Investments that Adapt to Changing Markets®

Item 1 – Cover Page

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This Brochure provides information about the qualifications and business practices of HEPBURN CAPITAL MANAGEMENT, LLC ["ADVISER"]. If you have any questions about the contents of this Brochure, please contact us at (928) 778-4000 or info@HepburnCapital.com. 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.

HEPBURN CAPITAL MANAGEMENT, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about HEPBURN CAPITAL MANAGEMENT, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

The most current version of this Brochure is available online at www.HepburnCapital/sec-form-adv

Item 2 – Material Changes

Material changes made since our Annual Update on February 4, 2020 are described below:

Item 2

As of September 17, 2020, Hepburn Capital Management, LLC is being acquired by and merged into Shadowridge Asset Management, LLC, a Texas-Registered Investment Advisory firm. Hepburn Capital Management, LLC will continue to operate as a DBA for William T. Hepburn as Investment Advisory Representative of Shadowridge Asset Management, LLC. Detailed information and disclosures about Shadowridge Asset Management, LLC is available at https://shadowridgeinvest.com/disclosures2020/

HEPBURN CAPITAL

Investments that Adapt to Changing Markets®

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Item 4 – Advisory Business

The Company

Hepburn Capital Management LLC, is an independent, fee based, Arizona Registered Investment Adviser.

Hepburn Capital Management, LLC is also known as Hepburn Capital, often abbreviated in our materials as HCM.

Shadowridge Asset Management, LLC is an independent fee based, Texas Registered Investment Adviser.

Shadowridge Asset Management, LLC is also known as Shadowridge and often abbreviated in our materials as SDW or SDW.

As of September 17, 2020, Hepburn Capital Management, LLC is being acquired by and merged into Shadowridge Asset Management, LLC, a Texas-Registered Investment Advisory firm. Hepburn Capital Management, LLC will continue to operate as a DBA for William T. Hepburn as Investment Advisory Representative of Shadowridge Asset Management, LLC. Detailed information and disclosures about Shadowridge Asset Management, LLC is available at https://shadowridgeinvest.com/disclosures2020/

Collectively and separately, Shadowridge Asset Management, LLC and Hepburn Capital, LLC may be referred to as "Adviser".

HCM first became registered as an Investment Adviser with the State of Arizona on January 2, 2003. The firm changed to SEC registration on November 28, 2008 when the firm was named as the manager of The Kids Fund, an SEC registered mutual fund. HCM once again became registered as an Investment Adviser with the State of Arizona when securities regulations changed in 2012.

William T. (Will) Hepburn is the President and principal owner of the firm and is an Investment Advisory Representative (IAR) of both Shadowridge Asset Management, LLC and Hepburn Capital, LLC. The firm is not affiliated with any other firm, nor does it engage in any other business activity.

Our Services

Adviser provides discretionary investment management services for individuals, trusts, retirement accounts, for-profit and non-profit corporations and foundations, through Shadowridge Asset

Management, LLC, employing a flexible style of investing designed to Adapt to Changing Markets®, more fully described below.

We believe that good long-term investment results are best achieved through the avoidance of major losses and the compounding of reasonable gains. We strive to miss much of significant market declines and capture much of the major market up-trends to both protect client assets and to achieve acceptable total returns for long-term investors.

Our goal is to develop long-term relationships with our clients and personalized investment advice is a central part of each client experience at Adviser. The process of becoming an Adviser client begins with a free, no obligation consultation to determine your investment goals and aspirations, comfort (or lack of comfort) with risk, and address any questions you might have. At the end of this meeting, you will be given investment recommendations, an understanding of the investment process, a cost estimate of our services, and whatever else you might need to make an informed decision about our investment management services.

Guided by your stated objectives, with consideration given to your liquidity needs, risk tolerance, overall investment goals and personal considerations, Adviser provides investment supervisory services by making recommendations consisting of one or more investment programs. The programs may include, but are not limited to, Adviser managed programs in which you may choose one or more investment objectives from the selection offered, and Adviser then provides continuous, ongoing advice on which strategies to employ, which securities to buy or sell and when to execute trades to pursue the stated objective.

Manager Search includes assistance in selecting outside investment advisors, or portfolio managers, based on each client's specific goals and objectives. These programs will be described in more detail in each portfolio manger's disclosure documents. Adviser may exercise discretion in the selection of outside managers, but does not exercise any discretionary authority with respect to security selection or the timing of purchase or sales orders and does not recommend any security purchase or sales to the either the client or chosen portfolio manager under these programs.

Clients are free to contact their Adviser representative at any time.

The primary investment vehicles for these strategies are registered mutual funds, variable annuity/life sub-accounts, exchange traded funds, and publicly traded equities and debt securities. Options, futures contracts and individual derivative investments are not used in client accounts although they may be used in some of the funds Adviser invests in.

Several of the strategies offered involve daily analysis of each investment held. Although daily repositioning of assets is possible during times of market turbulence, the average holding period for investments in Adviser managed accounts can be measured in months.

In certain circumstances, such as accounts for which discretionary supervisory services are not required, non-supervisory or limited management services may be offered at Adviser's discretion as an accommodation to the client.

Blended mixes of various Adviser strategies can be used to accommodate a wide range of client objectives.

Clients may impose restrictions on investing in certain securities or types of securities. If such restrictions are impractical in light of the objective to be pursued, such as a restriction against owning stocks in a growth account, the adviser will notify the client and either the restriction will be waived, another objective will be selected by the client or the client will be referred to another advisory firm.

Model Accounts: Adviser uses model accounts for strategic allocation decisions and performance tracking that, due to order execution differences, security availability among different custodians, trading costs and internal expense differences causing different security types to be better suited to either large or small positions, allocation differences, cash requirements, other holdings of the client or billing fees from multiple accounts to a single account, may reflect different results than client accounts.

HCM does not broker insurance or securities, nor does it offer financial planning, tax, retirement or estate planning services. In certain situations, HCM may advise in these areas or refer the client to another SDW representative when requested in writing by the client when the IARs experience in that area is relevant to the client's request.

Adviser does not offer a "Wrap Fee" program.

As of December 31, 2019, Hepburn Capital Management had $22,719,149 discretionary assets under management in 134 accounts for 64 clients and $0 of non-discretionary assets.

Sub-Advisory Services. Adviser may also provide management services to other investment advisory firms, whereby Adviser acts as a sub-adviser to clients of the other investment advisor. As a sub-adviser, Adviser is hired by the other investment adviser, applies the same strategies to the other investment advisor's client accounts as it would to individual clients of Adviser, and is typically paid directly by the other investment advisor from the advisory fee collected by the other investment advisor. Adviser has no direct contact with the other investment advisor's clients, but does regularly consult with the other investment advisor regarding sub-account objectives and account performance.

Item 5 – Fees and Compensation

For HCM offered programs involving discretionary supervisory services for separately managed accounts, the annual investment management fee is a blended rate which ranges from a maximum rate of 2.5% of assets under management on smaller amounts to a rate of .50% of assets under management on larger amounts, as shown below.

Non-discretionary service fees range from .50% on smaller accounts to .16% on larger accounts.

Account Fees are a blended rate based upon the following schedules.

Actively Managed (discretionary) Accounts

From	To	Base Annual Fee	Plus		
$0	$250,000	$0	2.50%	of assets	
$250,001	$500,000	$6,250	1.50%	of amount over	$250,000
$500,001	$1,000,000	$10,000	1.00%	of amount over	$500,000
$1,000,001	$3,000,000	$15,000	0.85%	of amount over	$1,000,000
$3,000,001	$5,000,000	$32,000	0.75%	of amount over	$3,000,000
$5,000,001	$10,000,000	$47,000	0.60%	of amount over	$5,000,000
$10,000,001	and up	$77,000	0.50%	of amount over	$10,000,000

Municipal Bond and Cruise Control quarterly (discretionary) repositioning strategies

From	To	Base Annual Fee	Plus		
$1	$500,000		1.25%	of assets	
$500,001	$1,000,000	$6,250	1.00%	of amount over	$500,000
$1,000,001	$3,000,000	$11,250	0.75%	of amount over	$1,000,000
$3,000,001	$5,000,000	$26,250	0.60%	of amount over	$3,000,000
$5,000,001	$25,000,000	$38,250	0.50%	of amount over	$5,000,000

Portfolio Assistance Fees For Non-Discretionary accounts.

From	To	Base Annual Fee	Plus		
$0	$100,000		0.50%	of assets	
$100,001	$250,000	$500	0.40%	of amount over	$100,000
$250,001	$500,000	$1,100	0.35%	of amount over	$250,000
$500,001	$1,000,000	$1,975	0.30%	of amount over	$500,000
$1,000,001	$2,000,000	$3,475	0.25%	of amount over	$1,000,000
$2,000,001	$5,000,000	$5,975	0.20%	of amount over	$2,000,000
$5,000,001	$10,000,000	$11,975	0.18%	of amount over	$5,000,000
$10,000,001	and up	$20,975	0.16%	of amount over	$10,000,000

HCM's fees may not be cost effective for account sizes less than $250,000, so accounts below that threshold are discouraged. There is a minimum fee of $195 per month, however fees are negotiable for extenuating circumstances and similarly situated clients may pay widely differentiated fees. At HCM's discretion, fees may be waived.

These rates may be discounted for inactive assets held within a managed account, or for less actively managed strategies.

Rates used are blended rates calculated from the schedules shown above. Client affinity groups such as families, domestic partners or friends may, at Adviser's discretion, have their accounts aggregated for purposes of determining a lower billing rate for fees across the group.

Formula for Calculating Fees: Fees are billed quarterly in arrears. The annual investment management fee is divided by four and that percentage is applied to the average daily account value of assets under management during the quarter. Fees for Adviser managed programs are normally billed at the end of the quarter in which services are delivered. However, in no case is a fee greater than $500 paid for more than 3 months in advance. When billing for less than a full quarter, fees are prorated based upon a 365 day year and the actual number of days in which assets, including money market assets, were managed by Adviser. Such account management typically begins upon the date of receipt of assets in a client account, and may continue during the Notice Period, described below, when Adviser is servicing the account pending its transfer out.

Investment management fees are not performance related. No rebate will be given during times of poor performance, and no extra charge or profit sharing will be assessed in times of high performance.

Adviser uses money market funds and cash defensively and tactically in its management process. Assets invested in money market funds are subject to Adviser's management fee.

Hourly fees may be charged in addition to investment management fees when responding to client requests for additional service, information or account review services requested by the client more frequently than annually. Hourly fees range from $60 per hour for administrative personnel to $350 per hour for portfolio managers.

Adjustment of Fees: The percentage fee will be estimated at account set-up and is based upon an estimate of the account values to be managed. Unless a static percentage fee rate is specified, fees will be automatically recalculated to bring the fee into conformance with the then current fee schedule as applied to the changing account size.

Fees are deducted directly from client accounts and reported on the client's regular statement from the custodian. Authority for this deduction is given by each client within Adviser's client agreement.

Termination of Services: Managed account agreements are entered into on an at-will basis and remain in effect indefinitely until canceled by either party in writing. The date a written termination instruction is received is the "Notice Date".

Termination of the advisory relationship and related services will occur as soon as reasonably practicable during the 30-day period subsequent to the Notice Date (the "Notice Period"). During the Notice Period, the client assumes risk of market changes and potential losses. Adviser is not liable for direct or consequential damages or opportunity losses during the Notice Period. Adviser fees will terminate when the client accounts no longer require servicing by Adviser. When notification from the client is not first received directly by Adviser but is received indirectly through the receipt of transfer instructions from a custodian, the client account may be frozen by the custodian pending completion of the transfer, precluding Adviser from trading, liquidating or further servicing the account. This may cause the client to incur close-out fees for in kind transfers, currently $25 per security. The client assumes risk of market changes and potential loss subsequent to an account being frozen by the custodian.

Adviser will continue to manage the account according to the client's existing instructions after the client's death or incapacity, pending written instructions from the authorized successor to the client.

Upon termination, any fees already paid or owed to Adviser, with respect to the billing period in which termination occurs, will be pro-rated and unearned fees refunded to the client and earned fees billed to the client. There is no minimum term of service required and no termination fees charged by Adviser. Certain accounts may be charged alternative investment handling fees, and/or termination fees by the account custodian upon termination. These fees are detailed in the custodial agreements that are provided when accounts are opened.

Other Fees: Fees described above are in addition to fees charged by the various investment sponsors. These may include 12b/1 charges, commission "loads," mortality and expense charges, underlying fund charges, or contract charges assessed by the investment sponsor that are in addition to fees charged by Adviser. Some "no-load" funds charge the client 12b/1 fees. Generally, investments will be selected for current performance net of all fees, without regard to their underlying expenses.

Custodial fees are charged by the Custodian as their compensation for custodying, reporting, website and technology, trading and back office support and are described in custodial agreements provided when accounts are opened.

Certain charges by investment custodians or brokerage firms, including, but not limited to, transaction processing charges (sometimes called ticket charges), annual IRA accounting fees, costs associated with check writing or delivery, reorganization fees, account termination charges, hard-to-value or alternative investment fees, issuance of certificates, overnight delivery charges, and account research charges are in addition to the fees charged by Adviser.

Adviser does not offer a "Wrap Fee" program in which these fees may be bundled into a single portfolio management fee. We choose not to utilize this because of the conflicts of interest which may inhibit investment decision making that are inherent in wrap fee programs.

Certain of Adviser's fees may be considered high by industry standards, and reflect the intensive nature of our management services. Other firms may provide similar services at lower rates.

Adviser and its IARs do not receive revenue from commissions, custodial fees or other compensation from the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Ticket Charges: In general, transactions within investment management programs will not have commissions accruing to Adviser or its IARs. However, in certain cases a recommendation may be made to the client to use a particular investment that may entail custodial (ticket) charges, normally included in the term commission, rather than another no-load, no-transaction-fee investment. Adviser and its IARs do not receive any net revenue from these ticket charges. Ticket charges and other custodial fees may be higher at custodians that allow frequent trading, than those which do not.

From time to time, short term redemption fees are incurred in client accounts. These are not commissions and Adviser does not receive any net revenue from these fees. Transaction charges incurred by Adviser's clients may be either higher or lower than those available at other broker/dealers.

Advisory clients who purchase mutual funds, variable annuities or variable life insurance will pay investment advisory fees to Adviser as well as fees to the sponsors and investment managers of the mutual funds, variable annuities or variable life insurance policies that may include investment advisory fees and investment distribution expenses. In addition, the clients will pay certain administrative fees and insurance fees in connection with the variable annuities or variable life insurance policies. Clients may purchase many of these investments directly from the investment sponsors without using the services of Adviser.

As noted above the fee for sub-adviser services is typically a portion of the advisory fee being paid to the other investment advisor for investment advisory services. The fee is negotiated between Adviser and the other investment advisor and usually ranges between 0.2% and 0.6% of the annual investment advisory fee collected by the other investment advisor for the management of the sub-accounts.

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

To avoid conflicts of interest that might cause the manager to favor accounts from which Adviser might receive a performance-based fee, Adviser does not offer performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

Adviser clients are primarily individuals, trusts, retirement accounts, not-for-profit institutions, charities and other investment advisers. Although Hepburn Capital has managed mutual funds in the past, it is not currently a mutual fund manager.

There are no minimum account size requirements, however HCM's fee becomes less cost effective for clients whose total account values are less than $250,000. Furthermore, per account custodial fees may make accounts less than $10,000 cost prohibitive, and it is recommended that clients bill custodial fees to larger accounts with the family group.

Minimum account sizes and management fees are negotiable for extenuating circumstances (see Item 5) and in HCM's discretion may be waived entirely for local non-profit organizations.

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

Adviser employs flexible investment strategies that combine quantitative ("top-down"), fundamental ("bottom-up") and technical (charting) analysis to manage investments. We use all asset classes, both long and short, pursuing various investment objectives.

Adviser's primary objectives are first to reduce client market risk below that of buy-and-hold. Because we often move out of the market and are not fully invested as markets decline we often underperform major stock indexes as they turn upward. However, this same tactic is expected to provide out-performance in bear market declines. Our secondary objective is to provide satisfactory returns for our clients, and thirdly we monitor taxes to minimize them when to do so does not conflict with the first two objectives.

Strategies Offered: Adviser may offer individual clients a number of proprietary and discretionary suites of investment strategies, including, but not limited to:

Flexible Income. The objective of the Flexible Income Strategies is to achieve high total return consistent with Capital Preservation and performance exceeding that of the Barclays U.S. Aggregate Bond Index over the long-term. Your money will be invested in bond mutual funds and exchange traded funds (ETFs), including inverse and leveraged funds, currency funds, including precious metals that may be used as currencies and equity-income investments whose price trend is up. If the price cycles down, holdings are replaced with new investments that are going up, repeating as needed. Growth stocks are not used to pursue this objective.

Flexible Income portfolios are suitable for investors who want more consistent returns and a lower surprise factor than is available through growth stock investing.

Investors in Flexible Income portfolios may experience risks, more fully described below, including Mutual Fund or Exchange Traded Fund Risk which is largely determined by the underlying investments and management of the fund owned, Market Risk as interest rates or equity markets fluctuate, Foreign Risk to the extent we invest in foreign securities, Management Risk and Short Selling or Inverse Mutual Funds and ETF Risk, including Derivatives and Leveraged Fund Risk to the extent we use those types of funds.

Flexible Income portfolios may invest in both long and short (Inverse) funds and ETFs, and thus may lose or make money regardless of market direction. Leverage in both long and short funds may be used which can increase potential profits and losses. Our objective in using this type of fund is primarily to offset market risk in other holdings, stabilizing the portfolio value during times of market turmoil. Inverse and Leveraged funds average less than 10% of portfolio holdings in this strategy but at times may be large enough create a net short position for the portfolio.

Shock Absorber Growth. The objective of the Shock Absorber Growth suite of strategies is capital appreciation using primarily stocks and commodities, mutual funds and ETFs, both foreign and domestic, inverse and leveraged funds and a money market fund while seeking to experience less than one half the peak-to-trough draw-down in value of the S&P 500 Index during bear markets. The proprietary HCM Safety Net suite of indicators is designed to warn of potentially significant declines in which case stock market exposure may be quickly reduced.

Shock Absorber Growth portfolios are suitable for investors seeking high total return from a portfolio that focuses on growth investing but with more consistent returns and a lower surprise factor than is available through normal growth investments.

Shock Absorber Growth portfolios may experience risks, more fully described below, including Mutual Fund or Exchange Traded Fund Risk which is largely determined by the underlying investments and management of the fund owned, Market Risk as interest rates or equity markets fluctuate, Foreign Risk to the extent we invest in foreign securities, Portfolio Turnover Risk, Small and Medium-Size Company Risk, Issuer Specific Risk related to individual securities, Management Risk and Short Selling or Inverse Mutual Funds and ETFs Risk, including Derivatives and Leveraged Fund Risk to the extent we use those types of funds. The use of individual stocks rather than funds may reduce expenses but decreases diversification.

Shock Absorber Growth may invest in both long and short (Inverse) funds and ETFs, and thus may lose or make money regardless of market direction. Leverage in both long and short funds may be used which can increase potential profits and losses. Our objective in using this type of fund is primarily to offset market risk in other holdings, stabilizing the portfolio value during times of market turmoil. Inverse and Leveraged funds average less than 10% of portfolio holdings in this strategy but at times may be large enough create a net short position for the portfolio.

Blended mixes of the above strategies may be used to accommodate a wide range of objectives and are called the Adaptive Balance and Adaptive Growth suites of strategies.

Adaptive Balance. The objective of the Adaptive Balance suite of strategies is high total return from a combination of investments in both the equity and income markets with an emphasis on the income markets. Proprietary indicators direct stock market exposure in the HCM Shock Absorber Growth suite of strategies from 10% to a maximum of 50% of account value. The balance, 50 % to 90% of account value, is invested in the Flexible Income suite of strategies.

Adaptive Growth. The objective of the Adaptive Growth suite of strategies is high total return from a combination of investments from both the equity and income markets with the emphasis on equities. Proprietary indicators direct stock market exposure in the HCM Shock Absorber Growth suite of strategies to range from 20% to a maximum of 80% of account value. The balance, 20% to 80% is invested using the HCM Flexible Income suite of strategies.

Cruise Control quarterly repositioning advice may be offered for use with assets that may not be held with a primary custodian of HCM or have limited trading or investment selection available. At least once each quarter, HCM will provide to the client generic asset allocation instructions for these accounts.

Advisers primary investment style is "trend following". We determine the direction of the operative trend and the quality of that trend or any particular investment, market sector, market segment or market in general and position client assets striving to profit from that trend. Adviser does not try to time markets by picking market tops or bottoms, but strives to determine the current direction of the market - up, down or moving sideways - and participate in a way that is planned to benefit from the current state of the market. There is no assurance that the current state of the market as identified by Adviser's analysis will not change or that the Adviser's analysis will accurately capture the state of the market potentially causing decisions to be ineffective or produce losses.

Investment Risks

All of Adviser's strategies involve investing in securities and therefore involve the risk of loss of principal that clients should be prepared to bear.

Mutual Fund & Exchange Traded Fund Risk: There are specific risks involved in the management of mutual funds and Exchange Traded Funds which are described in detail in their prospectus. In general, ETFs and mutual funds expose the investor to the strategy-specific risk of the fund.

Market Risk: Stock markets can be volatile. In other words, the prices of stocks can fall rapidly in response to developments affecting a specific company or industry, or to changing economic, political or market conditions. Investments may decline in value if the stock markets perform poorly. There is also a risk that the investments recommended by Adviser will underperform either the securities markets generally or particular segments of the securities markets.

Portfolio Turnover Risk: Portfolio turnover refers to the rate at which investments are replaced. The higher the rate, the higher the transactional and brokerage costs associated with the turnover which may reduce the return, unless the securities traded can be bought and sold without corresponding commission costs. Active trading of securities may also increase your realized capital gains or losses, which may affect the taxes you pay.

Foreign Risk: Foreign markets can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Special risks associated with investments in foreign companies include exposure to currency fluctuations, less liquidity, less developed or less efficient trading markets, lack of comprehensive company information, political instability, differing auditing and legal standards.

Small and Medium-Size Company Risk: Small and medium size companies may have narrower markets and more limited managerial and financial resources than do larger, more established companies. As a result, their performances can be more volatile and they may face a greater risk of business failure.

Issuer-Specific Risk: The value of a specific security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. The value of securities of smaller issuers can be more volatile than that of larger issuers. The value of certain types of securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments.

Short Selling Risk: Positions (purchases) in shorted securities are speculative and more risky than "long" positions (purchases) because the cost of the replacement security is unknown. Therefore, the potential loss on the short sale is unlimited, whereas the potential loss on long positions is limited to the original purchase price. Any strategy that includes selling securities short could suffer significant losses. Short selling will also result in higher transaction costs (such as interest and dividends), which reduce return, and may result in higher taxes.

Derivatives Risk: Investments in futures and options are considered "derivative" investments. A small investment in derivatives could have a potentially large impact on performance. The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is the risk that the hedging technique will fail if changes in the value of a derivative held do not correlate with the portfolio securities being hedged.

Leveraged and Inverse Mutual Funds and ETF Risk: Most leveraged Mutual Funds and Exchange Traded Funds (ETFs) seek to provide a multiple of the investment returns of a given index or benchmark on a daily basis. Due to the effects of compounding and possible correlation errors, leveraged ETFs may experience greater losses than one would ordinarily expect. Compounding can also cause a widening differential between the performances of an ETF and its underlying index or benchmark, so that returns over periods longer than one day can differ in amount and direction from the target return of the same period. Consequently, over time these ETFs may experience losses even in situations where the underlying index or benchmark has performed positively. Some specialized exchange-traded funds can be subject to additional market risks. Investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost.

Put and Call Options Risk: There are risks associated with the sale and purchase of call and put options. A seller (writer) of a covered call option assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. If the option is uncovered, and the Seller must purchase the security at the current market price because the option is exercised, the loss could be significant. The buyer of a put or call option risks losing the entire premium invested in the option if they do not exercise the option.

Adviser may not use certain securities such as options, derivatives or futures within client accounts, but these may be underlying investments held by mutual funds and ETFs that Adviser recommends for client accounts.

Management Risk: Active management of investments is an integral part of Adviser's discretionary strategies. This involves moving out of investments which may be in decline and reinvesting in assets that are showing strength or placing client assets in money market funds or other low-risk investments during times of market uncertainty. While it is believed by Adviser that this type of strategy will benefit the client, it also brings certain risks not associated with less active or buy and hold strategies. This includes the risk of being out of the market when it turns up, costing the client the opportunity to make a profit during that time. It also includes the risk of "whipsaws" which are unprofitable trades generated when one sells an investment and then has to buy it back at a higher price, or buys an investment and quickly sells it at a loss because the market turns around soon after the purchase. An increase in trading or custodial costs is another risk factor encountered with active management of investments. These factors are part of the cost of a strategy that seeks to be out of a market during most of a significant decline.

Losses do occur, often with about equal frequency as gains. A goal of Adviser is to quickly sell losing investments and to hold profitable investments as long as they continue to perform well. Having winning trades be larger in size than losers is part of this goal, and central to Adviser's profit making strategies for its clients. However, there is no assurance that this will actually occur.

From time to time, Adviser strategies may invest in "inverse" or "short" mutual funds or ETFs. These are investments that are designed to go up as the stock market, market segment or market sector the investment is correlated to goes down and are used to offset the risk of holding other "long" investments during a market decline or to produce profits during a period of market decline. Most use derivative investments, such as futures contracts, in amounts calculated to closely match the inverse of an index. Some derivative based funds employ leverage. There is a risk that during periods of market volatility these investments may deviate from the index they are trying to track and not perform exactly as expected. An additional risk of owning these investments is that if the market moves against a position in an inverse fund or ETF, losses may be incurred at the same time that the market is going up. Clients may at any time, in writing, instruct Adviser to not use inverse or leveraged funds for their accounts.

From time to time, investments that may be considered risky by themselves, may be paired with other investments with differing risk characteristics with the intent of lowing the overall risk of the portfolio. This is called hedging. Risk is often addressed across an entire strategy used within an account, rather than investment by investment. Occasionally, risk will be addressed across multiple accounts owned by a client with some accounts carrying higher risk and others lower risk, to achieve the overall risk profile suited to the client's overall investment objective.

Strategies may call for the purchase of various investment securities in client accounts, including stocks, bonds, open and closed-end mutual funds, exchange traded funds, unit investment trusts and variable annuity/life sub-accounts. When trades for many clients are bunched into a block trade that results in differing execution prices for different parts of the block, the average price paid across the entire block will be the price allocated to the client regardless of which actual shares are allocated to the client's account. In cases where an allocation to a client account would result in a fractional share and that security cannot be held in fractional amounts, the number of shares allocated to that client may be rounded up or down. In cases where an adjustment to the allocations must be made to balance the number of shares in the block to the allocations, the accounts with the largest allocations will normally be adjusted.

Subjectivity of Decisions: In certain situations the advisor will have to select from investments with similar objectives for client portfolios that may offer comparative advantages or disadvantages in terms of cost and trading flexibility. As an example, a certain open-end mutual fund may trade as a no-load, no-transaction fee fund, but only be available with end-of-day-pricing or have higher internal expenses. An Exchange Traded Fund (ETF) with similar objectives may be available with the advantage of being able to be bought or sold any time the markets are open or having lower internal expenses, but may entail paying a bid/ask spread that may change without notice, plus a transaction charge by the custodian. Another example would be whether to use an open-end mutual fund that imposes redemption fees versus an ETF that might have a larger bid-ask spread and custodial transaction charge, but no redemption fees. These decisions are very subjective, and can be adversely affected by suddenly changing market conditions. Although Adviser will use their best judgment to obtain the security that will help achieve the results being sought with the best combination of cost and investment flexibility, there can be no assurance that this objective will be achieved.

Investment decisions are made for each strategy using a model account after which client accounts are patterned for strategic allocation decisions and performance tracking that, due to order execution differences, security availability among different custodians, trading costs and internal expense differences causing different security types to be better suited to either large or small positions, allocation differences, cash requirements or other holdings of the client or billing fees from multiple accounts to a single account, may reflect different results than client accounts.

Trades are implemented first at the custodian where the largest number of client assets can be transacted. When trading sequences are not completed across all custodians by the close of business, it is possible that certain accounts will not be traded on the same day as the trading decision was originally made, causing performance to be either more or less than the model.

Certain custodians discourage active management of investments, may have a very limited investment selection and/or limit the number and frequency of trades which may lead to materially different results than the investment model.

Certain of the strategies employed by Adviser are actively traded strategies, and returns from these strategies are expected to qualify for short-term tax treatment. Mutual funds that are receptive to short-term trading may have higher expenses or fees than mutual funds that restrict trading.

Margin, if available and used in a client account, will generally not be used to purchase securities, but will instead be used, when possible, to ensure checks written against the account will not be returned for non-sufficient funds if the account is fully invested when the check is presented.

Discretionary trades of options will not be made in a client account. Short sales, or certain mutual funds that may use short sales to achieve their objectives may be used in client accounts.

In addition to its proprietary investment analysis, the Internet is used extensively to obtain information used for investment decisions and recommendations. Adviser receives input and opinions from a large number of colleagues, newsletter writers, bloggers, company news releases, news syndicators, market timers and fundamental analysts, some of whom may be known personally to Adviser managers. There is no assurance as to the accuracy of the analysis or the facts presented by these sources, or that Adviser's decisions might not be influenced by its familiarity with the source.

Client account records are kept at each custodian. Although Adviser may have certain records in its office, the client's official records are maintained by these independent third party custodians.

Client accounts, records, brokerage firms and exchanges are accessed primarily via the Internet. Although Adviser maintains multiple ways to access the Internet and multiple locations from which to conduct business, if Internet access were to become unavailable or access to custodians, brokerage firms or exchanges were otherwise disrupted, it is possible that Adviser could not service client accounts and losses could occur due to the inability to trade client accounts. Adviser is not responsible for the unavailability of Internet service or access to custodians, brokerage firms or exchanges.

Item 9 – Disciplinary Information

There are no disciplinary or legal events to report.

Item 10 – Other Financial Industry Activities and Affiliations

A. Neither HCM nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

B. No one at HCM is a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. HCM suggests use of E*TRADE Savings Bank, DBA E*TRADE Advisor Services as Introducing Broker/Dealer and qualified account custodian. The location of the custodian's offices is Centennial, Colorado.

In this arrangement, HCM is not compensated directly for trades placed through E*TRADE Advisor Services, but does receive indirect benefits described in the Brokerage Practices section of this brochure which add to the benefits available to the client. However, this also creates a conflict of interest in that clients may be able to get trades executed more cheaply at other broker/dealers.

Clients who already own an annuity that they would like to have HCM manage may be referred to annuity or insurance companies which will allow HCM to trade the account as a third-party manager. HCM is not an insurance brokerage.

D. As of September 17, 2020, Hepburn Capital Management, LLC is being acquired by and merged into Shadowridge Asset Management, LLC, a Texas-Registered Investment Advisory firm. Hepburn Capital Management, LLC will continue to operate as a DBA for William T. Hepburn as Investment Advisory Representative of Shadowridge Asset Management, LLC.

Item 11 – Code of Ethics

Adviser and all of its advisors and employees will abide by honest and ethical business practices at all times. A detailed copy of Adviser 's Code of Ethics will be provided to any client or prospective client upon request.

Although certain of our officers and employees sometimes purchase or sell securities that we recommend to clients, such purchases and sales are effectuated in accordance with our Insider Trading Policy and Code of Ethics. In general, such policy provides that no employee can direct the purchase or sale of any individual security while it is being traded by us or deemed to be restricted by us unless that employee's account is being traded as a group with all client accounts using the same strategy. This may present a conflict of interest in that prices paid or received by a client for investments may be impacted by the inclusion of employee accounts changing the size of the trade, and increasing the amount of shares traded outside the minimum bid-ask spread. Due to the small size of Adviser employee accounts relative to the amount of assets under management, it is believed that the effect of including employee accounts in trades made is not material to the experience of the client, and therefore employee trades are not segregated from client trades. Although this represents a conflict of interest, the client may find comfort in knowing that these employee accounts are managed exactly the same as client accounts.

In addition, no employee trading in an individual security is permitted while that security is being considered for inclusion in the list of securities held in client accounts.

Employee trading in other securities is permitted with prior approval of Adviser management, although certain transactions do not require prior approval, including ongoing participation in an issuer’s dividend or stock purchase plan, any transaction over which the employee did not have any direct or indirect influence or control, involuntary transactions such as mergers, inheritances and gifts and transactions involving the purchase and sale of certain debt instruments and of open-end investment companies or Exchange Trade Funds so long as we are not advisor or sub-advisor to such investment companies. Employees are required to report all personal securities transactions to us and we review such reports regularly. In order to ensure that each of our officers, and employees strictly adhere to the highest standards of conduct and integrity in conducting business on behalf of our clients, we have each officer and employee sign our Insider Trading Policy and Code of Ethics acknowledgment.

Clients and prospective clients can obtain a copy of our Insider Trading Policy and Code of Ethics by making a request to one of our client service representatives or IARs by contacting:

Shadowridge Asset Management, LLC
Mail: 1001 S. Capital of Texas Highway, Suite M-100, Austin, TX 78746
Phone: 888-434-1427
Email: Admin@ShadowridgeInvest.com

Or

Hepburn Capital Management
Phone: (928)778-4000,
Mail: 2069 Willow Creek Road, Suite A, Prescott, AZ 86301, or
Email Admin@HepburnCapital.com.

Item 12 – Brokerage Practices

Transactions for managed accounts will be executed through brokerage firms, which include qualified custodians mentioned in this document. Qualified custodians are neutral third parties who will hold your assets and buy and sell securities when we instruct them to.

We recommend that our clients use E*TRADE Savings Bank, DBA E*TRADE Advisor Services, an FDIC insured bank, as their qualified custodian. Adviser is independently owned and operated and is not affiliated with E*TRADE Advisor Services.

Clients may elect to implement recommended transactions through these custodians; however, no client is obligated to do so. All clients are free to select the broker/dealer of their choice. Clients may be able to buy the same or similar investment products at lower costs at brokers such as discount brokers. The level of assistance Adviser may provide in implementing advice at other brokerage firms will vary widely.

In selecting qualified custodians, we seek to recommend a custodian/broker who will hold your assets and execute transaction on terms that are, overall, most advantageous when compared to the other available providers and their services. We consider a wide range of factors, including but not limited to:

- Combination of transaction execution services and asset custody services.
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from account (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange traded funds [ETFs], etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit either Adviser or its clients.

Adviser services do not include blocking trades, negotiating commissions or transaction fees with broker/dealers, obtaining volume discounts, or necessarily obtaining the best price. Clients may be able to get better execution through other broker/dealers. E*TRADE Advisor Services is the custodian for most of HCM accounts. Its execution record may be viewed on its web site.

Money market funds or cash deposit accounts offered by custodians may pay lower rates than might be available elsewhere to compensate the custodian for transaction fees waived on many transactions and other services rendered to the client.

<u>Order priority</u>: Sequence of trade order entry and execution varies depending upon factors such as the time of day a trading sequence is initiated, the trading platform that will allow the largest number of trades to be placed in the shortest time and changes in available technology. Similar trades may not all be executed on the same day, resulting in different pricing and performance.

<u>Securities Brokerage</u>: Brokerage services on some client accounts may be provided through E*TRADE Advisor Services which provides back office support to Adviser and provides access to the clearing and trade execution services. Lower fees for comparable services may be available from other sources.

<u>Non-Affiliation</u>: Adviser and E*TRADE Advisor Services are unrelated entities. Adviser uses E*TRADE Advisor Services because it provides competitive trade services and back office services to Adviser .

Client Directed Brokerage: If the client directs that trades be executed through another broker-dealer, the client is responsible for negotiating the terms and conditions (including, but not limited to, commission rates) relating to all services to be provided by that broker/dealer. Adviser will assume no responsibility for obtaining the "best execution" of your trade.

While there is no direct linkage between the investment advice given and participation in the programs of E*TRADE Advisor Services, all brokerage transactions are directed through them and a conflict of interest may exist due to economic benefits that would not be received if Adviser did not use these service providers in providing investment advice to clients. Services include receipt of duplicate client confirmations and statements, access to a trading desk which may direct trades to other brokerage firms striving for better execution of trades, access to block trading which give the ability to aggregate securities transactions and allocate the appropriate shares to client accounts, marketing assistance, referrals and materials, reimbursement for marketing related expenses such as mailings from investment sponsors, ability to have advisory fees deducted directly from client accounts, access to electronic communications systems for client order entry and account information, receipt of compliance publications and advice, access to mutual funds that generally require significantly higher minimum investments or are available only to institutional investors, back office operations and trading support, and access to a bond desk. These features are used for the benefit of all Adviser clients and are paid for by the transaction or custodial fees levied upon the client within E*TRADE Advisor Services brokerage accounts. Lower custodial and transaction fees may be available through other brokerage firms and other advisers may not all direct trades to a single brokerage firm.

Whenever individual securities are purchased for multiple accounts, the trades for each security are aggregated and the average price for the entire block is allocated to each account regardless of which shares are actually allocated to that account.

Clients should keep a copy of Adviser's form ADV 2A Brochure, monthly or quarterly account statements, any prospectuses they receive and any documents they sign, in their permanent files.

Item 13 – Review of Accounts

Client portfolios are reviewed for suitability and alignment with client objectives and investment models by Shadowridge Asset Management, LLC's Chief Investment Officer, Ryan Redfern. Investments held in actively managed client accounts are normally reviewed daily, but may be reviewed less often in times of quiet markets or when minimum holding period objectives are in place. Individual discretionary accounts are reviewed monthly. Rebalancing of discretionary accounts is done periodically, according to the strategy being employed for that account, unless requested to be done at different times in writing by the client. Non-discretionary accounts are reviewed and rebalanced upon client request.

Item 14 – Client Referrals and Other Compensation

Adviser may refer clients to other advisers for compensation, and at that time will provide that firm's form ADV and other disclosure documents. Adviser does not employ outside solicitors who refer clients to HCM for compensation.

Item 15 – Custody

Adviser does not accept custody of client accounts, and uses qualified custodians for this purpose.

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct your broker dealer, bank or other qualified custodian, e.g., E*TRADE Advisor Services, (collectively called "custodian") to deduct our advisory fees directly from your account. Your custodian, however, maintains actual custody of your assets.

The custodian of the account provides confirmation of transactions, including Adviser management fees billed to the account and reports of securities held in the account at least quarterly. Upon request from any client, an annual review may be scheduled at which time account objectives, status and holdings will be reviewed.

The custodians make available on their web sites various status and performance reports. Adviser will assist the client to access this information if requested.

<u>For your Protection</u>: Adviser or your IAR should never have custody of your money. No payment for securities or any investment should be made payable to Hepburn Capital Management, LLC, Shadowridge Asset Management, LLC, your investment advisory representative or his personal business firm. Payments for advisory fees, only, may be made payable to Shadowridge Asset Management, LLC . However, it is Adviser 's policy that all advisory fees be debited directly from a client account to avoid this issue and to provide a continuous audit trail.

Payment for the purchase of securities, or additions to investment accounts, should be made payable only to the custodian (for example, E*TRADE Advisor Services or other investment sponsor). The custodian of your account will never be Hepburn Capital Management, LLC, Shadowridge Asset Management, LLC, or your Investment Advisor Representative.

Always include on the face of your checks, either the account number or your tax identification number.

Item 16 – Investment Discretion

In performing investment management services discussed above, when the client executes Adviser 's Discretionary Investment Advisory Agreement, using their discretion, Adviser's IARs will have authority without first being required to obtain specific client consent, to select the category, security and/or amount of securities to be bought or sold and the time to buy and sell securities in client accounts. Adviser IARs will also have the ability to hire and terminate third-party investment managers to manage all or a portion of the client's assets. Such managers will also have limited discretionary authority to place orders at will for the client's account. Clients have the ability to place reasonable restrictions on the discretionary power granted to their IAR, if any, so long as the limitations are set forth in the client agreement.

It is at all times important for the clients to immediately notify their IAR or Adviser of any changes in their investment objectives, risk tolerance, suitability, investment time horizons, general concerns about investing or assets held in their accounts.

Item 17 – Voting Client Securities

Clients will receive proxies and voting instructions directly from account custodians. It is Adviser's policy that each client retains discretion to vote proxies for securities held within their accounts. Adviser will not accept such authority although clients may contact Adviser with questions on voting proxies at the following:

Shadowridge Asset Management, LLC
Mail: 1001 S. Capital of Texas Highway, Suite M-100, Austin, TX 78746
Phone: 888-434-1427
Email: Admin@ShadowridgeInvest.com

Or

Hepburn Capital Management
Phone: (928)778-4000,
Mail: 2069 Willow Creek Road, Suite A, Prescott, AZ 86301, or
Email Admin@HepburnCapital.com.

Item 18 – Financial Information

There are no known financial conditions within Adviser or its managers that is likely to impair our ability to meet contractual commitments to our clients.

Due to HCMs long history of successfully managing the risk of using market oriented investments HCM has chosen not to carry Errors and Omissions insurance.

Item 19 – Requirements for State-Registered Advisers

A. William T. Hepburn is President and Chief Investment Officer of HCM. He manages all of the operations. His background is more fully described in the Supplement to this brochure.
B. HCM is not involved in any business activities other than giving investment advice. William T. Hepburn is involved in other business activities that are more fully described in the Supplement to this brochure.
C. HCM does not charge performance based fees.
D. There are no legal or regulatory items to report for HCM or its management persons.
E. HCM and its management persons have no arrangements or relationships with issuers of securities.

Brochure Supplement

Item 1- Cover Page

William T. Hepburn

Hepburn Capital Management, LLC

2069 Willow Creek Road
Prescott, AZ 86301
(928) 778-4000

February 4, 2020

This Brochure Supplement provides information about William T. Hepburn that supplements the Hepburn Capital Management, LLC Brochure. You should have received a copy of that Brochure. Please contact Will Hepburn at Hepburn Capital Management, LLC., if you did not receive Hepburn Capital Management LLC's Brochure or if you have any questions about the contents of this supplement.

Additional information about William T. Hepburn is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2- Educational Background and Business Experience

William T. Hepburn. President, Managing Partner and Chief Investment Officer was born in 1948.

Mr. Hepburn went to college at Ottawa University, majoring in Business and Economics. Prior to graduation he transferred to Control Data Institute where he graduated with a certificate in Computer Technology. Since then he has taken graduate level courses through the College for Financial Planning in preparation for the Certified Financial Planner examination. Mr. Hepburn was accredited and practiced as a Certified Financial Planner from 1994 until 2006 at which time he relinquished his certification since he no longer held himself out to the public as practicing financial planning.

Mr. Hepburn was a FINRA (formerly NASD) registered representative from 1987 until 2008.

He has been the President of HCM since its inception in 2003. Prior to that that he was an Investment Advisory Representative of Cambridge Research Advisers from 1995 to 2002. From 1994 to 1995 Mr. Hepburn was President of William T. Hepburn, CFP, an Arizona registered investment advisory firm.

Mr. Hepburn is a Past-President of the National Association of Active Investment Managers (2007-08), and a member if its board of directors from 2005 through 2012.

Mr. Hepburn has taught investment classes at Yavapai College from 1990 to present. Those classes included Basic Investing for Retirees and Advanced Investment Analysis.

Mr. Hepburn is the past Prescott Area Coordinator for Greater Phoenix Mensa, affiliated with the American Mensa Society, and has been President of his church's board of Trustees at two times.

Mr. Hepburn is currently also an Investment Advisory Representative and Vice-President of Investment Research for Shadowridge Asset Management, LLC, (SDW) a Texas Registered Investment Adviser. Detailed information and disclosures about SDW my been seen at https://shadowridgeinvest.com/disclosures2020/

Item 3- Disciplinary Information

None.

Item 4- Other Business Activities

Mr. Hepburn is involved in real estate investing which does not impact the business of HCM.

Item 5- Additional Compensation

None.

Item 6 - Supervision

Mr. Hepburn is President of HCM and supervises all firm and representative advisory activities.