
Sun Valley Gold LLC

March 28, 2012

This brochure provides information about the qualifications and business practices of Sun Valley Gold LLC (the “Adviser”), an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”). If you have any questions about the contents of this brochure, please contact us at (208) 726-2327 or linda@svgold.com. This information has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Sun Valley Gold LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

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Item 2. Material Changes

There have been no material changes to this Form ADV Part 2A Brochure since March 2011.

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Item 4. Advisory Business

The Adviser is an investment adviser with its principal place of business in Ketchum, Idaho. The Adviser commenced operations as an investment adviser on December 21, 1998 and has been registered with the SEC since February 22, 1999. Peter F. Palmedo and Palmedo Holdings LLLP (a Nevada limited liability limited partnership controlled by Mr. Palmedo) are the principal owners and managing members of the Adviser.

The Adviser provides investment advisory services on a discretionary basis to its clients (the "Advisory Clients"), which include institutions with separately managed accounts (the "Managed Accounts") and pooled investment vehicles intended for sophisticated investors and institutional investors (the "Funds").

The Adviser is dedicated to managing investments in the precious metals asset class.

The Adviser does not generally tailor its advisory services to the individual needs of investors in the Funds and does not accept Fund investor-imposed investment restrictions.

When deemed appropriate, the Adviser has established, and may in the future establish, Managed Accounts for particular Advisory Clients. These Managed Accounts are subject to investment objectives, guidelines and restrictions, and fee arrangements and other terms that are individually negotiated with each such Advisory Client.

As of December 31, 2011, the Adviser had approximately \$1,324,683,149 Advisory Clients' regulatory assets under management. As of that date, the Adviser managed \$1,324,683,149 on a discretionary basis and \$0 on a non-discretionary basis.

Item 5. Fees and Compensation

The Adviser receives management fees based on net assets under management ranging from 1.5% to 2.0% annually (the "Management Fees") and an incentive allocation of up to 20% of the annual profit, subject to a high-water mark (the "Incentive Compensation"). Management Fees are paid (i) by the Funds quarterly in arrears, based on the value of the net assets of a Fund on the last day of each quarter, and (ii) by the Managed Accounts quarterly in arrears or in advance, as individually negotiated with each Managed Account, based on the net assets of the Managed Account on the last day of each quarter. Fees are adjusted for interim capital flows.

With respect to the Funds, the Fund Administrator calculates the Management Fees as described above and the Incentive Compensation annually in arrears. These calculations are reviewed and approved by the Adviser and deducted from the Fund.

With respect to the Managed Accounts, the Adviser calculates the Management Fees as described above and the Incentive Compensation, if any, annually in arrears. These calculations are reviewed and approved by the Advisory Client, and the Advisory Client pays the Adviser.

Fee arrangements with the Managed Accounts are individually negotiated. In addition, some Fund investors may pay more or less than other Fund investors for the same management services, depending, for example, on when a Fund investor made an initial subscription, longer redemption schedule, number of related investment accounts or total client assets under management with the Adviser. In this regard, the Adviser may waive or modify fees for Fund investors that are strategic investors, or that are principals or employees of the Adviser, and certain of their family members and their trusts or family partnerships.

In addition to paying investment management fees and performance-based fees or other compensation, Advisory Clients' accounts will also be subject to other investment expenses such as custodial charges, brokerage fees, transaction costs, commissions and related costs; costs of insurance (other than fire and theft insurance); interest expenses; taxes, duties and other governmental charges; other portfolio expenses; and costs, expenses and fees (including, investment advisory and other fees charged by investment advisers with, or funds in, which the Advisory Client's account invests) associated with products or services that may be necessary or incidental to such investments or accounts. Advisory Clients' assets may be invested in a master-feeder structure. Feeder funds bear a pro rata share of the expenses associated with the related master fund. Please refer to Item 12 of this Firm Brochure for a discussion of the Adviser's brokerage practices.

Item 6. Performance-Based Fees and Side-by-Side Management

The Adviser and its investment personnel provide investment management services to multiple portfolios for multiple Advisory Clients. The Adviser is paid performance-based compensation by its private pooled investment vehicle Advisory Clients and certain other Advisory Clients' accounts. In addition, the Adviser's investment personnel are typically compensated on a basis that includes a discretionary performance-based component. In addition, certain Advisory Clients' accounts may have higher asset-based fees or more favorable performance-based compensation arrangements than other accounts. When the Adviser and its investment personnel manage more than one Advisory Client's account a potential exists for one Advisory Client's account to be favored over another Advisory Client's account. The Adviser and its investment personnel have a greater incentive to favor Advisory Clients' accounts that pay the Adviser (and indirectly the portfolio manager) higher fees.

The Adviser has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple accounts and the allocation of investment opportunities. The Adviser reviews investment decisions for the purpose of ensuring that all accounts are treated equitably. To the extent a particular investment (including limited opportunities such as initial public offerings and private placements) is determined by the Adviser to be suitable for more than one Advisory Client, such investment will be allocated between the accounts in a manner that the Adviser determines is fair and equitable under the circumstances to all Advisory Clients. The Adviser's policy is to aggregate client transactions where possible and when advantageous to Advisory Clients. In these instances, Advisory Clients participating in any aggregated transactions will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. The performance of all accounts is also regularly analyzed to determine whether there are any unexplained significant discrepancies among the accounts' performance. These areas are monitored by the Adviser's Chief Investment Officer and/or other designated officer.

Item 7. Types of Clients

As previously described in Item 4, the Adviser's Advisory Clients consist of pooled investment vehicles and separate accounts comprised of other institutional or sophisticated investors. With respect to the Funds, any initial and additional subscription minimums are disclosed in the relevant offering documents. With respect to the Managed Accounts, the Adviser determines the minimum investment amounts on a case-by-case basis with each Advisory Client. In general, such Managed Accounts involve significant minimum investments.

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

The Adviser generally invests in gold, precious metals, mining securities, rights, warrants, and options relating to gold and precious metals; and engages in all activities incidental and related thereto. Its primary investment process is security selection in the precious metals asset class on a global basis.

These investments involve risk of loss to Advisory Clients and Advisory Clients must be prepared to bear the loss of their entire contribution/investment.

Fundamental Value. The Adviser engages in a fundamental value investment strategy wherein the Adviser attempts to invest in asset-oriented securities that the Adviser believes are undervalued by the market. The Adviser employs seasoned analysts with experience in geology, mine engineering and mining finance and accounting. The research analysts maintain the Adviser's proprietary fundamental valuation database, using information from due diligence visits to resource properties and companies throughout the world, the application of economic parameters and the construction of zero-based models to determine fair value. The fundamental valuation database consists of company models with the following components: (i) a geological component, (ii) an operational component, (iii) a financial component and (iv) a corporate finance component.

Hedging. There can be no assurances that a particular hedge is appropriate, or that certain risk is measured properly. Further, while the Adviser may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for the Adviser's investment portfolios than if the Adviser did not engage in any such hedging transactions.

Issuer-Specific Changes. Changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in general economic or political conditions can increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's value. The value of securities of smaller, less well-known issuers can be more volatile than that of larger issuers. Smaller issuers can have more limited product lines, markets, or financial resources.

Lack of Diversification. Advisory Clients' accounts will not be diversified among a wide range of types of securities, countries or industry sectors. Accordingly, Advisory Clients' portfolios are subject to more rapid change in value than would be the case if the Adviser were required to maintain a wider diversification among types of securities and other instruments.

Leverage. Performance may be more volatile if an Advisory Client's account employs leverage.

Short Selling Risk. The Adviser's investment program includes a significant amount of short selling. Short selling transactions expose the Adviser to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by the Adviser in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein the Adviser might be compelled, at the most disadvantageous time, to replace the borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

Metals and Minerals. Base and precious metals and minerals trading is a speculative activity. Prices of metals and minerals are affected by factors such as cyclical economic conditions, political events and monetary policies of various countries. Therefore, prices of gold and other precious or base metals and

minerals may fluctuate sharply over short periods of time due to changes in inflation or expectations regarding inflation in various countries, the availability of supplies of metals and minerals, changes in industrial and commercial demand, metal and mineral sales by governments, central banks and international agencies, investment speculation, monetary and other economic policies of various governments and government restrictions on private ownership of certain metals and minerals. The volatility in the price of metals and minerals has a direct effect on companies that mine and process metals and minerals, including companies that provide services to such companies, as the prices of their securities will be affected by the volatility of the prices of metals and minerals.

Commodity Futures and Options. Commodity futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events and changes in interest rates. In addition, because of the low margin deposits normally required in commodity futures trading, a high degree of leverage may be typical of a pooled investment vehicle engaging in commodity futures trading. As a result, a relatively small price movement in a commodity futures contract may result in substantial losses to such a pooled investment vehicle. Commodity options, like commodity futures contracts, are speculative, and their use involves risk. Specific market movements of the cash commodity or futures contract underlying an option cannot be predicted, and no assurance can be given that a liquid offset market will exist for any particular futures option at any particular time.

Derivatives. Swaps, and certain options and other custom derivative or synthetic instruments are subject to the risk of nonperformance by the counterparty to such instrument, including risks relating to the financial soundness and creditworthiness of the counterparty. In addition, investments in derivative instruments require a high degree of leverage, meaning the overall contract value (and, accordingly, the potential for profits or losses in that value) is much greater than the modest deposit used to buy the position in the derivative contract. Derivative securities can also be highly volatile. The prices of derivative instruments and the investments underlying the derivative instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the Advisory Client or the Adviser. Further, transactions in derivative instruments are not undertaken on recognized exchanges, and will expose the Advisory Client's account to greater risks than regulated exchange transactions that provide greater liquidity and more accurate valuation of securities.

Equity Securities. The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geopolitical risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

Non-U.S. Securities. Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.

Additional risk factors may be disclosed in the relevant offering documents.

Item 9. Disciplinary Information

This Item is inapplicable.

Item 10. Other Financial Industry Activities and Affiliations

Each limited partnership or private fund for which the Adviser serves as general partner or investment manager has and may in the future enter into agreements, or “side letters,” with certain prospective or existing limited partners or shareholders whereby such limited partners or shareholders may be subject to terms and conditions that are more advantageous than those set forth in the offering memorandum for the partnership or fund. For example, such terms and conditions may provide for special rights to make future investments in the partnership, other investment vehicles or managed accounts; special redemption rights, relating to frequency or notice; a waiver or rebate in fees or redemption penalties to be paid by the limited partner or shareholder and/or other terms; rights to receive reports from the partnership on a more frequent basis or that include information not provided to other limited partners or shareholders (including, without limitation, more detailed information regarding portfolio positions) and such other rights as may be negotiated by the partnership or fund and such limited partners or shareholders. The modifications are solely at the discretion of the partnership or fund and may, among other things, be based on the size of the limited partner’s or shareholder’s investment in the partnership or fund or affiliated investment entity, an agreement by a limited partner or shareholder to maintain such investment in the partnership or fund for a significant period of time, or other similar commitment by a limited partner or shareholder to the partnership or fund.

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

The Adviser has adopted a Code of Ethics and Employee Trading Policy (together, the “Code”) that set out its policies in respect of personal securities transactions of its employees and access persons. The Code obligates the Adviser and its employees to each put the interests of Advisory Clients before its own interests and to act honestly and in good faith in all respects in its dealings with Advisory Clients. All of the Adviser’s personnel are also required to comply with applicable federal securities laws. In regards to personal trading, no employee will purchase or sell a security that the Adviser is considering buying or selling or is in the process of buying or selling for an Advisory Client. In general, it is the responsibility of each employee to ensure that a particular securities transaction being considered for his or her personal account is not subject to a restriction contained in the Code or otherwise prohibited by any applicable laws. Personal securities transactions for employees may be effected only in accordance with the following:

An employee must obtain the prior written approval (“Preliminary”) of the Compliance Officer or other designated officer (the “Compliance Team”) before engaging in any transaction in his or her personal account in connection with an Initial Public Offering, private placement or other limited offering, or any precious metals securities transaction. The Compliance Team may approve the transaction if the Compliance Team concludes that the transaction would comply with the provisions of the Code and is not likely to have any adverse economic impact on Advisory Clients. A request for Preliminary must be made by completing a Preliminary form and submitting it to the Compliance Team in advance of the contemplated transaction. Any approval given will remain in effect for 24 hours.

Employees are required to provide quarterly and/or monthly statements regarding their trading activities directly to the Compliance Team for review.

The Code is available to any client or prospective client upon request by calling Linda Kish (the Compliance Officer) at (208) 726-2399.

The Adviser, in the course of its investment management and other activities, may come into possession of confidential or material nonpublic information about issuers, including issuers in which the Adviser has invested or seeks to invest on behalf of Advisory Clients. The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is an Advisory Client. The Adviser maintains and enforces written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information and to assure that the Adviser is meeting its obligations to Advisory Clients and remains in compliance with applicable law. In certain circumstances, the Adviser may possess certain confidential or material, nonpublic information that, if disclosed, might be material to a decision to buy, sell or hold a security, but the Adviser will be prohibited from communicating such information to the Advisory Client or using such information for the Advisory Client’s benefit. In such circumstances, the Adviser will have no responsibility or liability to the Advisory Client for not disclosing such information to the Advisory Client (or the fact that the Adviser possesses such information), or not using such information for the Advisory Client’s benefit, as a result of following the Adviser’s policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

The Adviser or any of its related persons may buy or sell securities to or from the Funds as a principal (a “principal transaction”). In the event such transactions would be contemplated by the Adviser, the Adviser will only complete such a transaction in accordance with the requirements of Section 206(3) of the Advisers Act.

The Adviser does not engage in cross transactions between discretionary Advisory Client accounts.

The Adviser and its personnel may have conflicts in allocating their time and services among the Advisory Clients. The Adviser will devote as much time to each of the Advisory Clients as it deems appropriate to perform its duties in accordance with its investment management agreements. In addition, the Adviser, its affiliates and employees may conduct outside business activities.

In addition, the Adviser or its related persons may invest in the same securities (or related securities, e.g., warrants, options or futures) that the Adviser invests in on behalf of its Advisory Clients. As mentioned above, the Adviser has adopted the Code, which contains policies and procedures designed to minimize any actual or potential conflicts. For example, the Adviser requires its related persons to pre-clear with the Compliance Team all initial public offerings, private placements, limited offerings and precious metals securities transactions for their personal accounts. The Compliance Team may deny a related person permission to execute a transaction if there is an actual or potential conflict of interest. Other policies with respect to precious metals securities transactions include a seven-day blackout period and a ban on short-term trading profits. Additional policies include duplicate broker confirms and statements, periodic review of trades and quarterly disclosure of security holdings.

Item 12. Brokerage Practices

The Adviser considers a number of factors in selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation. Such factors include, the financial stability and reputation of the brokerage firm, the overall quality of the research, brokerage or other services provided by such firm, natural flow, block trades, confidentiality, and the broker's involvement with the particular security or market. In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation, the Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Adviser's practice to negotiate "execution only" commission rates, thus a client may be deemed to be paying for research, brokerage or other services provided by a broker-dealer which are included in the commission rate. The Adviser may also maintain and periodically update an "Approved Broker-Dealer List" based upon the Adviser's reviews of the broker-dealers.

The Adviser receives research or other products or services other than execution from a broker-dealer and/or a third party in connection with client securities transactions. This is known as a "soft dollar" relationship. The Adviser will limit the use of "soft dollars" to obtain research and brokerage services to services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)"). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self regulatory organization such as comparison services, electronic confirms or trade affirmations.

When the Adviser uses client commissions to obtain Section 28(e) eligible research and brokerage products and services, the Adviser's designated officer reviews and evaluates the Adviser's soft dollar practices and determines in good faith whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer. This determination will be viewed in terms of either the specific transaction or the Adviser's overall responsibilities to the accounts or portfolios over which the Adviser exercises investment discretion. During the last fiscal year, SVG directed some trades to brokers who provided research specific to an investment decision or continuing analysis regarding a particular company or the sector landscape. For other trades, SVG generally considered overall suitability in seeking best execution in selecting a broker (see factors considered above), including selecting brokers that generate soft-dollar "markups or credits," for any given trade.

The use of client commissions (or markups or markdowns) to obtain research and brokerage products and services raises conflicts of interest. For example, the Adviser will not have to pay for the products and services itself. This creates an incentive for the Adviser to select or recommend a broker-dealer based on its interest in receiving those products and services.

Research and brokerage services obtained by the use of commissions arising from an Advisory Client's portfolio transactions may be used by the Adviser in its other investment activities. For the avoidance of doubt, an Advisory Client may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided.

During the Adviser's last fiscal year, as a result of client brokerage commissions (or markups or markdowns), the Adviser acquired Section 28(e) eligible research products and services including select industry newsletters, analytical software, data services, discussions with research analysts and standard brokerage settlement and trade allocation services.

The Adviser's designated officer regularly reviews and evaluates the soft dollar practices of the Adviser and to determine in good faith whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer.

In some instances, the Adviser obtains a product or service that is used, in part, by the Adviser for Section 28(e) eligible purposes and, in part, for other purposes. In such instances, the Adviser will make a good faith effort to determine the relative proportion of the product or service used to assist the Adviser in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). Such determination will be based on the actual use of the product or service by the Adviser's personnel. The proportion of the product or service attributable to assisting the Adviser in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by the Adviser from its own resources. The determination of the appropriate allocation of "mixed use" products and services creates a potential conflict of interest between the Adviser and Advisory Clients.

The Adviser often purchases or sells the same security for many Advisory Clients contemporaneously using the same executing broker. It is the Adviser's practice, where possible, to aggregate Advisory Clients' orders for the purchase or sale of the same security submitted contemporaneously for execution using the same executing broker. Such aggregation may enable the Adviser to obtain a more favorable price based on the volume of a particular transaction. In cases where trading or investment restrictions are placed on a client's account, the Adviser may be precluded from aggregating that client's transaction with others. In such a case, the client may pay a higher commission rate and/or receive less favorable prices than clients who are able to participate in an aggregated order. When an aggregated order is completely filled, the Adviser allocates the securities purchased or proceeds of sale in a manner deemed to be fair and equitable to all participating clients. Adjustments or changes may be made under certain circumstances, such as to avoid odd lots or excessively small allocations. If the order at a particular broker is filled at several different prices, through multiple trades, generally all such participating accounts will receive the average price and pay the average commission, subject to odd lots, rounding, and market practice. If an aggregated order is only partially filled, the Adviser's procedures provide that the securities or proceeds are to be allocated in a manner deemed fair and equitable to all participating Advisory Clients.

Item 13. Review of Accounts

Each Advisory Client account is reviewed by Peter F. Palmedo, a managing member of the Adviser, on an ongoing basis to determine whether securities positions should be maintained in view of current market conditions. Matters reviewed include trading activity, significant corporate developments and other activities that may dictate a change in portfolio positions, adherence to investment guidelines, and significant market events.

Investors in the Funds are provided with reports pursuant to the terms of each Fund's offering documents. These reports generally include a quarterly performance report, annual audited financial statements within 120 days after the financial year end, and annual tax reports.

Each Managed Account will receive reports in accordance with the Managed Account's agreement with the Adviser.

Item 14. Client Referrals and Other Compensation

The Adviser receives certain research or other products or services from broker-dealers through “soft-dollar” arrangements. These “soft-dollar” arrangements create an incentive for the Adviser to select or recommend broker-dealers based on the Adviser’s interest in receiving the research or other products or services and may result in the selection of a broker-dealer on the basis of considerations that are not limited to the lowest commission rates and may result in higher transaction costs than would otherwise be obtainable by the Adviser on behalf of its Advisory Clients. Please see Item 12 for further information on the Adviser’s “soft-dollar” practices, including the Adviser’s procedures for addressing conflicts of interest that arise from such practices.

Item 15. Custody

Advisory Clients will receive account statements from a broker-dealer, bank or other qualified custodian, and Advisory Clients should carefully review those statements.

Item 16. Investment Discretion

The Adviser provides investment advisory services on a discretionary basis to clients. Please see Item 4 for a description of any limitations clients may place on the Adviser's discretionary authority.

Prior to assuming full discretion in managing a client's assets, the Adviser enters into an investment management agreement or other agreement that sets forth the scope of the Adviser's discretion.

Unless otherwise instructed or directed by a discretionary client, the Adviser has the authority to determine (i) the securities to be purchased and sold for the Advisory Client's account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) (ii) the amount of securities to be purchased or sold for the Advisory Client's account.

Because of the differences in Advisory Clients' investment objectives and strategies, risk tolerances, tax status and other criteria, there may be differences among Advisory Clients in invested positions and securities held. The Adviser may consider the following factors, among others, in allocating securities among Advisory Clients: (i) client investment objectives and strategies; (ii) client risk profiles; (iii) tax status and restrictions placed on a client's portfolio by the client or by applicable law; (iv) size of the client account; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; and (viii) account liquidity, account requirements for liquidity and timing of cash flows. These factors may lead the Adviser to allocate securities to Advisory Clients' accounts in varying amounts.

The Adviser will determine each Advisory Client's eligibility to participate in initial public offerings (IPOs), secondary offerings and limited offerings based on the legal status of the Advisory Client (e.g., "restricted person") and the Advisory Client's investment guidelines. Such securities will be allocated in a manner that the Adviser considers to be fair and equitable to all Advisory Clients under the circumstances. The Adviser may consider the factors mentioned above, among others, in determining such allocations.

The Adviser has the responsibility to effect orders correctly, promptly and in the best interests of our Advisory Clients. In the event any error occurs in the handling of any client transactions, whether due to the Adviser's actions, or inaction, or actions of others, the Adviser's policy is to seek to identify and correct any errors as promptly as possible without disadvantaging the Advisory Client or benefiting the Adviser in any way. The Adviser will not be liable for any losses arising out of trading errors in connection with any activity undertaken (or omitted to be undertaken) in connection with an Advisory Client, unless such liability is caused by the Adviser's gross negligence or willful malfeasance or as otherwise provided by Federal securities laws.

Item 17. Voting Client Securities

To the extent the Adviser has been delegated proxy voting authority on behalf of its Advisory Clients, the Adviser complies with its Proxy Voting Policies and Procedures (the “Procedures”) that are designed to ensure that the Adviser votes proxies with respect to client securities in the best interests of its Advisory Clients. The Procedures also require that the Adviser identify any conflicts of interest between the Adviser and its Advisory Clients. If a material conflict exists, the Adviser will determine whether voting in accordance with the voting guidelines and factors described in the Procedures is in the best interests of the Advisory Client or take some other appropriate action.

In voting proxies, the Adviser generally votes in favor of routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated). The Adviser generally votes against proposals that act to entrench existing management or cause unequal voting rights.

Because the Adviser provides investment advice to Funds, individual investors in the Funds will not be able to direct the Adviser on how to cast a proxy vote.

Advisory Clients may obtain a copy of the Adviser’s proxy voting policies and procedures and information about how the Adviser voted an Advisory Client’s proxies by contacting Linda Kish (Chief Compliance Officer) by email at linda@svgold.com or by telephone at (208) 726-2399.

Item 18. Financial Information

This Item is not applicable.

Item 19. Requirements for State-Registered Advisers

Not applicable.

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Legend:	
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Moved to	0
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