



StableRiver Capital Management LLC

3333 Piedmont Road NE, Suite 1500

Atlanta, GA 30305

Phone # 404-845-7698

[www.stableriver.com](http://www.stableriver.com)

**FIRM BROCHURE (FORM ADV Part 2A)**

**March 31, 2012**

This Brochure provides information about the qualifications and business practices of StableRiver Capital Management LLC (StableRiver). If you have any questions about the contents of this brochure, please contact us at 404-845-7698 and/or [www.stableriver.com](http://www.stableriver.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

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

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

## ITEM 2 MATERIAL CHANGES

StableRiver's Brochure has been updated with the following material changes that occurred since the last annual update of our Brochure on March 31, 2011.

On June 1, 2011, one of StableRiver's affiliate advisory firms, IronOak Advisors LLC discontinued offering advisory services and withdrew its registration with the SEC. In addition, on May 31, 2011 the principals of Alpha Equity LLC, another advisory affiliate, repurchased the minority ownership interest RidgeWorth had in their firm.

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## ITEM 4 ADVISORY BUSINESS

StableRiver Capital Management LLC ("StableRiver") or ("the Firm"), is a 100% owned subsidiary of RidgeWorth Capital Management, Inc. ("RidgeWorth"), an investment adviser registered with the SEC and also a money management holding company. RidgeWorth is a majority owned subsidiary of SunTrust Banks, Inc. ("SunTrust"), a publicly traded financial services holding company. RidgeWorth also conducts business under the name RidgeWorth Investments (see [www.ridgeworth.com](http://www.ridgeworth.com)).

Effective March 31, 2008, RidgeWorth changed its name from Trusco Capital Management, Inc. and restructured such that it provides discretionary and non-discretionary advisory services to clients through a series of five wholly owned subsidiaries and one minority owned adviser, each of which is an investment adviser registered with the SEC (collectively, the "Boutiques"). StableRiver is a specialty fixed income Boutique, managing high quality taxable and tax-exempt portfolios. Prior to March 31, 2008, StableRiver was a part of Trusco Capital Management, now called RidgeWorth Capital Management, Inc.

See "Investment Advisers" under Item 10 of this Brochure and Item 10 of Form ADV Part 2A of RidgeWorth and each other Boutique for a more detailed description of RidgeWorth and other Boutiques.

RidgeWorth offers two primary separately managed account products utilizing StableRiver:

- i. Single discipline managed accounts in StableRiver's style, where a client would hire RidgeWorth and RidgeWorth would delegate investment authority to StableRiver, and
- ii. Multi-discipline managed accounts where RidgeWorth allocates among various styles and delegates portions of the account's management to its different Boutiques, including StableRiver.

If a client elects to receive advisory or other services directly through RidgeWorth, RidgeWorth may establish an account for such client and depending on whether or not the client desires a single or multi-discipline investment focus, utilize StableRiver alone or StableRiver in combination with one or more of the relevant Boutique(s) to sub-advise RidgeWorth pursuant to written subadvisory agreements executed between the Boutiques (including StableRiver) and RidgeWorth in providing such services to such client.

Clients also may contract for such advisory services directly with StableRiver.

StableRiver provides directly and as sub-adviser to RidgeWorth, discretionary investment supervisory services to institutional clients, including investment companies ("Mutual Funds") registered under the Investment Company Act of 1940, as amended ("1940 Act") (including the RidgeWorth Funds). StableRiver also provides these services, both under direct contract with a client and indirectly as subadviser under contracts with RidgeWorth or certain SunTrust affiliates, to pension and profit sharing plans, educational endowments and related funds, public and private foundations, governmental entities, other corporate entities, and high net worth clients. Customized investment management services are based on certain client specific criteria such as organizational structure, risk assessment, liquidity and cash flow, income needs, tax consequences, other sources of funds to meet obligations, general economic conditions, social and other preferences relating to the account's investment guidelines. Clients can place reasonable restrictions on StableRiver's investment discretion. Examples of common restrictions are credit quality, social restrictions or those that prohibit us from buying specific companies. Investment guidelines and restrictions must be provided to StableRiver in writing. Such restrictions may impact performance.

As of 12/31/2011, StableRiver had discretionary assets under management of \$ 8.2 billion and non discretionary assets under management of \$ 535 million.

## ITEM 5 FEES and COMPENSATION

StableRiver's fees are competitive and higher or lower fees may be available elsewhere for the same type of services. StableRiver charges most of its clients a fixed-percentage fee per annum for investment advice based on assets under management, payable quarterly in arrears. Assets under management include a client's uninvested cash position for which StableRiver does not provide investment advice. Fees may vary based on account type and client services requested. Determining factors include: number and frequency of reports and client meetings, individual security investments versus common or collective funds, mutual funds or private fund investments, investment guidelines and restrictions, and account size.

StableRiver reserves the right to negotiate all fees and annual minimums based on individual client considerations.

Initial fees are calculated based upon the number of days in the quarter the account came under management. Subsequent quarters are billed in full unless clients terminate the relationship prior to the end of the quarter, in which case the fee is prorated for the number of days prior to termination. StableRiver will invoice the client or the client's custodian directly as instructed by the client in the investment advisory agreement. A client may authorize their custodian to debit their account for the investment advisory fee and remit directly to StableRiver. It is important that you compare the client reports you receive directly from us to the statements you receive from your custodian. StableRiver's standard advisory contract is cancelable by either a client or StableRiver 30 days after receipt or delivery of written notice. Other termination conditions may be negotiated to accommodate special client requirements.

StableRiver's basic advisory fee schedules, subject to negotiation based on the above-described factors, are set forth below. If StableRiver is used by RidgeWorth to sub-advise RidgeWorth in providing advisory services to clients, such clients will not incur any increase in advisory or other fees as a result of any such subadvisory arrangement. RidgeWorth will share its fees with StableRiver when StableRiver is used to provide sub-advisory services to RidgeWorth. Fees for individual accounts, employee benefit relationships, tax-exempt institutional accounts such as charitable foundations, endowments, corporate accounts, and other institutional client accounts are primarily based on the market value of the assets under management in accordance with the following schedules:

### ADVISORY FEE SCHEDULES

Fixed Income	Short Term Fixed Income
0.45% on the first \$10 million	0.25% on the first \$10 million
0.30% on the next \$40 million	0.20% on the next \$40 million
0.18 % on all over \$50 million	0.15% on the next \$50 million
	0.10% on the next \$100 million
Minimum Annual Fee - \$10,000	Minimum Annual Fee - \$10,000

In addition to StableRiver's investment management fees, client's account pays trading costs. See Item 12 Brokerage Practices. StableRiver does not custody client assets, thus client will contract separately with a qualified custodian and pay custody fees charged by their selected custodian.

StableRiver or Boutiques act as adviser or sub-adviser to one or more Mutual Funds or unregistered funds, including but not limited to LPs, LLCs, foreign funds, CLOs, etc. ("Private Funds", and together with Mutual Funds, "Funds") or manage accounts that invest in such Funds or third party Funds.

To the extent that client accounts are invested in mutual funds, these funds generally charge a management fee for their services as investment managers. This management fee, along with other charges, is included in the “expense ratio” of the fund. These fees are described in each fund’s prospectus and are in addition to the fees you pay to StableRiver. However, when a StableRiver portfolio manager determines to invest assets of an individual discretionary client in a mutual fund for which it (or an affiliate) also acts as adviser and receives an investment advisory fee, generally the Firm will offset the mutual fund fee against the individual advisory fee.

Private Fund Fees vary by Private Fund and are described in each Private Fund’s offering memorandum.

Some of our supervised persons accept compensation via internal sales bonus for the sale of securities or other investment products, including asset-based sales charges from the sale of mutual funds, including affiliated funds which pay us an advisory fee.

This practice presents a conflict of interest and gives us and our supervised persons an incentive to recommend investment products based on the compensation received, rather than on a client’s needs. We address conflicts that arise, including disclosing the conflicts to clients. The Firm’s supervised persons do not typically talk with or promote products to individuals. Supervised persons talk with platform partners and advisors about potential investments and those firms’ supervised persons have the responsibility of assessing the needs of the end client. The Firm’s supervised persons do talk directly with institutional prospects and/or clients.

Clients have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with us.

## **ITEM 6 PERFORMANCE-BASED FEES and SIDE-BY-SIDE MANAGEMENT**

In certain instances, StableRiver may be compensated for investment advisory services based on a share of the overall account performance of all or a portion of client assets (an “incentive fee”). The terms of any incentive fee are based upon a negotiated arrangement with the client. StableRiver anticipates that such client relationships and arrangements will also pay “base fees” calculated on the market value of the assets under management. StableRiver will enter into an incentive fee arrangement only at a client’s request, and only if the client account qualifies for exclusion under Section 205 of the Investment Advisers Act of 1940, as amended (“Advisers Act”) and Advisers Act Rule 205(a)(1) or 205-3 relating to exemption from certain compensation prohibitions.

StableRiver does not currently have any clients with a performance based fee.

## **ITEM 7 TYPES OF CLIENTS**

StableRiver serves as sub-adviser to certain investment portfolios of a family of Mutual Funds known as the RidgeWorth Funds pursuant to written sub-advisory agreements with RidgeWorth. StableRiver advises or sub-advises common or collective trust funds, including those designed for investment by SunTrust Bank Wealth and Investment Management clients. StableRiver also provides investment advisory services to institutional clients including pension and profit sharing plans, educational endowments and related funds, public and private foundations, governmental entities, and other corporate entities as well as high net worth clients.

StableRiver may contract directly with the client for these services or may act as subadviser, including under contracts with SunTrust affiliates who have the direct contract with the client.

StableRiver provides investment advice directly to certain clients and indirectly to numerous clients of SunTrust Bank through a master intercompany sub-advisory and service agreement between StableRiver and SunTrust Bank.

StableRiver's basic fee schedules for investment advisory services and supervisory services for institutional separately managed accounts are generally subject to a minimum annual fee of \$10,000 and an initial asset base of \$10 million or more. However, fees and minimum initial set base amounts may be subject to modifications and negotiations to accommodate special client requirements.

## **ITEM 8 METHODS of ANALYSIS, INVESTMENT STRATEGIES and RISK of LOSS**

StableRiver invests primarily in high-quality taxable and tax-exempt securities of short to intermediate term maturities across all sectors of the bond market. The Firm generally invests in high quality, liquid securities. The Firm offers short to intermediate-term investment grade taxable bond portfolios, national and state-specific tax-exempt bond portfolios, and structured portfolios that integrate specialized strategies across the various fixed income sectors.

### **METHODS of ANALYSIS and INVESTMENT STRATEGIES**

Senior, investment professionals make up StableRiver's Investment Policy Group (IPG) and determine the Firm's position on interest rates and other macro-economic factors, providing a portfolio management frame work regarding duration, yield curve positioning, and sector allocation. StableRiver's portfolio management teams meet weekly with credit analysts and traders to execute the investment management process within parameters outlined by IPG and focus on security selection and portfolio construction. Portfolios are monitored daily in an effort to maintain consistency and compliance with firm and client guidelines.

StableRiver believes that a portfolio crafted by a team of experienced and talented professionals using a disciplined, active investment management process can provide benchmark-beating returns over time while maintaining an appropriate risk profile. StableRiver employs a time-tested, multi-faceted investment approach based on the four cornerstones of fixed income returns — duration management, yield curve positioning, sector allocation, and security selection.

StableRiver believes this multi-faceted approach, which combines top-down management with bottom-up security selection, affords clients the best possible diversification and portfolio return potential in a variety of economic environments.

An overview of the four cornerstones used in the Firm's investment management process is summarized as follows:

Duration Management – The Firm's investment professionals review domestic and global economic data in addition to expectations of Federal Reserve policy to develop a perspective for the direction in interest rates. Portfolio duration is adjusted based on the Firm's outlook in conjunction with client guidelines and our risk management policies.

Yield Curve Positioning – The Firm's investment professionals position maturities on the yield curve to benefit from relative changes in the term structure of interest rates. Yield curve strategy employs either a bullet, ladder or barbell structure, based on expectations of yield curve shifts, such as curve steepening or flattening.

Sector Rotation – The Firm’s investment professionals analyze spread relationships and the basis for risk premiums to determine relative value for various sectors. Portfolio managers rotate into sectors undervalued where sector or industry fundamentals are improving and look to reduce exposure to sectors deemed overvalued or where risks are not fully reflected in prices.

Security Selection – The Firm’s “bottom-up” security selection process combines the distinct talents of research analysts, traders and portfolio managers to identify the most appropriate securities based on each client’s investment policy guidelines. This process entails rigorous and independent assessment of such factors as fundamental credit analysis, security structural features and potential price volatility.

StableRiver maintains a Covered Issuer List for corporate issuers. Analysts may add an issuer to the Covered Issuer List with the approval of the Director of Credit Research. All issuers included on the List are assigned an internal credit rating by the appropriate sector analyst. A thorough review is made that includes an assessment of both quantitative and qualitative factors. These factors may include, but are not limited to, fundamental credit analysis, strategic analysis, equity analysis and relative value. Changes to internal ratings can be recommended by credit analysts at any time.

**FUNDAMENTAL ANALYSIS** - Analysts concentrate their efforts on analyzing industry trends and evaluating individual issuers. This includes a thorough analysis of among other things, an issuer’s financial statements, information from Nationally Recognized Statistical Ratings Organizations (NRSROs) such as Moody’s, Standard & Poor’s, and Fitch, industry publications, research services, and industry experts. Financial models are used to identify changes in financial profiles through ratio analysis and comparison to industry peers. Careful attention is paid to both quantitative as well as qualitative factors so that a complete analysis is undertaken. Qualitative factors include an assessment of a firm’s competitive position within an industry; management’s historical execution of stated business strategies, and outlook for growth. Fundamental analysis does not attempt to anticipate market movements. This presents a risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating a security.

**EQUITY ANALYSIS** - As part of the credit analysis process, analyst’s review a firm’s equity valuation and momentum. Analysis of equity price and volatility is done on both a relative and absolute basis. This element provides insight into how management may finance growth, whether they may de-lever the firm’s balance sheet or enhance shareholder value through activities such as dividends and/or share repurchase plans. When combined with pure fundamental research, equity analysis provides additional insight into a given issuer. This analysis assumes the same risk as fundamental analysis listed above.

**RELATIVE VALUE AND TECHNICAL ANALYSIS** - Securities are evaluated for purchase or sale based upon relative value for a given issue and issuer and then compared to industry peer’s and the universe of credit issuers. Analysts review technical factors including issue size, liquidity and market relevance. Analysis of relative value and technical factors enable StableRiver to better price risk and make informed credit decisions for the firm’s clients and their portfolios. Technical analysis assumes that all the market factors are known to and considered by all the market’s participants, although the market can act in irrational ways. Technical analysis purports to see repeatable patterns in similar market conditions, but any one of many factors may alter the outcome of an otherwise similar situation.

## SOURCES OF INFORMATION

Sources of information used by StableRiver include prospectuses; filings with the Securities and Exchange Commission; and company press releases; data and analytics services; financial publications; research materials prepared by industry experts; and nationally recognized statistical rating services. In addition to publicly available sources of information, StableRiver uses internal research developed by its investment professionals.

## RISK OF LOSS

All investments carry the risk of loss and there is no guarantee that any investment strategy will meet its objective. For investments in any pooled vehicles, please also refer to the prospectus, offering memoranda or other governing document that provides a more detailed discussion of strategies and risks. Depending on the type of security purchased in your account the following risks may be experienced:

**Interest Rate Risk:** Debt securities will generally lose value if interest rates increase. U.S. Government securities can exhibit price movements resulting from changes in interest rates. Interest rate risk is generally higher for investments with longer maturities or durations.

**Below Investment Grade Securities Risk:** Below investment grade securities (sometimes referred to as “junk bonds”) involve greater risk of default or downgrade and are more volatile than investment grade securities. Below investment grade securities may also be less liquid than higher quality securities.

**Credit Risk:** Debt securities are subject to the risk that an issuer will fail to make timely payments of interest or principal, or go bankrupt, or that the value of the securities will decline because of a market perception that the owner may not make payment on time. The lower the rating of a debt security, the higher its credit risk.

**Municipal Securities Risk:** Litigation, legislation or other political events, local business or economic conditions or the bankruptcy of the issuer could have a significant effect on the issuer’s ability to make payments of principal and/or interest or otherwise affect the value of such securities. The value of these securities may decline because of a market perception that the issuer may not make payments on time.

**Futures Contract Risk:** Risks associated with futures include: the ability to manage these instruments, the potential inability to terminate or sell a position, the lack of a liquid secondary market for the position, and the risk that the counterparty to the transaction will not meet its obligations.

**Leverage Risk:** Certain transactions and the use of derivatives such as swaps and futures may create leveraging risks. Leverage may cause the portfolio to be more volatile than if it has not been leveraged. This is because leverage tends to exaggerate the effect of any increase or decrease in the value of the portfolio securities.

**Short Sales, Leverage and Derivatives** - Short sales, leverage and derivatives all represent substantial risks given their inherent heightened risk of loss. Leverage and derivatives imply borrowing capital. When such borrowing is deployed, losses can escalate quickly should investments suffer even small losses. Short sales involve a finite opportunity for appreciation, but a theoretically unlimited risk of loss. Short positions are also subject to a “short squeeze” that could lead to accelerating losses for those that are short that particular security.

**Mortgage and Asset Backed Security Risk:** Mortgage and asset-backed securities are debt instruments that are secured by interests in pools of mortgage loans or other financial assets. The value of these securities will be influenced by the factors affecting the assets underlying such securities, swings in interest rates, changes in default rates, or deteriorating economic conditions. During periods of declining asset values, mortgage-backed and asset-backed securities may face valuation difficulties, become more volatile and/or illiquid. The risk of default is generally higher in the case of securities backed by loans made to borrowers with “sub-prime” credit metrics.

**Prepayment and Call Risk:** When mortgages and other obligations are prepaid and when securities are called, the Fund may have to reinvest in securities with a lower yield or fail to recover additional amounts paid for securities with higher interest rates, resulting in an unexpected capital loss.

**Foreign Securities Risk:** Foreign securities involve special risks such as currency fluctuations, economic or financial instability, lack of timely or reliable financial information and unfavorable political or legal developments and delays in enforcement of rights.

**Market Risk:** The success of client portfolio activities will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, commodity prices, economic uncertainty, changes in laws, trade barrier, currency fluctuations and controls, and national and international political circumstances. These factors may affect the level of volatility of securities prices and the liquidity of investments in client portfolios. Such volatility or illiquidity could impair profitability or result in losses.

**Potential Concentration:** Client portfolios may have highly concentrated positions in issuers engaged in one or a few industries. This increases the risk of loss relative to the market as a whole.

**ADR Risk:** If StableRiver invests in ADR's, it is subject to some of the same risks as direct investments in foreign companies. These include the risk that political and economic events unique to a country or region will affect those markets and their issuers.

**Extraordinary Events:** Global terrorist activity and United States involvement in armed conflict may negatively affect general economic fortunes, including sales, profits, and production, and may lead to depressed securities prices and problems with trading facilities and infrastructure.

**Market Liquidity Risks:** The value of securities held in client accounts and that are traded on exchanges and the risks associated with holding these positions vary in response to events that affect asset markets in general. Market disruptions such as those that occurred in 1987, September 2001, and more recently the Flash Crash in May 2010 could lead to violent price swings in securities held within client portfolios and could result in substantial losses.

**Increased Regulations:** Events during the past several years and adverse financial results have focused attention upon the necessity to maintain adequate risk controls and compliance procedures. These events have led to increased governmental and self-regulatory authority scrutiny of the financial industry. Various national governments have also expressed concern regarding disruptive effects of speculative trading and the need to regulate the markets in general. Any regulations that restrict the ability to employ, or broker-dealers and counterparties to extend, credit or restrict trading activities could adversely impact profit potential.

## ITEM 9 DISCIPLINARY INFORMATION

StableRiver is required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of StableRiver or the integrity of StableRiver's management.

StableRiver and its employees have not been involved in any legal or disciplinary events that would be material to a client's evaluation of the company or its personnel.

## ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES and AFFILIATIONS

RidgeWorth is a majority owned subsidiary of SunTrust, a publicly traded financial services holding company with which it has arrangements that you may consider material. StableRiver, a wholly owned subsidiary of RidgeWorth participates directly or indirectly through RidgeWorth in various inter-company agreements with SunTrust and its affiliates and other financial and operating business arrangements. Each affiliate arrangement is reviewed for possible conflicts of interest and controls and protections are instituted and supervised as necessary.

RidgeWorth Distributors LLC, an unaffiliated broker – dealer, distributes the RidgeWorth mutual funds and sponsors RidgeWorth personnel whose job responsibilities require their registration as a broker-dealer representative.

RidgeWorth, StableRiver and their management are not registered and do not have an application to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of these forgoing entities.

StableRiver has relationships with its affiliates that you may consider material. Please find these relationships below and an explanation of how we address any we consider present material conflicts of interest. There are other affiliated entities that fall within these and other categories that StableRiver does not have any arrangements with that would be considered material.

### 1. Broker-Dealers

StableRiver is affiliated with SunTrust Robinson Humphrey, Inc. ("STRH"), and SunTrust Investment Services, Inc. ("STIS"). Both STRH and STIS are subsidiaries of SunTrust and are registered broker-dealers. STIS is also a registered investment adviser. As a general policy, StableRiver does not transact client transactions using these affiliated brokers. However, in rare instances and only to the extent permitted by applicable law, these affiliates may, as broker, agent, or principal effect securities transactions for StableRiver clients. StableRiver may purchase (trading only through an unaffiliated broker) for its advisory clients securities for which STRH participates in the underwriting as long as it is not a violation of client guidelines, ERISA, SEC regulations, or otherwise not acceptable. Transactions are reviewed by compliance personnel to verify that STRH does not benefit directly or indirectly from the transactions.

### 2. Investment Companies

StableRiver sub-advises certain investment portfolios of the RidgeWorth Funds, which are distributed by RidgeWorth Distributors LLC. Broker dealers affiliated with StableRiver play a significant role and receive 12b-1 and other internal and external fees for selling interests in the RidgeWorth Funds. Service providers to the RidgeWorth Funds include State Street Bank and Trust Company (State Street Bank) for Fund Accounting, Fund Administration and Custody. Transfer Agency services are provided by Boston Financial Data Services, Inc.

RidgeWorth has entered into service or distribution arrangements with various platforms or other service providers or brokers (i.e. "intermediaries") whereby RidgeWorth makes payments to these intermediaries to help offset administrative expenses incurred in conjunction with the services they provide to clients who are shareholders of the RidgeWorth Funds or for marketing related activities. In general, these payments are very similar to a sub-transfer agency or servicing fee or 12b-1 fees; however, rather than being paid directly from the fund, they are paid from the adviser's own corporate profits.

### 3. Investment Advisers

StableRiver is affiliated, and has business relationships, with the advisory side of STIS. STIS acts as a placement agent for a product of the Seix Boutique and receives placement agent fees related to this product. StableRiver is affiliated, and has business relationships, with GenSpring Family Offices, LLC. SunTrust owns GenSpring Holdings, Inc. (GSHI), which owns GenSpring Family Offices, LLC, (GenSpring), previously named Asset Management Advisors, LLC. GenSpring is a registered investment adviser that conducts an investment/family wealth management/hedge fund business. In August 2007, GSHI acquired TBK Investments, Inc, a registered investment adviser, now called GenSpring Family Offices International, LLC. In accordance with a subadvisory agreement between GenSpring and RidgeWorth, RidgeWorth provides subadvisory services for a limited number of GenSpring clients.

#### **THE BOUTIQUES**

RidgeWorth is structured to provide discretionary and non-discretionary advisory and other services to clients through a series of five wholly owned subsidiaries and one minority owned adviser, each of which is a SEC registered investment adviser (collectively, the "Boutiques") that specializes in various categories of investment management.

Style	Boutique	Website
Tax Exempt and Short Duration Fixed Income	StableRiver Capital Management LLC	stableriver.com
Growth Equity	Silvant Capital Management LLC	silvantcapital.com
Special Equity	Certium Asset Management LLC	certiumllc.com
Value Equity	Ceredex Value Advisors LLC	ceredexvalue.com
High Grade and High Yield Fixed Income	Seix Investment Advisors LLC	seixadvisors.com
Aggressive Growth Equity	Zevenbergen Capital Investments LLC	zci.com

RidgeWorth provides such services principally through the Boutiques to market the various specialties separately and independently from one another. See Item 4 of Form ADV Part 2A of RidgeWorth and the Form ADV Part 2A of each Boutique for more details.

StableRiver has material business relationships with RidgeWorth. StableRiver has contracted with RidgeWorth to sub-advise and provide portfolio management, research and analysis, to specified client assets of RidgeWorth, including certain RidgeWorth Funds. StableRiver and RidgeWorth have entered into solicitation or referral agreements. StableRiver and RidgeWorth have entered into an administration agreement, (the "Administration Agreement") whereby RidgeWorth, in consideration for a periodic fee, intercompany credit, revenue share or dividend paid by StableRiver, provides StableRiver with certain back-office, administrative and other services, which may include, but is not limited to, services relating to finance, accounting, human resources, talent management, compliance, legal, technology, platform channel sales and service, marketing, wholesaling, and portfolio operations. Certain StableRiver officers and employees are also officers and employees of RidgeWorth and one or more or all Boutiques and accordingly RidgeWorth persons may perform certain of the above-mentioned activities on behalf of StableRiver or another Boutique in their capacity as a StableRiver or Boutique officer rather than under the Administration Agreement (e.g., Investment Committee, Broker Selection Committee or Proxy Committee). As described more fully in RidgeWorth's or the other Boutiques' Form ADV Part 2A, additional financial industry affiliations may apply to RidgeWorth or the other Boutiques, which are not discussed in this Item 10 of StableRiver's ADV Part 2A.

#### **4. Banking or Thrift Institution**

StableRiver is affiliated with SunTrust Bank, a Georgia banking corporation and banking subsidiary of SunTrust. StableRiver provides directly or indirectly various investment management related services to SunTrust Bank clients pursuant to an agreement between StableRiver and SunTrust Bank. SunTrust Bank acts as a placement agent for a product of the Seix Boutique and receives placement agent fees related to this product.

StableRiver has an agreement with SunTrust Bank who supplies general administrative and operational services including such items as office space, business insurance, tangible tax, workers compensation, mail services, facilities management, audit and internal control, human resources (including training), security, corporate procurement or purchasing, etc.

#### **5. Private Partnerships**

GenSpring Family Offices, LLC, ("GenSpring") is an affiliate of StableRiver. GenSpring provides investment supervisory services using private proprietary investment vehicles, including, but not limited to, domestic limited partnerships and hedge funds. The partnerships are "funds of funds" and GenSpring selects the sub-advisors. StableRiver has a related SEC-registered investment adviser including Boutique Seix Advisors LLC that manages Private Funds (e.g., limited partnerships and limited liability companies). Complete and accurate information about such Private Funds are available in the Form ADV for the related Boutiques. StableRiver clients may be solicited to invest in these Private Funds. Generally Private Funds managed by Boutiques are managed directly by the Boutique and not by RidgeWorth with delegation to a Boutique.

StableRiver is aware of, and has procedures to manage its fiduciary duties and any potential conflicts that may arise related to providing services through affiliates.

### **ITEM 11 CODE OF ETHICS, PARTICIPATION or INTEREST in CLIENT TRANSACTIONS and PERSONAL TRADING**

#### **CODE OF ETHICS**

StableRiver's foremost responsibility is the protection of client assets. StableRiver's Code sets forth the high ethical standards of business conduct that we require of our employees. All employees are expected to not only comply with the spirit and letter of all applicable laws, regulations and Firm imposed policies and procedures, but to also certify adherence to applicable regulations and policies. Training is conducted on a routine basis. Policies under the Code of Ethics include Code of Conduct, Personal Trading, Insider Trading, Conflicts of Interest, Political Contributions and Gifts and Entertainment. A copy of StableRiver Code of Ethics is available to clients and prospective clients upon request by contacting 404-845-7698 or via U.S. mail by writing StableRiver Capital Management LLC, 3333 Piedmont Road NE, Suite 1500, Atlanta, GA 30305.

As part of its high fiduciary standards, professional principles and conduct requirements, StableRiver must approve certain "outside" business activities, political contributions, personal trades and any other activity that may create a conflict or a perceived conflict of interest. Violations of the Code are addressed and resolved by the CCO and Management as quickly as possible. Sanctions for violations may include, but are not limited to personal trading restrictions, loss of compensation, fines, suspension, and termination.

Gifts and Entertainment-Gifts given or received must be nominal in value and reasonable in frequency, generally limited to \$100 per year per client. Entertainment is permitted if it is not excessive in value or frequency and fosters business relationships with potential or existing outside parties. Certain entertainment requires prior approval of the CCO and the CFO, such as sponsorship or event participation requests, tickets to special events, entertainment beyond one day, and participation in a seminar or conference. It is never permissible to give or receive season tickets to events, discretionary use of personal property, vacations or other excessive or lavish trips, golf membership dues, etc. Gifts and entertainment are reported on an ongoing basis and reviewed by a Compliance Analyst.

Insider Trading- StableRiver restricts sharing of information between StableRiver and other affiliates (the Corporate Banking division of SunTrust and the Mergers and Acquisition area of STRH) that may have material inside information on companies which we would invest in for client accounts. This separation is referred to as a Chinese Wall and it is a physical as well as ethical barrier between different divisions of a financial (or other) institution to avoid conflict of interest. A Chinese Wall is said to exist, for example, between the corporate-advisory area and the investment adviser to separate those giving corporate advice on takeovers from those managing clients' assets. The "wall" is designed to prevent leaks of corporate inside information, which could influence investment decision making, and allow staff to take advantage of facts that are not yet known to the general public. No employee is allowed "over the wall". Our systems are separate and do not allow sharing of access to information. Compliance reviews personal trading activities for unusual activity, emails are reviewed by compliance personnel and the Firm requires disclosure of any personal relationships within the industry.

Political Contributions- All employees are subject to pre-approval and quarterly reporting of all political contributions. StableRiver's policy is to only allow aggregate contributions of up to \$350 per election cycle to an elected official or candidate for whom the employee is entitled to vote; and aggregate contributions of up to \$150 per election cycle to an elected official or candidate for whom the individual is not entitled to vote.

## **PARTICIPATION or INTEREST in CLIENT TRANSACTIONS**

StableRiver and its affiliates may act as investment adviser or subadviser to numerous client accounts, including Funds. StableRiver and its affiliates may invest in securities it also recommends to clients and may give advice and take action with respect to any Funds or accounts it manages that may differ from action taken by StableRiver or its affiliates on behalf of other Funds or accounts. As these situations may represent a potential conflict of interest, StableRiver and its affiliates have adopted restrictive policies and procedures wherever deemed appropriate to seek to detect and mitigate or prevent potential conflicts of interest. StableRiver is not obligated to recommend, buy or sell, or to refrain from recommending, buying or selling any security that StableRiver, its affiliates or their respective Access Persons, as defined by the 1940 Act and by the Advisers Act, may buy or sell for its or their own account or for the accounts of any other client. StableRiver is not obligated to refrain from investing in securities held by Funds or accounts that it manages except to the extent that such investments violate the Code of Ethics ("Code") adopted by StableRiver or the RidgeWorth Funds. From time to time, StableRiver, its officers, directors and employees may have interests in securities owned by or recommended to StableRiver's clients. This includes interests in Funds (including Limited Partnerships, LLC's, etc.), that may invest directly or indirectly, in securities of issuers which StableRiver or another Boutique or its affiliates may purchase. As these situations may represent a potential conflict of interest, StableRiver has adopted procedures relating to personal securities transactions and insider trading, that are reasonably designed to prevent actual conflicts of interest.

In addition, the existence of intercompany arrangements, business relationships and investment practices between StableRiver, its parent company and affiliates creates the potential for conflicts of interest. StableRiver has adopted restrictive policies and procedures wherever deemed appropriate to seek to detect and mitigate or prevent potential conflicts of interest. Certain known conflicts and StableRiver's handling of such conflicts are disclosed below.

Restrictive policies and procedures for information protection, client account access, cross trading and trade allocations have been implemented. Information sharing restrictions and policies and procedures have been implemented to seek to protect client account information access.

StableRiver, directly or through RidgeWorth, may manage simultaneously parallel accounts in some cases with the same portfolio managers, with similar objectives, but with differing fees to RidgeWorth or StableRiver, in some cases performance based fees. RidgeWorth or StableRiver also may similarly manage simultaneously certain accounts which may hold short positions in a security for which other managed accounts are long. StableRiver's policy is to manage each account independently and fairly and recognizes and seeks to control the conflicts of interests inherent in such practices.

In general, StableRiver has a policy under which most investment advisory activities are generally autonomous from any investment or other securities activities of the SunTrust affiliated banks and companies. This investment philosophy is designed to prevent StableRiver's personnel from having knowledge of the business and investment activities carried on by those banks and companies for their own accounts, other than in a fiduciary capacity, and vice versa. To the extent that StableRiver advises or sub-advises client accounts for affiliates, StableRiver is responsible for and knowledgeable about such affiliates' client accounts, and certain affiliate personnel will receive information about StableRiver investment activity for the account. RidgeWorth trading and other personnel who provide administrative services to StableRiver under the Administration Agreement between StableRiver and RidgeWorth also will have information about StableRiver investments. Some StableRiver officers may also have officer titles at RidgeWorth or other Boutiques. StableRiver may, from time to time, unknowingly recommend the purchase or sale of securities in which SunTrust, or another affiliate, has a position or interest or does business. StableRiver's many affiliates with multiple lines of business make this likely.

Although certain business relationships and investment practices do exist between StableRiver and its affiliated broker-dealers, restrictive policies and procedures have been established wherever deemed appropriate to seek to mitigate/avoid conflict of interest issues. STIS is a dual broker-dealer and investment adviser and STRH is a broker-dealer. One or more of these affiliates or other affiliates could from time to time, as broker or agent, effect securities transactions for clients who happen to be investment advisory clients of StableRiver. In addition, STIS and STRH act as agents in private placements of securities for various issuers and STRH engages in equity and fixed income underwritings through its SunTrust Robinson Humphrey, Inc. division. In accordance with applicable regulatory requirements, StableRiver may purchase on behalf of its clients securities offerings to which an affiliate serves as lead underwriter or co-manager of an underwriting syndicate or member of an underwriting syndicate, or the use of proceeds of which is to repay a SunTrust related loan.

From time to time, due to regulatory requirements applicable to the various types of accounts managed by StableRiver, StableRiver may be restricted in investing in certain securities for its clients, due to an affiliate's participation in an underwriting or other financial advisory role. Compliance with these regulatory requirements may affect potential returns. It is StableRiver's policy not to conduct trades using an affiliated broker, but on occasion, StableRiver may utilize affiliates to execute principal and agency transactions, but only in accordance with the requirements of the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and related regulations as applicable, as well as client guidelines and restrictions.

For Fund clients, transactions with affiliated broker-dealers will be executed only pursuant to procedures adopted by the Board of Trustees of such investment companies under the Investment Company Act of 1940 Rules 17e-1 and 10f-3. Cross transactions for Fund clients are executed only in accordance with 1940 Act Rule 17a-7 procedures adopted by the Board. Under certain conditions, and upon specific client requests, purchases of a Fund portfolio may be executed through "in-kind" securities purchases in lieu of a cash purchase. Each client request and each security is individually evaluated to determine the feasibility and acceptability within StableRiver's and the Fund's policies and applicable regulations.

For ERISA clients, transactions with affiliated broker-dealers will be executed only as allowed in compliance with the Department of Labor's Prohibited Transaction Class Exemption 86-128. For accounts where StableRiver is delegated discretion pursuant to an intercompany agreement with SunTrust Bank, transactions with affiliated broker-dealers will be executed only as allowed in conformance with Section 23B of the Federal Reserve Act and other applicable laws or regulations.

SunTrust Banks, Inc. (Holding Company), SunTrust Bank, and Preferred Surety Corporation, each a StableRiver affiliate, own for their own proprietary accounts a significant number of shares of The Coca-Cola Company. As a result, StableRiver may have a conflict of interest in recommending or voting shares of this company, and has a policy of not recommending or voting such shares, or otherwise investing in securities issued by The Coca-Cola Company.

It is possible that StableRiver clients may invest with or otherwise have a financial interest in, or do material business with, one or more SunTrust affiliates. Unless directed by a client, StableRiver has a policy of not recommending, investing in, providing advice for or in any way attempting to influence separately managed account clients' investments in securities issued or guaranteed by SunTrust Bank or SunTrust Banks, Inc. or The Coca-Cola Company.

Certain StableRiver managed Funds and accounts whose investment mandates follow an established Index are exempt from the policy stated above due to StableRiver's obligation to follow the investment mandate or the index.

To the best of its abilities, StableRiver reviews and monitors each individual situation to ensure that all clients are adequately protected against conflicts of interest. With respect to voting proxies for any such companies, StableRiver follows the conflicts provisions described in its Proxy Voting policy designed to eliminate or minimize any such conflict. For more information, see Item 17. In the ordinary course of business, StableRiver may become aware of a SunTrust subsidiary's or affiliate's director who may sit on the board of an organization that may be an StableRiver client. StableRiver will review each situation if/when it becomes known, and take appropriate action as deemed prudent in order to avoid potential conflicts.

RidgeWorth serves as investment adviser to the RidgeWorth Funds, which offer investors a selection of fixed income and equity Funds. When appropriate, StableRiver or a SunTrust affiliate may recommend investment in these affiliated Funds. To the extent that a StableRiver client chooses to invest all or a portion of its account in an affiliated Fund, StableRiver typically does not charge an advisory fee, other than the Fund's embedded advisory fee, on assets invested in such Funds.

## **PERSONAL TRADING**

In accordance with SEC Investment Advisers Act of 1940, specifically rule 204A-1, and the Investment Company Act of 1940, specifically, rule 17j-1(b) (1), StableRiver has adopted a strict Code of Ethics ("The Code") that addresses personal and professional conflicts of interest, prohibits certain types of personal securities transactions, and is designed to avoid perceived or actual conflicts and prevent front running and possible insider trading abuses. The Code also establishes reporting requirements and enforcement procedures.

The Code includes all employees of StableRiver and certain contractors ("Access Persons") who may be located at any StableRiver office and have access to StableRiver's files and information. Access Persons are:

- Required to immediately report any violation of the Code to the Chief Compliance Officer.
- Required to initially/quarterly/annually submit the appropriate information, material, and documentation regarding all personal trading.
- Required to direct each brokerage firm or bank at which such Access Person maintains a securities related account which the Access Person has direct or indirect beneficial interest

in, to send duplicate copies of each person's confirmations and statement to the designated Firm Compliance Review Officer. In the case of accounts maintained at brokerage firms with electronic feeds, the confirmations and holdings information is sent electronically to the Firm's personal trading system

- Required in accordance with firm policies, to pre-clear and/or report personal transactions in their accounts. (Certain open/closed-end funds, cash/cash equivalent funds, indexes and government related securities may be exempt.)
- Prohibited from Market timing and late day trading as recently detailed by the SEC Prohibited from Short term trading. In general, all securities must be held for a period of 30 days or more.
- Restricted from trading certain securities during certain periods of time. These are referred to as "black out" periods and are designed as a means of protecting clients against employee front running and insider trading.
- May be restricted from specific styles of trading such as good-till-canceled orders, and may be restricted from specific types of investments such as IPOs and Private Placements.

The designated Compliance Review Officer reviews personal trading activity daily/quarterly/annually to determine if any individual violations occurred during that period.

Violations will be swiftly dealt with, and depending upon the seriousness of the infraction, StableRiver may impose one or more of the following:

- Verbal admonishment;
- Written acknowledgement from the Access Person that he/she has again reviewed, fully understands, and agrees to abide by all Firm Personal Trading Policy and Procedures;
- Written notice to the Access Person's personnel and compliance files and steps taken to ensure full compliance in the future;
- Fines and/or reversals of the transaction(s); (individual must accept all losses and any profits would go to a pre-determined Firm designated charitable organization.);
- Partial or full restriction on all personal trading;
- Suspension, termination of employment.

## **ITEM 12 BROKERAGE PRACTICES**

StableRiver generally has discretionary authority to determine, without obtaining specific client consent, the securities, the amounts thereof to be bought or sold and the broker used to conduct the trade. StableRiver may agree to accept and, once accepted, must adhere to client investment guidelines, but such guidelines may adversely affect the client's investment returns. At a client's request, StableRiver may provide non-discretionary investment management services.

### **SELECTION CRITERIA FOR BROKER/DEALERS**

The Firm places the interests of its clients first and as a result is committed to the practice of "best execution." The circumstantial and judgmental aspects involved in seeking best execution on a trade-by-trade basis generally are not quantifiable. The focus is on processes, disclosures, and documentation, which together, form a systematic and repeatable approach to seeking best execution in the aggregate.

Policy dictates that the Firm should execute securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances. The Firm will consider the full range of services in placing trades including, among other things, execution capability, transaction cost, financial responsibility, and responsiveness to the Firm.

Determining the quality of trade execution entails the evaluation of subjective, objective, and complex qualitative and quantitative factors. In the context of fixed income securities, the Firm defines best execution as an asset manager's determination and evaluation of the various circumstances under which the overall value of investment decisions for its clients with respect to those securities will be maximized, within the client's stated investment objectives and restrictions.

StableRiver's has a Best Execution Committee that is comprised of members of senior management and portfolio management of StableRiver. The Committee meets periodically and as a standard agenda item, evaluates the performance of broker-dealers executing transactions for clients' accounts.

The selection of a venue to execute client trades must be consistent with the Firm's fiduciary obligation to obtain the best execution for its client accounts. The Firm uses a wide range of brokers to effect client transactions, including full service broker-dealers and electronic communication networks. Portfolio Managers, traders and analysts proposing a new broker-dealer must complete a "Proposed for Addition" form which is submitted to the Firm's Best Execution Committee. The Committee will gather relevant data and information for the proposed broker-dealer, will review the Proposed for Addition form and other pertinent data prior to considering it for addition to the Approved Broker List (ABL). Once a broker-dealer has been added to the ABL, it will be monitored regularly and formally reviewed as needed, but at least on an annual basis. The review process will include an evaluation of the broker-dealer's (or its parent company's) financials, NRSRO ratings, and qualitative factors important to the broker-dealer's ability to provide best execution. Qualitative factors include, but are not limited to, the broker-dealer's ability to execute trades within a desired time frame, ability to execute in desired volume levels, ability to act on a confidential basis, ability to act with minimum market effect, willingness and ability to make a market in particular securities, quality of the broker-dealer's operations, the broker-dealer's reputation, the market knowledge of the broker-dealer, and its ability to execute difficult transactions in unique or complex securities. A broker-dealer may be removed or temporarily suspended from the list by the Best Execution Committee if: there has been no trading volume with that broker-dealer for the past year; the broker-dealer ceases to follow best practices in its dealings with the Firm; the broker-dealer has serious operational problems that affect the ability of the Firm to settle trades; the broker-dealer experiences a significant deterioration in financial strength; or the broker-dealer is identified during the review process as not adding sufficient value to justify retention on the list.

#### **TRADE ERRORS**

The Firm, in recognizing its fiduciary duty to its clients will, whenever possible, reallocate erroneous trades into a proprietary trade error account as soon as practical upon discovery of the trade. Clients will not be disadvantaged by a trade error resulting from actions of employees of the Firm.

#### **TRADE AGGREGATION**

As a fiduciary, the Firm has a duty to obtain best execution. Where securities are purchased on behalf of more than one client at the same time, the Firm must fulfill its duty to obtain best execution for all clients, and may not favor one client at the expense of another. The trading desk will attempt (to the extent appropriate, permissible and/or feasible) to aggregate multiple orders for the purchase or sale of the same security placed at or around the same time to achieve best execution with respect to all transactions being effected on behalf of client accounts. This "block" trading process includes pro-rata allocations of trades across all eligible accounts to promote fairness. Employee trades are not blocked with Client trades as StableRiver employees must use an outside broker to conduct personal trades which are subject to black-out periods to prevent employees from trading in front of StableRiver for its Clients. StableRiver may include proprietary accounts in such aggregate trades subject to its duty of seeking best execution and its Code of Ethics.

In general, the Firm will employ Bloomberg AIM to make certain fair and consistent allocation of trades occurs across all accounts. Allocations will be made prior to execution wherever feasible, and trades should be allocated no later than the end of the trading day on which they were executed.

Client accounts with the same investment benchmark should have similar investment positions as defined by the percentage of total market value. For efficiency purposes, StableRiver may use trade groups (or “account groups”) to facilitate trading in accounts with similar benchmarks and guidelines. A “trade group” is defined as a grouping of accounts that have the same (or nearly identical) benchmarks. Not every trade group or account may be eligible for a particular security due to, for example, investment strategy and portfolio considerations. Differences may also occur due to age of account, anticipated cash needs, client guidelines, etc.

In the event that a full allocation cannot be completed in a particular account, allocations may be made in odd lot sizes to allocate on a pro rata basis. In the unlikely event that a pro rata allocation is determined not to be feasible, the allocation may be made to a subset of eligible trade groups or accounts based on specific needs at the trade group or account level. Depending on the security, the purchase of a minimum par value may be required, therefore excluding certain accounts from receiving an allocation. Similarly, allocations to certain accounts may be made in amounts other than pro rata to meet the required minimum par amount.

StableRiver realizes such situations present inherent conflicts of interest and that certain StableRiver accounts may appear to be disadvantaged in specific instances. StableRiver, will however, at all times allocate trades on a basis believed to be fair and equitable. There is no established policy of allocating partial fills preferentially to any specific client or type of client (including affiliated mutual funds). Although certain clients or types of clients (including affiliated mutual funds) may have some characteristics including fewer restrictions and broader mandates that may cause them on occasion to receive allocations that other accounts do not. Similarly, certain trading groups, and highly customized accounts that do not fit within a trading group may be less likely to receive pro rata allocations of certain securities, including new issues, due to restrictions on such accounts or otherwise.

## **DIRECTED BROKERAGE**

StableRiver usually has discretion to select executing broker-dealers and to negotiate brokerage rates for securities transactions for clients’ accounts. However, clients occasionally restrict StableRiver from using a particular broker or request that StableRiver use a specified broker or dealer to effect transactions in an account as compensation for services provided directly or indirectly by the broker to the client; or client elects to execute trades themselves.

Specifying or restricting broker-dealers or client’s election to execute trades themselves may be inconsistent with obtaining best overall execution for a client transaction. Where a client directs or restricts the use of a particular broker-dealer, or broker-dealers, StableRiver may not be in a position where it can negotiate spreads or obtain volume discounts and best price may not be achieved meaning that such restrictions may affect returns. In addition, clients who direct StableRiver to use a particular broker-dealer or restrict StableRiver from using a particular broker-dealer may be prevented from participating in allocations of certain limited availability securities and from obtaining a portion of the allocation of new offerings through any such broker-dealers who are members of the offering underwriting syndicate.

Upon written client direction, StableRiver may execute trades through specified broker-dealers, but only with the client’s acknowledgement that such transactions may be entered on a best efforts basis, subsequent to StableRiver’s conventional trading model and use of block trades. This could materially and adversely affect the client’s return. StableRiver reserves the right not to use a directed broker-dealer if the Broker Dealer Selection Committee (also referred to as the Best Execution Committee) deems it in the best interests of the client. Moreover, StableRiver is not obligated to execute any brokerage transactions through a directed broker-dealer which is not on its approved broker-dealer list.

Although StableRiver will, as described above, accept written brokerage direction from a client, StableRiver does not engage in “directed” brokerage relationships under which StableRiver compensates brokers in exchange for client or business referrals.

The practice of directing brokerage commissions to particular broker-dealers in order to compensate them for selling fund shares is a practice the Firm believes poses significant conflicts of interest and may be harmful to the Firm, the RidgeWorth Funds and its shareholders. In addition, Rule 12b-1(h)(1) prohibits funds from compensating a broker-dealer for promoting or selling fund shares by directing brokerage transactions to that broker. The Firm, together with the RidgeWorth Funds, does not direct brokerage commissions to broker-dealers to compensate them for selling fund shares. This includes the practice of “stepping-out” trades to broker-dealers for selling fund shares.

#### **“SOFT DOLLAR” or RESEARCH/EXECUTION POLICY**

Brokerage activity is not used to pay for the costs of any services received, including, but not limited to investment strategies, research, news, quotation equipment, etc. Brokerage firms that StableRiver conducts brokerage transactions with on behalf of clients may provide StableRiver with unsolicited proprietary research.

### **ITEM 13 REVIEW of ACCOUNTS**

Portfolio Managers for each investment discipline determine the specific securities purchased or sold within a portfolio based on the investment discipline’s philosophy and process, as well as the Client’s investment policy guidelines. Portfolio Managers are thoroughly familiar with the client’s organization, philosophy, investment guidelines and objectives and continually evaluate all client relationships and verify portfolios are continuously serviced, monitored and supervised. The Portfolio Manager works with each client to make certain that the assets are invested in accordance with regulations and stated client and investment discipline guidelines.

RidgeWorth also provides investment oversight and analysis of StableRiver and other Boutiques activities. StableRiver is required to render regular reports to RidgeWorth for review and analysis of StableRiver’s discharge of responsibilities, including performance attribution evaluation and analysis.

Specific client guidelines and restrictions are coded into the compliance guideline system (Bloomberg) upon account opening and periodically reviewed and updated as appropriate. The compliance guideline system is designed to screen individual transactions to prevent trade allocations to accounts that do not comply with specific client or Firm guidelines.

StableRiver’s policy is to provide separately managed account clients of StableRiver quarterly reports listing current assets (as of the report date), which generally includes summary information of account activity since the previous report. Some clients request reports or meeting booklets that contain Portfolio Holdings, Portfolio Characteristics and Investment Performance. Other special reports are prepared when requested. The frequency of reports depends upon the investment style and agreed upon timeframe of the client; however, StableRiver’s general policy is to issue reports quarterly. You will receive statements from your custodian in addition to our reports. These reports will differ in presentation and type of information presented, but should be consistent in regards to assets, contributions and withdrawals.

Accounts are reviewed formally at least once a year at StableRiver to verify that account guidelines and objectives are being followed with regard to asset allocation, individual securities owned and other client specific factors. This review is performed by the Client Portfolio Manager or designee, reviewed by the Portfolio Manager with ultimate review by the Chief Investment Officer.

In addition, external events may trigger a non periodic account review or action by the Portfolio Manager. These include, but are not limited to:

- a change in the fundamentals or performance expectations of an security held in an account;
- a change in investment strategy;
- a change in the client's risk tolerance, income and cash needs, tax status, or any other changes in the client's profile;
- additions to or withdrawals from an account;
- a meeting with a client where their needs are reviewed and/or changed; or
- a material market or economic change

## **ITEM 14 CLIENT REFERRALS and OTHER COMPENSATION**

StableRiver may, on occasion, enter into solicitation agreements with individuals, financial intermediaries or others who may or may not be affiliated with StableRiver. All solicitation agreements will comply with Firm Policy and Rule 206(4)-3 under the Investment Advisers Act of 1940 and any other law as applicable. StableRiver currently has solicitation arrangements with RidgeWorth but currently does not have such arrangements with unaffiliated third parties. These solicitation arrangements, where applicable, require an affiliated solicitor to disclose such affiliation, and require a third party solicitor to provide each prospective client with a copy of adviser's Form ADV Part 2 and to disclose to the prospective client the nature of the arrangement between the solicitor and adviser. Payment to the solicitor by the adviser will not increase the general fees paid by the prospective client.

In compliance with applicable law, StableRiver or an affiliate may from time to time pay event attendance or participation or other fees, underwrite educational, charitable or industry events or provide gifts of value to, or at the request of, an organization or individual (including StableRiver affiliates) that, among other things: (i) offers or includes products or services of StableRiver or an affiliate in a particular program; (ii) permits StableRiver access to their financial advisors, brokers, employees, or other affiliated persons to provide training, marketing support, and educational presentations on products or services affiliated with StableRiver; and/or (iii) refers or has referred a client to StableRiver. StableRiver may obtain products and/or services from consulting firms separate and apart from any recommendations made to clients for StableRiver's investment services. Additionally, certain affiliated or third party institutions provide financial support on a voluntary basis for marketing, educational, and sales meetings of StableRiver or affiliates.

The amount of any such payments and those described below to or from StableRiver and affiliates may be substantial, may vary among recipients or payors, and may be higher for affiliates than third parties.

These payments pose conflicts of interest for the parties that receive them. A client should obtain from its intermediary any details of any such payments received by such intermediary from StableRiver or affiliates. This type of payment generally does not increase the product cost to clients.

SunTrust has adopted Incentive Plans pursuant to which officers and employees of the bank holding company and its subsidiaries may receive incentive compensation for referring investment management business to the subsidiaries of SunTrust Banks, Inc., including StableRiver. Clients referred to a SunTrust affiliate pursuant to these arrangements may become the indirect beneficiaries of investment advisory services provided by StableRiver to affiliate banks under StableRiver's contracts with affiliate. StableRiver may share with affiliates, or receive from affiliates or ex-affiliates, various internal credits or payments in connection with various service arrangements among such companies.

Currently, RidgeWorth maintains a “Fees for Services Program” (“FFSP”) in which, from its bona fide profits, RidgeWorth may pay fees for services to service providers/accounts/plans (including affiliates) which are intended to compensate those service providers for administrative services they provide to their clients who are shareholders of the funds affiliated with StableRiver, as such arrangements reduce administrative expenses of such funds. Additionally, certain RidgeWorth Funds may also pay fees for services to intermediaries which are intended to compensate those service providers for administrative services they provide to fund shareholders. In certain scenarios, this arrangement may reduce the amount to be paid by RidgeWorth as compensation for administrative services under a FFSP. FFSP payments are to be used by the service providers to offset administrative expenses of the service providers for those accounts/plans. Please refer to the Fund’s Statement of Additional Information for more information regarding these arrangements, including amounts and recipients.

RidgeWorth and/or its affiliates will make payments from their own capital resources or otherwise provide benefits to certain intermediaries (including affiliates) for marketing support services, or distribution activities including business planning assistance, educating dealer personnel about funds affiliated with RidgeWorth and shareholder financial planning needs, placement on the intermediary’s preferred or recommended fund company list, and access to sales meetings, sales representatives and management representatives of the dealer. These payments are made to compensate such intermediaries for marketing expenses they incur or to pay for the opportunity to have them distribute products or services affiliated with StableRiver. These payments are made to intermediaries that are registered as holders of record or dealers of record for accounts in funds affiliated with StableRiver. These payments are generally based on one or more of the following factors: average net assets of the funds affiliated with StableRiver that are attributable to that intermediary, gross or net sales of such funds attributable to that intermediary, reimbursement of ticket charges (fees that an intermediary firm charges its representatives for effecting transactions in shares of such funds) or a negotiated lump sum payment for services rendered.

StableRiver and its affiliates compensate intermediaries differently depending upon, among other factors, the level and/or type of marketing support provided by the intermediary. These payments are made by RidgeWorth, StableRiver and/or affiliates and do not increase the amount paid by clients of funds affiliated with StableRiver. Such payments may pose conflicts of interest as they provide incentives for financial intermediaries to make the products and services affiliated with StableRiver available to their customers, and may allow StableRiver greater access to such financial intermediaries and their customers than would be the case if no payments were made. Clients may wish to consider whether such arrangements exist when evaluating any recommendation to purchase products or services affiliated with StableRiver. Clients may ask their intermediary about any payments received from RidgeWorth, StableRiver and its affiliates. The Adviser or Funds may do other business not aimed at or tied to generating fund sales business (like trade execution or consulting) with persons who may sell, or whose affiliates may sell, the Funds’ shares.

Please also see Item 14 of each Boutique’s Form ADV Part 2A.

## **ITEM 15 CUSTODY**

StableRiver does not provide custodial services to its Clients. Clients select banks or registered broker-dealers that are “qualified custodians” to provide custody of Clients’ assets. However, under the SEC’s Custody Rule, StableRiver is deemed to have custody due to the fact that StableRiver can inform the custodian to remit investment advisory fees directly to StableRiver. In addition, SunTrust Bank, an affiliate of StableRiver provides custodial services to certain Clients. StableRiver receives an independent Report on Controls Placed in Operation and Tests of Operating Effectiveness (“SAS 70”) from SunTrust Bank which includes a review of custodial arrangements.

StableRiver has determined that it qualifies for exemption from the requirement of a surprise audit because it meets the prongs of the tests required under the Custody Rule for determining that it is “Operationally Independent” from SunTrust Bank, an affiliated custodian.

You should receive quarterly custodial statements directly from your qualified custodian. We urge you to carefully review those statements and compare the custodial records to the reports we provide you. Comparing reports will allow you to determine whether account transactions, including advisory fees, are proper. The information in our reports may vary from custodial statements based on accounting procedures, reporting dates or valuation of methodologies of certain securities.

## **ITEM 16 INVESTMENT DISCRETION**

StableRiver accepts discretionary authority from the client at the outset of an advisory relationship to manage assets in the client’s account. In all cases, however, such discretion is exercised, observing investment limitations and restrictions that are outlined in each account’s investment advisory agreement or investment policy guidelines. Client can place reasonable restrictions on StableRiver’s investment discretion. Examples of common restrictions are credit quality, social restrictions or those that prohibit us from buying specific companies. Investment guidelines and restrictions must be provided to StableRiver in writing. Such restrictions may impact performance.

For registered investment companies, StableRiver’s authority to trade securities may also be limited by certain federal securities and tax laws.

See Item 4 for additional information about discretionary and non discretionary services.

## **ITEM 17 VOTING CLIENT SECURITIES**

StableRiver is a fixed income manager and therefore will have limited need to vote proxies. However, there may be instances whereby StableRiver would need to vote because an equity or mutual fund security may be held in an account.

StableRiver will accept proxy voting responsibility at the request of a Client. Once StableRiver accepts proxy voting responsibility, generally Client will be allowed to request to vote their proxies on a particular solicitation and StableRiver will (if operationally possible) attempt to comply with the request. Where StableRiver is responsible to vote proxies for a client, StableRiver has a Proxy Committee (“Proxy Committee”) that includes personnel from RidgeWorth, StableRiver and each Boutique and is responsible for establishing policies and procedures designed to enable StableRiver to ethically and effectively discharge its fiduciary obligation to vote all applicable proxies on behalf of all discretionary client accounts and funds. Annually (or more often as needed), the Proxy Committee will review, reaffirm and/or amend guidelines, strategies and proxy policies for all domestic and international client accounts, funds and product lines.

StableRiver’s policy is to vote all shares per the StableRiver proxy policy unless the client chooses a custom policy. In the case that a ballot item is not covered under the policy or is coded as case-by-case in the Firm’s policy, a research analyst or portfolio manager will review the available information and along with his knowledge of the company, will make a vote recommendation to the Proxy Committee. The Proxy Committee members consider the information and recommendation and vote on that ballot item. As reflected in the StableRiver proxy policy, the Proxy Committee will affirmatively vote proxies for proposals that it interprets are deemed to be in the best economic interest of its clients as shareholders and beneficiaries to those actions.

Due to its diversified client base, numerous product lines, and affiliation with SunTrust Banks, Inc., and its subsidiaries, the Proxy Committee may determine a potential conflict exists in connection with a proxy vote based on the SEC guidelines. In such instances, the Proxy Committee will review the potential conflict to determine if it is material.

Examples of material conflicts of interest which may arise could include those where the shares to be voted involve:

1. Common stock of SunTrust Banks, Inc., The Coca-Cola Company, Inc., and/or other public corporate issuers with which either RidgeWorth or SunTrust Banks, Inc. or its affiliates, may have a similar significant on-going non-investment management associated relationship.
2. An issuer with a director, officer or employee who presently serves as an independent director on the board of RidgeWorth or SunTrust Banks, Inc. or any of its affiliates.
3. An issuer having substantial and numerous banking, investment, or other financial relationships with RidgeWorth, SunTrust Banks, Inc. or its affiliates.
4. A director or senior officer of RidgeWorth or SunTrust Banks, Inc. serving on the board of a publicly held company.
5. A direct common stock ownership position of five percent (5%) or greater held individually by the Firm, or in conjunction with RidgeWorth and SunTrust Banks, Inc. and/or its affiliates.

Although the Firm utilizes a pre-determined proxy voting policy, occasions may arise in which a conflict of interest could be deemed to be material. In this case, the Proxy Committee will determine the most fair and reasonable procedure to be followed in order to properly address all conflict concerns. The Proxy Committee may employ one or more of the options listed below:

1. Retain an independent fiduciary to vote the shares.
2. Send the proxy material to the client (in the case of mutual funds, the funds' shareholders) so he or she may vote the proxies.

Although the Firm does its best to alleviate or diffuse known conflicts, there is no guarantee that all situations have been or will be mitigated through proxy policy incorporation.

After an extensive review of established service providers considering factors such as size, experience and technical capabilities, StableRiver contracted with Glass Lewis & Co., as its agent to provide certain administrative, clerical functional recordkeeping and support services related to the Firm's proxy voting processes/procedures, which include, but are not limited to:

1. The collection and coordination of proxy material from each custodian for each StableRiver client's account(s);
2. The facilitation of the mechanical act of proxy voting, reconciliation, and disclosure for each StableRiver client's accounts(s), in accordance with StableRiver's proxy policies and the Proxy Committee's direction; and
3. Required recordkeeping and voting record retention of all StableRiver proxy voting on behalf of StableRiver clients.

Clients may view the StableRiver complete proxy policy at <http://www.ridgeworth.com/shareholders>. To obtain a copy of the complete proxy voting policies and procedures, or information about how StableRiver voted your proxies, please contact: StableRiver Capital Management LLC. Attn: Proxy Voting Committee Administrator, 3333 Piedmont Road NE, Suite 1500, Atlanta, Georgia, 30305, by telephone at 1.877.984.7321, or via e-mail at: [PMP.operations@ridgeworth.com](mailto:PMP.operations@ridgeworth.com).

*RidgeWorth Funds shareholders:*

Although another investment advisor may sub-advise some or all of these funds, all proxy votes are conducted by the Funds' adviser, RidgeWorth Capital Management, Inc. Shareholders of the RidgeWorth Funds may access fund related proxy voting information by calling 1.877.984.7321 or by visiting [www.ridgeworth.com](http://www.ridgeworth.com).

Class Actions, Bankruptcies and Similar Claims. Client will, should it choose to do so, and not StableRiver unless otherwise stipulated by law or written agreement, initiate and pursue all appropriate litigation claims and related filings in connection with the Account for class actions, bankruptcies, and similar claims. StableRiver will attempt to forward to Client materials it receives in this regard and will employ reasonable efforts to assist clients in responding to claims, but disclaims responsibility for any reasonable delays in transmission that may occur.

## **ITEM 18 FINANCIAL INFORMATION**

StableRiver has no financial commitment or condition that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.