

# Form ADV Part 2A – Disclosure Brochure

## Item 1: Cover Page



**CYPRESS**  
PRIVATE WEALTH

[www.cypressprivatewealth.com](http://www.cypressprivatewealth.com)

**Shattuck (Shad) F. Lamm**  
**Chief Compliance Officer**

**Effective: May 2021**

**Cypress Private Wealth**  
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**Palm Desert, CA 92260**  
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This Form ADV 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Keystone Wealth Services, LLC dba Cypress Private Wealth (“Cypress” or the “Advisor”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (760) 818-7020.

Cypress is a registered investment advisor with the Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information through Cypress to assist you in determining whether to retain the Advisor.

Additional information about Cypress and its advisory persons are available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 301924.

## Item 2 – Material Changes

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about advisory personnel of Cypress.

Cypress believes that communication and transparency are the foundation of its relationship with Clients and will continually strive to provide its Clients with complete and accurate information at all times. Cypress encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Material Change

The following material changes have occurred since our last annual amendment filed on 03/02/2021:

- We have moved office locations. Our new office is located at 73575 El Paseo, Suite 2300, Palm Desert, CA 92260.
- We now operate under the dba name Cypress Private Wealth.
- We have changed our phone number to (760) 818-7020.
- We no longer require an annual \$50 account fee.
- Representatives of our firm are no longer dually registered as investment adviser representatives with Cypress Wealth Services, LLC.
- We have amended Item 19 to disclose additional disciplinary information.
- We are in the process of converting to SEC registration. As such, this Brochure has been amended to be in line with SEC rules and regulations.

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## Item 4 – Advisory Services

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### A. Firm Information

Cypress Private Wealth (“Cypress” or the “Advisor”) is a registered investment advisor with Securities and Exchange Commission (“SEC”), which is organized as a limited liability company under the laws of the State of California. Cypress was founded in February 2019 and is owned by Mark W. Thatcher and Shattuck (Shad) F. Lamm. This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Cypress.

For questions regarding this Disclosure Brochure, please contact Shad Lamm, Chief Compliance Officer at (760) 818-7020.

### B. Advisory Services Offered

Cypress offers investment advisory services to high net worth individuals, families, trusts, estates, and businesses (each referred to as a “Client”). Cypress provides comprehensive investment management, planning and consulting services tailored to the individual needs of each Client.

#### Investment Advisory Services

Cypress provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management, planning and related advisory services. Cypress typically offers these as a bundled advisory engagement, but may, in certain circumstances, offer as individual services. Cypress works closely with each Client to develop an investment strategy that seeks to achieve the goals of the Client.

*Internal Investment Management* - Cypress customizes its investment management services for its Clients. Portfolios are primarily constructed using mutual funds, exchange-traded funds (“ETFs”), individual stocks and fixed income securities. For certain Clients, the Advisor may also utilize alternative investments and other types of investments, as appropriate, to meet the needs of particular Clients. The Advisor generally constructs portfolios in alignment with its internal strategies, but may retain legacy securities due to portfolio fit and tax considerations.

Cypress evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. Cypress’s investment strategy is primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. If it is consistent with the Client’s goals, the Advisor may also engage in an investment strategy that utilizes frequent trading in securities, please see Item 8 for more information. Cypress will construct, implement and monitor the Client’s portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

Cypress, in its discretion, may redistribute investment allocations to diversify the portfolio. Cypress may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. Cypress may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

Cypress will provide investment management and related advisory services. At no time will Cypress accept or maintain custody of a Client’s funds or securities, except for authorized deduction of the Advisor’s fees and dispersing client funds to a third party under a standing letter of instruction. All Client assets will be managed within their designated account[s] at the Custodian, pursuant to the investment advisory agreement.

*Use of Independent Managers* - Cypress may recommend to Clients that all or a portion of their investment portfolio be implemented by utilizing one or more unaffiliated money managers or investment platforms (collectively “Independent Managers”). Independent Managers may be sourced directly or accessed through an investment management platform or directly engaged by the Advisor. The Client will be required to enter into a separate agreement with the Independent Manager[s]. Please see Item 10 for additional information.

Cypress serves as the Client's primary advisor and relationship manager. However, the Independent Manager[s] will assume discretionary authority for the day-to-day investment management of those assets placed in their control. Cypress will assist and advise the Client in establishing investment objectives for their account[s], the selection of the Independent Manager[s], and defining any restrictions on the account[s]. Cypress will continue to provide oversight of the Client's account[s] and ongoing monitoring of the activities of these unaffiliated parties. The Independent Manager[s] will implement the selected investment strategies based on their investment mandates. The Client may be able to impose reasonable investment restrictions on these accounts, subject to the acceptance of these third parties. Cypress does not receive any compensation from these Independent Managers or Investment Platforms, other than its investment advisory fee (described in Item 5).

#### Financial Planning and Consulting Services

Cypress will typically provide a variety of financial planning services to Clients as part of the investment advisory engagement or as a separate engagement. Services are offered in several areas of a Client's financial situation, depending on their goals, objectives and financial situation.

Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation based on the Client's financial goals and objectives. This planning or consulting may encompass one or more areas of need, including, but not limited to investment planning, retirement planning, estate planning, personal savings, education savings and other areas of a Client's financial situation.

A financial plan developed for or financial consultation rendered to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs. Cypress may also refer Clients to an accountant, attorney or other specialist, as appropriate for their unique situation. For certain financial planning engagements, the Advisor will provide a written summary of Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

#### Retirement Plan Consulting Services

Cypress provides retirement plan consulting services to employer plan sponsors on an ongoing basis. Generally, such consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education. Retirement Plan Consulting services typically include:

- Establishing an Investment Policy Statement – Cypress will assist in the development of a statement that summarizes the investment goals and objectives along with the broad strategies to be employed to meet the objectives.
- Investment Options – Cypress will work with the Plan Sponsor to evaluate existing investment options and make recommendations for appropriate changes.
- Asset Allocation and Portfolio Construction – Cypress will develop strategic asset allocation models to aid Participants in developing strategies to meet their investment objectives, time horizon, financial situation and tolerance for risk.
- Investment Monitoring – Cypress will monitor the performance of the investments and notify the client in the event of over/underperformance and in times of market volatility.

In providing services for retirement plan consulting, Cypress does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, "Excluded Assets"). All retirement plan consulting services shall be in compliance with the applicable state laws regulating retirement consulting services. This applies to Client accounts that are retirement or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the Client accounts are part of a Plan, and Cypress accepts appointment to provide services to such accounts, Cypress acknowledges its fiduciary standard within the meaning of Section 3(21) or 3(38) of ERISA as designated by the Retirement Plan Consulting Agreement with respect to the provision of services described therein.

### **C. Client Account Management**

Prior to engaging Cypress to provide investment advisory services, each Client is required to enter into one or more advisory agreements with the Advisor that define the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Strategy – Cypress, in connection with the Client, will develop an investment strategy targeted to achieve the Client's investment goals and objectives.
- Asset Allocation – Cypress will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.
- Portfolio Construction – Cypress will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – Cypress will provide investment management and ongoing oversight of the Client's portfolio.
- Financial Planning and Consulting – For Clients engaging for investment advisory services, the Advisor provides ongoing financial planning and related services regarding the Client's overall financial situation.

### **D. Wrap Fee Programs**

Cypress does not manage or place Client assets into a wrap fee program.

### **E. Assets Under Management**

Our firm manages \$142,300,000 on a discretionary basis and \$0 on a non-discretionary basis as of May 5, 2021.

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## **Item 5 – Fees and Compensation**

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The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client shall sign one or more agreements that detail the responsibilities of Cypress and the Client.

### **A. Fees for Advisory Services**

#### Investment Advisory Services

Investment advisory fees are paid quarterly, at the end of each calendar quarter, pursuant to the terms of the investment advisory agreement. Investment advisory fees are typically based on the average daily ending market value of assets under management during the calendar quarter and the annual fee will not exceed 2.00%. The investment advisory fee charged will depend on the size of the Client relationship, the scope/complexity of services to be provided, and other factors.

The investment advisory fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter. Fees may be negotiable at the sole discretion of the Advisor. Certain Clients may have a fixed annual fee or fixed rate fee or a fee schedule that differs from above. The Client's fees will take into consideration the aggregate assets under management with Advisor. Investment advisory fees include financial planning and consulting services, unless separately engaged for those services. All securities held in accounts managed by Cypress will be independently valued by the Custodian. Cypress will not have the authority or responsibility to value portfolio securities.

The Client may make additions or withdrawals from the account[s] at any time, subject to the Advisor's right to terminate an account or the overall relationship. Additions may be in cash or securities provided that the Advisor reserves the right to liquidate any transferred securities or decline to accept particular securities into a Client's account[s]. Clients may withdraw account assets on notice to Cypress, subject to the usual and customary securities settlement procedures. However, the Advisor typically designs its investment portfolios as long-term investments and the withdrawal of assets may impair the achievement of a Client's investment objectives. Cypress may consult the Client about the implications of such transactions. Clients are advised that when such securities are liquidated, they may be subject to securities transaction fees, short-term redemption fees, and/or tax ramifications.

#### Use of Independent Managers

For Client account[s] implemented through an Independent Manager, the Client's overall fees will sometimes include Cypress's investment advisory fee (as noted above) plus advisory fees and/or platform fees charged by the Independent Manager[s], as applicable. The Client's total advisory fee will not exceed 3.00% of assets under

management per year. The Independent Manager may assume responsibility for calculating the Client's fees and deduct all fees from the Client's account[s]. In such instances, Cypress will not charge its fee separately on those assets.

#### Financial Planning and Consulting Services

Financial planning and consulting services may be included as part of an overall wealth management engagement or provided as a stand-alone engagement. For separate engagements, financial planning and consulting services are offered at an hourly, fixed or recurring fee-basis. Fees are based on the experience of the person performing the services, the complexity of the services to be provided and the duration of the engagement. Hourly engagements are billed at a rate of up to \$350 per hour. Fixed and recurring fee engagements are based on the estimated number of hours to complete the service as the Advisor's hourly rate. Fixed and recurring fees range from \$500 to \$10,000. Recurring fee engagements will automatically renew each year. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of our engagement with the client. An estimate for total hours and/or costs will be determined prior to engaging for these services. The Advisor's fee is exclusive of, and in addition to, brokerage fees, transaction fees, and other related costs and expenses, which may be incurred by the Client. However, the Advisor shall not receive any portion of these commissions, fees, and costs.

#### Retirement Plan Consulting Services

Our Retirement Plan Consulting services are billed on a fee based on the percentage of Plan assets under management. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of our engagement with the client. Fees based on a percentage of managed Plan assets will not exceed 1.50%. The fee-paying arrangements will be determined on a case-by-case basis and will be detailed in the signed consulting agreement.

### **B. Fee Billing**

#### Investment Advisory Services

Investment advisory fees will be calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the respective quarter-end date. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to the average daily ending market value of assets under management during the calendar quarter.

As part of this process, Clients understand the following:

- a) The client's independent custodian sends statements at least quarterly showing the market values for each security included in the Assets and all account disbursements, including the amount of the advisory fees paid to our firm;
- b) Clients will provide authorization permitting our firm to be directly paid by these terms. Our firm will send an invoice directly to the custodian; and
- c) If our firm sends a copy of our invoice to the client, a legend urging the comparison of information provided in our statement with those from the qualified custodian will be included.

#### Use of Independent Managers

The billing procedures for this service vary based on the chosen Independent Manager. The total fee to be charged, as well as the billing cycle, will be detailed in the Independent Manager's ADV Part 2A and separate advisory agreement to be signed by the client.

#### Financial Planning and Consulting Services

Financial planning and consulting fees are invoiced up to 50% upon the execution/renewal of the financial planning or consulting agreement. The remainder of the fee will be directly billed to the client and due within 30 days of a financial plan being delivered or consultation rendered. Our firm will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 months.

#### Retirement Plan Consulting Services

Retirement Plan Consulting fees are based on the percentage of Plan assets under management and will not exceed 1.50%. Fees shall be paid quarterly in arrears based on value of the Plan's assets on the last day of the previous quarter.

### **C. Other Fees and Expenses**

TD Ameritrade, Inc. ("TD Ameritrade") does not charge transaction fees for U.S. listed equities and exchange traded funds.

Clients may incur certain fees or charges imposed by third parties, other than Cypress, in connection with investments made on behalf of the Client's account[s]. The Client is responsible for all custody and securities execution fees charged by the Custodian. The investment advisory fee charged by Cypress is separate and distinct from these custody and execution fees.

In addition, all fees paid to Cypress for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. The Client should review both the fees charged by the fund[s] and the fees charged by Cypress to fully understand the total fees to be paid.

### **D. Payment of Fees and Termination**

#### Investment Advisory Services

Cypress is compensated for its investment advisory services at the end of the quarter, after services are rendered. Either party may request to terminate the investment advisory agreement with Cypress, at any time, by providing advance written notice to the other party. The Client shall be responsible for investment advisory fees up to and including the effective date of termination. Upon notice of termination pro-rata advisory fees for services rendered to the point of termination will be charged. If advisory fees cannot be deducted, the Advisor will send an invoice for due advisory fees to the Client.

#### Use of Independent Managers

In the event that a Client should wish to terminate their relationship with an Independent Manager, the terms for termination will be set forth in the respective agreements between the Client and those third parties. Cypress will assist the Client with the termination and transition as appropriate.

#### Financial Planning and Consulting Services

The Advisor is partially compensated for its financial planning and consulting services upon execution of the engagement agreement. Either party may terminate a planning agreement, at any time, by providing written notice to the other party. Upon termination, the Client shall be responsible for fees based on the hours worked by the Advisor or the percentage of the engagement completed. Upon termination, any unearned prepaid fees will be promptly refunded to the Client. The Client's financial planning agreement with the Advisor is non-transferable without the Client's prior consent.

#### Retirement Plan Consulting Services

The fee-paying arrangements will be determined on a case-by-case basis and will be detailed in the signed consulting agreement.

### **E. Compensation for Sales of Securities**

Advisory Persons of Cypress may also be registered representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS"). In one's separate capacity as registered representative, an Advisory Person may implement securities transactions on a commission basis through PKS. In such instances, an Advisory Person will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by an Advisory Person in their capacity as a registered representative is separate and in addition to Cypress's advisory fees. Cypress will not reduce Client advisory fees to offset commissions or markups that are associated with Advisory Persons acting in the capacity as a registered representative. This practice presents a conflict of interest as an Advisory Person may have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on Client needs. To mitigate this conflict, Clients are under no obligation, contractually or otherwise, to purchase securities products through one of our Advisory Persons. Further, Cypress will not charge an ongoing investment advisory fee on any assets implemented in the separate capacity of one of our Advisory Persons. Please see Item 10.

Advisory Persons may also be licensed as independent insurance professionals. Advisory persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by an Advisory Person is separate and in addition to Cypress's advisory fees. This practice presents a conflict of interest as an Advisory Person may have an incentive to recommend insurance products for the purpose of generating commissions rather than solely based on Client needs. Clients are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with the Advisor.

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

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Cypress does not charge performance-based fees for its investment advisory services. The fees charged by Cypress are as described in "Item 5 – Fees and Compensation" above and are not based upon the capital appreciation of the funds or securities held by any Client.

Cypress does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

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### **Item 7 – Types of Clients**

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Cypress offers investment advisory services to high net worth individuals, families, trusts, estates, and businesses. The relative percentage of each type of Client is available on Cypress's Form ADV Part 1. These percentages will change over time. Cypress does not impose a size for establishing a relationship, but does tailor its services to high net worth Clients.

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

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#### **A. Methods of Analysis**

Cypress primarily employs fundamental analysis methods in developing investment strategies for its Clients. Research and analysis from Cypress is derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

As noted above, Cypress generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. Cypress will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, Cypress may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

#### **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Cypress will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in "Item 13 – Review of Accounts".

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. **Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

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### **Item 9 – Disciplinary Information**

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There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

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

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#### Broker-Dealer Affiliation

As noted in Item 5.E., Advisory Persons of Cypress are also registered representatives of PKS. In one's separate capacity as a registered representative, an Advisory Person will typically receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by an Advisory Person. Neither the Advisor nor its Advisory Person will earn ongoing investment advisory fees in connection with any products or services implemented in one's separate capacity as a registered representative.

#### Insurance Agency Affiliations

Advisory persons are also licensed insurance professionals. Implementations of insurance recommendations are separate and apart an Advisory Person's role with Cypress. As an insurance professional, one may receive customary commissions and other related revenues from the various insurance companies whose products are sold. Advisory Persons are not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This may cause a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by the Advisor or any of its Advisory Persons.

#### Independent Managers

Please see Item 4 above for more information about the selection of independent managers. The compensation paid to our firm by independent managers may vary, and thus, creates a conflict of interest in recommending a manager who shares a larger portion of its advisory fees over another manager. Prior to referring clients to independent managers, our firm will ensure that the independent managers are licensed or notice filed with the respective authorities. A potential conflict of interest for our firm in utilizing an independent manager is receipt of discounts or services not available to us from other similar advisers. In order to minimize this conflict our firm will make our recommendations/selections in the best interest of our clients.

Furthermore, our firm is not registered, nor does it have an application pending to register, as a broker-dealer, investment company or pooled investment vehicle, futures commission merchant, commodity pool operator, commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, pension consultant, real estate broker or dealer or a sponsor or syndicator of limited partnership, or an associated person of the foregoing entities.

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

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#### **A. Code of Ethics**

Cypress has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with Cypress (our "Supervised Persons"). The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. Cypress and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Cypress Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that address employee ethics and conflicts of interest. To request a copy of our Code of Ethics, please contact us at (760) 818-7020.

#### **B. Personal Trading with Material Interest**

Cypress allows the purchase or sale of the same securities that may be recommended to and purchased on behalf of Clients. Cypress does not act as principal in any transactions. In addition, the Advisor does not act as the

general partner of a fund, or advise an investment company. Cypress does not have a material interest in any securities traded in Client accounts.

### **C. Personal Trading in Same Securities as Clients**

Cypress allows the purchase or sale of the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities we recommend (purchase or sell) to you presents a potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. When trading for personal accounts, Supervised Persons of Cypress may have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can potentially be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by Cypress requiring reporting of personal securities trades by its employees for review by the Chief Compliance Officer ("CCO"). We have also adopted written policies and procedures to detect the misuse of material, non-public information.

### **D. Personal Trading at Same Time as Client**

While Cypress allows the purchase or sale of the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. **At no time will Cypress transact in any security to the detriment of any Client.**

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## **Item 12 – Brokerage Practices**

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### **A. Recommendation of Custodian[s]**

Cypress does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will select the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize Cypress to direct trades to this Custodian as agreed in the investment advisory agreement. Further, Cypress does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where Cypress does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using a Custodian not recommended by Cypress. Cypress may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and its overall reputation. Cypress does not receive research services, other products, or compensation as a result of recommending a particular broker-dealer/custodian that may result in the Client paying higher commissions than those obtainable through other broker-dealer/custodians. Cypress will generally recommend that Clients establish their account[s] at Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer and member SIPC, or TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. Schwab or TD Ameritrade will serve as the Client's "qualified custodian". Cypress maintains an institutional relationship with Schwab, whereby the Advisor receives economic benefits from Schwab. Cypress also participates in the TD Ameritrade Institutional program, whereby the Advisor receives economic benefits from TD Ameritrade. Please see Item 14 below.

Following are additional details regarding the brokerage practices of the Advisor:

**1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with such parties in exchange for research and other services. Schwab and TD Ameritrade may make certain research and brokerage services available at no additional cost to our firm. Research products and services provided by Schwab or TD Ameritrade may include: research reports on recommendations or other information about particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by Schwab to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services qualify for the safe harbor exemption defined in Section 28(e) of the Securities Exchange Act of 1934. However, the Advisor does receive certain economic benefit from the Custodian as described in Item 14 below.

**2. Brokerage Referrals** - Cypress does not receive any compensation from any third party in connection with the recommendation for establishing an account.

**3. Directed Brokerage** - All Clients are serviced on a “directed brokerage basis”, where Cypress will place trades within the established account[s] at the Custodian designated by the Client. In certain situations, the Client may separately direct the Advisor to trade-away from the Custodian. Further, all Client accounts are traded within their respective brokerage account[s], unless instructed otherwise by the Client. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor’s own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client’s account[s]). In selecting the Custodian, Cypress will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

## **B. Aggregating and Allocating Trades**

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. Cypress will execute its transactions through the Custodian as designated by the Client, unless otherwise instructed. Cypress may aggregate orders in a block trade or trades when securities are purchased or sold through the same Custodian for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular Client accounts.

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## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Investments in Client accounts are monitored on a regular and continuous basis by Mr. Thatcher (Managing Member & Investment Adviser Representative) & Mr. Lamm (Managing Member & Chief Compliance Officer). Formal reviews are generally conducted at least annually or more or less frequently depending on the needs of the Client.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more or less frequently at the Client’s request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client’s financial situation, and/or large deposits or withdrawals in the Client’s account[s]. The Client is encouraged to notify Cypress if changes occur in the Client’s personal financial situation that might adversely affect the Client’s investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian’s website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client’s account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

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

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### **A. Compensation Received by Cypress**

#### Participation in Schwab’s Institutional Advisor Platform

Cypress has established an institutional relationship with Schwab through its “Schwab Advisor Services” unit, a division of Schwab dedicated to serving independent advisory firms like Cypress. As a registered investment advisor participating on the Schwab Advisor Services platform, Cypress receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets

at Schwab. Services provided by Schwab Advisor Services benefit the Advisor and many, but not all services provided by Schwab will benefit Clients. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

*Services that Benefit the Client* – Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of Client's funds and securities. Through Schwab, the Advisor may be able to access certain investments and asset classes that the Client would not be able to obtain directly or through other sources. Further, the Advisor may be able to invest in certain mutual funds and other investments without having to adhere to investment minimums that might be required if the Client were to directly access the investments.

*Services that May Indirectly Benefit the Client* – Schwab provides participating advisors with access to technology, research, discounts and other services. In addition, the Advisor receives duplicate statements for Client accounts, the ability to deduct advisory fees, trading tools, and back office support services as part of its relationship with Schwab. These services are intended to assist the Advisor in effectively managing accounts for its Clients, but may not directly benefit all Clients. In addition, Schwab has agreed to provide transition assistance by covering ACT fees for Clients who custody with Schwab.

*Services that May Only Benefit the Advisor* – Schwab also offers other services and financial support to Cypress that may not benefit the Client, including: educational conferences and events, financial start-up support, consulting services and discounts for various service providers. Schwab also covers ACAT fees for Clients who join Schwab's platform. Access to these services creates a financial incentive for the Advisor to recommend Schwab, which results in a potential conflict of interest. Cypress believes, however, that the selection of Schwab as Custodian is in the best interests of its Clients.

#### Participation in TD Ameritrade's Institutional Program

Cypress may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Cypress' participation in the program and the investment advice given to clients, although Cypress receives economic benefits through participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our firm's participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD Ameritrade may also have paid for ACAT and transfer fees for clients. In addition, TD Ameritrade may have paid for business consulting and professional services received by Cypress' related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Cypress but may not benefit client accounts. These products or services may assist Cypress in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Cypress manage and further develop its business enterprise. The benefits received by Cypress or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of Cypress' fiduciary duties to clients, Cypress endeavors at all times to put the interests of clients first. Clients should be aware, however, that the receipt of economic benefits by Cypress or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the choice of TD Ameritrade for custody and brokerage services.

#### Mutual Fund Companies

In addition, Cypress receives a discount on research services from mutual fund companies. Cypress may also cosponsor events with mutual fund companies. While this presents a conflict of interest, Cypress will always adhere to its fiduciary duties in selecting appropriate investments for Clients.

## **B. Client Referrals from Solicitors**

Our firm does not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with relevant state statutes and rules.

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### **Item 15 – Custody**

While our firm does not maintain physical custody of client assets (which are maintained by a qualified custodian, as discussed above), we are deemed to have custody of certain client assets if given the authority to withdraw assets from client accounts, as further described below under “Third Party Money Movement.” All our clients receive account statements directly from their qualified custodian(s) at least quarterly upon opening of an account. We urge our clients to carefully review these statements. Additionally, if our firm decides to send its own account statements to clients, such statements will include a legend that recommends the client compare the account statements received from the qualified custodian with those received from our firm. Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations.

The SEC issued a no-action letter (“Letter”) with respect to the Rule 206(4)-2 (“Custody Rule”) under the Investment Advisers Act of 1940 (“Advisers Act”). The letter provided guidance on the Custody Rule as well as clarified that an adviser who has the power to disburse client funds to a third party under a standing letter of instruction (“SLOA”) is deemed to have custody. As such, our firm has adopted the following safeguards in conjunction with our custodians, Schwab and TD Ameritrade:

- The client provides an instruction to the qualified custodian, in writing, that includes the client’s signature, the third party’s name, and either the third party’s address or the third party’s account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian’s form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client’s qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client’s authorization, and provides a transfer of funds notice to the client promptly after each transfer.
- The client has the ability to terminate or change the instruction to the client’s qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client’s instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
- The client’s qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

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

Clients must provide our firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, our firm is authorized to execute securities transactions, determine which securities are bought and sold, and the total amount to be bought and sold. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with our firm’s written acknowledgement.

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

SEC Rule 206(4)-6 requires investment advisers who have voting authority with respect to securities held in their clients’ accounts to monitor corporate actions and vote proxies in their clients’ interests. Cypress is required by the SEC to adopt written policies and procedures, make those policies and procedures available to clients, and retain certain records with respect to proxy votes cast.

Cypress considers proxy voting an important right of Clients as shareholders and believe that reasonable care and diligence must be taken to ensure that such rights are properly and timely exercised. Investment Management Clients have the option of providing Cypress with the authority to vote proxies. Cypress will not vote proxies for Retirement Plan Consulting Clients. When Cypress has discretion to vote the proxies of Clients, our firm will vote those proxies in the Client’s best interests and in accordance with these policies and procedures. Clients may request a copy of our written policies and procedures regarding proxy voting and/or information on how particular

proxies were voted by contacting our Chief Compliance Officer, Shad Lamm, by phone at (760) 818-7020 or email at [shad@cypressprivate.com](mailto:shad@cypressprivate.com).

### **Policy for Voting Proxies**

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All proxies received by our firm will be given to our Chief Compliance Officer or designated person for processing. Our Chief Compliance Officer will determine which accounts managed by our firm hold the security to which the proxy relates. These accounts and their share holdings will be matched to the proxies received for each security. Missing proxies or significant variances in shares held will be investigated.

A grid of securities being voted will be updated with each proxy being voted. The grid will also contain a list of clients with the security voted upon. Our Chief Compliance Officer will review each item for voting on each proxy. Based on our proxy voting guidelines outlined below, a determination of how our firm votes will be made. Proxies will generally be voted online unless custodian requires mailed forms. In the absence of standing voting guidelines from the client, our firm will vote proxies in accordance with Board recommendation.

Our firm seeks to ensure compliance with the new Exchange Act Rule 14a-11. In accordance with the aforementioned rule, our firm provides shareholders with the opportunity to nominate directors at a shareholder meeting under the applicable state or foreign law. Clients also have the ability to have their nominees included in the company proxy materials sent to all of our shareholders. Furthermore, the clients as shareholders also have the ability to use the shareholder proposal process to establish procedures for the inclusion of shareholder director nominations in company proxy materials.

### **Proxies Voting Guidelines**

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Where voting authority exists, proxies are voted by our firm according to Board recommendations in categories listed below among others unless not deemed to be in the best interests of the client:

- for directors and for management on routine matters;
- for a limit on or reduction of the number of directors, and for an increase in the number of directors on a case by case basis;
- against the creation of a tiered board;
- for the elimination of cumulative voting;
- for independence of auditors;
- for deferred compensation;
- for profit sharing plans;
- for stock option plans unless the plan could result in material dilution to shares outstanding or is excessive;
- for stock repurchases;
- for an increase in authorized shares unless the authorization effectively results in a blind investment pool for shareholders;
- for reductions in the par value of stock;
- for company name changes;
- for routine appointments of auditors.

Our firm abstains on motions to limit directors' liability. Material issues not addressed above (e.g., mergers, poison pills, social investing and miscellaneous shareholder proposals) are dealt with on a case-by-case basis.

Our firm will defer to instruction from clients in all voting matters. Records of all issues and votes are maintained and reported to clients as requested.

Our firm recognizes that under certain circumstances our firm may have a conflict of interest between us and our clients. Such circumstances may include, but are not limited to, situations where our firm or one or more of our affiliates, including officers, directors and employees, has or is seeking a client relationship with the issuer of the security that is the subject of the proxy vote. Our firm shall periodically inform our employees that they are under an obligation to be aware of the potential for conflicts of interest on the part of our firm with respect to voting proxies on behalf of funds, both as a result of our employee's personal relationships and due to circumstances that may arise during the conduct of our business, and to bring conflicts of interest of which they become aware to the attention of the proxy manager. Our firm shall not vote proxies relating to such issuers on behalf of client accounts until our firm has determined that the conflict of interest is not material or a method of resolving such conflict of

interest has been agreed upon by our management team. A conflict of interest will be considered material to the extent that it is determined that such conflict has the potential to influence our decision-making in voting a proxy. Materiality determinations will be based upon an assessment of the particular facts and circumstances. If our firm determines that a conflict of interest is not material, our firm may vote proxies notwithstanding the existence of a conflict. If the conflict of interest is determined to be material, the conflict shall be disclosed to our management team and our firm shall follow the instructions of the management team.

Our Chief Compliance Officer will maintain files relating to our proxy voting procedures. Records will be maintained and preserved for 5 years from the end of the fiscal year during which the last entry was made on a record, with records for the last two years kept on our premises. Records of the following will be included in the files:

- a copy of each proxy statement that our firm receives, provided however that our firm may rely on obtaining a copy of proxy statements from the SEC's EDGAR system for those proxy statements that are available;
- a record of each vote that our firm casts;
- a copy of any document our firm created that was material to making a decision how to vote proxies, or that memorializes that decision;
- a copy of each written client request for information on how our firm voted such client's proxies, and a copy of any written response to any client request for information on how our firm voted their proxies.

Our written policies and procedures regarding proxy voting are disclosed here. Information on how particular proxies were voted may contact our Chief Compliance Officer.

Our firm does not pay for proxy voting services with soft dollars. Also, our firm does not charge an additional fee to vote proxies.

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

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Neither Cypress, nor its management, have any adverse financial situations that would reasonably impair the ability of Cypress to meet all obligations to its Clients. Neither Cypress, nor any of its advisory persons, has been subject to a bankruptcy or financial compromise. Cypress is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not require or solicit prepayment of \$1,200 or more, six months or more in advance.