

# **Omega Capital Management, LLC.**

Fee-Only Investment Advisory Services and Financial Planning

95 West Main Street

Suite 5315

Chester, NJ 07930

**[www.omegacap.com](http://www.omegacap.com)**

## **Firm Brochure**

(Part 2A of Form ADV)

This brochure provides information about the qualifications and business practices of Omega Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at: (973) 927-8388, or by email at: [sbedell@omegacap.com](mailto:sbedell@omegacap.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 and does not imply a certain level of skill or training.

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

March 2025

## **Material Changes**

### **Annual Update**

The Material Changes section of this brochure will be updated each year if material changes have taken place since the time of filing of our last Firm Brochure.

### **Material Changes since our last Annual Amendment Filing on March 19, 2024:**

There are no material changes to report.

### **Firm Brochure Availability**

Copies of our firm's Brochure are available upon request.

## Contents

<b>Firm Brochure</b> .....	1
<b>Material Changes</b> .....	2
<b>Advisory Business</b> .....	4
<b>Fees and Compensation</b> .....	6
<b>Performance-Based Fees</b> .....	7
<b>Types of Clients</b> .....	7
<b>Methods of Analysis, Investment Strategies and Risk of Loss</b> .....	7
<b>Disciplinary Information</b> .....	7
<b>Other Financial Industry Activities and Affiliations</b> .....	8
<b>Code of Ethics, Participation in Interest in Client Transaction</b> .....	8
<b>Brokerage Practices</b> .....	9
<b>Review of Accounts</b> .....	11
<b>Client Referrals and Other Compensation</b> .....	12
<b>Custody</b> .....	12
<b>Investment Discretion</b> .....	13
<b>Voting Client Securities</b> .....	13
<b>Financial Information</b> .....	13
<b>Client Privacy</b> .....	13
<b>Disaster Recovery</b> .....	14

## **Advisory Business**

### **Firm Description**

Omega Capital Management, LLC, referred to as Omega Capital, is a New Jersey based Registered Investment Adviser under the Investment Advisors Act of 1940 and regulated by the Securities and Exchange Commission (“SEC”). Omega Capital Management, LLC was formed by Steven M. Bedell, CFP®, AIF®, CFS®, RICP® in January 1999.

Omega Capital Management, LLC is an independent fee-only Registered Investment Advisor and Financial Planning firm. We are committed to assisting our clients develop and advance their investment and financial aspirations. What makes Omega Capital unique as an investment advisor is that we are truly independent and have no affiliations with any of the investment products we offer or the distributors we use. Operating as a fee-only investment advisor assures our clients that our investment advice is solely based on their needs, objectives and risk tolerance. We aim to educate ourselves about our clients’ personal and financial lives so that we may assist them in making informed decisions regarding all aspects of the financial planning process. Our clients take comfort in knowing that our independence allows us to focus on what is most important the client

It is our mission to become our clients’ most trusted advisor and educator in the process of identifying their investment, retirement, insurance, financial and estate planning goals as well as developing and implementing a sound and effective strategy.

Client assets managed by Omega Capital Management, LLC are held at qualified independent custodians. All client brokerage account assets are held in custody at Charles Schwab & Co., Inc., FINRA and SIPC. Omega Capital is neither affiliated nor controlled by any other person or organization. Steven M. Bedell, CFP®, AIF®, CFS®, RICP® is neither employed nor controlled by any outside investment company or financial services company.

### **Principal Owners**

Today, Mr. Bedell remains the majority owner/principal of the firm while his wife Jennifer Bedell retains a minor ownership stake and does not perform any managerial duties or any investment selection or any investment advisory duties within Omega Capital. The firm works with a vast array of clientele that ranges in age and net worth including individuals, families, retirees, retirement plans, businesses as well as trust and estates.

### **Types of Services:**

#### **Financial Planning**

Omega Capital engages in broad-based, modular, and consultative financial planning services and investment advisory services. Financial planning and consulting services will typically involve providing a variety of services, principally advisory in nature, to clients regarding the management of their financial resources based upon an analysis of their individual needs. This service typically can include current and projected cash flow analysis, budgeting, retirement planning, insurance planning, estate planning, and education funding analysis.

Omega Capital will first conduct a complimentary initial consultation. After the initial consultation, if the client decides to engage Omega Capital for financial planning services, a representative of Omega Capital will conduct follow-up meetings as necessary, during which pertinent information about the client’s financial circumstances and objectives is collected. The primary objective of this process is to allow Omega Capital to assist the client in developing a strategy for the successful management of income, assets, and liabilities.

#### **Investment Advisory**

Omega Capital provides discretionary and non-discretionary asset management services to clients where the investment advice provided is custom tailored to meet the needs and investment objectives of each client. Typically, the client grants Omega Capital discretionary authority to manage the account. Accordingly, Omega Capital is authorized to perform various functions on our client’s behalf without prior approval from the client. Such functions include the selection of the securities as well as the amount of each security to be bought or sold within our clients’ accounts.

Such services will include a risk tolerance assessment as well as discussions with the client to truly understand their

specific objectives and risk tolerance. Omega Capital will assist its clients in identifying their optimal asset allocation utilizing; mutual funds, ETFs, government securities, individual bonds, preferred stocks and other registered securities which are suitable based on a client's profile including investment objectives and risk tolerance. Once the portfolio is constructed, the firm will monitor the client's account on a continuous basis to ensure the account remains aligned with the client's stated financial objectives. Where Omega Capital enters into non-discretionary arrangements with the clients, Omega Capital will obtain client approval prior to the execution of a trade.

Omega Capital Management does not participate in any Wrap-Fee programs.

### **Retirement Plan Services**

Omega Capital may provide pension consulting services to employee benefit plans, the plan sponsors and fiduciaries (collectively, the "Sponsor") based upon an analysis of the needs of the plan. In general, these services may include an existing plan review, formation of an investment policy statement, assisting the Sponsor in fund selection and investment options, investment performance monitoring, risk management education, and/or ongoing consulting. Additionally, Omega Capital will offer the Sponsor assistance in setting up a relationship with a third-party administrator and processing enrollment forms. Omega Capital will also provide communication and education material regarding the retirement plan to its Participants. Information provided to participants in the educational seminars will be limited to general, impersonal advice.

Retirement Plan services will be provided pursuant to the agreement entered into and within the parameters set forth in the plan documents. When the Sponsor engages Omega Capital to provide advice to participants on an individual basis, such advice will be limited to general retirement planning issues, fund selection as well as an asset allocation of plan assets.

Plan Participants who wish to engage Omega Capital for individualized financial planning or consulting services outside the scope of the qualified plan may do so by executing a separate agreement, including separate fees and fee payment arrangements, with Omega Capital.

### **Other Services**

From time to time a client will call on Mr. Bedell for his assistance in matters not related to the services that Omega Capital is providing his client with. These might be considered concierge services. As long as Mr. Bedell feels it is a matter that he can handle, he is happy to assist. Though, if Mr. Bedell feels that the matter is best handled by a professional such as an accountant, attorney or any other professional, he will gladly recommend the services of such professional.

### **Tailored Recommendations**

Omega Capital Management, LLC tailors all investment advisory services and financial planning services around each respective client. We do not believe in using preset generic asset allocation models. All asset allocation recommendations are tailored for each individual client. Clients are able to impose restrictions on investing in particular investments provided that Omega Capital is notified in writing by the client.

### **Managed Assets**

Omega Capital Management, LLC currently has \$126,970,439 of assets under management all of which assets are managed on a discretionary basis for our clients. This figure is reported as of the firm's fiscal year end of December 31, 2024.

## **Fees and Compensation**

### **Fees and Compensation**

The annual fee for this service is billed quarterly in advance based on the market value of the assets on the last day of the previous billing period. Fees will be assessed pro rata in the event the advisory agreement is executed at any time other than the first day of a billing period. Account billing is done at the beginning of each calendar quarter. Unless otherwise noted in writing, our firm bills on cash. Fees are generally not negotiable. On an annualized basis, Omega Capital's fees for asset management services are based on the following graded fee schedule:

<b>Assets Under Management</b>	<b>Annual Fee %</b>
First \$2,000,000	1.00%
Next \$5,000,000	0.50%
Above \$7,000,000	0.35%

Example: a proposed client with a \$250,000 portfolio would be billed 1.00% annually which is billed at 0.25% each calendar quarter. Example: a proposed client has a \$2,500,000 portfolio; the first \$2,000,000 is billed at 1.00% annually whereas the remaining \$500,000 will be billed at 0.50% annually.

Payment of management fees will either be invoiced or the management fees will be directly debited by the qualified custodian holding the client's funds and securities provided the client supplies written authorization permitting the fees to be paid directly from the account. Omega Capital will not have access to client funds for payment of fees without written consent by the client. Further, the qualified custodian agrees to deliver an account statement, at least quarterly, directly to the client, showing all disbursements from the account. The client is encouraged to review all account statements for accuracy.

100% of the fees that Omega Capital Management earns from its investment advisory service are paid directly by its clients. Omega Capital does not receive any commissions for the purchase or sale of any investment securities.

### **Financial Planning**

Generally, Omega Capital's fee for financial planning and consulting is based on an estimate of the hours necessary to complete the engaged services and/or written financial plan. Omega Capital's hourly rate is \$250. The time required to perform the engaged services may vary depending on the complexity and scope of the engagement and the client's individual circumstances. Fees for financial planning and consulting will be payable upon delivery of the written plan or completion of the contracted services.

An estimate of the total time/cost will be determined at the start of the advisory relationship and disclosed to the client at that time. In limited circumstances, the time/cost could potentially exceed the initial estimate. In such cases, Omega Capital will notify the client and may request that the client approve the additional fee. Typically, the total estimated fee will be due upon completion of the services rendered.

### **Other Fees**

The client is responsible for payment of all brokerage fees/transaction charges incurred in implementing financial planning recommendations and managing the portfolio. Omega Capital does not share in any portion of the brokerage fees or transaction charges imposed by the custodian holding the client funds or securities. Any fee charged by a custodian for the purchase or sale of a security is usually a nominal amount and is not covered by a client's advisory fee paid to Omega Capital. Charles Schwab & Co., Inc. ("Schwab") does not charge commission fees for U.S. listed equities and exchange traded funds.

### **Termination**

Omega Capital or the client may terminate the management agreement within five days of the date of acceptance without penalty to the client. After the five-day period, either party, upon 30 days' written notice to the other, may terminate the management agreement. The management fee will be pro-rated for the quarter in which the cancellation notice was given and any unearned fees will be refunded to the client upon a written request from the client.

## **Performance-Based Fees**

### **Performance-Based Fees**

Omega Capital Management, LLC does not incorporate the use of performance-based fees. Performance-based fees are when Omega Capital shares in a pre-determined portion of a client's appreciation for a set period of time. By utilizing an asset-based fee structure, Omega Capital fee will increase as a portfolio's value increases whereas Omega Capital's fee will decrease as a portfolio's value decreases.

## **Types of Clients**

### **Types of Clients**

Omega Capital Management, LLC works with a vast array of clientele that ranges in age and net worth including individuals, high net worth individuals, families, retirees, retirement plans, businesses as well as trust and estates. Omega Capital generally requires a minimum of \$250,000 in assets under management to open and maintain a managed account. In its sole discretion, Omega Capital may waive or lower this minimum. Omega Capital will allow clients of the same household to aggregate accounts for the purpose of meeting the stated account minimum and determining the annualized fee.

## **Methods of Analysis, Investment Strategies and Risk of Loss**

### **Investment Strategy**

The primary investment strategy employed by the Omega Capital is Strategic Asset Allocation in which we employ the basic principles of Modern Portfolio Theory (MPT). Modern Portfolio Theory is the statistical analysis of historical Returns, Risk, and Correlation of various asset classes. Each portfolio allocation is custom tailored to each specific client. We do not believe in using any cookie cutter templates. Once we have determined the asset allocation we will use both passively managed and actively managed investment vehicles to represent the various asset classes we are targeting. We use an array of various asset classes including domestic and international equities and domestic and international fixed income.

Each client's investment strategy is individually tailored for each client based on their; objectives, risk tolerance, time horizon, target return, cash flow needs, tax consequences and other personal factors.

### **Methods of Analysis**

Our main sources of information used to help and assist us analyze potential asset allocations, asset classes and investments are and not limited to; Morningstar, information gathered directly from a mutual fund or exchange traded fund provider, conference calls, seminars and webinars, charting software, specialized financial software, on-site and off-site meetings with fund company representatives as well as Standard and Poor's, Moody's and Fitch rating services.

### **Investment Risk**

When Omega Capital constructs a diversified portfolio for a client, we take into account the type of risk and the amount of risk that a client is willing to accept. While diversifying is a great way to spread risk, it does not eliminate risk. As with any investment strategy, the client portfolio could experience a loss in value.

## **Disciplinary Information**

### **Disciplinary Information**

The firm and Mr. Bedell have not been involved in any legal or disciplinary events related to business activities.

## **Other Financial Industry Activities and Affiliations**

Omega Capital is an independent Registered Investment Advisor and is not affiliated with or controlled by any outside broker, dealer or other financial institution.

Representatives of our firm are insurance agents/brokers. They offer insurance products and receive customary fees as a result of insurance sales. A conflict of interest exists as these insurance sales create an incentive to recommend products based on the compensation adviser and/or our supervised persons may earn. To mitigate this potential conflict, our firm will act in the client's best interest.

## **Code of Ethics, Participation in Interest in Client Transaction and Personal Trading**

### **Code of Ethics**

Steven M. Bedell is a CERTIFIED FINANCIAL PLANNER™, CFP®, and as such;

Individuals who become certified must complete the following ongoing education and Code of Ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete thirty hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

Steven M. Bedell is an Accredited Investment Fiduciary, AIF®, and as such;

Individuals who become accredited must complete the following ongoing education and Code of Ethics requirements in order to maintain the right to continue to use the AIF® marks:

- Continuing Education – Complete six hours of continuing education hours every year, including the attestation of abide by their Code of Ethics of Fi360, the governing body of the AIF® certification.

Steven M. Bedell is a Retirement Income Certified Professional, RICP®, which is governed by the American College of Financial Services, and as such;

Individuals who become accredited must complete the following ongoing education and Code of Ethics requirements in order to maintain the right to continue to use the RICP® marks:

- Continuing Education – Complete thirty, (30) hours of continuing education hours every two years, including the attestation to abide by their Code of Ethics of the American College of Financial Services, the governing body of the RICP® certification.

### **Participation or Interest in Client Transactions and Personal Trading**

Omega Capital or individuals associated with Omega Capital may buy or sell securities for their personal account(s) that are the same investment products recommended to clients. It is the expressed policy of Omega Capital that employees shall not have priority in any purchase or sale over clients' accounts.

Omega Capital has adopted a Code of Ethics, the full text of which is available to clients and prospective clients upon request. The Firm has several goals in adopting this Code. First, Omega Capital desires to comply with all applicable laws and regulations governing its practice, and secondly, the management of Omega Capital has determined to set forth guidelines for professional standards, under which all associated persons of the Omega Capital are to conduct themselves. Omega Capital has set high standards, the intention of which is to protect client interests at all times and to demonstrate its commitment to its fiduciary duties of honesty, good faith and fair dealing with clients. All associated

persons are expected to adhere strictly to these guidelines, as well as the procedures for approval and reporting established in the Code of Ethics primarily related to personal securities transactions, and violations of the Code. In addition, the Firm maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Firm or any person associated with the Firm.

## **Brokerage Practices**

### **Custodian & Brokers Used**

Our firm does not maintain custody of client assets (although our firm may be deemed to have custody of client assets if given the authority to withdraw assets from client accounts. See Item 15 Custody, below). Client assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. Our firm recommends that clients use the Schwab Advisor Services division of Charles Schwab & Co. Inc. (“Schwab”), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. Our firm is independently owned and operated, and not affiliated with Schwab. Schwab will hold client assets in a brokerage account and buy and sell securities when instructed. While our firm recommends that clients use Schwab as custodian/broker, clients will decide whether to do so and open an account with Schwab by entering into an account agreement directly with them. Our firm does not open the account. Even though the account is maintained at Schwab, our firm can still use other brokers to execute trades, as described in the next paragraph.

### **How Brokers/Custodians Are Selected**

Our firm seeks to recommend a custodian/broker who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. A wide range of factors are considered, including, but not limited to:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for client accounts)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.)
- availability of investment research and tools that assist 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 them
- reputation, financial strength and stability of the provider
- prior service to our firm and our other clients
- availability of other products and services that benefit our firm, as discussed below (see “Products & Services Available from Schwab”)

### **Custody & Brokerage Costs**

Schwab generally does not charge a separate fee for custody services but is compensated by charging commissions or other fees to clients on trades that are executed or that settle into the Schwab account. In addition to commissions Schwab charges a flat dollar amount as a “prime broker” or “trade away” fee for each trade that our firm has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into a Schwab account. These fees are in addition to the commissions or other compensation paid to the executing broker-dealer. Because of this, in order to minimize client trading costs, our firm has Schwab execute most trades for the accounts.

### **Products & Services Available from Schwab**

Schwab Advisor Services is Schwab’s business serving independent investment advisory firms like our firm. They

provide our firm and clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help manage or administer our client accounts while others help manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (our firm does not have to request them) and at no charge to our firm. The availability of Schwab’s products and services is not based on the provision of particular investment advice, such as purchasing particular securities for clients. Here is a more detailed description of Schwab’s support services:

## **Services that Benefit Clients**

Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which our firm might not otherwise have access or that would require a significantly higher minimum initial investment by firm clients. Schwab’s services described in this paragraph generally benefit clients and their accounts.

## **Services that May Not Directly Benefit Clients**

Schwab also makes available other products and services that benefit our firm but may not directly benefit clients or their accounts. These products and services assist in managing and administering our client accounts. They include investment research, both Schwab’s and that of third parties. This research may be used to service all or some substantial number of client accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provides access to client account data (such as duplicate trade confirmations and account statements);
- facilitates trade execution and allocate aggregated trade orders for multiple client accounts;
- provides pricing and other market data;
- facilitates payment of our fees from our clients’ accounts; and
- assists with back-office functions, recordkeeping and client reporting.

## **Services that Generally Benefit Only Our Firm**

Schwab also offers other services intended to help manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

Schwab may provide some of these services itself. In other cases, Schwab will arrange for third-party vendors to provide the services to our firm. Schwab may also discount or waive fees for some of these services or pay all or a part of a third party’s fees. Schwab may also provide our firm with other benefits, such as occasional business entertainment for our personnel.

Irrespective of direct or indirect benefits to our client through Schwab, our firm strives to enhance the client experience, help clients reach their goals and put client interests before that of our firm or associated persons.

## **Our Interest in Schwab’s Services.**

The availability of these services from Schwab benefits our firm because our firm does not have to produce or purchase them. Our firm does not have to pay for these services, and they are not contingent upon committing any specific amount of business to Schwab in trading commissions or assets in custody.

In light of our arrangements with Schwab, a conflict of interest exists as our firm may have incentive to require that clients maintain their accounts with Schwab based on our interest in receiving Schwab’s services that benefit our firm rather than based on client interest in receiving the best value in custody services and the most favorable execution of transactions. As part of our fiduciary duty to our clients, our firm will endeavor at all times to put the interests of our

clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our related persons creates a potential conflict of interest and may indirectly influence our firm's choice of Schwab as a custodial recommendation. Our firm examined this potential conflict of interest when our firm chose to recommend Schwab and have determined that the recommendation is in the best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution.

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Although our firm will seek competitive rates, to the benefit of all clients, our firm may not necessarily obtain the lowest possible commission rates for specific client account transactions. Our firm believes that the selection of Schwab as a custodian and broker is the best interest of our clients. It is primarily supported by the scope, quality and price of Schwab's services, and not Schwab's services that only benefit our firm.

### **Soft Dollars**

Our firm does not receive soft dollars in excess of what is allowed by Section 28(e) of the Securities Exchange Act of 1934. The safe harbor research products and services obtained by our firm will generally be used to service all of our clients but not necessarily all at any one particular time.

### **Other Benefits Received**

As an advisory firm that uses Schwab as our Broker and Custodian, we are able to participate in Schwab's Affinity Services program. The Affinity Services is a program where Schwab has signed on outside vendors who are willing to offer their services, software and or products at a discounted price.

### **Brokerage Transactions**

All client brokerage transactions are done at Schwab. This applies to purchases and sales of; mutual funds, exchange traded funds, closed-end funds, equities, bonds, certificates of deposits, preferred stocks, money market funds and other registered securities. On occasion if Omega Capital is buying or selling an equity security for many clients, the firm may choose to aggregate all of the orders into one buy or sell order and then allocate the proportionate buy or sell transaction to each respective account.

## **Review of Accounts**

### **Review of Accounts**

Financial plans will be reviewed and updated at the client's request or as required based on the executed agreement for services. Reviews may be subject to Omega Capital's then current hourly rate. Steven M. Bedell, CFP®, AIF®, CFS® will conduct all reviews.

For clients utilizing the investment advisory services, Omega Capital will monitor accounts on a continuous basis to ensure the advisory services provided to the client are consistent with the client's investment needs and objectives. Omega Capital recommends a client meeting and formal account review at least annually, whereby portfolio allocations are reviewed and updated if necessary. Additional reviews and/or meetings may be conducted upon the client's or Omega Capital's request. Triggering factors that may call for additional reviews of a client's account include, but are not limited to, changes in market conditions, changes in the client's financial situation or investment objectives, and/or the client's request for an additional review of the account.

### **Reports**

Omega Capital also employs the use of a very sophisticated portfolio management software program which allows the firm to link directly to the custodian and download all client transactions on a daily basis. This program can produce a myriad of reports including, portfolio statements, performance reports, realized/unrealized gains & losses reports, income summary reports, portfolio rebalancing reports and a myriad of other account related reports. Clients receive monthly reports directly each month from Schwab. In addition, clients may view their account(s) online through Schwab's website. Omega Capital also mails the following reports at the end of each calendar quarter; A typewritten cover letter including market commentary, a brief summary of current economic events, asset class performance, portfolio statement, performance report, and a billing statement.

## **Client Referrals and Other Compensation**

### **Schwab**

Our firm receives economic benefit from Schwab in the form of the support products and services made available to our firm and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit our firm, and the related conflicts of interest are described above (*see Item 12 – Brokerage Practices*). The availability of Schwab’s products and services is not based on our firm giving particular investment advice, such as buying particular securities for our clients.

### **Client Referrals**

The majority of our new investment advisory or financial planning business comes in the form of client referrals and additional business from current client. The main source of referrals come from of the following; current clients, friends and family, lawyers, accountants. We do not compensate third parties for any incoming referrals.

In accordance with Rule 206 (4)-1 of the Investment Advisers Act of 1940, our firm does not provide cash or non-cash compensation directly or indirectly to unaffiliated persons for testimonials or endorsements (which include client referrals).

## **Custody**

### **Deduction of Advisory Fees:**

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.

### **Third Party Money Movement:**

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:

- 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.

## **Custodian**

Omega Capital Management, LLC does not act as a custodian for client assets. All client brokerage account assets are deposited and held at large well known and respected qualified custodian such as Schwab and Vanguard Investments. The custodians send out their own client statements on a regular basis, transaction confirmations after a transaction is placed as well as prospectus and proxy notifications.

## **Statements provided by Omega Capital Management, LLC.**

Clients receive monthly reports directly each month from Schwab. In addition, clients may view their account(s) online through Schwab's website; Omega Capital also mails the following at the end of each calendar quarter; cover letter including commentary, portfolio statement, performance report, and a billing statement. We do encourage our clients to compare the account statement(s) that they receive from their custodian with those that they receive from Omega Capital Management, LLC.

## **Investment Discretion**

### **Discretionary Authority**

Clients have the option of providing 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. Should clients grant our firm non-discretionary authority, our firm would be required to obtain the client's permission prior to effecting securities transactions. 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.

### **Limited Power of Attorney**

The scope of our Power of Attorney is limited to the purchase or sale of securities within the clients brokerage account(s) as stated in the Discretionary Authority section directly above. Each client signs an agreement providing Omega Capital with such power to make investment decisions on their behalf. Omega Capital does not have any other form of Power of Attorney for its clients unless its clients appoint Mr. Bedell to that capacity.

## **Voting Client Securities**

### **Proxy Voting**

The Firm will not vote proxies on behalf of advisory clients' accounts. Although, on rare occasions and only at the client's request, Omega Capital may offer clients advice regarding corporate actions and the exercise of proxy voting rights. Clients will either receive proxies by mail or by email directly from Schwab depending on their preference.

## **Financial Information**

### **Financial Reporting Requirements**

Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than \$1,200 in fees when services cannot be rendered within 6 months.
- Our firm does not take custody of client funds or securities.
- Our firm has never been the subject of a bankruptcy proceeding.

## **Client Privacy**

### **Privacy Policy**

Protecting client privacy is very important to Omega Capital. The Firm views protecting its customers' private information as a top priority and, pursuant to the requirements of the federal Gramm-Leach-Bliley Act, Omega Capital has instituted policies and procedures to ensure that customer information is kept private and secure. Omega Capital

does not disclose any nonpublic personal information about its clients or former clients to any nonaffiliated third parties, except as permitted by law. In the course of servicing a client's account, OCM may share some information with its service providers, such as transfer agents, custodians, broker-dealers, consultants, accountants, and lawyers.

Omega Capital Management, LLC restricts internal access to nonpublic personal information about the client to those associated persons of Omega Capital who need access to that information in order to provide services to the client. As emphasized above, it has always been and will always be Omega Capital's policy never to sell information about current or former clients or their accounts to anyone. It is also Omega Capital's policy not to share information unless required to process a transaction, at the request of a client, or as required by law. Omega Capital's Privacy Policy is available upon a client's engagement of Omega Capital's services or by prior request of the clients.

A copy of Omega Capital's privacy policy notice will be provided to each client prior to, or contemporaneously with, the execution of any advisory agreement. Thereafter, Omega Capital will deliver a copy of the current privacy policy notice to its clients annually. Questions regarding this policy should be directed to Steven M. Bedell, Managing Principal and Chief Compliance Officer, at (973) 9277-8388.

## **Disaster Recovery**

### **Disaster Recovery**

In the event that the firm cannot work out of its current location, the operations will be temporarily relocated to the home of Steven Bedell until the premises can be repaired. Clients will be notified within a week in the case that such a move is necessary. Omega Capital Management, LLC backs up its client data at least weekly, utilizing the services of Carbonite which purchased our prior vendor, EVault, a division of Seagate Technology Corp, which stores the data at several locations across the country. Omega Capital also maintains a backup computer and also backs up its data to a separate external hard disk drive on a regular basis.