

# **Form ADV Part 2A**

## **DISCLOSURE BROCHURE**

CCM New Opportunities, LLC

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March 13, 2020

This Brochure provides information about the qualifications and investment advisory practices of CCM New Opportunities, LLC (“CCMNO”). If you have any questions about the contents of this Brochure, please contact us at 913-248-8500 or [www.columbiacapital.com](http://www.columbiacapital.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

CCMNO is a registered investment adviser with the SEC. Registration does not imply a certain level of skill or training. Additional information about CCMNO also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). **See Material Changes on the following page.**

## **Item 2 – Material Changes**

This Brochure dated March 13, 2020, represents the annual amendment Brochure for CCM New Opportunities, LLC.

Since the filing of the firm's initial Brochure dated April 11, 2019, the firm has moved to 6700 Antioch, Suite 250, Merriam, KS 66204. We have also made other minor changes but no other material changes were made to the Brochure.

Pursuant to SEC Rules, we will deliver to you a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary. All such information will be provided to you free of charge.

Currently, our Brochure may be requested by contacting us at (913) 248-8500. Additional information about the firm is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with the firm who are registered as investment adviser representatives of the firm.

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## **Item 4 – Advisory Business**

### **Introduction**

CCM New Opportunities, LLC (“CCMNO”) was formed in 2019 and specializes providing advisory services and back office support for clients utilizing Qualified Opportunity Funds (“QOF”).

CCMNO is a wholly owned subsidiary of Columbia Capital Management, LLC, an SEC registered investment adviser. Jeff White serves as CCMNO’s President and Stacey Walter serves as Chief Compliance Officer.

### **Investment Advisory Services**

CCM New Opportunities works closely with our clients on the due diligence required to identify and execute the QOF’s investment in Qualified Opportunity Zone Businesses and Qualified Opportunity Zone Business Property. CCMNO’s current advisory services consist of evaluation, diligence and recommendations of investments of QOF, management of cash awaiting investment, monthly reconciliation QOF bank accounts, and reporting on certain statutory compliance obligations.

CCMNO’s services will provide directly or coordinate third-party provision of back office functions, in addition to coordinating tax reporting, and investment reporting.

### **Client Assets**

CCMNO is a newly registered firm and did not have assets under management as of the date of this filing.

## **Item 5 – Fees and Compensation**

Fees for administration and advisory services are calculated as a percentage of assets under management. The standard fee is one (1) percent per annum of the market value of the assets under management billed quarterly in arrears, subject to a minimum of \$25,000 per annum. All fees are subject to negotiation with the client. Fees for other investment advisory services not involving management of assets are determined by negotiation on a case-by-case basis.

Generally, we bill our clients for fees incurred. Upon request, we will make arrangements for our fees to be deducted from our clients’ assets. Our practice for deducting fees from client assets is that the client delivers a direction to the custodian to transfer the fees from

their assets to us and the custodian acts upon the direction received from the client only after telephonic confirmation of the directive by the custodian.

Our clients will incur charges for custodial services, which are separately charged by the custodian. The custodian is not affiliated with CCMNO.

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

CCMNO has no performance fee arrangements.

## **Item 7 – Types of Clients**

CCMNO provides advisory services and back office support to clients engaged in Qualified Opportunity Funds investing in Qualified Opportunity Zone Businesses and Qualified Opportunity Zone Business Property, which is part of the Opportunity Zone program included in the Tax Cuts and Jobs Act of 2017.

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

### **Investment Strategy and Methods of Analysis Material Risks**

The Opportunity Zone program requires Qualified Opportunity Funds to maintain an average of 90% of moneys invested in Qualified Opportunity Zone Business (QOZB) or Qualified Opportunity Zone Business Property (QOZBP). As a result, CCMNO anticipates that nearly all of its assets under management will be invested in partnership interests or equity interests in non-public companies, or in real estate or equipment used by businesses in Opportunity Zones. These investments are likely to be non-discretionary as its clients' investment committees will have authority over whether or not the Qualified Opportunity Fund will make a specific investment. The quantities and types of specific equipment purchased may be CCMNO's discretion.

CCMNO will invest moneys awaiting investment in QOZB or QOZBP on a discretionary basis, meeting the primary objectives, in order, of priority, safety, liquidity, and yield.

### **Material Risks**

All investment programs have certain risks that are borne by the investor. CCMNO's investments are speculative in nature and are made in areas of the country that have suffered from under-investment historically. Additionally, CCMNO's investors are induced

to invest as the result of certain capital gains tax deferrals and forgiveness. CCMNO's investors face the risks below.

Default/Credit Risk: For fixed income securities, the probability that the issuer of a security will be unable or unwilling to fund the principal and interest payments due in accordance with the terms of the security.

Tax Risk: Risk that capital gains deferral and/or forgiveness requirements are not met due to early redemptions from the funds, IRS rulings or changes in law.

Market Risk: Risk of market price loss, commonly referred to as market risk, results from investments in fixed-income securities followed by an increase in interest rates. The longer the remaining term to maturity of a fixed income security, the greater the potential loss for a given increase in interest rates. In the event market interest rates rise and a fixed-income security must be sold for any reason, the investor may sell the security for a lower price than the purchase price.

Interest Rate Risk: For fixed income securities, interest rate risk is the risk of an investor holding an investment with a lower yield than the current market rate and incurs an opportunity cost for that investment by underperforming the market.

Liquidity Risk: Risk of the inability to sell an investment before maturity to readily convert an investment into cash.

Business Performance Risk: For investments in QOZBs, the risk that the underlying business investment loses some or all of its value during the holding period.

Statutory Risk: Opportunity Zone laws and regulations requires that Qualified Opportunity Funds remain 90% invested in QOZBs or QOZPB to avoid financial penalties imposed by the Federal Government. Failure of the fund to meet these obligations could result in investment loss.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of CMMNO or the integrity of CMMNO's management. CMMNO has no information applicable to this Item.

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

CMMNO is affiliate by shared ownership and staff with Columbia Capital Management LLC (“Columbia Capital”), which is also a registered investment and municipal advisor with the SEC and Municipal Securities Rulemaking Board. As an active investment manager for local government entities, not-for-profit clients and a liquidating trust, Columbia Capital engages in investment transactions only in investments permitted under its investment advisory clients’ investment policies and related stated laws. Columbia Capital typically manages short-term portfolios of fund balances and bond-related proceeds and reserve funds of municipal governments and not-for-profit organizations. These securities are generally limited to insured or collateralized bank deposits, United States Treasury and federal agency securities, commercial paper, banker’s acceptances, certain repurchase agreements and, in certain cases, general obligation and utility revenue bonds of municipal issuers. As a municipal advisor, Columbia Capital provides advisory services in connection with the issuance of debt by state and local governments and not-for profit borrowers. For some clients, Columbia Capital serves as both its municipal advisor on bond offerings of the issuer and as the investment advisor of its operating funds and bond proceeds.

Additionally, Columbia Capital has a wholly owned subsidiary based in California which provides opportunity zone consulting services.

## **Item 11 – Code of Ethics**

### **Summary of Code of Ethics**

CCMNO has adopted a Code of Ethics for all employees of the firm performing investment advisory services for CCMNO’s investment advisory clients. CCMNO’s Code of Ethics describes CCMNO’s high standard of business conduct and its fiduciary duty to its investment and municipal advisory clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, restrictions on political campaign contributions, and personal securities trading procedures, among other things. A copy of CCMNO’s Code of Ethics is available to clients and prospective clients upon request.

### **Personal and Internal Transactions**

CCMNO’s investment advisory decisions are based on its clients’ investment objectives. Aside from relatively short-term investments of idle working capital, CCMNO does not own

any securities, nor does CCMNO expect to buy or sell any other types of securities for its own account in the future.

## **Item 12 – Brokerage Practices**

Related to tradable securities, CCMNO undertakes the selection of brokers for individual transactions in accordance with general principles of best execution. CCMNO has a fiduciary and fundamental duty to seek best execution for client transactions and considers the full range and quality of a broker-dealer's services, including execution capability, commission rates, and the value of any research, financial responsibility and responsiveness, among other things. Some securities are purchased through a competitive bid process among qualified brokers. The broker providing the lowest cost or highest TIC, or best conforming bid overall for bids with multiple variables such as a range of maturity dates, depending on the nature of the bid terms, receives the award to deliver the securities. In other instances, brokers will offer CCMNO securities, usually municipal securities or federal agency securities, available for purchase through that broker. When acquiring municipal securities available for purchase CCMNO will consult market pricing data for that security using the secondary trading information available through EMMA, a service of the municipal securities rule-making board, as well as comparison to recent market transactions. For other securities, CCMNO will check pricing information on similar obligations and market data generally using Bloomberg and other price sources.

CCMNO may select brokerage firms that provide research, provided that such selection does not result in the payment of higher rates than those charged by other brokers, if we believe that the value of the research provided and the quality or nature of the brokerage services provided to the client are consistent with best execution. CCMNO does not receive "soft dollar" benefits from the client's brokers and counterparties. In the event CCMNO altered its practice regarding "soft dollar" benefits, such arrangements will fall within the safe harbor for fiduciaries' use of "soft dollar" payments established by Section 28(e) of the Securities Exchange Act of 1934, as amended.

CCMNO anticipates providing similar services to future clients with similar responsibilities and policies.

## **Item 13 – Review of Accounts**

CCMNO's Chief Compliance Officer has the overall responsibility for conducting client account reviews. CCMNO will also review its clients' investment strategy annually or as requested by the client and revisions will be made, if needed, based on a client's changing



circumstances. CCMNO may review its client's account more frequently as may be requested by the client's staff.

CCMNO provides its clients written monthly or quarterly reports and confirmations. CCMNO also provides other or interim reports as may be requested by the client.

In addition, CCMNO prepares quarterly billing statements, or such other frequency as agreed upon, which are reviewed by CCMNO's Chief Compliance Officer and Controller.

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

Neither CCMNO nor any related person of CCMNO directly or indirectly compensates any person who is not a supervised person of CCMNO for client referrals.

#### **Item 15 – Custody**

CCMNO does not have custody over its client's funds or securities. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains the client's investment assets. CCMNO urges its clients to carefully review such statements and compare such official custodial records to the account statements that we may provide to the client. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

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

CCMNO will accept limited discretionary authority to manage accounts on behalf of clients, although we will also accept non-discretionary accounts.

Such limited authority could include the authority to determine which securities and the amount to be bought or sold related to short term investment, divestments, and partial redemptions. Any discretionary authority accepted by CCMNO however is subject to the client's risk profile and investment objectives and may be limited by any other limitations provided by the client in writing.

CCMNO will not exercise any discretionary authority until it has been given authority to do so in writing. Such authority is granted in the written agreement between CCMNO and the client, and in the written agreement with the third-party custodian.

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

CCMNO's clients' permissible investments typically do not include voting rights. CCMNO does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about the firm's financial condition. CCMNO has no financial condition that impairs its ability to meet contractual and fiduciary commitments to clients. The owners of CCMNO are all active employees of CCMNO and the firm has no indebtedness.