



Signet Management USA, LLC

Form ADV Part 2A – Disclosure Brochure

Effective: October 15, 2012

This brochure provides information about the qualifications and business practices of Signet Management USA, LLC (“SMUSA”). If you have any questions about the contents of this brochure, please contact us at (571) 313-7840. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

SMUSA is registered as an investment adviser with the SEC. Registration of an investment adviser does not imply any specific level of skill or training.

Additional information about SMUSA is available on the SEC’s website at www.adviserinfo.sec.gov.

Signet Management USA, LLC
CRD No: 152989
1750 Presidents Street, Suite 240
Reston, VA 20190
Phone: (571) 313-7840

Item 2 - Material Changes

This Item is a summary of changes to the brochure and discusses only specific material changes that have been made to the brochure dated March 31, 2011. Below describes the changes made by Item.

Item 4 – Advisory Services

Due to a reorganization, Signet Management USA, LLC (“**SMUSA**” or the “**Firm**”) assumed the advisory responsibilities from Signet Capital Management LLC (“**SCM**”), effective January 1, 2012. Mr. Philip Boylan, previously a member, assumed the role of managing member of SCM. Throughout this document, references to SCM have been changed to SMUSA.

SGS liquidated its portfolio effective December 31, 2011, and therefore SMUSA only manages one hedge fund at this time, the Signet Global Fixed Income Fund, LP. References to Signet Global Securities Fund (“**SGS**”) have been removed throughout the brochure. There has been no change to the investment committee managing the day-to-day investments for Signet Global Fixed Income Fund, LP (“**GFI LP**” or the “**Fund**”).

In Q4 2012, SMUSA acquired an investment advisory team, formerly known as Burney Associates, LLC. With this management team, SMUSA has developed a separately managed account business in addition to managing GFI LP.

Assets under management (“**AUM**”) have been updated to reflect a current figure of \$85,648,367. In the previous year’s brochure, AUM was \$47,297,874.

Item 6 – Performance Based Fees

The entire paragraph describing performance fees for SGS has been removed due to the liquidation of the fund.

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

Under “*Investment Strategies*,” the paragraph regarding SGS has been removed due to the liquidation of the fund.

Item 12 – Brokerage Practices

The discussion on “*Investments in Affiliated Entities*” has been removed. Previously, this discussion was included due to SGS investing in affiliated hedge funds. Since SGS has liquidated, this discussion is no longer relevant. GFI LP does not invest in affiliated entities and has no intention to at this time.

At any time, you may view the current Firm’s brochure on-line at the SEC’s Investment Adviser Public Disclosure website at <http://adviserinfo.sec.gov>.

To review information for SMUSA,

- Click **Investment Adviser Search** in the left navigation menu and enter.
- Select the option for Investment Adviser Firm and enter **152989** (*our firm’s CRD number*) in the field labeled “Firm IARD/CRD Number”.
- ADV Part 1 will be displayed.
- This will provide access to Form ADV 1 and 2A.
- On the left navigation, Form ADV Part 2A is located near the bottom.

You may also request a copy of this Firm brochure at any time, by contacting us at (571) 313-7840.

Item 3 – Table of Contents

<u>ITEM 2 - MATERIAL CHANGES</u>	<u>2</u>
<u>ITEM 3 – TABLE OF CONTENTS</u>	<u>3</u>
<u>ITEM 4 – ADVISORY SERVICES</u>	<u>4</u>
<u>ITEM 5 – FEES AND COMPENSATION</u>	<u>5</u>
<u>ITEM 6 – PERFORMANCE-BASED FEES</u>	<u>6</u>
<u>ITEM 7 – TYPES OF CLIENTS</u>	<u>7</u>
<u>ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS</u>	<u>7</u>
<u>ITEM 9 – DISCIPLINARY INFORMATION</u>	<u>15</u>
<u>ITEM 10 – OTHER FINANCIAL ACTIVITIES AND AFFILIATIONS</u>	<u>15</u>
<u>ITEM 11 – CODE OF ETHICS, PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING</u>	<u>16</u>
<u>ITEM 12 – BROKERAGE PRACTICES</u>	<u>17</u>
<u>ITEM 13 – REVIEW OF ACCOUNTS</u>	<u>18</u>
<u>ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION</u>	<u>18</u>
<u>ITEM 15 – CUSTODY</u>	<u>19</u>
<u>ITEM 16 – INVESTMENT DISCRETION</u>	<u>20</u>
<u>ITEM 17 – VOTING CLIENT SECURITIES</u>	<u>20</u>
<u>ITEM 18 – FINANCIAL INFORMATION</u>	<u>20</u>

Item 4 – Advisory Services

A. Firm Information

Signet Management USA, LLC (“**SMUSA**” or the “**Firm**”), located in Reston, Virginia, was formed in 2007 as a Delaware limited liability company and has been providing advisory administrative services to Signet Capital Management, LLC (“**SCM**”). SCM, located in Miami, Florida, was established in January 2010 as the investment advisory firm, registered with the U.S. Securities and Exchange Commission (the “**SEC**”) effective February 26, 2010. Effective January 1, 2012, SCM succeeded to SMUSA under a reorganization. SMUSA is owned by the managing member, SCM. The members of SCM are Signet Investment Technologies, LLC, Noel Mills, Seymour Banks, Philip Boylan (managing member) and Richard Berman. In Q4 2012, SMUSA acquired an investment advisory team, formerly known as Burney Associates, LLC (“**Burney**”). With this management team, SMUSA has developed a separately managed account business in addition to managing Signet Global Fixed Income Fund, LP.

SMUSA is the U.S.-based investment management company of The Signet Group, a global fund of hedge fund managers. The Signet Group comprises companies, offices and personnel located within continental Europe, the UK, the U.S. and Hong Kong and manages assets for a range of institutional and other qualifying clients including banks, insurance companies, fund managers, pension funds, private wealth managers and family offices. The Signet Group oversees the management of investment vehicles created for both taxable and tax-exempt U.S. investors and its principal operations office is located at 1750 Presidents Street, Suite 240, Reston, Virginia 20190.

B. Advisory Services Offered

SMUSA-Managed Investment Products

SMUSA currently serves as the discretionary investment adviser to one private investment fund (commonly known as a “hedge fund”) – the Signet Global Fixed Income Fund, LP (“**GFI LP**” or the “**Fund**”). GFI LP is a limited partnership formed under the laws of the State of Delaware. GFI LP is a fixed income fund of hedge funds which commenced operations on February 1, 2007.

Through its affiliates, The Signet Group provides investment advisory and research services to the Fund, including advice regarding portfolio construction, manager searches, due diligence and monitoring.

Separately Managed Accounts

SMUSA provides investment advisory services and portfolio management mostly for individual investors but will also service the portfolios of small businesses, pension and profit sharing plans, trusts, estates, and charitable organizations. SMUSA specializes in long-term equity strategies, both U.S. and Global.

Domestic equities constitute the primary type of investment, though, at the client’s direction, non-equity investments are used to create income, provide stability, and enhance portfolio diversity. Bonds, preferred stocks, real estate investment trusts (REITs) and international equities are the major diversifying assets. However, how much to allocate to each asset category is much more than just a function of age. Temperament, investment experience, income requirements and an investor's true time horizon (*e.g.*, investing for themselves vs. their heirs) are integral. SMUSA does not exercise discretion or offer asset allocation advice, but will execute non-exclusive equity investment plans when directed to do so by a client.

Clients may place limitations on which securities may be purchased for their accounts. For example, investments in liquor or nuclear power companies may be prohibited.

SMUSA does not provide financial planning services and therefore does not offer asset allocation or market timing advice.

SMUSA provides customized portfolios as well as a target portfolio (“**TP**”). The TP provides a classic value-oriented approach, while a customized portfolio is more adaptive to each client’s specific situation.

C. Wrap-Fee Programs

SMUSA may receive business through wrap-fee programs of certain firms. SMUSA will manage the account in the same manner as other separately managed accounts. SMUSA will receive its standard management fee from the total wrap-fee charged to the client by the wrap-fee program of that particular broker/dealer. Currently, SMUSA does not participate in any wrap-fee program.

D. Assets Under Management

As of August 31, 2012, SMUSA managed approximately 85,648,367 in discretionary assets. SMUSA does not manage any non-discretionary assets.

Item 5 – Fees and Compensation

SMUSA-Managed Investment Products

Management Fees and Performance Fees. SMUSA has entered into an investment advisory contract with Signet Global Fixed Income GP, LLC (the “**General Partner**”) on behalf of the Fund. The Fund pays the General Partner the management fees as outlined in the Fund’s Private Placement Memorandum (“**PPM**”). SMUSA receives a portion of the management fees and performance-based incentive allocations from the General Partner. For additional information regarding the performance-based compensation, please see Item 6 of this brochure.

Details of the fee structure with respect to the Managed Investment Products are provided in the Fund’s PPM, which is provided to qualified investors prior to investing.

There will be no duplication of fees on investments within The Signet Group.

The management fees and performance-based incentive allocations are calculated monthly by the Fund’s administrator, SS&C Fund Services Ireland Limited. The calculations are reviewed and approved by SMUSA’s personnel prior to posting to the Fund’s records.

Other Fees. The Fund will bear all of its own operating expenses, including, without limitation, fees and expenses of the administrator and custodian; legal expenses; professional fees (including, without limitation, fees and expenses of consultants and experts); costs relating to the organizational documents; accounting, auditing and tax preparation expenses; taxes and governmental fees; printing and mailing expenses; fees and out-of-pocket expenses of any service company retained to provide accounting and bookkeeping services to the Fund; and all costs and expenses incurred as a result of the dissolution, winding up and termination of the Fund, if applicable.

In addition, the Fund will bear, through its investment in underlying funds, its *pro rata* portion of such underlying funds’ organizational, initial and ongoing offering, and operating expenses, including management fees (and performance fees, if applicable), brokerage commissions, expenses relating to short sales, clearing and settlement charges, interest expenses, borrowing costs and extraordinary expenses, to the extent such underlying fund is required to pay such fees according to its offering documents.

Separately Managed Accounts

Management Fees. Management fees are based on the market value of assets under management at the end of each quarter. Annual rates, charged quarterly, are:

Account value to \$500,000.....1.10%
On additional value over \$500,000.....0.90%
Minimum fee of \$1,500 per year

Portfolios employing an option trading strategy will be charged an annual rate of 1.25% on all assets under management.

Fees are payable after the end of each quarter in which services are provided. It is the choice of the client as to whether fees will be deducted from client's assets or whether the client will receive a bill. Fees are negotiable. The client may terminate services at any time by written notification.

Other Fees. Clients may incur certain fees or charges imposed by third-parties other than SMUSA in connection with investments made by SMUSA on behalf of clients. These fees and charges are separate and distinct from the fees paid to SMUSA and may include, but not be limited to: transaction related fees, IRA and Qualified Retirement Plan fees, interest charged on margin borrowing, bank service fees, interest charged on debit balanced, "spreads" imposed by brokers and dealers representing implicit transaction costs and transfer taxes. SMUSA is not responsible for and does not receive any portion of these fees or charges.

Item 6 – Performance-Based Fees

Performance Fees

With respect to the Fund, an incentive allocation is determined at the close of business on the last day of each calendar quarter. The General Partner, an affiliate of SMUSA, is entitled to receive such incentive allocation equal to a certain percentage of the excess, if any, of the net asset value ("NAV") of each series unit, but after the deduction of all other expenses, including the management fee, allocable to that series, over the prior high NAV of such series. The General Partner reserves the right to apply different performance-based percentage allocations and performance-based compensation arrangements to any investor in the Fund (including an affiliate of the General Partner), regardless of the class of units held by such investor, including, without limitation, by means of a rebate or the issuance of a new class of units, as may be agreed to by the General Partner and such investor, without prior notice to the other investors.

Since the performance-based incentive allocation will be determined on both realized and unrealized gains, the Firm may receive incentive allocations reflecting unrealized gains at the end of a month that are not subsequently recognized by the Fund. In general, the fact that a performance-based incentive allocation is based on capital appreciation may create an incentive for the Firm to make investments that are more speculative than would be the case in the absence of such a performance-based advisory fee. SMUSA's ability to receive a performance-based incentive allocation with respect to the Fund creates a potential conflict of interest because SMUSA and its supervised persons will have an incentive to favor the Fund over SMUSA's managed account clients who are not charged a performance-based fee. SMUSA minimizes this conflict of interest because the Fund and SMUSA's managed accounts follow very different investment strategies with little to no overlap in direct investments.

Allocation of Opportunities

Affiliates of SMUSA manage other hedge funds with similar investment styles that also pay the affiliated investment adviser a performance-based fee. This will create potential conflicts and potential differences among the affiliated funds, particularly where there is limited availability or limited liquidity for investments used in the similar investment style strategy. SMUSA has developed policies and procedures that provide for the allocation of investment opportunities among the affiliated funds in a manner that it considers, in its sole discretion, to be reasonable and equitable over time.

SMUSA will make allocations for the affiliated funds and other accounts with reference to various factors that may include, without limitation:

- relative sizes and expected future sizes;
- investment objectives and guidelines;
- risk tolerance;
- availability of other investment opportunities; and
- available cash for investment.

Although allocating orders among the Fund and other accounts may create potential conflicts of interest because of the interests of SMUSA, its affiliates, and their personnel or because SMUSA or one of its affiliates may receive greater fees or compensation from one of the account's allocated orders, SMUSA will not make allocation decisions based on such interests or greater fees or compensation.

Item 7 – Types of Clients

SMUSA's clients mainly include individuals, but will service pension and profit sharing plans, trusts, estates, and charitable organizations, as well as the hedge fund(s) it advises. The investor base of such hedge funds is diversified but primarily institutional investors, trusts, endowments, family offices and high net worth individuals, both U.S. and outside the U.S. A potential investor of the hedge funds must be a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (generally, an individual with \$5 million or more in "investments" or an entity with \$25 million or more in "investments").

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

SMUSA-Managed Investment Products

A. Methods of Analysis

The process of hedge fund selection is a three-step process involving fund identification, evaluation and, finally, selection. Throughout the process, our analysis focuses on four main areas relevant to the hedge fund manager: (i) its people; (ii) investment strategy and investment risk; (iii) fund-specific criteria; and (iv) business and operational risks.

SMUSA, and its affiliates, (together hereafter called "**Signet**") seek to generate superior investment returns within the parameters of capital preservation and systematic risk control. Signet has developed a four-fold investment process that combines "top-down" strategy allocation and "bottom-up" manager selection with a proprietary, systematic approach to portfolio construction and robust ongoing manager monitoring and evaluation. Signet positions itself both as an investment manager and as a risk manager, where the group seeks to manage risk across a number of different dimensions, evaluating and limiting manager-specific, strategy-specific and "fat tail" risks. Portfolios are stress tested and immunized against extreme market movements.

{01520139; 2; 7142-1 }

Sources of Information/Due Diligence Process

Signet has developed a proprietary due diligence process which includes three independent due diligence teams: (1) investment due diligence; (2) operations due diligence; and (3) risk due diligence. Signet engages in direct meetings and/or conference calls with the management of companies in which the Fund is considering making investments.

With respect to fund identification, Signet has created a “New Fund Tracker” database in which our analysts post fund materials, presentations, quant reports, private placement memoranda, etc. as well as meeting and call notes with each manager interaction. In conducting manager evaluations, Signet has developed a comprehensive due diligence questionnaire. We consider key structural risk areas, including factors such as independent valuation, authoritarian control and portfolio transparency. An integral part of the due diligence process is to meet with portfolio managers in their offices and to understand how their organizations are run. Investment decision making and control procedures are also evaluated, including, without limitation:

- the management balance between front, middle and back office;
- whether any individual exercises undue influence;
- what analysis, reporting and control systems are used;
- what price feeds are utilized;
- analysis of administrators, custodians and prime brokers;
- the likely impact of external stochastic shocks, (*e.g.*, in credit and liquidity); and
- the degree to which the business can expand based on current personnel levels and skills.

In addition to manager calls and visits, Signet requests certain documentation for both the underlying investment fund and the manager. Such documentation includes, but is not limited to, private placement memoranda, certificate of incorporation, audited financial statements and due diligence questionnaires with respect to an underlying fund, and pricing methodology, business continuity plan, articles of association and Form ADV.

We undertake systematic monitoring of each of the managers we invest in on an annual, semi-annual and monthly basis. Regular phone calls and/or e-mail correspondence are used to review portfolios and organizational changes and to discuss outlook.

B. Investment Strategies

GFI LP invests in underlying hedge funds with a diversified range of complementary fixed-income strategies. These may include investment-grade government and corporate bonds, high-yield bonds and convertible bonds; emerging-market securities; loan and debt participations; certificates of deposit, and non-investment grade and distressed securities. The Fund seeks to generate attractive risk-adjusted returns, while maintaining limited correlation to market movements affecting traditional asset classes. In addition, the Fund invests in credit and macro strategies.

The Fund may borrow up to 15% of the Fund’s NAV, through direct borrowings or through derivative instruments, or otherwise when deemed appropriate by the investment manager. An underlying fund may also employ a leverage strategy to varying degrees, which may include trading on margin, the use of derivative securities and other forms of direct or indirect borrowings.

For more information on the Fund’s investment strategies, please refer to the Fund’s PPM.

C. Risk of Loss

General Investment Risks. An investment in the Fund involves a high degree of risk which investors should carefully consider before investing. An investor should not invest in a Fund unless it can afford to lose all of its investment.

While the investment manager strives to attain the investment objective of the Fund through its extensive research and portfolio management skills, there is no guarantee of successful performance, that the investment objective can be reached or that a positive return can be achieved. As a general rule, investors can expect the investments with higher return potential will also have higher potential of risk of loss of capital or income. Prospective investors in the Fund should consider the following risks, which are not intended to be an exhaustive listing of all the risks involved in an investment in the Fund. Additional risk disclosures are provided in the Fund's PPM, which is provided to potential investors of the Fund and should be read prior to investing into the Fund.

Leverage. In order to increase its holdings in securities, the Fund or the underlying funds in which they invest, to the extent permitted by applicable law, may invest in derivative instruments that are inherently leveraged, including among others forward contracts, futures contracts, options, swaps, repurchase agreements and reverse repurchase agreements, and other instruments and transactions that are inherently leveraged, and borrow funds from brokers, banks and others, including its limited partners and the General Partner, for investment purposes, to satisfy redemption requests, to pay expenses, or for other purposes. Such borrowing may be made in the course of purchasing securities on margin or otherwise, and will increase the volatility of a Fund. The Fund may borrow up to 15% of its NAV.

Illiquidity. There may be restrictions on transferring an investor's interest in the Fund, that there is no secondary market for an investor's interest in a hedge fund and no secondary market is expected to develop. Because there are restrictions on the transferability and redemption an investment in the Fund, an investor may not be able to liquidate his or her investment promptly and may be required to bear the economic risk of its investment for an indefinite period of time.

In addition, the Fund is faced with this same illiquidity risk by investing directly in other hedge funds. Also, the underlying hedge fund investments may be difficult to value and are subject to investment specific price fluctuations as well as market conditions. No assurance can be given as to when or whether adverse events might occur which could cause significant loss in value of an underlying fund.

Separately Managed Accounts

A. Investment Strategies and Methods of Analysis

Our investment process combines top-down value/growth ("**Value/Growth**"), large/small market capitalization ("**Large/Small**") and sector ("**Sector**") allocation with bottom-up stock selection, and includes technical, behavioral and pattern recognition elements. Large/Small and Value/Growth allocations are derived through statistical analysis designed to assess and follow ongoing cyclical evolution of currently prevailing investment preferences. This analysis is overlaid by fundamental evaluation of macro- and micro-economic backdrops that may affect further evolution of market preferences.

Bottom-up analysis is based on quantitative evaluation of reported financial performance by thousands of companies representing various sectors of the U.S. and global economy. This analysis is supplemented by proprietary screening of financial reports for the telltale signs of potential data manipulation by the companies' management. Various third-party research and ratings (Columbine, Value Line, Investor's Business Daily) contribute to the bottom-up selection process, allowing the investment team to follow the evolution of investors' views on different companies.

Portfolio risks are mitigated by disciplined diversification and, for participating accounts, by options protection strategies - buying puts and/or selling covered calls.

See details below regarding our investment process.

TOP-DOWN: ALL MARKET CAP, VALUE/GROWTH AND SECTOR STRATEGY TARGET PORTFOLIO

The team employs changing cycles in which large vs. small and value vs. growth companies outperform/underperform as two major forces among the drivers influencing investment return. We follow the cycles in our portfolio management, but do not try to predict them. Our value premium and market cap analysis is combined with proprietary sector rating methodology based on the underlying individual companies' ratings. The equity investment team has been running its flagship All Market Cap Value/Growth and Sector strategy in combination with fundamental analysis of individual stocks since 2009, producing a reference target portfolio ("TP"). TP is a model portfolio consisting of 30-36 stocks. TP could have a substantial sector bias in comparison with any benchmark, and is aligned with major themes in the market. Besides quantitative inputs we also employ an active qualitative oversight of all the stocks in the portfolio.

Sector Allocations. We have a composite benchmark consisting of Russell 1000 and Russell 2000 Value and Growth Indexes. We tilt the weights of the Sectors based on our Value/Growth and Large/Small selections and our wrap-up Sector rating based on the underlying individual stocks' average ratings included in a particular Sector. We generally do not allow a deviation of more than 10% from the composite benchmark. We make Sector selections intentionally and rate Sectors based on the underlying stocks' individual ratings. We start with Russell 1000 and 2000 Value Growth Indexes and calculate Sector weights of the underlying benchmark based on our Value/Growth and Large/Small bias. Then we take into consideration economic cycle (GDP growth, contraction, etc.) and our Sectors rating and make Sector adjustments accordingly.

BOTTOM-UP:

Fundamental Factors. We observe how markets reward broader factor groups (value, growth, safety, profitability, and technical), and endeavor to understand how market shifts its preference from one group of factors to another in a particular economic sector and the strength of the shift. We use a combination of third-party ratings in order to reinforce our internal analysis.

Third-Party Ratings. The third-party ratings we use belong to well established providers with several decades worth of history and industry wide recognition. Among others are well known names like Value Line, Zacks, and Investor's Business Daily. The way we combine the ratings with the fundamental factor groups gives us a clear edge in understanding of market's preferences in relation to intrinsic value of individual companies we select for our portfolios.

OPTIONS STRATEGIES

Covered Calls: Synthetic Dividend. Covered calls can be an efficient and safe income generating strategy in the low dividend and interest rate situation we are experiencing at the moment. There are different ways the strategy can be implemented. For investors with \$500K to \$1 million in assets, we recommend an exchange traded fund ("ETF") based strategy, while for investors with \$1 million or more in assets we would suggest an individual equities portfolio enhanced with covered calls.

Implemented with ETFs. With a portfolio composed of ETFs, an investor receives market exposure. We still can control for size and style bets in the portfolio for the client. We generally sell options with an expiration date at least two months away; we trade on behalf of the account about six times a year. The strategy could be enhanced with a put or a leveraged short fund(s) for protection against market downturns.

Implemented with Individual Stock Portfolio. Our flagship equity products like the Target Portfolio consist of 30+ stocks. By having more than 30 stocks representing all the sizes, styles and economic sectors we seek to eliminate systemic risk (*i.e.*, the risk of losing due to overexposure to one company). With long-term capital appreciation in mind, we can add covered calls to this type of portfolio in order to generate an on-going income for our client. As a result, we not only seek to generate alpha in capital appreciation, but we also create a synthetic dividend. By writing calls we constrain the upside potential of the portfolio but generate income as a tradeoff.

B. Risk of Loss

There are certain significant risks inherent in our investment strategies and investment techniques. Such risks include, but are not limited to, those set forth below.

Dependence Upon the Investment Team. The success of our managed account investment strategies and investment techniques critically depends upon the skills and efforts of Eugene Y. Yashin, Kenneth Matthew Etter and Amy Lynn Johnson as the managed account investment team. In the event that Mr. Yashin, Mr. Etter and/or Ms. Johnson cease to be responsible for the accounts' investments for any reason, and although other investment personnel may be available to continue the operations, the Firm's operations could be adversely affected. Mr. Yashin, Mr. Etter and Ms. Johnson may have significant business responsibilities in addition to those of the Firm including, without limitation, the management of other accounts.

Limitations as to Investment Approach. The quantitative methodology reflected in our investment strategies is based, to a substantial extent, upon computer modeling. As with other quantitative trading systems, such systems depend upon back-testing of historical market data. Such historical analysis may indicate probabilities of price movements or relationships which are not necessary or inevitable or which may not necessarily recur in the future in a manner that will support profitable trading strategies. Future market conditions may or may not be sufficiently similar to that of prior markets to render such methodology effective. Investment prices in the future may reflect factors and considerations not present in prior markets. With a quantitative investment approach, individual positions may move against the overall portfolio, due to new information or factors not considered or duly weighted in the original system. Moreover, our methodology also involves elements of subjective analysis and judgment on the part of the investment team and therefore depends upon the investment team's skill and judgment. There can be no assurance that the investment team will successfully identify investment strategies that fulfill the investment objective of the accounts or that the implementation of such investment strategies will not cause the accounts to experience losses.

General Investment Risk. Our strategies' investments consist of securities we identify using our methodology. Since the strategies involve identifying securities which are generally undervalued (or, in the case of short positions, overvalued) by the marketplace, success of the strategies necessarily depends upon the market eventually recognizing such value in the price of the security, which may not necessarily occur. Portfolio positions may undergo significant short term declines and experience considerable price volatility. Equity and/or ETF positions may include speculative securities. Accordingly, investors must be prepared to assume the risks inherent in such speculative investments.

Trading Strategies May Not Be Successful. There can be no assurance that any trading method employed by the Firm will produce profitable results. Profitable trading is often dependent on anticipating trends or trading patterns. In addition, markets experiencing random price fluctuations, rather than defined trends or patterns, may generate a series of losing trades. There have been periods in the past when the markets have been subject to limited and ill-defined price movements, and such periods may recur. Any factor that may lessen major price trends, or cause markets to act out of accordance, or outside the bounds of historical behaviors (such as government controls affecting the markets) may reduce the prospect for future trading profitability. Any factor which would make it difficult to execute trades, such as reduced liquidity or extreme market developments

resulting in prices moving the maximum amount allowed in a single day, could also be detrimental to profits or cause losses. Increases in margin levels on securities (including options) may occur in the future. Such increased margin and other potential regulatory changes may adversely impact the trading strategies. No assurance can be given that the trading techniques and strategies of an account's investment vehicles will be profitable in the future.

Variations in Actual Results. Our target and customized portfolios make certain assumptions about the sale price of an investment which may not be able to be replicated in actual trading. For example, with respect to an investment purchased on behalf of an account on Day 1 and sold on Day 2, the algorithm driving the sale will assume a sale price based on the projected net asset value of the investment during Day 2. In actual practice, we must make the decision to sell on Day 2 at a specific time, which may or may not reflect the algorithm's projected NAV. This variation may cause actual trading results to differ from our models' projected results.

Alternative Investing Generally. Our investment strategies are designed for investors seeking potential long-term growth from alternate investments, who do not require regular current income and who can accept a high degree of risk in their investments. In view of, among other things, the strategies' flexibility to invest in a wide range of securities and instruments and to use a broad variety of investment techniques, the strategies may be deemed speculative in nature and are not intended to be a comprehensive investment program. The strategies are intended solely for sophisticated investors who are accustomed to and fully understand the risks of such investments and who are prepared to experience possible short term volatility and fluctuations in value in the interest of seeking superior long-term capital appreciation.

Option Trading. As the seller (writer) of a covered call option, the investor assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise option price. As the buyer of a put or call option, the investor risks losing the entire premium invested in the option if the investor does not exercise the option. As the seller (writer) of a put option, the investor will lose money if the value of the security falls below the strike price.

Concentration of Investments. The accounts' investment portfolios may, at times, be confined to the securities of relatively few issuers. Generally, portfolio positions will be limited to 6% or less of account market value (based on cost at time of investment). However, there will be no fixed limits regarding concentration as to issuers, industries, industry sectors, portfolio positions or types of investments. Certain strategies will rate investments between a few equities or ETFs which typically trade in an inversely correlated manner. By design, these strategies typically hold a higher percentage of account assets in these holdings (rotating between them). Any concentration necessarily increases the degree of exposure to a variety of issuer-related, industry or market risks. By concentrating investments in a small number of large security positions relative to capital, a loss in any such position could materially reduce an account's performance or asset base, to the extent not offset by other gains.

Price Volatility. Stocks and ETFs are inherently volatile. Such volatility may result in the value of an account's assets fluctuating from time-to-time more greatly than that of other investment vehicles which may be more diversified. There can be no assurance that our investment strategies or investment techniques, including hedging techniques, will be effective in protecting the accounts from such price volatility.

Investments with Limited or No Liquidity. We generally will limit our universe of possible trade candidates to equities which trade an average of 100,000 shares per day on average. However, we may invest in equities with lower trade volume. While we generally will trade in ETFs, we will not be limited by a minimum average volume of shares traded per day per ETF, due to the structure ETFs.

We may cause the accounts to take significant positions in particular securities which are relatively large as compared to their trading volume or overall market capitalization. Such positions may at times prove more difficult to sell in a timely or efficient manner and could thus impair to some extent an account's ability to fully

realize portfolio gains or limit losses. We do not generally limit investments to issues of any particular minimum capitalization and may, in fact, focus upon smaller capitalization stocks when such securities appear to afford greater appreciation potential. Such stocks often have less liquidity than large capitalization issues.

Leverage; Interest Rates; Margin. While leverage presents opportunities for increasing an account's total return, it has the effect of potentially increasing losses as well. Accordingly, any event that adversely affects the value of an investment, either directly or indirectly, could be magnified to the extent that leverage is employed. The effect of the use of leverage by the accounts in a market that moves adversely to the investments of the entity employing the leverage, could result in a loss to an account that would be greater than if leverage were not employed by the account. In addition, to the extent that an account borrows funds, the interest cost at which the account can borrow will affect the operating results of the account. The use of leverage in accounts organized as partnerships may result in certain investors, such as tax-exempt organizations, employee benefit plans and individual retirement accounts, recognizing "unrelated business taxable income" for Federal income tax purposes.

The use of short-term margin borrowings by the accounts may result in certain additional risks to the accounts. For example, should the securities that are pledged to brokers to secure an account's margin accounts decline in value, or should brokers from which the account has borrowed increase their maintenance margin requirements (*i.e.*, reduce the percentage of a position that can be financed), then an account could be subject to a "margin call," pursuant to which the account must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. The broker will typically have the right to liquidate an account's portfolio in certain circumstances. In the event of a precipitous drop in the value of the assets of the account, the account might not be able to liquidate assets quickly enough to pay off the margin debt and might suffer mandatory liquidation of positions in a declining market at relatively low prices. Similar risks may arise in connection with longer-term borrowings and certain derivative transactions.

General Risks Regarding Real Estate Securities (including REITs). There are special risk considerations associated with an investment in securities of companies principally engaged in the real estate industry, whether directly through investments in REITs or indirectly through ETFs holding REITs. These include:

- the cyclical nature of real estate values;
- risks related to general and local economic conditions;
- overbuilding and increased competition;
- increases in property taxes and operating expenses;
- demographic trends and variations in rental income;
- changes in zoning laws;
- casualty or condemnation losses;
- increased rate of default and foreclosures;
- environmental risks;
- regulator limitations on rents;
- changes in neighborhood values;
- related party risks;
- changes in the appeal of properties to tenants; and
- increases in interest rates and other real estate capital market influences.

Generally, increases in interest rates will increase the costs of obtaining financing, which could directly and indirectly decrease the value of such investments.

Real Estate Investments Are Illiquid. Investments in real estate or interests in real estate are highly illiquid and subject to industry cyclicality, downturns in demand, market disruptions and the lack of available capital for potential purchasers. Accordingly, there can be no assurance that accounts will be able to realize on such investments in a timely manner or that there will be purchasers of commercial space or residential units that meet {01520139; 2; 7142-1 }

the accounts' investment objectives. In some cases, the ability to dispose of projects may be hampered by the need to obtain governmental approvals or authorizations.

Real Estate Equity Investments. Equity interests in real estate are generally incident to the ownership of real property. In addition, the accounts' ownership of equity interests in real estate may have tax consequences for certain investors that do not apply in the case of the ownership of debt interests in real estate.

Foreign Investments. A portion of the accounts' assets may consist of foreign investments, which may include foreign or domestic equity securities denominated in foreign currencies and/or traded outside of the United States. Such investments require consideration of certain risks typically not associated with investing in U.S. securities or property. Such risks include, among other things, trade balances and imbalances and related economic policies, unfavorable currency exchange rate fluctuations, imposition of exchange control regulation by the United States or foreign governments, United States and foreign withholding taxes, limitations on the removal of funds or other assets, policies of governments with respect to possible nationalization of their industries, political difficulties, including expropriation of assets, confiscatory taxation and economic or political instability in foreign nations.

There may be less publicly available information about certain foreign companies than would be the case for comparable companies in the United States and certain foreign companies may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of United States companies. Securities markets outside the United States, while growing in volume, have for the most part substantially less volume than U.S. markets, and many securities traded on these foreign markets are less liquid and their prices more volatile than securities of comparable U.S. companies. In addition, settlement of trades in some non U.S. markets is slower, less systematic and more subject to failure than in U.S. markets. There also may be less extensive regulation of the securities markets in countries other than the United States.

Transaction Execution and Costs. As a result of our investment methodology, the accounts' portfolios are likely to include short-term holdings (which may comprise a significant portion of the accounts' portfolios) and, consequently, the accounts will experience a relatively high volume of trading activity. In addition, in many cases relatively narrow spreads may exist between the prices at which the accounts will purchase and sell particular positions. The successful application of our methodology will therefore depend, in part, upon the quality of execution of transactions, such as the ability of broker-dealers to execute orders on a timely and efficient basis. Although we will seek to utilize brokerage firms which will afford superior execution capability to the accounts, there is no assurance that all of the accounts' transactions will be executed with optimal quality. Furthermore, on account of the degree of trading, total commission charges and other transaction costs may be expected to be high. The level of commission charges, as an expense of the accounts, may therefore be expected to be a factor in determining future profitability of the accounts.

Limitations on Hedging Strategies. If we determine to offer one or more model portfolios that employ dynamic hedging to bring these portfolios (and the accounts following them) close to market neutral, we may employ certain hedging techniques, principally short selling of appropriate ETFs, or going long of inverse ETFs (especially in long only models and accounts), directed primarily toward general market risks. Hedging against a decline in the value of a portfolio position through short selling or other techniques does not eliminate fluctuations in the values of portfolio positions, or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the overall portfolio value. Such hedge transactions, however, also limit the opportunity for gain if the value of the portfolio position should increase. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio position being hedged may vary. Insufficient correlation between hedged and hedging positions may not only result in failing to protect the accounts against the risks sought to be hedged but may actually increase the magnitude of overall loss in the event of losses in the hedging positions.

For a variety of reasons, we may not seek or be able to establish a sufficiently accurate correlation between such hedging instruments and the portfolio holdings being hedged. Moreover, we may not necessarily endeavor to hedge the accounts' portfolios whatsoever. As a general matter, the accounts' portfolios will be exposed to basic issuer risk and other risks attendant to its investment strategies and to particular positions, which risks will not be generally hedged.

Overall Investment Risk. All securities investments risk the loss of capital. The nature of the securities purchased and traded by the accounts and of the investment techniques and strategies we employ may increase this risk. Many unforeseeable events, including, but not limited to, actions by various government agencies, such as the Federal Reserve Board, and domestic and international economic and political developments, may cause sharp market fluctuations which could adversely affect the accounts.

Any past successes with our investment methodology cannot assure future results. There can be no assurance that: the investments or investment techniques we employ for the accounts will achieve the accounts' investment objectives; the accounts will be profitable; or the accounts will not incur losses.

Item 9 – Disciplinary Information

There are no legal, regulatory or disciplinary events involving SMUSA or any of its employees.

Item 10 – Other Financial Activities and Affiliations

As noted in Item 4, SMUSA is an investment adviser within The Signet Group, which is a fund of hedge funds manager. The Signet Group consists of the following entities:

- Signet Capital Management Limited (“**Signet UK**”) is an investment manager based in the United Kingdom and authorized and regulated by the Financial Services Authority. Signet UK serves as the investment manager to several affiliated offshore fund of funds.
- Signet Research & Advisory S.A. (“**SRA**”), Lausanne, Switzerland, a Swiss limited company which undertakes investment research, manager due diligence, risk management and portfolio construction for Signet funds. SRA is authorized and regulated by the Swiss Federal Department of Finance as a financial intermediary.
- SMUSA.

Signet UK provides certain investment advisory and research services to SMUSA for the benefit of the Fund, including but not limited to advice regarding portfolio construction, manager searches, due diligence and monitoring. Signet UK retains the services of SRA. It is generally expected that in most cases SMUSA and the investment committee will follow the advice of Signet UK in selecting managers.

The affiliated advisers of SMUSA manage the following private funds:

- Signet Global Fixed Income Fund;
- Signet Global Equity Fund;
- Signet Emerging Opportunities Fund;
- Signet Global Credit Fund;
- Signet Global Multi-Strategy Fund; and
- Signet Macro Fixed Income Fund.

Affiliates of SMUSA also manage a UCITS IV compliant platform of single and multi-strategy funds, domiciled in Ireland.

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

Code of Ethics

SMUSA has adopted a Code of Ethics (the “**Code**”) for the purpose of instructing its personnel in their ethical obligations and to provide rules for their personal securities transactions. SMUSA and its personnel owe a duty of loyalty, fairness and good faith towards clients, and the obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code. The Code covers a range of topics that may include:

- general ethical principles;
- reporting personal securities trading;
- exceptions to reporting securities trading;
- reportable securities;
- initial public offerings and private placements;
- reporting ethical violations;
- distribution of the Code;
- review and enforcement processes;
- amendments to Form ADV; and
- supervisory procedures.

SMUSA has written its Code to meet and exceed regulatory standards. Copies are available upon request.

Participation or Interest in Client Transactions

Signet may engage in activities in the normal course of its investment business that may conflict with the interests of the investors in GFI LP. For example, Signet may manage or control an underlying fund or other investment in which the Fund invests. Signet may provide services to, invest in, advise, sponsor and/or act as investment manager to investment vehicles and other persons or entities (including prospective investors in the Fund) which may have similar structures and investment objectives and policies to those of the Fund, which may compete with the Fund for investment opportunities, may invest in the same underlying funds as the Fund, and which may co-invest with the Fund in certain transactions.

The company and officers and portfolio managers of SMUSA may buy or sell the same securities that they buy or sell for their separately managed accounts. Our policy is that portfolio managers buy after buying for clients and sell after selling for clients. They are required to disclose their personal transactions at the end of each quarter when employee transactions are compared with those of the clients to ensure adherence to the company’s personal trading policy.

The foregoing regarding personal transactions is part of the Firm’s Code.

Material Non-Public Information

From time to time, Signet may come into possession of material non-public information concerning certain companies. Under applicable securities laws, this may limit SMUSA’s flexibility to buy or sell portfolio securities issued by such companies. The Fund’s investment flexibility may be constrained as a result, which could have a material adverse effect on the Fund’s performance. SMUSA has established procedures to prevent the misuse of material, nonpublic information by SMUSA and its officers and employees. Any officer or

{01520139; 2; 7142-1 }

employee of SMUSA who fails to observe this policy risks serious sanctions, including dismissal and personal liability.

Item 12 – Brokerage Practices

Investment or Brokerage Discretion for SMUSA-Managed Investment Products

SMUSA and its affiliates are responsible for placing all orders for the purchase and sale of securities for the Fund. There are no limitations on the securities or amount of securities to be bought or sold other than the restrictions listed in the Fund's PPM.

As described in Item 4 “*Advisory Services*”, the Fund invests directly in other hedge funds and not through broker/dealers; therefore, there are no opportunities for SMUSA to direct activity to certain broker/dealers, recommend certain/broker dealers, determine the commission which to be paid or receiving products or research services through such broker dealers.

Investment or Brokerage Discretion and Aggregation of Trades for Separately Managed Accounts

Investment or Brokerage Discretion. SMUSA participates in the institutional adviser program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA (“**TD Ameritrade**”), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers certain services to independent investment advisers, which including custody of securities, trade execution, clearance and settlement of transactions.

As part of its fiduciary duties to clients, SMUSA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by SMUSA or its related persons in and of itself creates a potential conflict of interest and may influence SMUSA's choice of TD Ameritrade for custody and brokerage services, but has no effect on our “best execution” responsibility.

While the client selects the brokerage, we are sometimes asked to suggest one. Suggestions are based on:

- the broker's commission rates;
- accuracy and responsiveness in effecting transactions;
- clarity of monthly statements; and
- and proximity of the broker to the client.

Reasonableness of commissions is determined by comparing the rates of various brokerages. All transactions for a given client are executed through the broker selected by the client. Clients who select a broker not suggested by us may be charged higher commission rates than those clients selecting one of our recommended brokers.

When a broker refers a client, brokerage fees will be as arranged between the broker and the client. All transactions for the client are directed to the referring broker. This may result in the client being charged higher fees than other SMUSA clients. Referral arrangements with broker-dealers create a conflict of interest for the Firm because we have an incentive to select or recommend a broker-dealer based on our interest in receiving client referrals rather than our clients' interest in receiving most favorable execution.

Aggregation. Orders for the purchase and sale of securities are sometimes aggregated. This procedure has no effect on our recommendations regarding the selection of brokers, all clients are eligible to participate in aggregated trades, and such trades have no effect on commissions.

When orders for clients' accounts are aggregated and less than the total number of shares in the block trade are purchased or sold at the price specified, allocations are made to clients' accounts on a random basis. No client is favored over another.

Item 13 – Review of Accounts

SMUSA-Managed Investment Products

With respect to SMUSA-Managed Investment Products, please refer to the due diligence process described in Item 8 for details.

Separately Managed Accounts

For separately managed accounts, emphasis is on the review of stocks held by clients. Stocks are analyzed bi-weekly by the investment management team. The major purpose of reviews is to compare market prices with values as determined by our analyses. These analyses are used to structure clients' portfolios in accordance with policies and clients' instructions. A monthly summary of each account is provided by the brokerage/custodial firm administering that account.

The portfolio manager provides a written quarterly report to the client citing the management fee charged, the value of the assets upon which the fee is based, and the fee schedule.

Reviews are also conducted upon a client's request.

Item 14 - Client Referrals and Other Compensation

A. Compensation Received by SMUSA

As disclosed above under Item 12 "*Brokerage Services*", SMUSA participates in TD Ameritrade's institutional customer program with respect to its separately managed accounts and SMUSA may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between SMUSA's participation in the program and the investment advice it gives to its clients, although SMUSA receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount):

- receipt of duplicate client statements and confirmations;
- research related products and tools; consulting services;
- access to a trading desk serving SMUSA participants;
- access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts);
- the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information;
- access to mutual funds with no transaction fees and to certain institutional money managers; and
- discounts on compliance, marketing, research, technology, and practice management products or services provided to SMUSA by third party vendors.

Some of the products and services made available by TD Ameritrade through the program may benefit SMUSA but may not benefit its client accounts. These products or services may assist SMUSA in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made

available by TD Ameritrade are intended to help SMUSA manage and further develop its business enterprise. The benefits received by SMUSA or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, SMUSA endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by SMUSA or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the SMUSA's choice of TD Ameritrade for custody and brokerage services.

Certain clients of Burney were referred by TD Ameritrade through Burney's participation in TD Ameritrade AdvisorDirect prior to joining SMUSA. TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisers. Currently, SMUSA does not participate in TD Ameritrade's AdvisorDirect program; however, with respect to prior clients of Burney, SMUSA will pay TD Ameritrade an on-going fee. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to SMUSA ("**Solicitation Fee**"). SMUSA will not charge these clients any fees or costs higher than its standard fee schedule.

B. Client Referrals from Solicitors

From time to time, Signet enters into arrangements pursuant to which certain persons and entities may be compensated, directly or indirectly, for referring clients to the Fund or its affiliates. To the extent deemed applicable, such arrangements are entered into in accordance with the terms and conditions of Rule 206 (4)-3 under the Investment Advisers Act of 1940, as amended. Referral fees may vary and may include either fixed or annual fees, or may depend upon the total amount of the assets referred and ultimately managed by Signet. Clients are advised of the nature of applicable arrangements prior to the referral. Investors in the Fund who are introduced to SMUSA pursuant to such arrangements are not charged any additional advisory fees or other amounts as a result of the referral fee arrangements.

In addition, the underlying funds in which the Fund may invest may pay finder's fees in respect of solicitors of the Fund, and the finders may be affiliates of SMUSA, and such finder's fees will not be shared with the Fund.

Currently, SMUSA has entered into referral arrangements with four third-party entities whose clients invest in GFI LP. Such entities are paid directly by SMUSA out of the management fees earned a fixed rate on assets referred or flat fee according to the solicitor's agreement.

Item 15 – Custody

SMUSA-Managed Investment Products

An affiliate of SMUSA is considered to have custody based on its relationship to the Fund. Signet Global Fixed Income GP, LP, an affiliate of SMUSA, serves as the general partner to the Fund. Under SEC regulations, the General Partner is deemed to have custody over the limited partnership. The Fund has engaged a third-party administrator to perform certain functions, including managing its books and records and delivering statements to the investors of the Fund. The Fund maintains a custody account a qualified custodian, HSBC Institutional Trust Services (Ireland) Limited. The Fund also intends to send out annual audited financial statements to investors in accordance with regulation.

Separately Managed Accounts

SMUSA will not maintain physical possession of the funds or securities of any separately managed investment advisory client. SMUSA has entered into an agreement with a brokerage firm that serves as custodian for each

client account. The preferred custodian for SMUSA is TD Ameritrade (see Item 12 “*Brokerage Practices*” above for more details).

All clients receive statements of account holdings from their account custodian no less frequently than quarterly, and in most cases, monthly. Such statements should be reviewed carefully by clients. Should additional statements be sent to clients which have been produced by SMUSA, we encourage you to compare our listing of your holdings with those on the custodian/brokerage statements.

While SMUSA does not have custody of client funds or securities, payments of fees may be paid by the custodian from the custodial brokerage account that holds client funds. Prior to permitting direct debit of fees each client provides written authorization permitting fees to be paid directly from the custodian.

Item 16 – Investment Discretion

SMUSA-Managed Investment Products

SMUSA has discretion over the selection and amount of securities to be bought or sold on behalf of the Fund within the Fund’s investment guidelines as outlined in the PPM.

Separately Managed Accounts

SMUSA obtains a Limited Power of Attorney (LPOA) from each new client that gives them discretionary authority to manage securities. The client directs the total amount to be invested in securities. Clients may place limitations on which securities may be purchased for their own accounts. For example, investments in liquor or nuclear power companies may be prohibited. SMUSA does not offer asset allocation advice but will execute non-exclusive equity investment plans when directed to do so by the client.

Item 17 – Voting Client Securities

SMUSA-Managed Investment Products

With respect to the SMUSA-managed investment products, SMUSA does not vote proxies. Currently, the investments in which the fund invests do not issue proxies. Should an SMUSA-managed investment product directly invest in companies, SMUSA shall develop procedures for voting proxies on behalf of the fund.

Separately Managed Accounts

SMUSA does not accept proxy voting authority with respect to securities held in clients’ separately managed accounts. Consequently, all proxy solicitations will be sent directly to clients for voting. In the event a proxy solicitation is sent to SMUSA on behalf of a client, SMUSA will forward the solicitation to the client’s address of record immediately so that the client may cast their vote. SMUSA will provide a voting recommendation upon client request, but will not under any circumstances take responsibility for casting a client’s vote.

Item 18 – Financial Information

Not applicable.