

## Firm Brochure ADV Part 2A

March 06, 2013

### Item 1. Cover Page

This Brochure ("Form ADV Part 2A") provides information about the qualifications and business practices of Parkview US LLC ("Parkview US"). Parkview US is registered as an investment adviser ("RIA") with the United States Securities and Exchange Commission (the "SEC") under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). If you have any questions about the contents of this brochure, please contact us by telephone at 1-212-510-8477 or by e-mail at [info@parkview.us.com](mailto:info@parkview.us.com).

The information in this brochure has not been approved or verified by the SEC or by any state securities authority. Additional information about Parkview US is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). There is no specific level of skill or training required to become a registered investment adviser with the SEC.

### Item 2. Material Changes

The last version of Parkview US's Brochure was made in June 2012. No material changes have been made to this brochure since the last version.

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## Item 4. Advisory Business

### Firm Description and Principal Owners

Parkview US LLC ("Parkview US" or "we"), a Delaware limited liability company based in New York City, provides investment advisory services mainly to international clients. Parkview US was formed on November 21, 2011, and is wholly owned by Parkview Ltd., a Swiss corporation based in Zurich. Parkview Ltd. is a registered investment adviser with the SEC under CRD number 160171. Parkview Ltd. controls Parkview US.

### Services

Parkview US helps entrepreneurs and their families sustain wealth across generations by delivering investment advisory, management, and controlling services. The services provided include the provision of discretionary portfolio management and continuous advice concerning investment of assets consistent with the circumstances, preferences and objectives of each client. As part of the information-gathering process, Parkview US determines the client's individual objectives, time horizon, risk tolerance, and liquidity needs and develops a tailored investment policy. Parkview US discusses a client's prior investment history, as well as family composition and background.

Parkview US's advice is limited to the types of securities and transactions as set forth in Section 8.

### *Discretionary Asset Management Services*

Under a discretionary management mandate, Parkview US has the authority to supervise and direct the investments of and for each client's account generally in line with the investment profile agreed with the client and without prior consultation with the client. Parkview US determines which securities are bought and sold for the account and the total amount of the purchases and sales. Parkview US's authority may be subject to special conditions imposed by individual clients. For example, a client may restrict or prohibit transactions in certain types of securities.

### *Non-Discretionary (i.e., Advisory) Asset Management Services*

Under a non-discretionary management mandate, Parkview US makes investment recommendations to a client, and the client subsequently makes all investment decisions about the investments held in his or her account. In order to implement a client's decisions, the client may authorize Parkview US to place orders for the execution of securities transactions for the client's account. Parkview US generally provides advice concerning appropriate asset allocations, evaluation of investment managers, identification of risks, and specific investment recommendations.

### Consulting Services

Upon request, Parkview US advises families on matters relating to family governance, succession planning, and philanthropy.

### Wrap Fee Programs

Parkview US does not participate in wrap fee programs.

### Assets under Management

Parkview US manages assets of approximately \$90 million on a discretionary basis as of December 31, 2012.

## Item 5. Fees and Compensation

For its discretionary asset management service and nondiscretionary asset management service, Parkview US charges a fee for its services based on a percentage of the market value of assets under management. The fixed asset management fee for discretionary and nondiscretionary asset management services is charged quarterly in arrears and is calculated on the basis of the value of the assets under management at the last business day of the respective calendar quarter. The annual fees range from 0.4% to 1%, depending on the size and complexity of the mandate.

Parkview US may waive, discount and/or negotiate fees at its discretion. Parkview US may also charge additional fees for services outside the scope of the services described above. Any additional fees are disclosed to the client.

Parkview US offers certain clients the option of paying a base fee and a performance fee in lieu of the customary fee. This alternative compensation model is offered only in accordance with Rule 205-3 under the Advisers Act. Only clients who meet the following requirements may opt for the performance based fee scheme: (i) clients with at least \$ 1,000,000 under management with Parkview US; (ii) clients with more than \$ 2,000,000 of net worth, excluding the value of the primary residence and certain debt secured by the property; or (iii) clients who are qualified purchasers under Section 2(a)(51) of the Investment Advisors Act of 1940, as amended (which generally is defined to include only individuals with more than \$ 5,000,000 in investments or an entity such as corporations, trusts, partnerships, or institutional investor that owns and invests on a discretionary basis at least \$ 25 million in investments).

Under this alternative compensation model, a base fee of 0.4% per annum is charged in lieu of the normal fee schedule and in addition, Parkview US will receive a performance fee of 10%. The performance fee is payable on net performance of the managed account, which for these purposes is calculated by taking the gross performance (i.e., realized and unrealized capital gains, dividends and interest) and subtracting from that amount the flat base fee. The performance fee is not payable on recuperated losses in the value of the managed account on a year-by-year basis (i.e., the fee is subject to a high water mark). The flat base fee is charged quarterly in arrears and is calculated on the basis of the value of the assets under management at the last business day of the respective calendar quarter. The performance fee component is calculated and charged if applicable annually after December 31 of each year. For accounts opened during a calendar year, the flat base fee and the hurdle rate is adjusted on a pro rata basis.

Parkview US also advises clients on foreign currencies and the below fee schedule applies and is negotiable to such advice.

Compensation is not payable in advance. Parkview US does not manage or advise accounts based on commissions, subscriptions fees, or hourly rate charges.

Parkview US relies on custodian banks of its clients to value the assets in the respective client accounts, and Parkview US computes its investment advisory fees based on these valuations provided by the custodian. At the end of the quarter Parkview US arranges with the custodian for the direct payment of its fee from the respective client accounts. The client's statement from the custodian will reflect all amounts disbursed from the account, including the amount of any advisory fee paid to Parkview US.

Consulting Services fees are determined based on the nature of the service provided and the complexity of each client's circumstances.

All fees are agreed prior to entering into a contract. The fees for consulting services (which are separate than fees charged for investment advice) are calculated and charged on a fixed fee basis, typically ranging from \$30,000 to \$300,000 per year, depending on size and complexity, and subject to the specific arrangement reached with the client. Consulting service fees are not charged in advance.

#### *Other fees you may incur*

Fees charged by Parkview US do not include custodian fees, fees for trade settlement, brokerage commissions, or any other fee imposed by the custodian bank or the broker. The fees also do not include management or other fees charged by funds or other products that client accounts may be invested in from time to time.

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

#### **Performance Based Fee Scheme**

See the discussion in Section V for a description of the performance fees charged by Parkview US.

## Side-by-Side Management

Conflicts related to side-by-side management of different accounts may exist. For example, Parkview US may manage more than one account according to the same or a substantially similar investment strategy. Side-by-side management of different types of accounts may raise conflicts of interest when two or more accounts invest in the same securities or pursue a similar strategy. These potential conflicts include the favorable or preferential treatment of an account or a group of accounts, conflicts related to the allocation of investment opportunities, particularly with respect to securities that have limited availability, such as initial public offerings, and transactions in one account that closely follow related transactions in a different account. In addition, the results of the investment activities for one account may differ significantly from the results achieved for other accounts, particularly as a result of Parkview US' practice to individually tailor each client's investment portfolio. Parkview US has policies and procedures in place aiming to ensure that all client accounts are treated fairly and equitably. Parkview US strives to equitably allocate investment opportunities among relevant accounts over time. In addition, investment decisions for each account are made with specific reference to the individual needs and objectives of the account. Accordingly, Parkview US may give advice or exercise investment responsibility or take other actions for some clients (including related persons) that may differ from the advice given, or the timing and nature of actions taken, for other clients. Investment results for different accounts, including accounts that are generally managed in a similar style, also may differ as a result of these considerations. Some clients may not participate at all in some investments in which other clients participate, or may participate to a different degree or at a different time.

## Item 7. Types of Clients

Parkview US offers investment management services to international high net worth individuals and families. These individuals may use trusts or other entities to control their liquid assets. Such entities in some occasions can become the contracted client of the firm.

Generally, Parkview US works with clients with a minimum of \$10 million of assets under management. Parkview US may accept accounts below the minimum requirements, or may retain accounts that have dropped below the minimum requirement due to market fluctuation or investment performance. Accounts that have family, corporate or other relationships may be aggregated for purposes of the minimum account size.

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

### Methods of Analysis

Parkview US offers primarily institutional asset management. Rather than selecting individual securities, Parkview US attempts to optimize a client's asset allocation following a previously defined investment policy and then selects the best managers in each asset class based on research (manager due diligence and monitoring) provided by third parties. Macro-economic trends, cyclical and trending analysis of currencies, sectors, markets, industries, along with asset class return expectations and risk profiles drive the strategic and tactical asset allocation process.

In selecting specific securities, Parkview US employs a bottom-up approach evaluating the fundamentals of the specific investment, comparisons to benchmarks and to similar securities, and timing.

Parkview US offers investment management and advisory services typically on the following types of securities and transactions: exchange-listed securities, securities traded over-the-counter, foreign issuers, options (including covered and uncovered positions), corporate debt securities (and other commercial paper), certificates of deposit, investment company securities such as mutual funds, exchange traded funds, foreign exchange transactions, and futures contracts on intangibles.

Parkview US will also invest in hedge funds or other private funds on a limited basis. Investments in private funds are available to "accredited investors" or "qualified purchasers," and

they typically require investors to lock-up their assets for a period of time. These investments may have limited or no liquidity and they may involve different risks than investing in registered funds and other publicly offered and traded securities. Parkview US relies on the valuation and performance data provided directly from the private funds. Private funds may often be delayed in providing Parkview US with the valuation information; therefore, Parkview US may likewise be delayed in reporting this information to the client. Parkview US will rely on the accuracy of a client's representations in making corresponding representations regarding the investment restrictions on behalf of the client's account in connection with certain derivative and other transactions. Parkview US also requires notification by the client if the client's representations become inaccurate.

In certain cases Parkview US may provide asset allocation recommendations that may include real estate holdings. These holdings are acquired through real estate investment trusts (REITs) and other investment vehicles. Parkview US does not invest in real properties.

#### Material Investment Risks

Clients should bear in mind that investing in securities involves a risk of loss. Among other risks, investments will be subject to market risk, liquidity risk, credit and counterparty risk, interest rate risk, risk in fluctuations of commodity pricing, risk of loss due to political and economic developments in foreign markets, and risks involving movements in the currency markets. Clients should be prepared to bear the risk of losing their investment in securities. Past performance is not an indication as to future results.

Depending on the specific investments held within his or her Account, a Client may face the following investment risks:

*Market Risk:* Market risk refers to the risk of loss arising from general economic and market conditions, such as interest rates, availability of credit, inflation rates, commodity prices, economic uncertainty, changes in laws and national and international political circumstances. Each

Account is subject to market risk, which will affect volatility of securities prices and liquidity. Such volatility or illiquidity could impair profitability or result in losses.

*Risk Related to Equity Investments:* Investments in equity securities generally involve a high degree of risk. Prices are volatile and market movements are difficult to predict. These price movements may result from factors affecting individual companies or industries. Price changes may be temporary or last for extended periods. The value of specific equity investments obviously correlates to the fundamentals of each particular security. Prices of equity investments may fall or fail to appreciate regardless of movements in securities markets.

*Risks Related to Fixed Income Investments:* Investments in fixed income securities (i.e., bonds) represent numerous risks such as credit, interest rate, reinvestment, and prepayment risk, all of which affect the value of the security and volatility of such value. In general, securities with longer maturities are more sensitive to price changes. Additionally, the prices of high yield, fixed-income securities fluctuate more than high quality debt issues. Prices are especially sensitive to developments affecting the company's business and to changes in the ratings assigned by rating agencies. Prices are often closely linked with the company's stock prices. High yield securities can experience sudden and sharp price swings due to changes in economic conditions, stock market activity, and large sales by major investors, default, or other factors. Developments in the credit market may have a substantial impact on the companies we may invest in and will affect the success of such investments. In the event of a default, the investment may suffer a partial or total loss.

*Risks Related to Investments in Funds:* For purposes of this discussion, the term "Fund" includes, but is not limited to, a U.S. or non-U.S. unit investment trust, an open-end or closed-end mutual fund, a hedge fund, a private equity fund, a venture capital fund, a real estate investment trust, an exchange traded fund ("ETFs") or any other private alternative or investment fund). Investments in Funds carry risks associated with the particular fund. Each fund and the re-

spective manager will charge their own management and other fees, which will result in a Client bearing an additional level of fees and expenses. U.S. mutual funds generally must distribute all gains to investors, including investors who may not have an economic gain from investing in the fund, which can lead to negative tax effects on investors, particularly non-U.S. persons. Investments in certain non-U.S. funds by U.S. persons result in U.S. tax and reporting obligations and failing to comply with such requirements can result in significant penalties. Funds generally have unique risks of loss as described in their offering documents.

#### *Risks Related to Investments in Derivatives:*

*Leverage:* Certain investment instruments such as derivatives may use leverage to achieve returns. The use of leverage may have the effect of disproportionately increasing an account's exposure to the market for the securities or other assets underlying the derivative position and the sensitivity of an account's portfolio to changes in market prices for those assets. Leverage will tend to magnify both the positive impact of successful investment decisions and the negative impact of unsuccessful investment decisions by Parkview US on an account's performance.

*Counterparty Credit Risk:* When a derivative or certain other instruments are purchased, a client's account will be subject to the ability and willingness of the other party to the contract (a "Counterparty") to perform its obligations under the contract. Although exchange-traded futures and options contracts are generally backed by a guarantee from a clearing corporation, an account could lose the benefit of a contract in the unlikely event that the clearing corporation becomes insolvent. A Counterparty's obligations under a forward contract, over-the-counter option, swap or other over-the-counter derivative contract are not so guaranteed. If the Counterparty to an over-the-counter contract fails to perform its obligations, an account may lose the benefit of the contract and may have difficulty reclaiming any collateral that an account may have deposited with the counterparty.

*Lack of Correlation:* The market value of a derivative position may correlate imperfectly with the market price of the asset underlying the derivative position. To the extent that a derivative position is being used to hedge against changes in the value of assets in an account, a lack of price correlation between the derivative position and the hedged asset may result in an incomplete hedge.

*Illiquidity:* Over-the-counter derivative contracts are usually subject to restrictions on transfer, and there is generally no liquid market for these contracts. Although it is often possible to negotiate the termination of an over-the-counter contract or enter into an offsetting contract, a Counterparty may be unable or unwilling to terminate a contract with an account, especially during times of market instability or disruption. The markets for many exchange traded futures, options and other instruments are quite liquid during normal market conditions, but this liquidity may disappear during times of market instability or disruption.

*Less Accurate Valuation:* The absence of a liquid market for over-the-counter derivatives increases the likelihood that Parkview US will not be able to correctly value these interests.

*Currency Exposure:* Parkview US invests in securities and other investments that are denominated in currencies other than U.S. Dollars. Accordingly, the value of such assets may be affected favorably or unfavorably by fluctuations in currency rates. Parkview US seeks to hedge the foreign currency exposure but such hedging strategies may not necessarily be available or effective and may not always be employed. Accounts managed by Parkview US are routinely subject to foreign exchange risks and bear a potential risk of loss arising from fluctuations in value between the U.S. Dollar and such other currencies.

*Non-U.S. Investments:* Investments in non-U.S. securities expose the client's portfolio to risks that in addition to those risks associated with investments in U.S. securities. Such risks include, among other things, trade balances and imbalances, economic policies of various foreign governments, exchange control regulations, withholding taxes, potential for nationali-

zation of assets or industries, and the political instability of foreign nations.

## Item 9. Disciplinary Information

Parkview US has not been involved in any legal or disciplinary events.

## Item 10. Other Financial Industry Activities and Affiliations

As described in Item IV, for certain clients, Parkview US works closely with its parent company, Parkview Ltd., in Zurich, Switzerland. Parkview Ltd. is a registered investment adviser with the SEC. In certain cases, the primary client relationship is with Parkview Ltd. and Parkview US is retained as a sub-adviser by Parkview Ltd.

Parkview US is affiliated with Parkview Advisors LLP, a London based Investment Advisor, authorized and regulated by the British Financial Services Authority (FSA).

Parkview US and its management personnel neither are registered nor have an application pending to register as, broker-dealers, registered representatives of a broker-dealer, future commissions merchants, commodity pool operators, commodity trading advisors, or associated persons of the foregoing entities.

Parkview Ltd., the parent company of Parkview US, is a member of the Swiss self-regulatory association VQF Financial Services Standards Association (member number 13043), which may seek to regulate the activities of Parkview US as a wholly owned subsidiary of Parkview Ltd.

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

### Code of Ethics

Parkview US has adopted a Code of Ethics (the "Code") and attendant policies and procedures governing personal securities transactions by Parkview US and its personnel. The Code also provides guidance and instruction to Parkview US and its personnel on their ethical obligations in fulfilling its duties of loyalty, fairness and good faith towards the clients. The overriding

principle of Parkview US's Code of Ethics is that all employees of Parkview US owe a fiduciary duty to clients for whom Parkview US acts as investment adviser or sub-adviser. Accordingly, employees of Parkview US are responsible for conducting personal trading activities in a manner that does not interfere with a client's portfolio transactions or take improper advantage of a relationship with any client.

The Code contains provisions designed to try to: (i) prevent, among other things, improper trading by Parkview US' employees; (ii) identify conflicts of interest; and (iii) provide a means to resolve any actual or potential conflicts of interest in favor of the clients. The Code attempts to accomplish these objectives by, among other things, (i) requiring pre-clearance of specific trades, which includes documenting any exceptions to such pre-clearance requirement; (ii) restricting trading in certain securities that may cause a conflict of interest, as well as (iii) periodic reporting regarding transactions and holdings of employees.

The Code contains sections including, but not limited to, the following key areas: (i) restrictions on personal investing activities; (ii) gifts and business entertainment; and (iii) outside business activities.

The Code also provides for the Parkview US's execution of supervisory policies and procedures, and the review and enforcement processes of such policies and procedures. Parkview US has designated a Chief Compliance Officer responsible for maintaining, reviewing and enforcing Parkview US's Code of Ethics and corresponding policies and procedures.

The fundamental position of Parkview US is that, in effecting personal securities transactions, personnel of Parkview US must place at all times the interests of clients ahead of their own pecuniary interests. All personal securities transactions by these persons must be conducted in accordance with the Code of Ethics and in a manner to avoid any actual or potential conflict of interest or any abuse of any person's position of trust and responsibility. Further, these persons should not take inappropriate advantage of their positions with or on behalf of a client.



Parkview US will provide a copy of the Code of Ethics to any client or prospective client upon request.

#### Participation or Interest in Client Transactions

Parkview US employees or related persons invest regularly alongside the firm's clients, both to align the interest of firm and personnel and firm clients and as an expression of confidence in our portfolio management efforts. In order to ensure that Parkview US personnel never trade ahead of their clients, the firm generally tries to ensure that all trading in specific positions for officer and employee accounts to come after the analogous trades are executed for client accounts.

### Item 12. Brokerage Practices

#### Selecting Broker-Dealers

Parkview US uses independent brokers and dealers to purchase and sell securities for client accounts. In selecting brokers and dealers to effect client transactions, we try to obtain for clients: (i) the prompt execution of client transactions while market conditions still favor the transaction and (ii) the most favorable net prices reasonably obtainable. This is called "best execution." In placing orders to purchase and sell equity securities, we select brokers that we believe will provide the best overall qualitative execution given the particular circumstances. A broker may provide more favorable terms and a higher quality of service to customers who place a higher volume of transactions through that broker. Accordingly, to obtain the benefits of higher volume trading for clients, we may place a large portion of client equity transactions through a limited number of brokers that meet our quality standards. When selecting a new equity broker, we conduct a due diligence review of the broker to evaluate whether the broker is likely to provide best execution. We may consider any of the following factors:

- The quality of services provided (including commissions, which may not be the lowest available but which ordinarily will not be higher than the generally prevailing competitive range).

- The extent of coverage of the various markets Parkview US trades in.
- The broker's ability to communicate effectively with us.
- The broker's ability to execute and settle difficult trades.
- Whether or not the broker offers lower cost electronic trading.
- The broker's clearance and settlement efficiency.
- Whether or not the broker can handle our range of order sizes.
- The broker's ability to maintain confidentiality and anonymity.
- The reputation of the broker.
- The stability and financial strength of the broker.

The Chief Compliance Officer reviews the due diligence performed and approves or rejects the selection of each broker. On a regular basis, we monitor and document the services provided by the approved brokers, the quality of executions and research, commission rates, the overall brokerage relationship, and any other issues. We will periodically reconsider whether placing a large portion of client trades through a particular broker continues to be in the best interest of our clients.

Fixed income securities (*i.e.* bonds) are generally traded in an over-the-counter market. In this market, bond dealers place bids and make offers to buy and sell bonds on a net basis with no stated commission plus accrued interest. Any commission or net mark-up is implied by the difference or "spread" between the price the dealer purchases the bond for and the price the dealer sells the bond at. A new issue bond is sold to purchasers at a net price with a fixed sales credit paid to the underwriter by the issuers of the bond. We maintain an approved list of fixed income trading partners. On a regular basis, we monitor our relationships with dealers.

#### Swiss Based Custodians

Brokerage for transactions involving assets held at Swiss banks generally must be made through the broker-dealer specified by the custodian bank. Each Swiss custodian bank acts as a broker-dealer itself and/or maintains rela-

tionships with designated broker-dealers (including potentially an affiliate of the custodian bank). Parkview US effectuates security transactions through the custodian or the broker or dealer designated by the custodian bank selected by the client. In such cases, Parkview US cannot guarantee that the client will receive best execution or the best commissions because Parkview US does not control these factors. Clients should be aware of the factors outlined below under the heading *Directed Brokerage* as these factors also apply with respect to assets maintained at Swiss banks. Clients also should be aware of the potential that the broker-dealer used for transactions may not be a registered broker-dealer under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

#### Client Directed Brokerage

A client may direct Parkview US to use a particular broker or dealer who has an existing relationship with or provides custodial or other services to a client. Parkview US requires any directed brokerage instructions to be in writing unless such arrangement is inferred in the context of the custodian's brokerage limitations. Before choosing to enter into a directed brokerage arrangement, clients should be aware of the following disadvantages:

- Parkview US will not be able to negotiate commission rates with the designated broker because we will not have the negotiating leverage that results from the ability to trade away from a designated broker.
- Directed brokerage may cost clients more money. Directed brokerage clients may pay higher commission rates than those paid by other clients, may receive less favorable trade executions and may not obtain best execution on their transactions.
- Directed brokerage accounts will not be able to participate in aggregated or block transactions with other clients. This will preclude directed brokerage accounts from obtaining the volume discounts or more favorable terms that might be available from aggregated transactions.
- If we are placing orders in the same security for both directed brokerage clients and clients that use other brokers, we will usu-

ally place orders for directed brokerage clients after it has placed orders for other clients.

#### Block Trades

Parkview US generally will combine orders into block trades when purchasing the same security for multiple client Accounts. Such aggregated orders ("block trades") will be pre-allocated among the participating client Accounts. Participating Accounts in a block trade placed with the same broker or the same custodian bank generally will receive an average price and pay a pro rata share of any transaction costs. Partial fills of transactions will be allocated on a pro rata share basis.

Because Parkview US' clients maintain Accounts at different custodian banks and because some of these custodian banks mandate the use of a specific broker (see description above), often Parkview US places more than one block trade for the same security with more than one broker. Parkview US transmits such block trades to more than one broker in a random pattern (*i.e.*, Parkview US does not favor one custodian bank or broker over another with respect to the order in which block trade orders are sent). The average price realized on a securities order placed with different brokers will vary from broker to broker, and clients generally will receive different average prices and transaction costs for the same security order depending upon the custodian bank and the respective broker used in the block trade. Also note, since most Swiss custodian banks warehouse securities orders until filled, there may be delays in settlement between client Accounts depending on the practice of the respective custodian bank and/or broker.

#### Decision Making Process; Balancing the Interests of Multiple Client Accounts

In making the decision as to which securities are to be purchased or sold and the amounts thereof, Parkview US is guided by the general guidelines set up at the inception of the adviser-client relationship in cooperation with the client and a periodic review of the asset allocation. These general guidelines cover such matters as the relative proportion of debt and equi-

ty securities to be held in the portfolio, the degree of risk the client wishes to assume and the types and amounts of securities to be held in the portfolio. Parkview US' authority may be further limited by specific instructions from the client, which may restrict or prohibit transactions in certain securities.

Parkview US may manage numerous accounts with similar or identical investment objectives or may manage accounts with different objectives that may trade in the same securities. Despite such similarities, portfolio decisions relating to client investments and the performance resulting from such decisions may differ from client to client. Parkview US will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible clients, particularly if different clients have selected different investment profiles, have materially different amounts of capital under management with Parkview US or different amounts of investable cash available. In certain instances such as purchases of less liquid publicly traded securities (as some small cap securities frequently are) or oversubscribed public offerings, it may not be possible or feasible to allocate a transaction pro rata to all eligible clients, especially if clients have materially different sized portfolios. Therefore, not all clients will necessarily participate in the same investment opportunities or participate on the same basis.

#### Use of Soft Dollars

Parkview US may maintain soft dollar arrangements, and to the extent it does it will only do so in accordance with the conditions of the safe harbor provided by Section 28(e) of the Exchange Act. Section 28(e) is a "safe harbor" that permits an investment manager to use brokerage commissions or "soft dollars" to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process.

Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services;

attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data, certain valuation and pricing data and economic data); and advice from brokers on order execution.

Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an investment adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

#### Trade Errors

Although the Parkview US's goal is to execute trades seamlessly in the manner intended by the client and consistent with its investment decisions, Parkview US recognizes that errors can occur for a variety of reasons. Parkview US's policy in dealing with such errors is to:

- Identify any errors in a timely manner.
- Correct all errors so that any affected account is placed in the same position it would have been in had the error not occurred.
- Incur all costs associated with correcting an error (or to pass the costs on to the broker, depending on which party is at fault). Costs from corrective actions are not to be passed on to a client.
- Evaluate how the error occurred and assess if any changes in any processes are

warranted or if any continuing education is required.

The consequences and the required corrective measures may be different depending upon the nature of the error or the account affected.

### Item 13. Review of Accounts

All client accounts are reviewed at least quarterly in an effort to ensure that they remain aligned with the client's investment plan and are positioned appropriately given current market conditions as part of Parkview US's general investment process.

### Item 14. Client Referrals and Other Compensation

Parkview US may pay fees for client referrals. Such arrangements comply with the conditions and requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940.

Parkview US may receive remuneration from third parties in connection with its investment advisory services. Such remuneration can include referral fees, marketing fees, discounts, finder's fees, service fees, including shareholder service fees, 12b-1 fees or bonus commissions paid by mutual funds, privately offered funds, insurance products, variable annuities or other investment products paid to Parkview US for recommending an investment, for investing client funds in such product or for marketing assistance or the performance of certain administrative tasks associated with making an investment. Such remuneration received by Parkview US from third parties belongs to the client and if retained by Parkview US will reduce the fee payable by the client to Parkview US.

Parkview US' employees or associated persons may be invited to attend seminars and meetings with the costs associated with such meetings borne by a sponsoring brokerage firm or other party extending the invitation.

### Item 15. Custody

Parkview US typically is given authority to have its fees directly deducted from a client's account. Consequently, Parkview US is deemed to have custody of such funds. Parkview US has established procedures to ensure the client's account is held at a qualified custodian in a separate account for each client. The client establishes the bank account directly and therefore is aware of the qualified custodian's name, address and the manner in which investments are maintained. Account statements are prepared by the custodian bank and delivered directly to the client or the client's representative at least quarterly. Generally, these statements include a listing of all valuations and all transactions occurring during the period. Clients should carefully review these statements and when they have questions contact either Parkview US or the custodian bank. The custodian bank also provides the client with all required year-end tax information.

Parkview US also may provide performance information to advisory clients about the client's performance, which may also include a reference to a relevant market index or benchmark. Parkview US may provide reports analyzing the sources of each account's performance, including customary performance attribution and risk measurement statistics such as standard deviations, Sharpe ratios, deviations from benchmark returns, and investments that had the largest positive and negative impacts on performance.

### Item 16. Investment Discretion

Parkview US accepts discretionary authority to manage client accounts as described above. Clients rarely restrict the authority by which Parkview US may act; however, each client has the opportunity to communicate any form of limitation in writing. In the context of a discretionary mandate, Parkview US makes investment decisions without consulting the client by utilizing its limited power of attorney for the management of the account maintained at the custodian bank selected by the client. In the context of a nondiscretionary mandate, Parkview US's investment discretion is limited to an advisory role and Parkview US does not

implement investment decisions without the approval of the client. Parkview US never has discretionary authority to select a qualified custodian for a client's account.

## Item 17. Voting Client Securities

### *Proxy Voting*

Parkview US generally does not have the authority to vote client proxies. Clients make arrangements directly with their custodian to vote proxies for securities or where proxy or other solicitation materials have to be sent to. If Parkview US inadvertently receives any proxy materials on behalf of a client, Parkview US will promptly forward such materials to the client.

Parkview US will exercise investment authority for certain corporate actions (such as, but not limited to, tenders, rights offerings, splits, etc.) in connection with discretionary accounts. For advisory clients, corporate actions are discussed with them prior to the event taking place.

Clients who have questions about proxies may contact Parkview US for further information.

### *Class Actions*

Parkview US does not direct client participation in class action lawsuits.

Parkview US will determine whether to return any documentation inadvertently received regarding clients' participation in class actions to the sender, or to forward such information to the appropriate clients.

Parkview US will not advise or act on behalf of clients in any legal proceeding, including bankruptcies or securities shareholder class action litigation involving securities held or previously held in client accounts. Accordingly, Parkview US is not responsible for responding to, or forwarding to clients, any class action settlement offers relating to securities currently or previously held in the client account.

## Item 18. Financial Information

Parkview US has not been the subject of a bankruptcy petition at any time. As of the date of this brochure we do not believe it is reasonably likely that any future liability will impact our ability to meet our contractual commitments to our clients.