

Introduction

Stonebridge Capital Management, Inc. (“Stonebridge”), is an investment adviser registered with the Securities and Exchange Commission. The sole business of Stonebridge is to provide fee-based investment supervisory services to all of its clients. We provide advisory services rather than brokerage services. Brokerage and investment advisory services and fees differ and, we believe it is important for you, our client, to understand the differences in order to determine which type of account is right for you. There are free and simple tools available to research firms and financial professionals at www.investor.gov/CRS which also provides educational materials about investment advisers, broker-dealers and investing. This document is a summary of the services and fees we offer to “retail” investors, which are natural persons who seek or receive advisory services primarily for personal, family, or household purposes.

What investment services and advice can you provide me?

Stonebridge offers its fee-based investment advisory services to retail investors. Investment advisory fees are calculated as a percent of assets under management in your account. Our advisory services include Financial Planning, Investment Management, Estate Planning and Tax Planning.

Initially, we will meet with you to do a specific analysis of each client’s individual investment experience, sophistication, and needs to understand your current financial situation, existing resources, goals and risk tolerance. Based on what we learn, we will recommend a portfolio of investments that can, if necessary, be rebalanced at any time to meet your changing needs, stated goals and objectives.

Our accounts are usually managed on a discretionary basis which means we don’t need to call you when buying or selling in your account. You may impose investment restrictions on our authority as to asset class, sector, industry, or individual security selections. Our agreement will remain in place until you or we terminate the relationship. We may use mutual funds, and exchange traded funds to diversify your portfolio. Additional information about our advisory services is located in Item 4 of our [Firm Brochure](#).

Questions to Ask Us:

- ❖ **Given my financial situation, should I choose an investment advisory service? Why or why not?**
- ❖ **How will you choose investments to recommend to me?**
- ❖ **What is your relevant experience, including your licenses, education and other qualifications? What do those qualifications mean?**

What fees will I pay?

Our clients pay us an annual investment advisory fee as a percentage of the market value of assets under management as of the last day of the previous quarter. These fees are paid quarterly in advance. Our standard fee is 1% of assets under management per year with gradual discounts depending on total assets. However, our fees are negotiable. Under certain limited circumstances, we will also negotiate an annual fixed fee with you. In all cases, fees are mutually agreed to by both us and you before initial billing.

Because our fee is based upon the value of your account(s) we have an incentive to recommend that you increase the level of assets in your account. When engaging us for asset management services you will also incur other fees and expenses. The broker-dealer/custodian for your account will charge you transaction fees for executing trades

in your account. The mutual funds and ETFs we may select for your account will charge their own, internal fees and expenses.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce the amount of money you may make on your investments over time. For more information about the fees we charge please see Item 5 of our [Firm Brochure](#).

Questions to Ask Us:

- ❖ **Help me understand how these fees and costs will affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs and how much will be invested for me?**

**What are your legal obligations to me when acting as my investment adviser?
How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment adviser, we have a fiduciary duty to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money, creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide. Stonebridge's revenue is derived solely from the advisory fees we collect from client accounts each quarter. Neither Stonebridge nor any of its employees receives compensation for the sale of securities to our clients. Stonebridge receives no compensation from any fund manager or other third-party for the investments that it selects for client accounts.

Questions to Ask Us:

- ❖ **How might your conflicts of interest affect me, and how will you address them?**

How do your financial professionals make money?

Our financial professionals are employees of the firm and are paid a salary and a discretionary bonus. Neither the salary nor bonus is based on or tied to the number of clients that have been referred to Stonebridge or the types of investment products we recommend to clients. Any bonuses are at the discretion of Stonebridge's executive team based upon the success of the firm and upon the contributions of each employee.

Do you or your financial professionals have legal or disciplinary history?

No neither our firm nor our financial professionals have any legal or disciplinary history. Visit Investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.

Questions to Ask Us:

- ❖ **As a financial professional, do you have any disciplinary history?**
- ❖ **For what type of conduct?**

Additional Information

You can find additional information about our firm's investment advisory services on the SEC's website at www.adviserinfo.sec.gov by clicking on the FIRM tab and then searching CRD #106073. If you would like additional, up-to-date information or a copy of this disclosure, please call (310) 277-1450.

Questions to Ask Us:

- ❖ **Who is my primary contact person?**
- ❖ **Is he or she a representative of an investment adviser or a broker-dealer?**
- ❖ **Who can I talk to if I have concerns about how this person is treating me?**