

Item 1- Cover Page

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January 6, 2022

OCTO Capital, LLC
Form ADV Part 2A

This brochure provides information about the qualifications and business practices of OCTO CAPITAL, LLC. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 248-731-7729. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about OCTO CAPITAL, LLC (Firm CRD #174351) is available on the SEC's website at www.adviserinfo.sec.gov

Item 2: Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

Material changes since the last update

1. Item 5, page 5: The firm's fee schedule has been updated.
2. Item 4, page 4: The firm's assets under management has been updated as of 12/31/2021

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: 248-731-7729 or by email at: dshub@octo-capital.com

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Item 4 – Advisory Business

OCTO CAPITAL, LLC (“Advisor”) was founded in June 2013 and began offering investment advisory services in January 2015. As a Registered Investment Adviser, OCTO Capital has a fiduciary duty to its clients. The principal owner is Daniel B. Shub. OCTO Capital provides portfolio management and financial planning services, including investment advice to individuals, families, and ERISA retirement plans. Portfolio management services include developing an investment policy statement, building portfolio recommendations, and implementing these recommendations at a third-party custodian (see Custody). Portfolio management services also include the ongoing monitoring of the investment portfolio, asset allocation analysis, rebalancing, and tax-loss harvesting recommendations. Investment recommendations are primarily limited to open-end mutual funds and exchange-traded funds, but we also help clients with existing positions in individual stocks. We do not advise our clients to invest in individual stocks.

All client portfolios are customized and built for each individual relationship, although many clients will hold similar securities and allocations. The portfolio construction process begins with a discussion of the client's goals and risk tolerance to determine a suitable long-term investment portfolio. We do not participate in wrap fee programs, and investment management fees are not linked to a client's portfolio performance.

Advisor offers discretionary asset management services to advisory clients. The client will authorize Advisor discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

Financial planning services include retirement income planning, education funding planning, stock compensation planning, insurance needs analysis, multi-generational financial planning, and philanthropic planning.

The firm does not sell commissioned products. The firm’s managing member is affiliated with entities that sell insurance products.

If stand-alone financial planning services are applicable, the client will compensate Advisor on a negotiable fixed fee basis described in detail under the “Fees and Compensation” section of this brochure. Services include but are not limited to a thorough review of all applicable topics, including Wills, Estate Plan/Trusts, Investments, Taxes, and Insurance. Financial plans will be completed and delivered within sixty (60) days. Clients may terminate advisory services with seven (7) days written notice.

Advisor provides newsletters to clients and prospective clients. Newsletters are educational and informational in nature, and no recommendations are made, and no personalized investment advice is given. Newsletters are provided free of charge.

Advisor provides workshops for current or prospective clients that are educational and informational in nature. No recommendations are made, and no personalized investment advice is given. Participants may contract with us for individualized advisory services but are under no obligation to do so.

The goals and objectives for each client are documented in our client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities. Agreements may not be assigned without written client consent.

As of December 31, 2021, Advisor had assets under management of \$88,160,546 in discretionary assets and \$0 in non-discretionary assets.

Item 5 – Fees and Compensation

OCTO Capital is compensated only by the quarterly advisory fee billed to the client. OCTO Capital is not affiliated with a broker/dealer, and as such, does not carry licenses necessary to receive securities commissions.

Our advisory fees are set as (a) a flat annual dollar amount regardless of the amount of assets under management; the amount of the flat fee will be based on the complexity of the situation, such as anticipated time spent on planning, number of accounts, and other factors, or (b) instead of a flat annual dollar amount, the advisory fee will be based on a percentage of assets under management (“AUM”), equal 1.00% per annum on the first \$1 Million of AUM, and 0% on AUM above \$1 Million, with a quarterly minimum, set at our discretion. The annual fees are negotiable and are pro-rated and paid in advance on a quarterly basis. We reserve the right to negotiate all fees.

Clients who hired Octo Capital prior to the adoption of the current fee schedule are billed an advisory fee based on the fee schedule reflected in their investment advisory agreements.

The fee can be adjusted up or down when material changes occur in the client’s total investable wealth and/or complexity. Examples of material changes would be the acquisition or sale of a business; acquisition of material corporate stock options, acquisition or sale of illiquid investment or real estate investment properties, inheritance; the depletion of assets during retirement or family/multi-generational planning that increases the complexity of your planning needs. Should a change to your fee be warranted, you will be notified in advance.

For the initial billing period, the fee is prorated for the remainder of the quarter (if services commenced in the middle of a calendar quarter); this prorated fee is billed on the first business day of the month following the commencement of services. Should a client terminate the relationship with OCTO Capital, the unearned portion of the retainer fee will be refunded. Clients terminating their contract with OCTO Capital within the first five days are entitled to a full refund. Clients may elect to pay this fee directly or have the fee deducted quarterly from investment accounts.

The investment advisory fee will be billed directly to the Custodian. The Custodian will deduct the fee for the Account upon receipt of the invoice or shortly thereafter. The client shall be given thirty (30) days prior written notice of any increase in fees, and the client will acknowledge, in writing, any agreement of increase in said fees.

OCTO Capital's negotiable annual advisory fee will be subject to the terms and conditions of the Investment Advisory Agreement, depending upon various factors including but not limited to: the amount of assets to be managed; account composition; the scope and complexity of the engagement; the anticipated number of meetings and servicing needs; related accounts; future earning capacity; anticipated future additional assets; the professional(s) rendering the services(s); and negotiations with the client. As a result of these factors, similarly, situated clients could pay different fees. Moreover, the services to be provided by OCTO Capital to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

Clients may incur fees from the custodian selected to provide record-keeping, tax reporting, and statement production services. These fees may include IRA and retirement account annual fees, nominal trade ticket charges, or banking fees. No portion of these fees is retained by or remitted to OCTO Capital.

Clients may elect to engage OCTO Capital to provide Financial Planning and Consulting Services only.

This service is done on a fixed fee basis, ranging from \$2,500 to \$10,000 per plan. Fees for our planning services take into consideration factors such as the complexity of your financial profile, the time involved in developing your plan and assisting you in its execution, assets that comprise your overall portfolio, as well as the number of individual accounts comprising the portfolio.

Fees for financial plans are billed 50% in advance, with the balance due upon delivery of the financial plan. All fees paid to OCTO Capital for financial planning and consulting services are separate and distinct from the asset management fees charged by an investment adviser to implement such recommendations.

Client's with \$500,000 or more in Assets Under Management receive Financial Planning Services at no charge.

Item 6 – Performance-based fees

We do not charge performance-based fees.

Item 7 – Types of Clients

Our firm works primarily with individuals and families but may also serve retirement plans, foundations, endowments, and non-profit organizations.

We do not require a minimum to open an account. However, we may review the situation on an individual basis to ensure we can provide services in the client's best interest.

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

Research proves that passive index investing works for all investors, regardless of size or scope. Our investment strategy begins with a general long-term acceptance of the Efficient Market Hypothesis, which states that the primary driver of a portfolio's risk and return characteristics is determined by asset allocation and not security selection. As countless studies have proven, active management as a whole underperforms the market portfolio and attempting to pick investments or investment managers which will outperform the market is more an act of luck than skill. To protect our clients from the needless costs of active management and the inevitable underperformance that results, clients are advised to invest in passive strategies, also known as index funds. Using the knowledge and tools provided by financial science, we build portfolios with focused exposure to key "factors" of returns, such as company size, relative price (value), profitability, and momentum. This exposure largely determines a portfolio's risk and return. The primary vehicles recommended to OCTO Capital clients are institutional class mutual funds and exchange-traded mutual funds.

As with any stock-based investment, mutual funds, including passively managed mutual funds, carry the risk of losses. While we can reduce company-specific risk through diversification, eliminate manager-risk with passive portfolios, and reduce overall portfolio volatility with a broad mix of stocks, bonds, and other assets, we cannot eliminate the risk of fluctuation that comes with investing in stocks and bonds. It is always possible in any given week, month, or year that an investor's portfolio value could be less than the previous period. The Efficient Market Hypothesis dictates that it is this market risk that offers investors potential long-term rewards, so we aim to reduce other previously mentioned risks wherever possible.

Item 9 – Disciplinary Information

Neither Daniel Shub nor any employees of OCTO Capital have ever been convicted of, pled guilty, or no contest to any felony or misdemeanor in a criminal or civil action in any foreign or domestic court. Neither Daniel Shub nor any employees of OCTO Capital have ever been part of a proceeding before the

SEC, FINRA, or any other industry regulatory agency. Neither Daniel Shub nor any employees of OCTO Capital have ever been part of a self-regulatory organization's proceeding.

Item 10 – Other Financial Industry Activities and Affiliation

Neither Daniel Shub nor any employees of OCTO Capital are registered or applying to register as a broker-dealer, or registered representative of a broker-dealer, or futures commissions merchant, commodity pool operator, or commodity trading advisor.

Neither Daniel Shub nor any employee of OCTO Capital has a relationship with a broker-dealer, municipal securities dealer, government securities dealer or broker, investment company, outside investment adviser, banking or thrift institution, accounting firm, law firm, pension consultant, real estate broker, sponsor or syndicator of limited partnerships.

Material Relationship Maintained by this Advisory Business and Conflicts of Interest

Daniel Shub is a licensed Life insurance agent and an owner of Shub & Company, LLC - a licensed life insurance agency, which is under common control and ownership. As an independently licensed insurance agent, Daniel Shub, in this capacity, may recommend, on a fully disclosed commission basis, the purchase of insurance products. This activity will generally entail approximately 2% of Daniel Shub's time. Insurance products may be recommended to help minimize exposure to identified risks and to meet stated personal and/or business needs. This activity presents a conflict of interest; however, OCTO Capital is a fiduciary to each advisory client and is obligated to ensure that insurance product recommendations are suitable based on what is known about our client. Clients are welcome but never obligated to purchase insurance or utilize any recommended company. Clients are welcome to utilize their selected providers and implement recommendations in whole or in part, entirely at their discretion. The following information pertains to annuity products:

Insurance agents are required to comply with "Best Interest" rules (as adopted by Michigan and various states) and are required to act in the best interests of clients under the circumstances known at the time an insurance-related recommendation is made. In addition, the following requirements apply:

Care obligation: In making recommendations, an agent must exercise reasonable diligence, care, and skill to

1. Know the consumer's financial situation, insurance needs, and financial objectives;
2. Understand the available options after making a reasonable inquiry into the products available to the agent;
3. Have a reasonable basis to believe the recommended option effectively addresses the consumer's financial situation, insurance needs, and financial objectives over the life of the product, as evaluated in light of the consumer profile information; and
4. Communicate the basis of the recommendation. In the case of an exchange or replacement of an annuity, the agent must consider the whole transaction, which includes taking into consideration whether

1. The client/consumer will incur a surrender charge, be subject to the commencement of a new surrender period, lose existing benefits, such as death, living, or other contractual benefits, or be subject to increased fees, investment advisory fees, or charges for riders and similar product enhancements;
2. The replacing product would substantially benefit the consumer in comparison to the replaced product over the life of the product; and
3. The consumer has had another annuity exchange or replacement and, in particular, exchange or replacement within the preceding 60 months.

Disclosures:

1. Prior to the recommendation or sale of an annuity, the agent shall provide prominent written disclosure to the advisory client/consumer, which contains: A description of the scope and terms of the relationship with the consumer and the agent's role in the transaction;
2. An affirmative statement that the agent, in her/his separate capacity as a registered investment adviser representative engages in investment advisory services but does not receive commissions in connection with securities recommendations (only insurance products).
3. An affirmative statement describing the insurers she is authorized, contracted (or appointed), or otherwise able to sell insurance products for.
4. A description of the sources and types of cash and non-cash compensation to be received, including compensation (if any) for the sale of a recommended annuity by commission as part of the premium or other remuneration received from the insurer, intermediary, or

other producer or by a fee as a result of a contract for advice or consulting services (in a separate capacity as an investment adviser representative); and 5. A notice of the /consumer's right to request additional compensation information.

Upon request of the consumer or the consumer's designated representative, a licensed agent shall disclose 1. A reasonable estimate of the cash compensation to be received, in range of amounts or percentages; and 2. Whether the compensation is a one-time or multiple occurrence amount, and if the latter, the frequency and amount of the occurrence, which may be stated as a range of amounts or percentages; and (3) Prior to or at the time of the recommendation or sale of an annuity, the agent shall have a reasonable basis to believe the consumer has been informed of various features of the annuity, such as the potential surrender period and surrender charge; potential tax penalty if the consumer sells, exchanges, surrenders or annuitizes the annuity; mortality and expense fees; investment advisory fees; any annual fees; potential charges for and features of riders or other options of the annuity; limitations on interest returns; potential changes in nonguaranteed elements of the annuity; insurance and investment components; and market risk.

To meet disclosure obligation, licensed agents shall at the time of recommendation or sale: (1) Make a written record of a recommendation and the basis for the recommendation; (2) Obtain a consumer-signed statement documenting: 1. A customer's refusal to provide the consumer profile data, if any; and 2. A customer's understanding of the ramifications of not providing his/her consumer profile data or providing insufficient data; and (3) Obtain a consumer-signed statement acknowledging the annuity transaction is not recommended if a customer decides to enter into an annuity transaction that is not based on the agent's recommendation (however, in this instance, it would be highly unlikely that such a transaction would be placed and such a request would be declined).

Recommendations or Selections of Other Investment Advisors and Conflicts of Interest

We do not utilize nor select third-party investment advisers.

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

As a Registered Investment Adviser, OCTO Capital has a fiduciary duty to its clients. In the simplest of terms, this means that our first obligation is to put the client's needs above all other interests or conflicts. OCTO Capital takes our fiduciary duty very seriously and has built our business model around our obligation to minimize conflicts of interest with our clients and to truly make recommendations that are in their best interests.

OCTO Capital's owner and employees will adhere to all federal and state securities laws and regulations. All OCTO Capital related persons will be held to the highest standard of conduct and shall not withhold pertinent information from clients regarding securities recommendations, act to deceive or defraud any client or outside party, or otherwise partake in any activity with the intent to deceive or defraud any regulatory body, government office or client.

OCTO Capital's owner and employees may buy or sell securities for themselves, which are also recommended to clients, which represents a conflict of interest. In an effort to avoid conflicts of interest, OCTO Capital monitors and supervises the personal securities transactions of all employees and its owner. Monitoring is conducted by Daniel Shub, Managing Member and Chief Compliance Officer of OCTO Capital. OCTO Capital retains records of all securities transactions conducted by employees and owners. For compliance purposes with regulations, all employees and the owner are considered "access persons" whose transactions will be monitored.

As a matter of principle, OCTO Capital's owner and employees are to withhold public comment regarding advice on individual securities, as to avoid conflicts of interest when these comments may enrich the OCTO Capital associated person.

Item 12 – Brokerage Practices

In general, price (cost of commissions) and trade execution are the primary drivers of a decision to recommend broker-dealers for client transactions. We work primarily with TD Ameritrade Institutional.

Soft dollars: OCTO Capital may receive an economic benefit from external sources in the form of the support products and services they make available to other independent investment advisors and us. The availability to us of an external source's products and services is not based on our offering particular investment advice, such as buying particular holdings for our clients.

OCTO Capital does receive research or products and services from TD Ameritrade Institutional in connection with client securities transactions. This includes securities research and a trading platform. As a practice, OCTO Capital does not rely on the research provided by TD Ameritrade. The trading platform provides significant business efficiency, which benefits our clients. As well, it is very common for custodial broker-dealers to provide trading access to client accounts. All broker-dealers that our clients work with provide investment transaction and pricing data so that we are able to accurately track investment performance.

Dimensional Fund Advisors (DFA).

We utilize resources made available to us through DFA to analyze investments for your account, such as historical market analysis and risk/return analysis. DFA also provides other advisers and us in its network with education and analytics tools, practice management support, and other resources. These tools are made available to us because we are considered an approved adviser on the DFA platform. While we are not required to commit any specific level of client assets to participate on the DFA platform, these services are not available to financial advisers that have less than \$20 million of their client's assets on the DFA platform. While receiving materials from DFA may cause a conflict of interest, we mitigate this risk by evaluating and treating the available resources in the same way as the resources received from TD Ameritrade and other sources.

OCTO Capital does not receive client referrals from any broker-dealers.

Directed Brokerage: While OCTO Capital would permit clients to request directed brokerage, the majority of our clients are individuals who generally have transactions executed at TD Ameritrade. OCTO Capital does not encourage directed brokerage, which is more common for the mutual fund or pension fund managers regularly trading equities.

Trade Aggregation: We may aggregate ETF trade when possible in order to obtain the best execution. If OCTO Capital decides to purchase or sell the same security for several clients at approximately the same time, allocations are done in an equitable fashion, typically on a pro-rata basis.

Item 13 – Review of Accounts

Daniel Shub, the Managing Member of OCTO Capital, reviews each client's portfolio no less frequently than once per quarter. At the end of each quarter, OCTO Capital reviews an updated Asset Allocation analysis and trailing period performance report for all investment management clients. The Asset Allocation report is then compared to the client's signed Investment Policy Statement to analyze the variance from the target portfolio allocation. Additionally, performance is compared to broad market averages to ensure that the client is capturing as much of the long-term return of the market as possible. Clients will also receive monthly statements from their custodian (i.e., TD Ameritrade

Institutional). Accounts are also reviewed during an annual portfolio review meeting with the firm's clients.

Item 14 – Client Referrals and Other Compensation

No one outside of OCTO Capital's owner and employees provides investment advice to OCTO Capital clients (exclusive of outside relationships our clients may choose to have). OCTO Capital does not compensate outside parties for client referrals. This includes existing clients or other outside professionals (such as CPAs, attorneys, etc.). OCTO Capital does not share revenue or pay "finders fees" for client referrals.

Item 15 – Custody

OCTO Capital does not take custody of client assets or provide custodial services apart from authorized fee withdrawals. All clients work with a third-party custodian (TD Ameritrade Institutional) for the handling of cash and securities, from which clients receive monthly (or quarterly) brokerage statements and tax reporting.

Item 16 - Investment Discretion

OCTO Capital accepts discretionary authority over clients' investment portfolios under our management, including the type of security and number of shares.

The client approves the custodian to be used and the commission rates paid to the custodian. Advisor does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

Item 17 – Voting Client Securities

OCTO Capital does not proxy vote for our client's investment positions. Clients will receive proxy solicitations directly from the custodian. We are happy to discuss these solicitations with our clients.

Further, we will have no power, authority, responsibility, or obligation to take any action with regard to any claim or potential claim in any bankruptcy proceeding, class action securities litigation, or other litigation or proceeding relating to securities held at any time in a client account, including without limitation, to file proofs of claim or other documents related to such proceeding, or to investigate, initiate, supervise, or monitor class action or other litigation involving client assets.

Item 18 – Financial Information

A balance sheet is not required to be provided because OCTO Capital does not serve as a custodian for client funds or securities and does not collect asset management fees for a period of greater than one quarter. OCTO Capital maintains at all times a minimum net worth of \$10,000 as required by Uniform Securities Act, Rule 451.4.17, as an investment adviser who has discretionary authority over client funds or securities but does not have custody of client funds or securities. OCTO Capital has no outstanding liabilities or financial impairments that would inhibit our ability to provide promised services to clients. OCTO Capital does not require or solicit fees of \$500 or more six months or more in advance. Neither OCTO Capital nor its management has had any bankruptcy petitions in the last ten years.

Item 19 – Requirements for State Registered Advisors

Education and business background, including any outside business activities for all management and supervised persons, can be found in the Supplement to this Brochure (Part 2B of Form ADV Part 2).

Material Relationship Maintained by this Advisory Business or Management persons with Issuers of Securities - None to report

Business Continuity Plan Disclosure Statement

OCTO Capital, LLC (or the "Firm") has adopted a Business Continuity Plan ("BCP") pursuant to the Investment Advisers Act of 1940, as amended (the "Advisers Act") and the rules and guidance (the "Rules") of the United States Securities and Exchange Commission ("SEC") and/or the laws of the states where the OCTO Capital, LLC is registered as a Registered Investment Adviser. The purpose of the BCP is to define the strategies and plans that will be used by the Firm during a significant business disruption ("SBD"). The BCP is prepared to address both internal SBDs, such as a fire in the Firm's building, and external SBDs, such as a natural disaster, terrorist attack, or citywide power disruption.

Our Business Continuity Plan

In the event of an SBD, OCTO Capital, LLC will safeguard employee lives and the Firm's property. OCTO Capital, LLC will work to re-establish the systems necessary to quickly recover and resume operations, protect the Firm's books and records and allow OCTO Capital's customers to transact business to the extent reasonable and practical under the circumstances. OCTO Capital's BCP addresses alternate office locations, customer access to funds and securities, financial and operational assessments, data backup and recovery, critical systems, alternative communications with customers, employees, and regulators, and critical business constituents.

Contacting Advisor and Accessing Funds and Securities

If you are not able to contact OCTO Capital through the Firm's regular telephone number at 248-731-7729, please contact us via email at dshub@octo-capital.com. For questions relating directly to accessing funds and securities in your account, please contact:

TD Ameritrade Institutional, Division of TD Ameritrade, Inc., member FINRA/SIPC

Phone 800-431-3500

Website: www.advisorclient.com

Address: 7801 Mesquite Bend Drive, Suite 112 Irving TX, 75063

Varying Disruptions

SBDs can vary in their scope, from only our Firm to a single building housing our Firm, the business district where OCTO Capital is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our firm or a building, housing OCTO Capital's operations, the Firm intends to transfer its operations to a local site when needed and expects to recover and resume business within a short time period. In a disruption affecting OCTO Capital's business district, city, or region, the Firm intends to transfer our operations to a site outside the affected area and recover and resume business within a short time period. In either situation, the Firm plans to continue in business. However, the ability of OCTO Capital to fully function is dependent on outside sources that may be outside of the Firm's control, including the availability of electricity, telephones, Internet, transportation, and the functioning of institutions and markets worldwide. Nothing in OCTO Capital's BCP or this disclosure statement is intended to provide a guarantee or warranty regarding the actions or performance of OCTO Capital, LLC.

Additional Information - If you have questions about OCTO Capital's business continuity planning, please contact us at 248-731-7729.