

Part 2A of Form ADV

Item 1 Cover Page

Dekania Capital Management, LLC

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**Form ADV Part 2A
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This brochure provides information about the qualifications and business practices of Dekania Capital Management, LLC (“DCM”). If you have any questions about the contents of this brochure or to request a brochure, please contact us at 215-701-9555 or ksmith@cohenandcompany.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Dekania Capital Management, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

References herein to Dekania Capital Management, LLC as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

Item 2 Material Changes

The following items identify and discuss those material changes that have occurred since the last annual update of DCM's Brochure, which was dated March 29, 2019.

Item 4 – Advisory Business:

We have updated the amount of assets we have under management.

Item 3 Table of Contents

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Item 4 Advisory Business

Firm Description

Dekania Capital Management, LLC (“DCM”) is a Delaware limited liability company formed on June 19, 2003. DCM became registered as an Investment Adviser in February 2005. DCM’s principle owners are Cohen & Company Inc., Cohen & Company, LLC, Dekania Investors, LLC, Cohen Bros. Financial, LLC, and Daniel G. Cohen.

DCM currently acts as a collateral manager for one European Collateralized Debt Obligation (referred to in this Brochure as “CDO”) issuer. A CDO issuer is a special purpose investment vehicle that raises capital through the issuance of securities and uses the proceeds to purchase financial assets, typically debt or preferred equity instruments. A CDO issuer pools collateral assets into a portfolio that generates interest over a fixed period of time. The CDO managed by DCM holds trust preferred securities and similar securities issued by banks and insurance companies. DCM manages these assets for the CDO issuer pursuant to the terms of various agreements entered into by the CDO, DCM and other parties, including a collateral management agreement and an indenture. The management services provided by DCM to the CDO issuer include:

- performing, during the term of the CDO, ongoing reviews of the performance of collateral securities and general market conditions and generating reports for the CDOs;
- investing the proceeds from any sales of the CDO’s securities;
- selling defaulted collateral securities;
- acquiring, subject to certain limitations, replacement collateral securities; and
- auctioning collateral securities.

DCM complies with the investment objectives and guidelines established by the indenture, collateral management agreement and credit rating agencies for the CDO issuer.

DCM is also a member of a joint venture limited liability company that focuses on investing in a diversified portfolio of debt securities issued by small and mid-sized insurance and reinsurance companies in the United States, Bermuda, the European Union, and other jurisdictions deemed to have equivalence under the Solvency II Directive. DCM has entered into an agreement with this company to source investment opportunities and provide portfolio management services, which include:

- monitoring of company investments;
- negotiating, executing and delivering all necessary documents;
- providing regular reports; and

- ensuring licensing and regulatory compliance.

Wrap Fee Programs

DCM does not participate in wrap fee programs.

Client Assets

As of December 31, 2019, DCM had approximately \$143 million of assets under management, of which approximately \$94 million was managed on a discretionary basis.

Item 5 Fees and Compensation

CDO Management Fees

As collateral manager, DCM is paid certain collateral management fees by the CDO issuer, which are typically comprised of a senior collateral management fee that is paid prior to any distributions to the CDO's note holders and a subordinate collateral management fee following distributions to the CDO's note holders and the payment of various operating expenses. The fees earned by DCM are negotiated prior to establishing the CDO. Generally, annual collateral management fees to DCM have not exceeded 0.3% of the value of the collateral in the CDO on an annual basis.

Portfolio Management Fees

In connection with its portfolio management activities, DCM receives servicing fees, which include a base servicing fee, a senior preferred distribution, and a junior preferred distribution.

Fee Billing

Collateral management fees are generally paid quarterly in arrears based on the total amount of collateral held by the CDO at the end of each calendar quarter. With respect to the portfolio management activities, the base servicing fees are paid quarterly in arrears, the senior preferred distribution is paid annually in arrears and the junior preferred distribution will be paid at the end of the joint venture.

Other Fees and Expenses

DCM may be reimbursed by the CDO for certain reasonable fees and expenses paid to third parties as part of its duties as collateral manager.

DCM is responsible for and pays all overhead expenses of an ordinary and recurring nature such as rent, supplies, secretarial expenses, compliance expenses, stationery, charges for furniture and fixtures, employee insurance, payroll taxes and compensation of employees in connection with DCM's services. In connection with its portfolio management activities, DCM receives reimbursements for expenses paid to certain valuation and rating service providers.

Prepaid Fees

DCM's investment advisory fees are charged to clients in arrears. DCM does not accept prepaid fees for advisory services.

Compensation for the Sale of Securities

Neither DCM nor any of its supervised persons receive compensation for the sale of any securities.

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

Neither DCM nor any of its supervised persons charges or accepts performance-based fees in connection with its advisory services to the CDO. In connection with its portfolio management services, DCM may receive performance-based fees.

Item 7 Types of Clients

DCM currently provides advisory services to one CDO issuer. A CDO issuer is a special purpose investment vehicle that raises capital through the issuance of securities and uses the proceeds to purchase financial assets, typically debt or preferred equity instruments. A CDO issuer pools collateral assets into a portfolio that generates interest over a fixed period of time.

DCM also provides portfolio management services to a joint venture limited liability company.

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

DCM's business is impacted by the risks applicable to the European bank and U.S., Bermuda and European insurance industries. The risks presented by the bank and insurance industries are mitigated by:

- ongoing monitoring of operating results and financial position of each issuer through review of key portions of such issuer's quarterly financial statements filed with regulators; and
- event-driven reviews of particular issuers in the wake of changes in strategy or management, conditions in the financial markets, and (for property and casualty insurers) catastrophic weather or geological events.

DCM keeps abreast of evolving industry issues through reading industry publications, attending industry conferences, and assessing the impact on individual insurance companies by reviewing regulatory filings and having discussions with industry management. In performing analyses for its clients, DCM may obtain advice from attorneys, accountants and other experts to assist in its analysis of certain investments for clients.

Credit risk primarily consists of the possibility that if an issuer of collateral held by the CDO defers its interest payments (which each issuer is entitled to do for a period of five years) or if collateral held by the CDO or the joint venture defaults, the CDO and/or the joint venture, as

applicable, will have less money to distribute to the note holders of the CDO and/or the partners in the joint venture, as applicable. In addition, there is the credit risk that the rating agencies will downgrade a CDO.

Currently, management of the CDO entails monitoring and working with the trustee under the indenture for each of the underlying transactions. Trading is generally limited to the sale of defaulted securities. Collateral management also entails responding to investor requests (limited) and reviewing reports prepared by the indenture trustee for the CDO.

Management of the joint venture involves identifying potential investments and providing detailed due diligence information to DCM's joint venture partner for review and approval or rejection of such proposed investment, assisting in the negotiation of the terms of new investments, and providing ongoing monitoring of the joint venture's investments.

Item 9 Disciplinary Information

There are no legal, disciplinary, criminal, civil, self-regulatory organization (SRO) proceedings, or administrative proceedings associated with DCM. Thus, there are no legal and disciplinary events that are material to a client's or prospective client's evaluation of DCM or the integrity of DCM's management. DCM expects to be periodically subject to routine regulatory examinations or unexpectedly involved in litigation arising in the ordinary course of business.

Item 10 Other Financial Industry Activities and Affiliations

Registration as a Broker-Dealer or Registered Representative

Certain principal executive officers of DCM's indirect parent, Cohen & Company, LLC, are registered representatives and principal executive officers of J.V.B. Financial Group, LLC ("JVB"), DCM's affiliated registered broker dealer that is a FINRA and SIPC member. Daniel G. Cohen, the Chairman of DCM, and Andrew Davilman, its Chief Operating Officer, are registered representatives of JVB.

Registration as an Investment Adviser

Cohen & Company Financial Management, LLC ("CCFM"), a wholly-owned indirect subsidiary of Cohen & Company, LLC the parent of DCM, is registered as an investment adviser with the Securities and Exchange Commission. CCFM serves as a collateral manager to certain CDOs and investment manager to certain funds.

Registration as a FCM, CPO, or CTA

Neither DCM, nor any of its management persons, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or a representative of the foregoing.

Material Relationships or Arrangements with Financial Industry

Cohen & Company Inc., an NYSE American listed public company that trades under the ticker

symbol “COHN” is the ultimate parent company of DCM and its affiliates. DCM may utilize the services of its affiliates in connection with certain back office functions, including the settlement and clearing of securities transactions, on behalf of its clients. No additional fees are charged to DCM’s clients for such services. DCM’s affiliated broker-dealer, JVB, may receive origination fees for debt securities issued by insurance companies in which DCM’s clients invest and for which DCM provides portfolio management services.

Compensation from Third-Party Advisers

DCM does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for clients.

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

Code of Ethics

DCM has adopted various policies, including a Code of Ethics (the “Code”), to address the potential for self-dealing and conflicts of interest which may arise with respect to personal securities trading by employees, officers, and other affiliated persons (“Access Persons”). The Code applies not only to Access Persons, but also to members of their “immediate family” (as defined in the Code), which includes most relatives living in the Access Person’s principal residence. The Code and other policies cover, among other things, portfolio management and trading practices, personal investment transactions and insider trading. These policies are meant to avoid actual and apparent conflicts of interest and to ensure that clients’ interests are put first. For example, the Code restricts the timing and other circumstances under which certain Access Persons may purchase or sell a security, which to their knowledge is being purchased or sold or being considered for purchase or sale by a client. Access Persons are also prohibited from purchasing or selling any security for their own account or for that of a client while in possession of material, non-public information concerning the security or its issuer. The Code also requires certain Access Persons to obtain pre-clearance before trading in securities for their own account and to periodically report their securities holdings. To facilitate this reporting, these Access Persons are generally required to disclose these accounts to the DCM Compliance Department.

Recommend Securities with Material Financial Interest

Neither DCM, nor any Access Persons of DCM, recommends, buys, or sells for its clients, securities in which DCM or any Access Persons of DCM has a material financial interest.

Invest in Same Securities Recommended to Clients

DCM and its Access Persons may buy or sell securities for themselves that DCM’s clients also own. This practice creates a potential conflict of interest as DCM and its Access Persons may benefit from the sale and purchase of those securities. DCM addresses these conflicts of interest by having adequate policies and procedures in place that prohibit DCM and its Access Persons from trading ahead of DCM’s clients or in such a way to obtain a better price for themselves than for DCM’s clients. A copy of DCM’s Code of Ethics will be provided to any client or prospective client upon request.

Item 12 Brokerage Practices

Recommending Brokerage Firms

In recommending broker-dealers to execute trades for its clients, DCM will evaluate the overall value and quality of the services provided, including, but not limited to, rates of commission, markups or spreads, prices, speed, and reliability, confidentiality and other relevant factors. DCM will seek to use brokers that, in its professional judgment, offer the best overall combination of quality, breadth of services, and price. Although DCM may execute trades through one of its affiliated broker-dealers, DCM will only pay fees for the services that it determines are reasonable under the circumstances and in light of the types of securities being traded and the nature of the services being provided by its affiliates.

1. Research and Other Soft Dollar Benefits: DCM does not receive soft dollar benefits from broker-dealers or other third parties in connection with clients' securities transactions.
2. Brokerage for Client Referrals: DCM does not receive client referrals from broker-dealers unless such broker-dealers are formally engaged to raise capital and introduce potential clients to DCM.
3. Directed Brokerage: (a) DCM does not routinely recommend, request, or require that a client direct it to execute transactions through a specified broker-dealer; and (b) clients may direct DCM in writing to use a particular broker-dealer ("Directed Broker") to execute some or all transactions for the client's accounts (referred to as "directed brokerage"). In that case, the client will have the sole responsibility to negotiate terms and arrangements with the Directed Broker and DCM will not seek better execution services or prices from other broker-dealers or be able to "batch" transactions for execution through other broker-dealers with orders for other client accounts managed by DCM. As a result, such client may pay higher commissions or other transaction costs, greater spreads, or receive less favorable net prices on transactions than would otherwise be the case.

Order Aggregation

DCM may aggregate purchase and sale orders of investments held by its clients with similar orders being made simultaneously for other accounts if, in DCM's reasonable judgment, such aggregation is reasonably likely to result in an overall economic benefit to the clients based on an evaluation that the clients will be benefited by relatively better purchase or sale prices, lower commission expenses or beneficial timing of transactions, or a combination of these and other factors.

See "Item 10. Other Financial Industry Activities and Affiliations" for a discussion of DCM's participation or interest in client transactions.

Item 13 Review of Accounts

The CDO's portfolio of collateral securities is reviewed on an ongoing basis and at least

quarterly. Instructions for such reviews are generally determined in accordance with the indenture for the CDO as well as the collateral management agreement.

Review Triggers

All accounts are reviewed in light of emerging trends and developments as well as market volatility.

Regular Reports

DCM, together with the CDO indenture trustee, prepares quarterly and annual reports regarding, among other things, the financial performance of issuers of collateral securities. These reports are made available to the CDO, its investors and the rating agencies.

DCM prepares monthly reports regarding the joint venture investments and quarterly news and financial summary reports regarding each insurance company underlying the joint ventures' investments.

Item 14 Client Referrals and Other Compensation

Economic Benefits from Third Parties

DCM does not make or receive client referrals. DCM's sole compensation consists of the fees described in Item 5 above.

Neither DCM, nor any related person of DCM, receives sales awards or other such prizes in connection with providing investment advice or other advisory services to clients. Please see Item 12 for additional information.

Third Party Solicitors

DCM and its related persons do not compensate, directly or indirectly, any person for client referrals related to the CDO. DCM may pay fees to persons and institutions who are instrumental in introducing investors or clients.

Item 15 Custody

With the exception of the authority to submit reimbursement requests for Collateral Manager expenses incurred on behalf of the CDO, DCM does not have custody of clients' funds or securities.

In accordance with Rule 206(4)-2 of the Investment Advisers Act of 1940, DCM has engaged an independent public accounting firm to conduct an annual surprise examination of DCM's CDO client's funds and securities.

Item 16 Investment Discretion

DCM provides investment management services to the CDO on a discretionary basis. The CDO may place limitations, in writing, on DCM's discretionary authority to the extent that the

limitations do not adversely affect DCM's ability to properly manage the CDO account. The collateral management agreement and indenture for the CDO, grants DCM the authority to supervise and direct the investments in the CDO's account(s).

During the life of the CDO, DCM will determine when to sell or, subject to certain limitations, replace any defaulted collateral securities. In doing so, DCM will follow the guidelines set forth in the collateral management agreement and indenture governing a particular CDO.

DCM does not exercise investment discretion in connection with its portfolio management services to the joint venture.

Item 17 Voting Client Securities

DCM has implemented policies and procedures that are reasonably designed to (1) ensure that CDO securities are voted in the best interests of the CDO and (2) address material conflicts of interest that may arise between the interests of CDO and DCM's interests.

Item 18 Financial Information

Prepayment of Fees

DCM does not require the prepayment of fees of more than \$500 per client, six months or more in advance.

Financial Condition

DCM does not have any financial conditions that are reasonably likely to impair its ability to meet contractual commitments to its clients.

Bankruptcy

DCM has not been subject to a bankruptcy petition at any time in its operating history.