

**Item 1: Cover Page**

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**March 26, 2020**

**FORM ADV PART 2A  
FIRM BROCHURE**

**This brochure (this “Brochure”) provides information about the qualifications and business practices of DCM Advisors, LLC (“DCM”), an investment advisor registered with the United States and Exchange Commission (“SEC”). Registration with the SEC or any state securities authority does not imply a certain level of skill or training. The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.**

**If you have any questions about the contents of this Brochure, please contact us at (917) 386-6260. Additional information about DCM is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for DCM is 126248.**

## ***Item 2: Material Changes***

This Brochure provides prospective clients with information about DCM Advisors, LLC (“DCM”) that should be considered before or at the time of obtaining DCM’s advisory services.

This Brochure is required to be updated at least annually, or sooner when material changes to DCM’s business take place.

Each year DCM will deliver to clients, by no later than April 30th, a free updated Brochure that includes or is accompanied by a summary of material changes; or a summary of material changes and an offer to provide a copy of the updated Brochure and how to obtain it.

Key changes were made to the sections below since DCM’s last annual update of this Brochure dated March 29, 2019:

- Item 4 – Advisory Business
- Item 5 – Fees and Compensation: Added disclosures regarding a revenue-sharing agreement between DCM’s affiliate and primary broker-dealer
- Item 6 – Performance-Based Fees and Side-By-Side Management
- Item 7 – Type of Clients
- Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss
- Item 10 – Other Financial Industry Activities and Affiliations: Added disclosures regarding a revenue-sharing agreement between DCM’s affiliate and primary broker-dealer
- Item 12 – Brokerage Practices
- Item 13 – Review of Accounts
- Item 14 – Client Referrals and Other Compensation
- Item 15 – Custody
- Item 16 – Investment Discretion
- Item 17 – Voting Client Securities

Please be aware that other non-material changes were made throughout this Brochure to enhance disclosures.

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## ***Item 4: Advisory Business***

Founded in 2001, DCM Advisors, LLC (hereinafter called “DCM”) is a registered investment advisor based in New York and incorporated under the laws of the State of Delaware. DCM is owned by Dinosaur Group Holdings, LLC, whose primary owner is Glenn A. Grossman. DCM was registered as an investment advisor with the New York Securities Commission until November 2017 when it became registered with the Securities and Exchange Commission (“SEC”) and subject to its rules and regulations.

DCM provides asset management and investment advisory services.

### **A. Description of Asset Management Services**

#### ***Separately Managed Accounts***

DCM primarily offers specific asset management services to clients through separately managed accounts (“Managed Accounts”), either in a direct or sub-advised capacity, in the following investment strategies:

**US Equities:** DCM offers a Systematic US equity portfolio. This strategy is a long-only equity strategy driven by DCM's proprietary stock selection model and mirrors the core of the Centaur Total Return Fund's portfolio. The model utilizes various quantitative factors and technical overlays to produce a core US portfolio. The goal of the portfolio is to provide broad exposure to the US equity market.

**International/Global Equities:** DCM offers global equity, international equity, EAFE Plus and Global ESG portfolios. These strategies are long-only equity strategies driven by a combination of top-down country allocation and bottom-up stock selection derived from DCM's proprietary country-allocation and stock selection models. The models evaluate developed and emerging markets based on several investment factors. DCM's strategies may include investments in exchange-traded funds (“ETFs”), baskets of American Depositary Receipts (“ADRs”) and local shares. DCM also offers a global macro investment strategy where the goal is to anticipate global macroeconomic events using discretionary selection, pre-determined mathematical trading models or a combination of both.

**Investment-Grade Municipal Bonds:** DCM manages both national and single state municipal bond investment grade portfolios. The portfolios are managed for total return. DCM looks to add value through active management of the portfolio through careful bond selection and appropriate selective repositioning as circumstances warrant. Among the key factors DCM monitors are individual credit considerations, changes in the shape of the yield curve, call features, changes in the future expectation of economic activity, and changes in various specific sectors of the municipal bond market.

**Investment-Grade Corporate Bonds:** DCM manages a US taxable corporate bond investment-grade portfolio. The portfolio is managed for total return. DCM looks to add value through active management of the portfolio through careful bond selection and appropriate selective repositioning as circumstances warrant. Among the key factors DCM monitors are individual credit considerations, changes in the shape of the yield curve, changes in the future expectation of economic activity, and changes in various specific sectors of the taxable bond market.

#### ***Registered Investment Company***

DCM also serves as investment adviser with respect to the Centaur Total Return Fund and Lebenthal Ultra Short Tax-Free Income Fund (collectively, the “DCM-Managed Funds”), a series of shares of Centaur Mutual Funds Trust, an open-end management investment company, registered under the Investment Company Act of 1940, as amended (the “Trust”). DCM manages the investment and reinvestment of the assets of the DCM-Managed Funds and has the authority to determine, in its discretion, the securities to be purchased, retained or sold (and

implement those decisions) with respect to the DCM-Managed Funds. DCM is required to discharge its responsibilities with respect to the DCM-Managed Funds subject to the control of the trustees and directors of the Trust and in compliance with such policies as the trustees may from time to time establish, the DCM-Managed Funds' objectives, policies and limitations as set forth in its prospectus and statement of additional information, and applicable laws and regulations.

### ***Model Portfolio Services***

DCM provides portfolio modeling services to registered investment advisers on a non-discretionary basis. As part of the arrangement, DCM offers recommendations in accordance with the investment objectives stated in the investment advisory agreement. The registered investment advisers utilize these recommendations to develop their own investment advice and strategies. DCM's recommendations are not tailored to the individual needs of the registered investment adviser's clients. Furthermore, DCM does not effect transactions in the client accounts and has no contact with the clients.

The services provided by DCM to registered investment advisers generally differ from services provided to other clients that engage DCM directly; DCM provides a higher degree of service to its clients. For example, DCM generally has little, if any, contact with the clients of the registered investment advisers that utilize DCM's model portfolio services.

### ***Subscription Services***

In addition to these asset management and investment advisory services, DCM (through its Heckman Global Advisors division ("HGA")) issues several monthly research publications regarding country allocation and sector/industry analysis based on a series of value, growth, risk, and sentiment/momentum factors. This group does not provide security-specific research. Furthermore, the content of HGA's publications are not tailored to the individual needs of clients.

## **B. Description of Wealth Advisory Services**

DCM also provides investment advisory services which may include, but are not limited to, the review of client investment objectives and goals, recommending asset allocation strategies of managed assets among investment products such as cash, stocks, mutual funds and bonds, annuities, and/or preparing written investment strategies. DCM's investment advice is tailored to meet its clients' needs and investment objectives. Clients may impose restrictions on investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, etc.) by providing a signed and dated written notification, of which an e-mail is also an acceptable form of notification. DCM also provides financial planning consulting services including, but not limited to, risk assessment/management, investment planning, estate planning, financial organization, or financial decision making/negotiation.

DCM provides investment advisory and other financial services through its Investment Advisory Representatives ("IAR") to accounts opened with DCM. Managed Accounts are available to individuals and small businesses.

In the event that DCM provides discretionary investment advisory services to its clients through various managed account programs, DCM will assist clients in determining the suitability of the Managed Account Programs for the client. The IAR would be compensated through a comprehensive single fee and the account may be assessed other charges associated with conducting a brokerage business. DCM and its IAR, as appropriate, generally would be responsible for the following:

- Performing due diligence
- Recommending strategic asset and style allocations
- Providing research on investment product options, as needed
- Providing client risk profile questionnaire
- Obtaining investment advisory contract from client with required financial, risk tolerance, suitability and investment vehicle selection information for each new account
- Performing client suitability check on account documentation, review the investment objectives and evaluate the investment vehicle selections
- Providing the Brochure

## Assets Under Management

DCM currently has assets under management. As of December 31, 2019, the firm managed \$133,277,607, all in discretionary accounts.

## ***Item 5: Fees and Compensation***

All fees for separately managed accounts are subject to negotiation. The specific manner in which DCM charges fees is established in a client's written agreement with DCM and may be payable in advance or arrears. Depending on the mix of investments in a client's portfolio, a particular client may pay a blended fee rate. DCM does not offer fixed fee accounts.

The following types of fees will be assessed:

### Asset-Based Compensation

DCM generally charges each client an investment management fee based on the value of the client's assets under management, in accordance with the following schedules:

#### Equity Strategies

Assets in the Account	Investment Management Fee (As an annual percentage of total assets)
<b>First \$5,000,000</b>	<b>1.00%</b>
<b>Next \$15,000,000</b>	<b>0.80%</b>
<b>Remainder</b>	<b>0.60%</b>

## Fixed-Income Strategies

Assets in the Account	Investment Management Fee (As an annual percentage of total assets)
\$ -0- to \$2,000,000	.50%
\$2,000,001 to \$5,000,000	.45%
\$5,000,001 to \$10,000,000	.40%
\$10,000,001 and higher	.25%

Where DCM acts as a sub-advisor to third parties through a dual contract, its fees are typically lower than the amounts stated above. Additionally, for individualized asset management services, the fee is negotiable but generally varies between (0.50% and 2.50%), depending on the size and composition of a client's portfolio and the type of services rendered.

DCM generally deducts its investment management fee directly from clients' assets. Certain investment advisory agreements provide that a client may pay DCM fees by check. The investment management fees are generally charged each quarter in advance based on the total market value of the assets in the client account including net unrealized appreciation or depreciation of investments on the first day of the quarter. In certain instances, these fees are charged in arrears. If a new client account is established during a quarter or a client makes an addition to its account during a quarter, the investment management fee will be prorated for the number of days remaining in the quarter; it is charged as of the effective date of the investment management agreement or the date of the additional contribution, based on the value of the assets as of the applicable date. If a client makes a partial withdrawal during a quarter, no portion of the prepaid investment management fee will be refunded. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

DCM may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationship, account retention, pro bono activities and whether the client is DCM's employee or an employee of an affiliate.

## Model Portfolio Compensation

Where DCM serves as a model portfolio provider for registered investment advisers, the registered investment adviser pays DCM a fee at an annual percentage rate that will not exceed 3.00%. Under the agreement, DCM is paid quarterly in arrears. The payments are calculated based on the quarter end values of all accounts for which the registered investment adviser intends to employ the advice rendered by DCM. If the registered investment adviser employs DCM's advice on a new client account that is established during a quarter, the fee will be prorated for the number of days remaining in the quarter. Upon termination of DCM's agreement with the registered investment adviser, any earned, unpaid fees will be due and payable.

## **Centaur Total Return Fund Compensation**

As compensation for DCM's investment advisory services, the Centaur Total Return Fund pays DCM an investment advisory fee, payable monthly in arrears, equal to an annualized rate of 1.50% of the average daily net assets of the Centaur Total Return Fund. DCM is not entitled to receive any performance-based fees or allocations with respect to the Centaur Total Return Fund. The advisory fees with respect to the Centaur Total Return Fund will be calculated as of the last business day of each month based upon the average daily net assets of the Centaur Total Return Fund determined in the manner set forth in the prospectus and/or statement of additional information. The advisory fees with respect to the Centaur Total Return Fund will be paid within 15 days after the end of each calendar month. DCM has agreed to allow the Centaur Total Return Fund to withhold from the advisory fees certain expenses under the "expense limitation agreement." A more detailed description of the fees and expenses applicable to the Centaur Total Return Fund is set forth in detail in the investment advisory agreement between DCM and the Centaur Total Return Fund.

DCM generally may terminate the advisory agreement with the Centaur Total Return Fund at any time upon 60 days' prior written notice to the Trust and the Centaur Total Return Fund. In addition, the advisory agreement may be terminated at any time by (i) a vote of the board of trustees of the Trust or (ii) a vote of a majority of the outstanding voting securities of the Centaur Total Return Fund upon 60 days' prior written notice to DCM.

## **Lebenthal Ultra Short Tax-Free Income Fund Compensation**

As compensation for DCM's investment advisory services, the Lebenthal Ultra Short Tax-Free Income Fund pays DCM an investment advisory fee, payable monthly in arrears, equal to an annualized rate of 0.42% of the average daily net assets of the Lebenthal Ultra Short Tax-Free Income Fund. DCM is not entitled to receive any performance-based fees or allocations with respect to the Lebenthal Ultra Short Tax-Free Income Fund. The advisory fees with respect to the Lebenthal Ultra Short Tax-Free Income Fund will be calculated as of the last business day of each month based upon the average daily net assets of the Lebenthal Ultra Short Tax-Free Income Fund determined in the manner set forth in the prospectus and/or statement of additional information. The advisory fees with respect to the Lebenthal Ultra Short Tax-Free Income Fund will be paid within 15 days after the end of each calendar month. DCM has agreed to allow the Lebenthal Ultra Short Tax-Free Income Fund to withhold from the advisory fees certain expenses under the "expense limitation agreement." A more detailed description of the fees and expenses applicable to the Lebenthal Ultra Short Tax-Free Income Fund is set forth in detail in the investment advisory agreement between DCM and the Lebenthal Ultra Short Tax-Free Income Fund.

DCM generally may terminate the advisory agreement with the Lebenthal Ultra Short Tax-Free Income Fund at any time upon 60 days' prior written notice to the Trust and the Lebenthal Ultra Short Tax-Free Income Fund. In addition, the advisory agreement may be terminated at any time by (i) a vote of the board of trustees of the Trust or (ii) a vote of a majority of the outstanding voting securities of the Lebenthal Ultra Short Tax-Free Income Fund upon 60 days' prior written notice to DCM.

## **Wealth Advisory Compensation**

Fees are charged quarterly in advance unless otherwise agreed and are based primarily on asset size and the level of complexity of the services provided. In individual cases, DCM retains sole discretion to negotiate fees that are at variance than the standard fee shown or to waive fees. Fees are not based on the share of capital gains or capital appreciation of the funds or any portion of the funds. We believe DCM's fees are reasonable, but comparable services for lower fees may be available from other sources. Fees for the initial quarter will be prorated based upon the number of calendar days in the calendar quarter that the advisory agreement is in effect. Fees are based on the market value of the assets on the last business day of the previous quarter. Fees are negotiable, but generally annual fees range from 1.00% - 3.00% depending on the amount of assets under management ("AUM") – See



chart below. Consulting services are included in these fees for asset management services with the exception of unique circumstances that may require a separate agreement for financial planning services (description and fees are discussed below). If the situation warrants separate financial planning fees, it will be discussed upfront and a separate agreement will be negotiated.

#### **Fee Schedule for Wealth Advisory:**

Total Account Value	Maximum Annual Advisory Fee
\$0 - \$3,000,000	3.00%
\$3,000,001 or more	2.50%

As authorized in the client agreement, the account custodian will collect DCM's advisory fees directly from the clients' accounts according to the custodian's policies, practices, and procedures. The custodial statement includes the amount of any fees paid to DCM for advisory services. Clients should carefully review the statement from their custodian/broker-dealer's statement and verify the calculation of fees. A client's custodian/broker-dealer does not verify the accuracy of fee calculations.

Fees are charged in advance on a quarterly basis, meaning that advisory fees for a quarter are charged on the first day of the quarter. Clients may terminate investment advisory services obtained from DCM, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with DCM. The client is responsible for any fees and charges incurred by the client from third parties as a result of maintaining the account such as transaction fees for any securities transactions executed and account maintenance or custodial fees. Thereafter, the client may terminate advisory services upon written notice delivered to and received by DCM. Clients who make partial withdrawals or terminate investment advisory services during a quarter will not be rebated the prorated portion of the advisory fee. Any earned but unpaid fees are immediately due and payable.

#### **Financial Planning Compensation**

Financial planning services are charged in arrears through an hourly arrangement as agreed upon between the client and DCM. Fees are negotiable and vary depending on the complexity of the client situation and services to be provided. Hourly fees are charged as a maximum of \$300 per hour, depending on what is negotiated between DCM and the client. Similar financial planning services may be available elsewhere for a lower cost to the client. An estimate for total hours and charges is determined at the start of the advisory relationship.

Typically, clients will be invoiced upon completion of the services. Clients who wish to terminate the planning process prior to completion may do so with written notice. The client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period by contacting Steven Collopy at (917) 386-6265 or via e-mail at [scollopy@dcmadvisors.com](mailto:scollopy@dcmadvisors.com). Upon receipt of written notification, any earned fee will immediately become due and payable. A client may terminate an advisory agreement without being assessed any fees or expenses within five (5) days of its signing.

#### **Subscription Compensation**

DCM currently charges certain clients a subscription-based fee to receive HGA's monthly publications. Subscription-based fees are charged at most \$100,000 annually, but fees may vary depending on the research content. Subscribers are billed in advance, unless otherwise agreed upon, and on a quarterly or semi-annual basis, meaning the first day of each quarter or every two quarters. DCM's subscription fees are generally not negotiable. Clients may terminate their subscription, without penalty, upon written notice generally within thirty (30) business

days prior to the end of the then-current period, as detailed in the subscription agreement. However, generally, clients who terminate DCM's subscription services during a quarter will not be rebated the prorated portion of the unused subscription.

### **Additional Fees and Expenses**

In addition to advisory fees paid to DCM as explained above, clients may pay custodial service, account maintenance, transaction, and other fees associated with maintaining the account. These fees vary by broker and/or custodian. **In some relationships, clients are charged commissions where their trades are not executed through the custodian at which the client maintains their account. In those relationships, DCM typically seeks to execute such transactions at those custodians which are selected by the client to the greatest extent possible, but there may be instances where transactions will be executed away from the custodians and as such commissions will be charged in addition to the management fee charged by DCM. DCM monitors this process through its review of trades and its best execution practices.** Clients should ask DCM for details on transaction fees or other custodial fees specific to their account, as these fees are not included in the annual advisory fee. DCM does not share any portion of such fees. Additionally, for any mutual funds purchased, the client will pay their proportionate share of the funds' distribution, internal management, investment advisory and administrative fees. Such fees are not shared with DCM and are compensation to the fund manager. Clients are urged to read the mutual fund prospectus prior to investing.

DCM's affiliate, Dinosaur Financial Group, LLC ("DFG"), a full-service broker/dealer registered with the Financial Industry Regulatory Authority ("FINRA"), has entered into a revenue-sharing agreement with RBC Capital Markets, LLC ("RBC"). Under the agreement, DFG receives a monthly payment from RBC. The payment is based on the monthly average of the daily aggregate amount held by DCM's clients that is covered by the RBC Bank Deposit Program (the "Program"). The Program covers margin balances, RBC's Credit Interest Program, and money market funds. DCM's clients are neither charged an additional fee nor receive decreased interest rates as a result of RBC's monthly payment to DFG. However, clients should be aware that this agreement presents a conflict of interest, since DCM and its IARs have an incentive to recommend that clients' assets are held at RBC. This conflict of interest is mitigated by the fact that DCM has a fiduciary responsibility to put its clients' needs first. In order to uphold its fiduciary duty, DCM has established a Best Execution Committee that meets semi-annually to review its best execution practices. The Best Execution Committee also conducts periodic reviews of the broker-dealers it uses to ensure its clients receive best execution. Clients may direct DCM to utilize a different custodian. DCM may also accept instructions from clients to direct specific amounts of brokerage to a particular broker-dealer other than RBC. Item 12 further describes the factors that DCM considers in selecting or recommending broker-dealers for client transactions and determining whether clients are receiving best execution through the broker-dealers that DCM utilizes.

Mutual fund companies impose internal fees and expenses on clients. These fees are in addition to the costs associated with the investment advisory services as described above. Complete details of such internal expenses are specified and disclosed in each mutual fund company's prospectus. Clients are strongly advised to review the prospectus(es) prior to investing in such securities.

Mutual funds purchased or sold in broker-dealer accounts may generate transaction fees that would not exist if the purchase or sale were made directly with the mutual fund company. Mutual funds held in broker-dealer accounts also charge management fees. These mutual fund management fees may be more or less than the mutual fund management fees charged if the client held the mutual fund directly with the mutual fund company.

Clients may purchase shares of mutual funds directly from the mutual fund issuer, its principal underwriter, or a distributor without purchasing the services of DCM or paying the advisory fee on such shares (but subject to any

applicable sales charges). Certain mutual funds are offered to the public without a sales charge. In the case of mutual funds offered with a sales charge, the prevailing sales charge (as described in the mutual fund prospectus) may be more or less than the applicable advisory fee. However, clients would not receive DCM's assistance in developing an investment strategy, selecting securities, monitoring the performance of the account, and making changes as necessary.

Certain DCM personnel accept asset-based sales charges through their broker-dealer registration with Dinosaur Financial Group, LLC. This creates an inherent conflict of interest as the IARs for DCM are incentivized to execute transactions through its affiliated broker-dealer's accounts. This potential conflict of interest is mitigated by the fact that DCM does not execute clients' transactions using Dinosaur Financial Group, LLC as the broker-dealer.

Please refer to Item 10 "Other Financial Industry Activities and Affiliations" and Item 12 "Brokerage Practices" in this Brochure for additional information.

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

DCM does not charge performance-based fees. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

### ***Item 7: Types of Clients***

DCM provides customized asset management solutions for individuals, families, trusts, institutions, charitable organizations, and a registered investment company. DCM also manages money for individuals, institutions and investment companies seeking its expertise in various investment strategies. The minimum relationship size varies by investment strategy and level of service.

DCM also provides investment advisory services to registered investment advisers in the form of model portfolios based on one or more of its investment strategies. The registered investment advisers utilize the model portfolios to provide investment services to their clients. The minimum account size is established by the registered investment adviser that employs DCM's model portfolio. The client should review the registered investment adviser's Form ADV Part 2 for complete detail on the model portfolio services it engages.

With respect to clients for whom DCM manages separately managed accounts and provides wealth advisory services, DCM generally requires that clients invest and maintain a minimum of \$100,000 to open an account. If the account size falls below the minimum requirement due to market fluctuations only, a client will not be required to invest additional funds with us to meet the minimum account size. DCM may, in its sole discretion, accept clients with smaller portfolios based upon certain criteria, including anticipated future earning capacity, anticipated future additional assets, the dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and pro bono activities. DCM may aggregate the portfolios of family members to meet the minimum portfolio size.

With respect to the Centaur Total Return Fund, the stated minimum initial investment is \$1,500 (\$1,000 under an automatic investment plan), and the minimum subsequent investment is \$100 (\$50 under an automatic investment plan).

With respect to the Lebenthal Ultra Short Tax-Free Income Fund, the stated minimum initial investment for Class A Shares is \$1,500, and the minimum subsequent investment is \$50. The stated minimum initial investment for Class I Shares is \$250,000, and there is no minimum for subsequent investments.

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

### **Methods of Analysis and Investment Strategies**

#### **A. Asset Management**

##### ***Separately Managed Accounts***

DCM uses a variety of methods and strategies to make investment decisions and recommendations. DCM's methods of analysis include fundamental research, charting analysis, technical analysis, and cyclical analysis, as well as the use of quantitative tools and investment approaches.

In connection with research, DCM routinely reviews financial publications and research prepared by third parties, including research obtained from commercially-available information services. In addition, DCM obtains information through conferences and consultations with industry experts.

DCM employs the following investment strategies:

**US Equities:** DCM offers a Systematic US equity portfolio. This strategy is a long-only equity strategy driven by DCM's proprietary stock selection model and mirrors the core of the Centaur Total Return Fund's portfolio. The model utilizes various quantitative factors and technical overlays to produce a core US portfolio. The goal of the portfolio is to provide broad exposure to the US equity market.

**International/Global Equities:** DCM offers global equity, international equity, EAFE Plus and Global SRI portfolios. These strategies are long-only equity strategies driven by a combination of top-down country allocation and bottom-up stock selection derived from DCM's proprietary country-allocation and stock selection models. The models evaluate developed and emerging markets based on several investment factors. DCM's strategies may include investments in ETFs, baskets of ADRs and local shares. DCM also offers a global macro investment strategy where the goal is to anticipate global macroeconomic events using discretionary selection, pre-determined mathematical trading models or a combination of both.

**Investment-Grade Municipal Bonds:** DCM manages both national and single state municipal bond investment grade portfolios. The portfolios are managed for total return. DCM looks to add value through active management of the portfolio through careful bond selection and appropriate selective repositioning as circumstances warrant. Among the key factors DCM monitors are individual credit considerations, changes in the shape of the yield curve, call features, changes in the future expectation of economic activity, and changes in various specific sectors of the municipal bond market.

**Investment-Grade Corporate Bonds:** DCM manages a US taxable corporate bond investment-grade portfolio. The portfolio is managed for total return. DCM looks to add value through active management of the portfolio through careful bond selection and appropriate selective repositioning as circumstances warrant. Among the key factors DCM monitors are individual credit considerations, changes in the shape of the yield curve, changes in the future expectation of economic activity, and changes in various specific sectors of the taxable bond market.

### ***Centaur Total Return Fund***

With respect to the Centaur Total Return Fund, DCM seeks to achieve a combination of capital appreciation and income generation through investments in equity securities that DCM believes are appropriate to the strategy. DCM typically invests in common stocks that DCM believes are undervalued, with a preference for those that also offer attractive dividend yields. DCM also expects to generate income from selling covered call option on securities in the fund. The use of covered call options in combination with the purchase of equity securities also allows for the inclusion of undervalued, non-dividend paying stocks in the portfolio while still satisfying DCM's goal of generating investment income. Not every investment security is required to produce income.

### ***Lebenthal Ultra Short Tax-Free Income Fund***

With respect to the Lebenthal Ultra Short Tax-Free Income Fund, DCM seeks to achieve a combination of a high level of current income exempt from federal income tax and relative stable principal. DCM primarily invests in municipal securities, the income from which is exempt from federal income tax. DCM may also invest in municipal securities that generate interest of which may be subject to federal alternative minimum tax.

## **B. Wealth Advisory**

DCM's methods of analysis and investment strategies incorporate the client's needs and investment objectives, time horizon, and risk tolerance. DCM is not bound to a specific investment strategy for the management of investment portfolios, but rather consider the risk tolerance levels pre-determined gathered at the account opening, as well as on an on-going basis. Examples of methodologies that DCM's investment strategies may incorporate include:

**Asset Allocation** – Asset Allocation is a broad term used to define the process of selecting a mix of asset classes and the efficient allocation of capital to those assets by matching rates of return to a specified and quantifiable tolerance for risk.

**Dollar-Cost Averaging** – Dollar-cost averaging is the technique of buying a fixed dollar amount of securities at regularly scheduled intervals, regardless of the price per share. This will gradually, over time, decrease the average share price of the security. Dollar-cost averaging lessens the risk of investing a large amount in a single investment at the wrong time.

**Technical Analysis** – involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.

**Long-Term Purchases** – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

**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.

DCM's strategies and investments may have unique and significant tax implications. Regardless of a client's account size or other factors, DCM strongly recommends that clients continuously consult with a tax professional prior to and throughout the investing of client assets.

## **Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear. Although DCM manages client portfolios with strategies and in manners it believes to be consistent with client risk tolerances, there can be no guarantee that DCM's efforts will be successful. Clients should be prepared to bear the risk of loss.

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends, and other distributions), and the loss of future earnings. Regardless of the methods of analysis or strategies suggested for clients' particular investment goals, clients should carefully consider these risks, as they all bear risks.

Prospective investors should consider the following risks, among others, before making any investment decisions. The various risks outlined below are not the only risks associated with DCM's investment strategies and processes. Investors are urged to consult with their own independent financial, legal and tax advisors before making any investment decisions. With respect to the DCM-Managed Funds, the following risks are qualified in their entirety by the risks set forth in their respective prospectus and statement of additional information.

*Management Risks.* While DCM manages client investment portfolios based on DCM's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that DCM allocates assets to asset classes that are adversely affected by unanticipated market movements, and the risk that DCM's specific investment choices could underperform their relevant indexes.

*Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.* DCM may invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

*Equity Market Risks.* DCM will generally invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

*Fixed Income Risks.* DCM may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

*Foreign Securities Risks.* DCM may invest portions of client assets into foreign securities, including ADRs. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may

be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

*Catastrophic Events Risks.* The value of securities may decline as a result of various catastrophic events, such as pandemics, natural disasters, and terrorism. Losses resulting from these catastrophic events can be substantial and could have a material adverse effect on DCM's business and its clients.

### ***Risks Specific to the Centaur Total Return Fund***

*Derivative Instruments Risk.* Derivative instruments involve risks different from direct investments in the underlying securities, including: imperfect correlation between the value of the derivative instrument and the underlying assets; risks of default by the other party to the derivative instrument; risks that the transactions may result in losses of all or in excess of any gain in the portfolio positions; and risks that the transactions may not be liquid.

*Valuation Risks for Non-Exchange Traded Options.* The purchase of non-exchange traded call options may result in reduced liquidity (and hence value) for the Centaur Total Return Fund's portfolio investments.

*Risks from Writing Call Options.* When the Centaur Total Return Fund writes (*i.e.*, sells) call options on its portfolio securities, it limits its opportunity to profit from the securities and, consequently, the Centaur Total Return Fund could significantly underperform the market. Writing call options could also result in additional turnover and higher tax liability.

*Real Estate Securities Risk.* To the extent the Centaur Total Return Fund invests in companies that invest in real estate, such as REITs, the Centaur Total Return Fund would be subject to risk associated with the real estate market as a whole such as taxation, regulations, and economic and political factors that negatively impact the real estate market.

*MLP Risks.* A MLP is a limited partnership in which the ownership units are publicly traded. MLPs generally acquire interests in natural resource, energy, or real estate assets and distribute the resulting income to investors. Investments in MLPs are generally subject to many of the risks that apply to investments in partnerships, such as limited control and limited voting rights and fewer corporate protections than afforded investors in a corporation. MLPs that concentrate in a particular industry or region are subject to risks associated with such industry or region. Investing in MLPs also involves certain risks related to investing in the underlying assets of the MLPs and risks associated with pooled investment vehicles, such as adverse economic conditions, an increase in the market price of the underlying commodity, higher taxes or other regulatory actions that increase costs, a shift in consumer demand or conflicts of interest with the general partner. The benefit derived from the Centaur Total Return Fund's investment in MLPs is largely dependent on the MLPs being treated as partnerships for federal income tax purposes, so any change to this status would adversely affect its value. The Centaur Total Return Fund's investment in MLPs may result in the layering of expenses such that shareholders will indirectly bear a proportionate share of the MLP's operating expenses in addition to paying Centaur Total Return Fund expenses.

*Royalty Trust Risks.* The Centaur Total Return Fund may invest in publicly traded royalty trusts. Royalty trusts are special purpose vehicles organized as investment trusts created to make investments in operating companies or their cash flows. A royalty trust generally acquires an interest in natural resource companies and distributes the

income it receives to the investors of the royalty trust. A sustained decline in demand for the royalty trust's underlying commodity could adversely affect income and royalty trust revenues and cash flows. Factors that could lead to a decrease in market demand include a recession or other adverse economic conditions, an increase in the market price of the underlying commodity, higher taxes or other regulatory actions that increase costs, or a shift in consumer demand for such products. A rising interest rate environment could adversely impact the performance of royalty trusts. Rising interest rates could limit the capital appreciation of royalty trusts because of the increased availability of alternative investments at more competitive yields. Further, because natural resources are depleting assets, the income-producing ability of a royalty trust will eventually be exhausted and the royalty trust will need to raise or retain funds to make new acquisitions to maintain its value. The Centaur Total Return Fund's investment in royalty trusts may result in the layering of expenses such that shareholders will indirectly bear a proportionate share of the royalty trusts' operating expenses in addition to paying Centaur Total Return Fund expenses.

### ***Risks Specific to the Lebenthal Ultra Short Tax-Free Income Fund***

*Credit Risks.* Like other debt securities, municipal bonds include investment-grade, non-investment grade and unrated securities. Rated municipal bonds that may be held in client portfolios include those rated investment-grade at the time of investment or those issued by issuers whose senior debt is rated investment-grade at the time of investment. There is also the possibility that, as a result of litigation or other conditions, the power or ability of issuers to meet their obligations for the payment of interest and principal on their municipal bonds may be materially affected or their obligations may be found to be invalid or unenforceable. Adverse economic, business, legal, or political developments might affect all or a substantial portion municipal bonds held in a portfolio in the same manner.

*Interest Rate Risks.* Interest rate risk is the chance that bond prices overall will decline over short or even long periods because of rising interest rates. Prices and yields on municipal bonds are dependent on a variety of factors, such as the financial condition of the issuer, general conditions of the municipal bond market, and the size of a particular offering, the maturity of the obligation and the rating of the issue.

*Call risks.* Call risk is the chance that during periods of falling interest rates, issuers of callable bonds may call, or repay, securities with higher coupons (interest rates) before their maturity dates.

## ***Item 9: Disciplinary Information***

Neither DCM nor its Principal Executive Officers have had any reportable disclosable events in the past ten years.

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

The owners of DCM also own Dinosaur Financial Group, LLC ("DFG"), a full-service broker/dealer registered with the Financial Industry Regulatory Authority ("FINRA"). Where permitted by law, DFG, and its representatives may receive mutual fund 12b-1 fees, services fees, due diligence fees, marketing reimbursements, or other payments relating to a client's investment. DCM, as the investment advisor, sponsor, or other service provider to investment advisory programs, receives compensation for its services. Clients should be aware that these fees, payments, and other compensation present a conflict of interest since DCM and its IARs have a greater incentive to recommend those products or programs that provide additional compensation to DCM or to IARs. This potential conflict of interest is mitigated by the fact that DCM does not execute clients'



transactions using DFG as the broker-dealer. However, DCM does utilize DFG's relationship with RBC. As a result, certain employees of DFG help facilitate certain trades (e.g. aggregated trades). DFG does not receive any compensation for executing such trades.

DFG has entered into a revenue sharing agreement with RBC. Under the agreement, DFG receives a monthly payment from RBC. The payment is based on the monthly average of the daily aggregate amount held by DCM's clients that is covered by the RBC Bank Deposit Program (the "Program"). The Program covers margin balances, RBC's Credit Interest Program, and money market funds. DCM's clients are neither charged an additional fee nor receive decreased interest rates as a result of RBC's monthly payment to DFG. However, clients should be aware that this agreement presents a conflict of interest, since DCM and its IARs have an incentive to recommend that clients' assets are held at RBC. This conflict of interest is mitigated by the fact that DCM has a fiduciary responsibility to put its clients' needs first. In order to uphold its fiduciary duty, DCM has established a Best Execution Committee that meets semi-annually to review its best execution practices. The Best Execution Committee also conducts periodic reviews of the broker-dealers it uses to ensure its clients receive best execution. Clients may direct DCM to utilize a different custodian. DCM may also accept instructions from clients to direct specific amounts of brokerage to a particular broker-dealer other than RBC. Item 12 further describes the factors that DCM considers in selecting or recommending broker-dealers for client transactions and determining whether clients are receiving best execution through the broker-dealers that DCM utilizes.

In addition, the owners of DCM have a minority ownership interest in Lisanti Capital Growth, LLC ("Lisanti"), an affiliated certified woman-owned and managed investment advisor registered with the SEC specializing in US small and small/mid-cap (SMID) equity growth investing. DCM and Lisanti share office space. Employees of Lisanti who have access to non-public information regarding any of DCM's client's trading or holdings, who are involved in making securities recommendations to DCM's clients, or who have access to DCM's non-public securities recommendations will be considered Access Persons of DCM. All Access Persons of DCM are subject to the Firm's Code of Ethics, requiring reporting of their personal security transactions to DCM on an initial, quarterly, and annual basis. DCM will ensure that employees of Lisanti that are not treated as Access Persons do not have access to DCM's confidential information. In order to do so, DCM will maintain locked filing cabinets (where necessary to protect confidential information) and limited access to DCM's shared network. DCM does not maintain any shared strategy research with Lisanti in connection with its advisory services offered to clients. Furthermore, DCM does not invest its client accounts in Lisanti's strategies.

Lisanti serves as investment adviser with respect to the Lisanti Small Cap Growth Fund, a series of shares of the Trust, which is an open-end management investment company registered as such under the Investment Company Act of 1940. Lisanti receives a management fee from the Lisanti Small Cap Growth Fund. An inherent conflict of interest exists as the shared owners of DCM and Lisanti have an incentive for DCM's clients to invest in the Lisanti Small Cap Growth Fund. This conflict of interest is mitigated by the fact that DCM does not currently charge an investment management fee on client assets invested in the Lisanti Small Cap Growth Fund.

DCM and Lisanti have entered into a sales and marketing agreement where DCM provides strategic planning and sales and marketing support to Lisanti. Lisanti compensates DCM based on all commitments to Lisanti's strategies during the terms of the agreement (except commitments by certain persons excluded in agreement). This presents a conflict of interest since DCM has an incentive to recommend Lisanti as a result of the compensation received. DCM addresses this conflict by disclosing the arrangement to any prospective investors to whom DCM markets Lisanti's strategies.

The owners of DCM also own Dinosaur Merchant Bank, LTD, a full-service broker/dealer domiciled in London, England. Dinosaur Merchant Bank, LTD is registered with the United Kingdom's financial service industry regulator, the Financial Conduct Authority ("FCA"). This presents a potential conflict of interest as DCM has an

incentive to recommend Dinosaur Merchant Bank, LTD as a broker for client accounts. DCM does not execute clients' transactions through Dinosaur Merchant Bank, LTD, therefore mitigating the potential conflict of interest.

DCM management persons are registered with Dinosaur Financial Group, LLC. Neither DCM nor any of its management persons are registered or have an application to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of these entities.

As described in Item 4 above, DCM serves as investment adviser with respect to the DCM-Managed Funds, series of shares of the Trust, which is an open-end management investment company registered as such under the Investment Company Act of 1940. Certain trustees, agents, and stockholders of the Trust are interested in DCM as directors, partners, officers or stockholders or otherwise, and certain directors, partners, officers, agents or owners of DCM are interested in the Trust as trustees, stockholders or otherwise. DCM is also interested in the Trust as a stockholder or otherwise. DCM receives a management fee from the DCM-Managed Funds and therefore has an incentive to recommend the DCM-Managed Funds to clients. This conflict of interest is mitigated by the fact that DCM does not currently charge an investment management fee on client assets invested in the DCM-Managed Funds.

In addition, certain IARs of DCM are independent insurance agents for various companies, tax professionals, or have other financial related businesses not affiliated with DCM or Dinosaur Financial Group, LLC. These practices represent conflicts of interest because it gives the IAR an incentive to recommend products based on the compensation amount received from their other business activity. This conflict is mitigated by the fact that IARs with DCM have a fiduciary responsibility to place the best interest of the client first and the clients are not required to purchase any other services. Clients have the option to purchase these products through another company of their choice for insurance, tax, or other financial related services.

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

### **Code of Ethics**

DCM's Code of Ethics includes guidelines for professional standards of conduct for its Access Persons. DCM's goal is to protect client interests at all times and to demonstrate its commitment to its fiduciary duty to clients to act in the best interest of the client and always place the client's interests first. All of DCM's Access Persons are expected to strictly adhere to these guidelines.

The Code of Ethics contains provisions for standards of business conduct in order to comply with applicable securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violation reporting requirements and safeguarding of material non-public information about client transactions.

DCM's Code of Ethics is distributed to each Access Person at the time of hiring and as the Code is modified. In addition, DCM requires an annual certification by all Access Persons regarding their understanding and compliance with the Code of Ethics. DCM also supplements the Code with annual training and ongoing monitoring of employee activity.

### **Participation or Interest in Client Transactions and Personal Trading**

Under the Code of Ethics, personnel with access to investment recommendations and client information are generally required to submit information about their personal trading activities to DCM's Chief Compliance

Officer (“CCO”) or the CCO’s designee for review and advance approval. There are certain securities that are considered “Exempt Securities” that do not require advance approval of making a transaction. Open-end mutual funds are considered an exempt security and do not require pre-approval; however, any mutual fund managed by DCM is not considered an exempt security, and an employee must receive pre-approval before making a transaction in shares of a mutual fund managed by DCM. Violations of the Code of Ethics can result in disciplinary action up to and including dismissal.

DCM also tracks employees’ holdings by obtaining annual holdings reports and quarterly certifications for its employees. In accordance with applicable law, DCM also maintains and enforces written policies and procedures reasonably designed to prevent the misuse of non-public information by DCM or any person associated with DCM. Further, employees are prohibited from trading on non-public information or sharing such information.

Certain employees of DCM and their relatives have personal trading accounts or DCM-managed investment advisory accounts at the same financial institutions as some of DCM’s other non-affiliated clients. Employees and related persons of DCM (any advisory affiliate and any person that is under common control with DCM) can buy or sell securities identical to those securities recommended to clients. Therefore, related persons will have an interest or position in certain securities that are also recommended and bought or sold to clients. DCM trades their accounts in the same manner as other clients, and may not trade employee or related persons’ accounts ahead of other clients or trade in such a way as to obtain a better price for the employees or related persons compared to clients.

DCM’s Code of Ethics is available to clients and potential clients upon request by contacting Steven Collopy at (917) 386-6265 or via e-mail at [scollopy@dcmadvisors.com](mailto:scollopy@dcmadvisors.com).

## ***Item 12: Brokerage Practices***

### **The custodians and brokers that DCM uses:**

DCM does not maintain custody of client assets, although DCM may be deemed to have custody of client assets if given authority to withdraw assets from the client’s account (see Item 15 – Custody, below). Client assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. DCM primarily recommends that its clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian.

DCM is independently owned and operated and is not affiliated with Schwab. Schwab will hold client’s assets in a brokerage account and buy and sell securities when DCM/the client instructs them to. While DCM recommends its clients use Schwab as custodian/broker, clients will decide whether to do so and will open their account with Schwab by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14 (Client Referrals and Other Compensation). DCM’s clients should consider these conflicts of interest when selecting their custodian.

DCM does not open the account for its clients, although DCM may assist its clients in doing so. Even though client accounts are maintained at Schwab, and DCM anticipates that most trades will be executed through Schwab, DCM can still use other brokers to execute trades for clients’ accounts as described below (see “Client’s brokerage and custody costs”).

## **How DCM selects brokers/custodians:**

DCM primarily recommends Schwab, a custodian/broker, to hold its clients' assets and execute transactions. When considering whether the terms that Schwab provides are, overall, most advantageous to clients when compared with other available providers and their services, DCM takes into account a wide range of factors, including:

- Quality of confirmations and account statements
- Access to markets
- Combination of transaction execution services and asset custody services (generally without a separate fee for 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, exchange-traded funds (ETFs), etc.)
- 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, security and stability
- Prior service to us and our clients
- Services delivered or paid for by Schwab
- Availability of other products and services that benefit us, as discussed below (see "Products and services available to DCM from Schwab")

## **Client's brokerage and custody costs:**

For clients' accounts that Schwab maintains, Schwab generally does not charge clients separately for custody services but is compensated by charging commissions or other fees on trades that it executes or that settle into clients' Schwab accounts. Certain trades (for example, U.S. equities, mutual funds and ETFs) do not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in client accounts in Schwab's Cash Features Program. Schwab's commission rates applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a total of at least \$62 million of their assets in accounts at Schwab. This commitment benefits DCM's clients because the overall commission rates clients pay are lower than they would be otherwise. In addition to commissions, Schwab charges clients a flat dollar amount as a "prime broker" or "trade away" fee for each trade that DCM has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the client's Schwab account. These fees are in addition to the commissions or other compensation clients pay the executing broker-dealer. Because of this, in order to minimize clients' trading costs, DCM has Schwab execute most trades for client accounts.

DCM is not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although DCM is not required to execute all trades through Schwab, DCM has determined that having Schwab execute most trades is consistent with DCM's duty to seek "best execution" of client trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How DCM selects brokers/custodians"). By using another broker or dealer clients may pay lower transaction costs.

## **Products and services available to DCM from Schwab:**

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like DCM. They provide DCM's clients and DCM with access to their institutional brokerage services (trading, custody, reporting and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through DCM. Schwab also makes available various support services. Some of those services help DCM manage or administer clients' accounts, while others help DCM manage and grow the firm's business. Schwab's support services are generally available on an unsolicited basis (DCM does not have to request them) and at no charge to DCM. Following is a more detailed description of Schwab's support services:

### *Services that benefit DCM's clients.*

Schwab'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 Schwab include some to which DCM might not otherwise have access or that would require a significantly higher minimum initial investment by DCM's clients. Schwab's services described in this paragraph generally benefit DCM's clients and their accounts.

### *Services that do not directly benefit DCM's clients.*

Schwab also makes available to DCM other products and services that benefit the firm but do not directly benefit DCM's clients or their accounts. These products and services assist DCM in managing and administering its clients' accounts and operating its firm. They include 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 DCM.*

Schwab also offers other services intended to help DCM manage and further develop the firm's business enterprise. These services include:

- Educational conferences and events
- Consulting on technology and business needs

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to DCM. Schwab also discounts or waives its fees for some of these services or pays all or a part of a third party's fees. If DCM's clients did not maintain their accounts with Schwab, DCM would be required to pay for those services from the firm's own resources.

In evaluating whether to recommend or require that clients custody their assets at Schwab, DCM may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors DCM considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

While DCM generally recommends Schwab for brokerage services for client accounts, DCM will accept direction from a client as to which broker is to be used for a client account. If the client directs the use of a particular broker-

dealer, the client should be aware that DCM might be able to obtain a more favorable commission cost from another broker-dealer in particular transactions. As a result, the client may pay higher commissions or other transaction costs on transactions for the account than would otherwise be the case if DCM selected the broker-dealer based on best execution. Consequently, best execution may not be achieved.

#### **DCM's interest in Schwab's services:**

The availability of these services from Schwab benefits DCM because the firm does not have to produce or purchase them. DCM does not have to pay for Schwab's services. Furthermore, Schwab has agreed to pay up to \$15,000 to reimburse DCM's clients for Transfer of Account Exit Fees. Schwab has also agreed to pay up to \$18,000 for certain firm expenses on DCM's behalf once the value of its clients' assets in accounts at Schwab reaches \$60 million.

The fact that DCM receives these benefits from Schwab is an incentive for the firm to recommend the use of Schwab rather than making such a decision based exclusively on clients' interest in receiving the best value in custody services and the most favorable execution of client transactions. This is a conflict of interest. DCM believes, however, that taken in the aggregate the firm's recommendation of Schwab as custodian and broker is in the best interests of DCM's clients. DCM's selection is primarily supported by the scope, quality, and price of Schwab's services (see "How DCM selects brokers/ custodians") and not Schwab's services that benefit only DCM.

DCM has other existing broker-dealer/custodial relationships it entered after considering the judgmental factors described above (see "How DCM selects brokers/custodians"). DCM uses soft dollars generated by certain client accounts to pay for certain research and/or related services provided by some of these brokers. The term "soft dollars" refers to the receipt by an investment manager of products and services (including research) provided by brokers without any cash payment by the investment manager, based on the volume of revenues generated from brokerage commissions for transactions executed for clients of the investment manager. The products and services available from brokers include both internally generated items (such as research reports prepared by employees of the broker) as well as items acquired by the broker from third parties (such as quotation equipment).

Using soft dollars to obtain investment research and/or related services creates a conflict of interest between DCM and its clients. Soft dollars may be used to acquire products and services that are not exclusively for the benefit of clients which paid the commissions and that may primarily or exclusively benefit DCM. If DCM is able to acquire these products and services without expending its own resources (including management fees paid by clients), its use of soft dollars would tend to increase profitability. Furthermore, DCM has an incentive to select or recommend brokers based on its interest in receiving research or other products or services, rather than on its clients' interest in receiving most favorable execution. DCM may cause clients to pay commissions (or markups or markdowns) higher than those charged by other brokers in return for soft dollar benefits.

Soft dollar benefits generally will be used to service all of DCM's clients. DCM will seek to allocate soft dollar benefits among client accounts in a fair and equitable manner under the circumstances, but there can be no assurance that DCM will be successful in this regard.

During the last fiscal year, DCM did not acquire any products or services with client brokerage commissions.

Section 28(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") provides a safe harbor to advisers who use soft dollars generated by client accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to DCM in the performance of investment decision-making responsibilities. DCM intends that any soft dollars that it receives in connection with client-related matters would

be within the limitations set forth in Section 28(e) of the Exchange Act.

#### **Brokerage for Client Referrals:**

DCM does not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

#### **Directed Brokerage:**

In certain cases, clients may direct DCM in writing to use a particular broker-dealer to execute some or all of the transactions for their account. If clients do so, they are responsible for negotiating the terms and arrangements for the account with that broker-dealer. DCM may not be able to negotiate commissions, obtain volume discounts, or best execution. In addition, under these circumstances, a difference in commission charges may exist between the commissions charged to clients who direct DCM to use a particular broker or dealer and other clients who do not direct DCM to use a particular broker or dealer.

#### **Order Aggregation:**

DCM may buy or sell the same security for two or more clients (including the firm's personal accounts) when concurrent orders are placed to be executed together as a single "block" in order to facilitate orderly and efficient execution. Each client account will be charged or credited with the average price per unit. DCM receives no additional compensation or remuneration of any kind because DCM aggregates client transactions, and no client is favored over any other client.

A potential conflict of interest exists when DCM executes transactions through its affiliated broker-dealer, Dinosaur Financial Group, LLC. This potential conflict of interest is mitigated by the fact that DCM does not execute clients' transactions using Dinosaur Financial Group, LLC as the broker-dealer.

### ***Item 13: Review of Accounts***

Financial planning accounts are reviewed upon financial plan creation and plan delivery by DCM's CCO, or the CCO's designee, with the applicable IAR's input. Clients generally are provided with a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a nominal fee.

Collectively the CCO and the IARs periodically will review advisory investment policies, priorities, and risk tolerance levels, and performance in accordance with the investment policies by maintaining communication between departments at DCM to facilitate optimal investment strategies. Reviews may be triggered by material market, economic or political events, or by changes in clients' financial situations (including, but not limited to, retirement, termination of employment, physical move, or inheritance). Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms.

DCM is required to provide the Trust and the DCM-Managed Funds with records concerning DCM's activities, which the Trust and the DCM-Managed Funds are required to maintain, and to render regular reports to the Trust's trustees and officers concerning DCM's discharge of the responsibilities set forth in the investment advisory agreement. DCM is required to communicate to the officers and trustees of the Trust such information relating to

portfolio transactions as they may reasonably request. DCM provides investors in the DCM-Managed Funds with semi-annual commentary which is mailed to investors by the administrator of the DCM-Managed Funds. The administrator for the DCM-Managed Funds also posts daily net asset values on its website and provides investors with periodic written statements. All such reports and statements generally are written.

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

As mentioned above in Item 10, DCM and its affiliated registered investment adviser, Lisanti, have entered into a sales and marketing agreement where DCM provides strategic planning and sales and marketing support to Lisanti. Lisanti compensates DCM based on all commitments to Lisanti's strategies during the terms of the agreement (except commitments by certain persons excluded in agreement). This presents a conflict of interest since DCM has an incentive to recommend Lisanti as a result of the compensation received. DCM addresses this conflict by disclosing the arrangement to any prospective investors to whom DCM markets Lisanti's strategies.

DCM also receives an economic benefit from Schwab in the form of the support products and services it makes available to DCM and other independent investment advisors whose clients maintain their accounts at Schwab. In addition, Schwab has also agreed to pay for certain products and services for which DCM would otherwise have to pay once the value of its clients' assets in accounts at Schwab reaches a certain size. DCM's clients do not pay more for assets maintained at Schwab as a result of these arrangements. However, DCM benefits from the arrangement because the cost of these services would otherwise be borne directly by the firm. DCM's clients should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit DCM, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices).

DCM has entered into a relationship with an unaffiliated person that refers clients to DCM for a fee. The referring party has signed an agreement with DCM. The referring party will not provide investment advisory or supervisory services to clients. The referring party must provide the potential client with a copy of DCM's Brochure, along with a copy of DCM's solicitor disclosure statements and client acknowledgment.

The referring party receives a referral fee that is a portion of the annual investment advisory fee paid to DCM by the client. The fee charged to the client is not greater than it would have been without the referring party.

IARs of DCM or agents of Dinosaur Financial Group, LLC may receive 12(b)-1 fees from a mutual fund in which DCM has invested a client. The payment creates an incentive to recommend mutual funds and, thereby, an inherent risk for a potential conflict of interest. This potential conflict of interest is mitigated by the fact that DCM does not execute clients' transactions using Dinosaur Financial Group, LLC as the broker-dealer.

#### ***Item 15: Custody***

DCM does not have physical custody of any client funds and/or securities and does not take custody of client accounts at any time. Client funds and securities will be held by a bank, broker-dealer, or other independent qualified custodian. DCM is deemed to have limited custody due to the direct debiting of fees from client accounts. Clients will receive account statements from the independent, qualified custodian holding client funds at least quarterly. The account statement from a client's custodian will indicate the amount of advisory fees deducted from the client's account(s) each billing cycle. Clients should carefully review statements received from the custodian and compare them to the periodic account statements they receive from DCM. Clients are advised



to notify DCM of any questions or concerns. Clients are also asked to promptly notify DCM if the custodian fails to provide statements on each account held.

### ***Item 16: Investment Discretion***

Before DCM can buy or sell securities on behalf of clients, clients generally must first sign the discretionary management agreement, a limited power of attorney, and/or trading authorization forms. By choosing to do so, clients may grant DCM discretion over the selection and amount of securities to be purchased or sold for their account(s) without obtaining specific consent or approval prior to each transaction. Clients may impose limitations on discretionary authority for investing in certain securities or types of securities (such as a product type, specific companies, specific sectors, etc.), as well as other limitations as expressed by the client. Limitations on discretionary authority are required to be provided to the IAR in writing. Please refer to Item 4 “Advisory Business” in this Brochure for more information on DCM’s discretionary management services.

With respect to the DCM-Managed Funds, DCM has discretionary authority over the types of financial instruments to be bought and sold, as well as the amount to be bought and sold. In addition, DCM has authority to determine the broker-dealer, futures commission merchant or other counterparty to be used for client transactions and the negotiation of commission rates and other consideration to be paid by the DCM-Managed Funds. In addition, the DCM-Managed Funds may grant DCM a limited power of attorney to enable DCM to conduct authorized trading on its behalf.

### ***Item 17: Voting Client Securities***

The investment advisory agreement between DCM and each client indicates whether or not DCM votes proxies for the client. In most cases, DCM does not have proxy voting authority over client accounts. DCM does maintain proxy voting authority for the DCM-Managed Funds.

For those clients for which DCM does not vote proxies, at a client’s request, DCM may offer advice regarding corporate actions and the exercise of clients’ proxy voting rights. If a client owns shares of common stock or mutual funds, the client is responsible for exercising the right to vote as a shareholder. DCM does not take responsibility in any way to ensure clients’ securities are voted. In most cases, clients will receive proxy materials directly from the account custodian. However, in the event DCM were to receive any written or electronic proxy materials, DCM would forward them directly to clients by mail or electronic mail.

With respect to the DCM-Managed Funds, DCM has adopted a Proxy Voting Policy in its compliance manual. In general, DCM’s policy is to vote proxies in a manner that serves the best interests of the DCM-Managed Funds, as determined in DCM’s discretion. DCM does not allow clients to direct any vote. DCM has retained a third party voting service for proxy-related services, including providing proxy guidelines. All proxies received are evaluated against “Glass Lewis” guidelines, which address a number of topics, including shareholder voting rights, antitakeover defenses, board structures, the election of directors, executive and director compensation, reorganizations, mergers and acquisitions and various other shareholder proposals. In cases where DCM is aware of a proxy voting conflict between the interests of a client and the interests of DCM or an affiliated person of DCM, DCM will notify the applicable client of the conflict and will either abstain from voting or vote the applicable shares in accordance with the client’s instructions.

DCM generally will not disclose to the client how DCM intends to vote a particular proxy until after DCM has

voted the proxy. Clients may obtain copies of DCM's Proxy Voting Policy, together with information regarding how DCM has voted past proxies, by contacting DCM.

### ***Item 18: Financial Information***

DCM is not required to provide financial information to its clients because it does not require or solicit the prepayment of more than \$1,200 six or more months in advance.