compensation”. Please also carefully review “Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading”, and “Item 12 – Brokerage Practices”.

Item 7 – Types of Clients

We provide or seek to provide portfolio management services to individuals, high net worth individuals, trusts, institutions, foundations, endowments, and other corporate structures.

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

A. Method of Analysis

We view the investment universe from an owner mindset, employing a business-like approach to research and rational decision making. We believe that allocating our clients’ capital should be driven by a merit-based approach, determined by each investment’s compounding potential and margin of safety. We also believe that earnings ultimately determine a company’s intrinsic value, so our research process focuses on fundamental analysis to identify the core elements of the sustainability and long-term growth of earnings. We have named this part of the process the *Distinction*, or Quality of the Business.

We also use fundamental analysis to uncover sources of mispricing that may lead to a market quotation of the investment that we believe represents a discount to our view of intrinsic value. We have named this part of the process the *Safety*, or Quality of the Investment. From this dual analytical emphasis, we attempt to estimate the probable internal rate of return of each investment by combining the potential for a narrowing of the market-based discount to intrinsic value and the strength of the candidate’s operating economics (long-term earnings growth).

With respect to fixed income investments, we analyze potential and current investments based on the financial condition of the issuer, its tax ramifications and after-tax yield and its current and effective yield. In addition, we look to longer-term factors such as the current global interest rate environment. We also utilize information provided by third-party ratings providers who assess the strength of such issuers and rate the fixed income investments.

We may purchase equity and fixed income exchange traded funds and/or actively managed mutual funds in client accounts. We analyze these investments based on the underlying securities of the funds and how we think they will accomplish the overall objectives of the portfolio. Additional factors may include but are not limited to the underlying value of the fund

and any geographic or industry specific locations. For actively managed funds, the overall track record of the manager and fund family may also be considered.

B. Investment Strategies

ECAM utilizes investment strategies that principally include the purchase of individual stocks, bonds, exchange traded funds, and mutual funds along with cash reserve securities. We manage strategies that invest in only one asset class or that contain a combination of several.

Among our investment strategies are highly customized portfolios that employ equities, fixed income investments, exchange traded funds and mutual funds deployed in ways to meet a client's particular cash flow, risk tolerance, or asset allocation needs. ECAM views itself as capital allocators, therefore, we may create strategies that are not diversified by asset class, asset type, and geographic region among other factors. We also may utilize third party fixed income brokers to provide assistance in constructing individual bond portfolios. These brokers can provide ongoing monitoring and support as part of their involvement in building and purchasing bonds for these clients. We review these relationships as part of our best execution review process to determine if the totality of services and benefits versus the costs to the client are appropriate under our obligation to seek best execution and act as a fiduciary on their behalf. We and the client are under no obligation to use any of these brokers exclusively and may utilize several bond brokers to fulfill client mandates.

In addition to strategies that are comprehensive and customized toward each client, we provide other strategies that are designed around specific mandates and apply primarily to institutional investors. These strategies may be highly concentrated and are generally only suitable as one portion of an overall portfolio that is diversified by the client in other ways.

C. Risk of Loss

It is important to note that investing in securities and other equity and fixed income investments involves risk of loss that clients should be prepared to bear. Asset allocation, diversification or other strategies cannot eliminate risk of loss from investing no matter how conservative. Investment strategies that might utilize options or option based strategies or negatively correlated funds may carry an extra-ordinary risk of loss.

The following paragraphs relate to other strategies that would not be employed by us unless it was discussed with the client and detailed in a formal investment policy statement or confirmation letter or for specific ECAM strategies that utilize such techniques as part of its defined strategy. ECAM may invest, from time to time, in options and derivative instruments, including buying and writing puts and calls on some of the securities held by client accounts in an attempt to supplement income derived from those securities. The prices of many derivative instruments, including many options and swaps, are highly volatile. The value of options and swap agreements depend primarily upon the price of the securities, indexes, commodities, currencies or other instruments underlying them. Price movements of options contracts and payments pursuant to swap agreements are also 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. The cost of options is related, in part, to the degree of volatility of the

underlying securities, currencies or other assets. Accordingly, options on highly volatile securities, currencies or other assets may be more expensive than options on other investments.

Put options and call options typically have similar structural characteristics and operational mechanics regardless of the underlying instrument or asset on which they are purchased or sold. A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the writer the obligation to buy, the underlying security, commodity, index, currency or other instrument or asset at the exercise price. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller the obligation to sell, the underlying instrument at the exercise price. If a put or call option purchased on behalf of a client account by ECAM were permitted to expire without being sold or exercised, the client account would lose the entire premium it paid for the option. The risk involved in writing a put option is that there could be a decrease in the market value of the underlying instrument or asset caused by rising interest rates or other factors. If this occurred, the option could be exercised and the underlying instrument or asset would then be sold on behalf of the client account at a higher price than its current market value. The risk involved in writing a call option is that there could be an increase in the market value of the underlying instrument or asset caused by declining interest rates or other factors. If this occurred, the option could be exercised and the underlying instrument or asset would then be sold on behalf of the client account at a lower price than its current market value.

Purchasing and writing put and call options and, in particular, writing “uncovered” options are highly specialized activities and entail greater than ordinary investment risks. In particular, the writer of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying instrument or asset above the exercise price of the option. This risk is enhanced if the instrument or asset being sold short is highly volatile and there is a significant outstanding short interest. These conditions exist in the stocks of many companies. The instrument or asset necessary to satisfy the exercise of the call option may be unavailable for purchase except at much higher prices. Purchasing instruments or assets to satisfy the exercise of the call option can itself cause the price of the instruments or assets to rise further, sometimes by a significant amount, thereby exacerbating the loss. Accordingly, the sale of an uncovered call option could result in a loss by the client account of all or a substantial portion of its assets. Swaps and certain options and other custom instruments are subject to the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty.

Additionally, ECAM may utilize Exchange Traded Funds (“ETFs”) or mutual funds and use option strategies on broad based indexes as part of its more complex investment strategies. ECAM is generally a long based manager and has policies and procedures designed to understand the impact such strategies may have on those clients who do not participate in such strategies and the impact on its fiduciary duty for those clients. ECAM may utilize funds, often defined as alternative funds that might employ these strategies. It may invest in these funds without prior notice to clients so long as it is limited to ETFs or mutual funds and such investment is within the scope of the client’s overall risk tolerance.

The mutual funds and ETFs utilized by ECAM may include funds invested in domestic and international equities, including real estate investment trusts (“REITs”), corporate and government fixed income securities and commodities. Equity securities may include large

capitalization, medium capitalization and small capitalization stocks. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings. Among the riskiest mutual funds used in ECAM's investment strategies are the U.S. and International small capitalization and small capitalization value funds, emerging markets funds, and commodity futures funds. Conservative fixed income securities have lower risk of loss of principal, but most bonds including Treasury Inflation Protected Securities ("TIPS") present the risk of loss of purchasing power through lower expected return, increases in interest rates or through inflation. This risk is greatest for longer-term bonds but there is risk associated with all fixed income investments.

Certain funds utilized by ECAM may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries. More information about the risks of any particular market sector can be reviewed in mutual fund prospectuses within each applicable sector.

Any investment in ETFs or mutual funds will carry the additional costs that exist within the fund in addition to possible additional transaction costs that may or may not be greater than the transaction costs of individual securities. ECAM will purchase such funds when it deems that it is in each individual client's best interests to incur the additional costs because of the benefits of owning such funds.

ECAM does not recommend clients utilize margin as part of their investment strategy. However, clients may open margin accounts and choose to create margin balances by withdrawing cash. Clients should be aware of the costs of margin interest and risks involved which include permitting the broker-dealer to force the sale of securities if account equity requirements are not met.

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 us or the integrity of our management. We have no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

As previously addressed in the section entitled "Item 6 – Performance-Based Fees and Side-by-Side Management", ECAM offers both SMAs and interests in its affiliated private fund, the ECAM Partners Fund, LP.

ECAM intends to offer the Fund to prospective investors and in limited cases, it may be offered to advisory clients. This represents a potential material conflict in that both ECAM and the Fund are under common ownership, and ECAM is the General Partner of the Fund. Christopher Begg is a principal owner of ECAM and is also a principal of the general partner of the Fund; Mr. Begg benefits directly from investments made into the Fund.

We address and attempt to mitigate potential conflicts in several ways:

- The Fund is only recommended to clients meeting stringent qualification standards⁴;
- Clients are provided with full disclosure so they can understand the differences between fees and expenses between the Fund and ECAM's SMA strategies;
- Fund interests are only offered via the Fund's PPM; subscription agreement, and other related documentation to qualified investors;
- The firm has adopted a compliance manual and implemented our Code of Ethics to address potential conflicts relating to trading and portfolio management.

Item 11 – Code of Ethics

We have established a Code of Ethics (the "Code"). The Code restricts certain gifts and entertainment that is related to client accounts and vendors. It also establishes stringent confidentiality requirements. We also require that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices. In addition, we prohibit employees from receiving gifts that may affect the advice that they provide to clients.

This Code is designed to ensure that supervised persons are placing client interests before their own. Supervised persons who trade in covered securities, such as individual stocks or ETFs, are required to disclose their investment statements quarterly for review. The CCO will then review their statements to make sure that their trades do not conflict with those of the Firm's clients. The Firm's CEO will supervise the CCO's trading.

The core principle of the Code is that no employee shall prefer his or her interest to that of an advisory client. The Code is designed to assure that employee and employee-related personal securities transactions and other activities posing a potential conflict of interest will not interfere with ECAM's fiduciary duty to clients. We may be investing in the same securities as our clients; this is permissible as long as the clients' interests always come before those of the Firm and its employees.

As previously addressed in "Item 6 – Performance-Based Fees and Side-By-Side Management" and "Item 10 – Other Financial Industry Activities and Affiliations", ECAM is under common control with its affiliated private fund, ECAM Partners Fund LP. Please carefully review Item 6 and Item 10, which describe conflicts of interest and affiliations in greater detail.

In the management of SMAs, ECAM's practice strictly prohibits employees and employee-related accounts from participating in the aggregation of client orders. In other words, orders for employees and employee-related accounts will not be bunched with client orders.

A copy of the Code is available upon request by contacting Jane Bolger, CCO or Christopher Begg at 978-801-0860, or by written request to East Coast Asset Management, 16 Martin Street, Essex, MA 01929.

⁴ Fund interests are only offered to investors that meet the definition of a "Qualified Client" as defined in the SEC's rules to the Investment Advisers Act of 1940.

Item 12 – Brokerage Practices

For discretionary clients, we require written authority to determine which securities are bought or sold and the amounts thereof. In this written authority statement, all limitations on the discretionary authority, if any, shall be defined. Clients may retain the right to vote securities, can withdraw securities and/or cash at any time, and may impose restrictions on the purchase and/or sale of securities, industries, sectors, and asset classes.

ECAM recommends that our clients utilize Charles Schwab, Fidelity or TD Ameritrade for brokerage and/or custodial services. These broker-dealers provide research (including proprietary and third party) and other services described below (see “Services That Benefit You” and “Services That May Not Directly Benefit You” below). These products and services other than execution are considered “soft dollar benefits”. These services benefit ECAM because client brokerage commissions (or markups and markdowns) pay for this research and other services, and therefore ECAM does not have to pay for them separately. This creates a conflict of interest because ECAM has an incentive to select these brokers over other brokers who do not provide the same benefits. Other brokers may provide lower commissions. By recommending that our clients utilize one of these custodians, we may be unable to achieve the most favorable execution.

We are not affiliated with the above mentioned broker-dealers, and we do not direct any client toward one broker-dealer over another based on any soft dollar benefit. In addition, we do not receive client referrals from these broker-dealers. We recommend them as choices for clients based upon our experience with these firms and on the value of the services and/or research provided by these firms. Occasionally, on an exception basis, we may provide services to clients maintaining accounts with other custodians. When clients direct us to utilize a different broker-dealer, we may not be able to achieve the most favorable execution for transactions. Clients may pay higher brokerage commissions and the firm will not be able to aggregate orders to reduce transaction costs.

We will engage in "block trading" where possible and when advantageous to clients. This means that we purchase a large block of shares and then allocate those shares among the clients. Regarding aggregated "block trades," we operate so that no advisory account will be favored over any other account participating in the aggregated order. All clients participating in the aggregated order shall receive an average share price with all other transaction costs shared based on their participation in the trade within the same group of clients at the same custodian. We rotate the order of trades that we place with each custodian.

It is our general policy that we will not affect any principal or agency cross securities transactions for client accounts. We will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an

adviser is dually registered as a broker-dealer or has an affiliated broker-dealer. In rare instances, ECAM may effectuate a client cross transaction for fixed income holdings. Such transaction would require written authorization from both parties.

Prime Brokerage and Best Execution

We will generally trade exclusively through a client's directed custodian for all trades. We generally recommend that clients utilize Charles Schwab, Fidelity or TD Ameritrade as their custodian. We have evaluated these custodians/brokers and believe that they will provide our clients with an appropriate blend of execution services, commission costs and customer service. See our discussion below on these institutional service providers. We will generally trade through the client's custodian/broker regardless of whether a client has an active prime brokerage agreement in place allowing us to use outside brokers. As a result it should be understood that we will likely not negotiate commissions or obtain volume discounts beyond those already offered by the custodian/broker. We do think that given the additional costs of using outside brokers along with our own custodians' resources and commitment to providing appropriate execution that we are fulfilling our obligation to seek best execution by trading directly through them. In addition, we independently review the execution of the custodians on a periodic basis and also review their own internal documentation of their trading capabilities. Despite our general practice to trade through client custodians for equity trades, we will utilize outside brokers to effectuate some equity transactions and fixed income transactions for clients as appropriate and if it is in the client's best interest to do so.

While we have a reasonable belief that the custodians/brokers we recommend are able to obtain best execution and competitive prices, we will not be independently seeking best execution price capability through other broker-dealers. If a client directs us to use another custodian/broker, the client will then generally have the responsibility for negotiating commission rates and other transaction costs with that custodian/broker. Often these rates are based on the client either using their electronic document delivery platform or maintaining a minimum account balance with the custodian. If you have questions about which custodian may make the most sense given all the facts and circumstances of your own situation, please contact us.

Although the clients may have selected a custodian/broker and we generally trade through their broker, we will not trade through the custodian/broker if we reasonably believe that we can provide better portfolio management services by utilizing a third party broker offering additional services. For example, we may use an outside broker for fixed income transactions if we think it is in the client's best interests and if the client has executed a prime brokerage agreement.

While we are comfortable in the custodians we utilize, you should note that some differences may exist based on the assets our clients maintain at each. You may forego benefits that we may be able to obtain for other clients through, for example, negotiating volume discounts or block trades if your assets are held at one of our smaller custodial relationships. This may come into play if you are part of a smaller group at one custodian while we have a larger number of clients at a different custodian.

As discussed above, we recommend that our clients use Charles Schwab, Fidelity or TD Ameritrade. These are registered broker-dealers and members of SIPC. We are independently owned and operated and are not affiliated with any of them. They will hold your assets in a

brokerage account and buy and sell securities when we instruct them to. While we recommend that you use one of them as a custodian/broker, you will decide whether to do so and will open your account by entering into an account agreement directly with the custodian. We do not open the account for you, although we may assist you in doing so.

How We Select Brokers/Custodians to Recommend

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

- Combination of transaction execution services and asset custody services (generally without a separate fee for the custody);
- Capability to execute, clear, and settle trades (buy and sell securities for your account);
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.);
- Breadth of available investment products (stocks, bonds, mutual funds, ETFs);
- Availability of investment research and tools that assist us in making investment decisions;
- Quality of services;
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices;
- Reputation, financial strength, and stability;
- Prior service to us and our other clients;
- Availability of other products and services that benefit us, as discussed below.

Your Brokerage and Custody Costs

For our clients' accounts that the broker/custodian maintains, they generally do not charge you separately for custody services but may be compensated by charging you commissions or other fees on trades that they execute or that settle into your account. Custodians we recommend may, in some circumstances, negotiate or waive commission costs temporarily for transactions in new accounts. This would be at the discretion of the custodian who would consider factors such as account size and number of initial transactions.

In addition, the custodian/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 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 and because of the execution we think our custodians provide, we execute most trades for your account through the custodian.

We have determined that having your custodian execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above.

Products and Services Available to us from Custodians

We recommend the following custodians: Fidelity Investments, Charles Schwab & Co., and TD Ameritrade Institutional, which is a division of TD Ameritrade, Inc. (“TD Ameritrade”) member FINRA/SIPC/NFA. Fidelity Investments, Charles Schwab and TD Ameritrade are independent and unaffiliated SEC registered broker-dealers. These firms 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 their retail customers. They also make 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. These support services generally are available on an unsolicited basis (we don’t have to request them) and at no charge to us as long as our clients collectively maintain a total minimum asset level.

Services That Benefit You

Institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products made available through the custodian and include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients.

Services That May Not Directly Benefit You

The custodians also make 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 their own and that of third parties. We may use this research to service all or a substantial number of our clients’ accounts, including accounts not maintained at the particular custodian providing the research. In addition to investment research, they also make 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;
- Assist with back-office functions, recordkeeping, and client reporting services that generally benefit only us;
- Educational conferences and events;
- Consulting on technology, compliance, legal, and business needs;
- Publications and conferences on practice management and business succession;
- Access to employee benefits providers, human capital consultants, and insurance providers, discounting or waiving its fees for some of these services or paying all or a part of a third party’s fees. They may also provide us with other benefits, such as occasional business entertainment of our personnel.

Item 13 – Review of Accounts

All investment positions are monitored on a regular basis by the respective client advisor and accounts as a whole are reviewed both prior to meetings and on a regular basis to insure that they still meet suitability requirements. Clients receive written reports on a quarterly basis.

Item 14 – Referrals and Other Compensation

ECAM does not currently maintain solicitor arrangements with outside firms or individuals. If these relationships were established, agreements with the referring parties would be in writing and the arrangement would be disclosed to the clients.

Item 15 – Custody

Separately Managed Accounts

ECAM does not act as a custodian for your funds or securities. Your assets will be held by a broker-dealer, bank or other independent qualified custodian. Clients should receive account statements at least quarterly from the qualified custodian(s). We urge you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Although ECAM is not a custodian, we are deemed to have custody when:

- You authorize us to deduct advisory fees from your account;
- We accept an appointment as POA, Trustee, Co-Trustee, Executor, or other position which grants us access to withdraw your funds or securities, or direct them to another party; or
- You authorize us through standing instructions to facilitate certain types of disbursements, including disbursements to third parties.

ECAM Partners Fund, LP

ECAM is deemed to have custody of the Fund's assets as it acts as general partner. The Firm intends to comply with Rule 206(4)-2 under the Advisers Act by having the Fund audited on an annual basis by an independent public accountant that is both registered and subject to regular inspection by the Public Company Accounting Oversight Board and distributing the auditing financials of the Fund investors within 120 days of the Fund's fiscal year end.

Item 16 – Investment Discretion

For those clients who have engaged ECAM to provide investment management services, we have discretionary authority to manage their investments. We usually receive discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, we observe the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, our authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made. A client always has the right to remove ECAM's discretionary authority over their account.

Investment guidelines and restrictions must be provided to us in writing. While we maintain internal records of our clients' investment objectives, we may or may not require clients to sign a formal investment policy statement.

We also provide supervisory and non-discretionary management to clients.

Item 17 – Voting Client Securities

We vote client proxies, unless specifically stated otherwise in the client's investment advisory agreement. Absent specific voting guidelines from the client, we vote proxies in the best interest of the clients. Our policy is to vote all proxies from a specific issuer the same way for each client absent qualifying restrictions. We will generally vote in favor of routine corporate proposals. We will also generally vote against proposals that would cause board members to become entrenched or cause unequal voting rights. In reviewing proposals, we will further consider the opinion of management and the effect on management, and the effect of shareholder value and the issuer's business practice. Since we may invest client assets in holdings listed on a foreign exchange, it is possible that we will not receive proxy information until after a deadline to vote the proxy. Clients may contact us for information on how we voted, or to obtain a copy of our voting policies and procedures.

Item 18 – Financial Information

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

A. Balance Sheet

ECAM does not require the prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, ECAM does not need to include a balance sheet with this brochure.

B. Financial Condition Reasonably Likely to Impair our Ability to Meet Contractual Commitments to Clients

ECAM does not have any financial conditions that are reasonably likely to impair its ability to meet any contractual commitments it has with its individual or institutional clients.

C. Bankruptcy Petitions in the Previous Ten Years

ECAM has not been the subject of a bankruptcy petition.