

**Part 2A of Form ADV: Firm Brochure**

**March 27, 2025**

**Orleans Capital Management Corporation**

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This brochure provides information about the qualifications and business practices of Orleans Capital Management Corporation. If you have any questions about the contents of this brochure, please contact us at 504-592-4680. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Orleans Capital Management Corporation is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2: Material Changes**

There have been no material changes to this Brochure since the last annual amendment filing dated February 22, 2024, for Orleans Capital Management Corporation ("OCM").

**ANY QUESTIONS:** OCM's Chief Compliance Officer, Nina English, remains available to address any questions regarding this Brochure.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year, which is December 31st. We will provide other ongoing disclosure information about material changes as necessary. We will also provide you with a new Brochure, as necessary, based on changes or new information. Currently, our Brochure may be requested at any time, without charge, by contacting us at (504) 592-4680.

Additional information about Orleans Capital Management Corp. is also available via the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by using a unique identifying number, known as a CRD number. The CRD number for Orleans Capital Management Corp. is 111359. The SEC's web site also provides information about any persons affiliated with Orleans Capital Management Corp. who are registered, or are required to be registered, as Investment Adviser Representatives of Orleans Capital Management Corp.

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## Item 4: Advisory Business

### Business Description

Orleans Capital Management Corporation ("OCM" or the "Firm") has been a registered investment advisor since its formation in 1991. OCM provides investment advisory services to a wide range of clients, consisting of institutional clients, including pensions, profit sharing plans, trusts, insurance companies and banks; as well as high net worth individual investors. OCM primarily provides domestic core fixed income, investment grade core and intermediate fixed income management services and domestic equity asset management services.

OCM is wholly owned and controlled by Argent Financial Group, Inc.

Nina English is the Chief Compliance Officer ("CCO").

### Types of Services

OCM offers discretionary investment advisory services to Institutional (i.e., primarily municipal and state governmental entities) and Retail (i.e., high net worth individuals and families) clients on a *fee* basis as discussed at Item 5 below:

Before engaging OCM to provide investment advisory services, clients are generally required to enter into an *Investment Advisory Agreement* with OCM setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the fee that is payable by client. To commence the investment advisory process, OCM will ascertain each client's investment objective(s) and then allocate the client's assets consistent with the client's designated investment objective(s). Once allocated, OCM provides ongoing supervision of the account(s).

OCM generally allocates client investment assets among individual fixed income and equity securities, mutual funds and exchange traded funds consistent with its Fixed Income Management and Strategic Dividend Equity strategies and the client's investment objective.

### **Miscellaneous**

**No Financial Planning or Non-Investment Consulting/Implementation Services.** OCM **does not** provide financial planning nor related consulting services matters such as estate planning, tax planning, insurance, etc. **Please Note:** We **do not** serve as an attorney,

accountant, or insurance agency, and no portion of our services should be construed as same. Accordingly, we **do not** prepare estate planning documents or tax returns, nor do we offer or sell insurance products.

**Custodian Charges-Additional Fees.** For Institutional clients, OCM is custodian neutral. Accounts are maintained at the broker-dealer/custodian directed by the Institutional client. As discussed below at Item 12 below, when requested by a Retail client to recommend a broker-dealer/custodian, OCM generally recommends that *Schwab* serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *Schwab*, charge brokerage commissions, transaction, and/or other type fees for effecting certain types of securities transactions (i.e., including transaction fees for certain mutual funds, dealer spreads, and mark-ups and mark-downs charged for fixed income transactions, etc.). The types of securities for which transaction fees, commissions, and/or other type fees (as well as the amount of those fees) shall differ depending upon the broker-dealer/custodian. While certain custodians, including *Schwab*, generally do not currently charge fees on individual equity transactions (including ETFs), others do. **Please Note:** there can be no assurance that *Schwab* will not change its transaction fee pricing in the future. **Tradeaways:** When beneficial to the client, individual fixed-income and/or equity transactions may be effected through broker-dealers with whom OCM and/or the client have entered into arrangements for prime brokerage clearing services, including effecting certain client transactions through other SEC registered and FINRA member broker-dealers (in which event, the client generally will incur both the transaction fee charged by the executing broker-dealer and a “trade-away” fee charged by the account custodian). The above fees/charges are in addition to OCM’s investment advisory fee at Item 5 below. OCM does not receive any portion of these fees/charges.

**Cash Sweep Accounts.** Certain account custodians can require that cash proceeds from account transactions or new deposits, be swept to and/or initially maintained in a specific custodian designated sweep account. The yield on the sweep account will generally be lower than those available for other money market accounts. When this occurs, to help mitigate the corresponding yield dispersion, OCM shall (usually within 30 days thereafter) generally (with exceptions) purchase a higher yielding money market fund (or other type security) available on the custodian’s platform, unless OCM reasonably anticipates that it will utilize the cash proceeds during the subsequent 30-day period to purchase additional investments for the client’s account. Exceptions and/or modifications can and will occur with respect to all or a portion of the cash balances for various reasons, including, but not limited to client direction, the amount of dispersion between the sweep account and a money market fund, the size of the cash balance,

an indication from the client of an imminent need for such cash, or the client has a demonstrated history of writing checks from the account. **Please Note**: The above does not apply to the cash component maintained within an OCM actively managed investment strategy (the cash balances for which shall generally remain in the custodian designated cash sweep account), an indication from the client of a need for access to such cash, assets allocated to an unaffiliated investment manager, and cash balances maintained for fee billing purposes. **Please Also Note**: The client shall remain exclusively responsible for yield dispersion/cash balance decisions and corresponding transactions for cash balances maintained in any OCM unmanaged accounts.

**Portfolio Activity**. OCM has a fiduciary duty to provide services consistent with the client's best interest. OCM will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, market conditions, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when OCM determines that changes to a client's portfolio are unnecessary. Clients remain subject to the fees described in Item 5 below during periods of portfolio inactivity. Of course, as indicated below, there can be no assurance that investment decisions made by OCM will be profitable or equal any specific performance level(s).

**Cybersecurity Risk**. The information technology systems and networks that OCM and its third-party service providers use to provide services to OCM's clients employ various controls that are designed to prevent cybersecurity incidents stemming from intentional or unintentional actions that could cause significant interruptions in OCM's operations and/or result in the unauthorized acquisition or use of clients' confidential or non-public personal information. Clients and OCM are nonetheless subject to the risk of cybersecurity incidents that could ultimately cause them to incur financial losses and/or other adverse consequences. Although OCM has established processes to reduce the risk of cybersecurity incidents, there is no guarantee that these efforts will always be successful, especially considering that OCM does not control the cybersecurity measures and policies employed by third-party service providers, issuers of securities, broker-dealers, qualified custodians, governmental and other regulatory authorities, exchanges and other financial market operators and providers.

**Please Note-Use of Mutual and Exchange Traded Funds**: OCM can utilize mutual funds and exchange traded funds for client portfolios. In addition to OCM's investment advisory fee described below, and transaction and/or custodial fees discussed above, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund

level (e.g., management fees and other fund expenses).

**Trustee Directed ERISA Plans.** OCM can be engaged to provide discretionary investment advisory services to ERISA retirement plans, whereby the Firm shall manage Plan assets consistent with the investment objective designated by the Plan trustees. In such engagements, OCM will serve as an investment fiduciary as that term is defined under The Employee Retirement Income Security Act of 1974 (“ERISA”).

**Please Note: Cash Positions.** OCM continues to treat cash as an asset class. As such, unless determined to the contrary by OCM, all cash positions (money markets, etc.) shall continue to be included as part of assets under management for purposes of calculating OCM's advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), OCM may maintain cash positions for defensive purposes. In addition, while assets are maintained in cash, such amounts could miss market advances. Depending upon current yields, at any point in time, OCM's advisory fee could exceed the interest paid by the client's money market fund.

**Client Obligations.** In performing our services, OCM shall not be required to verify any information received from the client or from the client's other professionals and is expressly authorized to rely thereon. Moreover, it remains each client's responsibility to promptly notify OCM if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

**Please Note: Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by OCM) will be profitable or equal any specific performance level(s).

**Disclosure Brochure.** A copy of OCM's written Brochure as set forth on Part 2A of Form ADV and Form CRS (Client Relationship Summary-for Retail clients) shall be provided to each client prior to, or contemporaneously with, the execution of an agreement between the client and OCM.

**Wrap Fee Programs.** OCM does not offer wrap fee programs.

**Client Assets under Management.** As of December 31, 2024, OCM managed \$1,579,097,376 in assets for 209 accounts, all on a discretionary basis.

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

OCM's advisory fee is paid quarterly, in arrears, and is generally based upon the market value of the assets on the last day of the previous quarter. Unless OCM agrees otherwise, in writing, OCM shall debit the account directly for its advisory fee. OCM could agree to a fixed fee arrangement or on a different billing interval.

**Please Note: Fee Differentials.** OCM shall generally price its advisory services based upon various objective and subjective factors. As a result, our clients could pay diverse fees based upon the type, amount and market value of their assets, the anticipated complexity of the engagement, the anticipated level and the scope of the overall investment advisory services to be rendered. Additional factors effecting pricing can include related accounts, referrals from existing clients, competition, and negotiations. **Please Also Note:** As a result of these objective and subjective factors, similarly situated clients could pay diverse fees, and the services to be provided by OCM to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

**Please see Custodian Charges-Additional Fees and Please Note-Use of Mutual and Exchange Traded Funds at Item 4 Miscellaneous above.**

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

OCM is not a party to any performance or incentive-related compensation, or side-by-side management arrangements with its clients.

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

OCM offers discretionary investment advisory services to Institutional (i.e., primarily municipal and state governmental entities) and Retail (i.e., high net worth individuals and families) clients on a *fee* basis as discussed at Item 5 above.

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

### Fixed Income

OCM's fixed income philosophy is premised upon the belief that bonds should represent the most stable asset class in a fund's overall portfolio, providing predictable cash flow and ensuring the ability to meet long-term obligations. Our fixed income strategy adds value through sector and security selection designed to create an enduring yield advantage over the applicable benchmark without a



material variation in quality, convexity or other portfolio characteristics. The Firm's fundamental fixed income discipline has not changed since its inception, nor do we anticipate a change in the investment policy in the near term.

In general, OCM overweights the corporate and mortgage sectors of the fixed income market and underweights the Treasury sector. This strategy is based upon the historical over performance by corporate and mortgage bonds versus their Treasury counterparts. We actively avoid risk by investing in only U.S. dollar denominated securities, bearing at least an investment grade rating. We also carefully monitor and address prepayment risk, interest rate risk, yield curve risk and credit risk.

OCM utilizes a team approach to fixed income asset management. As a result, all fixed income portfolio managers participate in investment decisions. The team of fixed income portfolio managers, as opposed to individual managers, is responsible for all aspects of portfolio management from general issues such as strategy to specific decisions such as individual security selection.

Portfolio managers continuously study and discuss market events and monitor economic data bearing on investment strategy. We begin with a top-down evaluation of the macroeconomic environment and an assessment of any changes in market conditions. Consideration is also given to supply and demand factors affecting the future performance of various industries and sectors. This analysis leads to the setting of industry, duration, sector and coupon targets. Using sophisticated computer software modeling, we then compare the structure of individual portfolios to the target. An analysis is performed to determine the most efficient transactions necessary to optimize portfolio structure.

#### Strategic Dividend

In 2004, OCM launched an opportunistic equity investment strategy, the Strategic Dividend Investment Strategy, designed to provide clients with a source of stable income with strong growth potential and to take advantage of the historic outperformance of dividend paying stocks. In addition, the convergence of stock and bond yields provided an opportunity to create an equity portfolio, which would provide investors with a meaningful increase in portfolio income and yield versus traditional fixed income investments, with an enhanced likelihood of price outperformance. OCM also utilizes a team approach to management of the Strategic Dividend strategy.

#### Risks

We cannot guarantee our analysis methods will yield a return. In fact, a loss of principal is always a risk. Investing in securities involves a risk of loss that you should be prepared to handle. The investment decisions we make will not always be profitable; nor can we guarantee any level of

performance.

An investment in our strategies should not be all inclusive. Our strategies should be one part of an overall portfolio.

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

Registered Investment Advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. OCM is currently not involved in any legal or disciplinary events that would affect a current or prospective client's evaluation of the Firm's business or integrity of our management.

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

As stated above, Orleans Capital Management is wholly owned and controlled by Argent Financial Group, Inc. Argent Financial Group, Inc. also owns the following entities who are under common ownership and control with Orleans Capital Management:

- Argent Advisors, Inc.;
- Argent Fiduciary Consulting Services, LLC;
- Argent Retirement Plan Advisors, LLC;
- Wynden Capital Management, LLC;
- Argent Trust Company d/b/a Argent Trust Oklahoma (f/k/a Heritage Trust Company and Ameritrust Corporation);
- Argent Insurance Services, LLC;
- Argent Mineral Management, LLC;
- Argent Advisors Leasing Services, LLC;
- Ameritrust Investment Advisors, Inc.;
- Argent Trust Company;
- Argent Wealth, LLC (f/k/a Pinnacle Wealth, LLC);
- Highland Capital Management, LLC;
- Argent Institutional Trust Company;
- Salem Trust Company a Division of Argent Institutional Trust Company; and
- Funeral Services, Inc.

OCM could refer clients to entities owned by Argent Financial Group, including those referenced above.

Any recommendation that a client utilize the services of the above-referenced affiliated entities will present a **conflict of interest** if OCM or its representative receives a referral fee from that affiliated entity. Any such referral fee arrangement will be fully disclosed to the client. Even without a referral fee, a conflict of interest is still represented (i.e., an OCM affiliate will derive an economic benefit). Clients are under no obligation to engage the services of such affiliated entities.

OCM's Chief Compliance Officer, Nina English, remains available to address any questions that a client or prospective client may have regarding above potential conflicts of interest.

#### **Item 11: Code of Ethics**

OCM maintains an investment policy relative to personal securities transactions. This investment policy is part of OCM's overall Code of Ethics, which serves to establish a standard of business conduct for all of OCM's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940 and similar state law, OCM also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the OCM or any person associated with the OCM.

Neither OCM nor any OCM representative recommends, buys, or sells for client accounts, securities in which the OCM or any related person of OCM has a material financial interest.

OCM and/or representatives of OCM may buy or sell securities that are also recommended to clients. This practice may create a situation where OCM and/or representatives of OCM are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if OCM did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed before those of OCM's clients) and other potentially abusive practices.

OCM has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of OCM's "Access Persons." OCM's securities transaction policy requires that each OCM Access Person must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person.

Furthermore, Access Persons must provide the Chief Compliance Officer with a quarterly transaction report, detail all trades in the Access Person's account during the previous quarter; and on an annual basis, each Access Person must provide the Chief Compliance Officer with a written report of the Access Person's current securities holdings. However, at any time that OCM has only one Access Person, he or she shall not be required to submit any securities report described above.

OCM and/or representatives of the OCM may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where the OCM and/or representatives of the OCM are in a position to create a potential conflict of interest. As indicated above, OCM has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of OCM's Access Persons.

## **Item 12: Brokerage Practices**

### **Brokerage Practices**

For Institutional clients, OCM is custodian neutral. Accounts are maintained at the broker-dealer/custodian directed by the Institutional client. When requested by a Retail client to recommend a broker-dealer/custodian, OCM generally recommends that investment advisory accounts be maintained at Charles Schwab & Co., Inc. ("Schwab"). Prior to engaging OCM to provide investment management services, the client will be required to enter into a formal Investment Advisory Agreement with OCM setting forth the terms and conditions under which OCM shall advise on the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that OCM considers in recommending Schwab (or any other broker-dealer/custodian to clients) include historical relationship with OCM, financial strength, reputation, execution capabilities, pricing, research, and service. Broker-dealers such as Schwab can charge transaction fees for effecting certain securities transactions (**See** Item 4 above). To the extent that a transaction fee will be payable by the client, the transaction fee shall be in addition to OCM's investment advisory fee referenced in Item 5 above.

To the extent that a transaction fee is payable, OCM shall have a duty to obtain best execution for such transaction. However, that does not mean that the client will not pay a transaction fee that is higher than another qualified broker-dealer might charge to effect the same transaction where OCM determines, in good faith, that the transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction

represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, transaction rates, and responsiveness. Accordingly, although OCM will seek competitive rates, it may not necessarily obtain the lowest possible rates for client account transactions.

**Economic Benefits:** Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, OCM can receive from Schwab (or another broker-dealer/custodian, investment manager, platform sponsor, fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist OCM to better monitor and service client accounts. Included within the support services that can be obtained by OCM can be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services (including those provided by unaffiliated vendors and professionals), discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support (including client events), computer hardware and/or software and/or other products used by OCM in furtherance of its investment advisory business operations. Certain of the benefits that could be received can also assist OCM to manage and further develop its business enterprise and/or benefit OCM's representatives.

OCM's clients do not pay more for investment transactions effected and/or assets maintained at Schwab as the result of this arrangement. There is no corresponding commitment made by OCM to Schwab, or any other any entity, to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

**ANY QUESTIONS: OCM's Chief Compliance Officer, Nina English, remains available to address any questions that a client or prospective client may have regarding the above arrangements and the corresponding conflicts of interest presented by such arrangements.**

**Directed Brokerage.** OCM recommends that its Retail clients utilize the brokerage and custodial services provided by Schwab. OCM generally does not accept directed brokerage arrangements from Retail clients (but could make exceptions). A directed brokerage arrangement arises when a client requires that account transactions be effected through a specific broker-dealer/custodian, other than one generally recommended by OCM (i.e., Schwab). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and OCM will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers

with orders for other accounts managed by OCM. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. **Please Note**: In the event that the client directs OCM to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through OCM. **Please Also Note**: Higher transaction costs adversely impact account performance. **Please Further Note**: Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

**Order Aggregation**. Transactions for each client account generally will be effected independently unless Firm decides to purchase or sell the same securities for several clients at approximately the same time. The Firm may (but is not obligated to) combine or "batch" such orders for individual equity transactions (including ETFs) with the intention to obtain better price execution, to negotiate more favorable commission rates, or to allocate more equitably among the Firm's clients' differences in prices and commissions or other transaction costs that might have occurred had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. In the event that the Firm becomes aware that a Firm employee seeks to trade in the same security on the same day, the employee transaction will either be included in the "batch" transaction or transacted after all discretionary client transactions have been completed. The Firm shall not receive any additional compensation or remuneration as the result of such aggregation.

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

Portfolio managers continuously monitor portfolios and analyze market events and economic data bearing on investment strategy. In addition to this continuous monitoring, portfolio managers review each account on at least a monthly basis. Our investment process begins with a top-down evaluation of the macroeconomic environment and an assessment of any changes in market conditions. Consideration is also given to supply and demand factors affecting the future performance of various industries and sectors. This analysis leads to the setting of industry, duration, sector, and coupon targets in fixed income accounts and sector selection in equity accounts. Using sophisticated computer software modeling, we then compare the structure of individual portfolios to the target. An analysis is performed to determine the most efficient transactions necessary to optimize portfolio

structure.

The team of Fixed Income portfolio managers consists of Emily C. Becker (Senior Portfolio Manager), James R. Story, CFA (Senior Portfolio Manager), Catherine “Cappy” M. Johnson (Advisor and Research Analyst), and Rodney J. Abele, CFA (Senior Advisor). The team is collectively responsible for all portfolio management and related research.

The team of portfolio managers involved in the management of the Strategic Dividend strategy include Roderick J. Abele, CFA (Senior Portfolio Manager) and Cappy M. Johnson (Senior Portfolio Manager).

Rodney J. Abele, CFA (Senior Portfolio Manager) and Cappy M. Johnson (Senior Portfolio Manager) are primarily responsible for managing the firm’s high net worth individual accounts and smaller foundation and endowment accounts.

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

As indicated at Item 12 above, OCM can receive from Schwab (and others) without cost (and/or at a discount), support services and/or products. OCM’s clients do not pay more for investment transactions effected and/or assets maintained at Schwab (or any other institution) as result of this arrangement. There is no corresponding commitment made by OCM to Schwab, or to any other entity, to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as the result of the above arrangement.

OCM does not maintain promoter arrangements/pay referral fee compensation to non-employees for new client introductions.

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

OCM does not maintain physical custody of client funds or securities. Rather, custody is held by a qualified custodian of the client’s choosing. OCM shall have the ability to deduct its advisory fee from the client’s custodial account. Clients are provided with written transaction confirmation notices, and a written summary account statement directly from the custodian (i.e., Schwab, etc.) at least quarterly.

**Please Note:** To the extent that OCM provides clients with periodic account reports, the client is urged to compare any statement or report provided by OCM with the account statements received from the account custodian. **Please Also Note:** The account custodian does not verify the accuracy of OCM’s advisory fee calculation.

## **Item 16: Investment Discretion**

The client can determine to engage OCM to provide investment advisory services on a discretionary basis. Prior to engaging OCM to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with OCM setting forth the terms and conditions under which OCM shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Clients who engage OCM on a discretionary basis may, at any time, impose restrictions, **in writing**, on OCM's discretionary authority. (i.e., limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the use of margin, etc.).

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

OCM is responsible for voting client proxies and shall generally do so in conjunction with the proxy voting administrative and due diligence services provided by Proxy Edge, an unaffiliated nationally recognized proxy voting service of Broadridge Financial Solutions, Inc. ("Broadridge"). OCM, in conjunction with the services provided by Broadridge, shall monitor corporate actions of individual issuers and investment companies consistent with OCM's fiduciary duty to vote proxies in the best interests of its clients. With respect to individual issuers, OCM may be solicited to vote on matters including corporate governance, adoption or amendments to compensation plans (including stock options), and matters involving social issues and corporate responsibility. With respect to investment companies (e.g., mutual funds), OCM may be solicited to vote on matters including the approval of advisory contracts, distribution plans, and mergers. OCM (in conjunction with the services provided by Broadridge) shall maintain records pertaining to proxy voting as required under the Advisers Act. Information pertaining to how OCM voted on any specific proxy issue is also available upon written request. Any questions regarding OCM's proxy voting policy should be directed to Nina English, Chief Compliance Officer of OCM. **Please Note**: No client is under any obligation to have OCM (in conjunction with Broadridge) vote the client's proxies per the above proxy voting process. In the event that a client wants to vote his/her/its own proxies, the client can advise OCM's Chief Compliance Officer, Nina English, in writing.

## **Item 18: Financial Information**

OCM does not require clients pay fees more than six months in advance.



OCM is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.

OCM has not been the subject of a bankruptcy petition.

**ANY QUESTIONS:** OCM's Chief Compliance Officer, Nina English, remains available to address any questions regarding this Brochure.