

**Item 1 – Cover Page**

**Part 2A of Form ADV  
Brochure for:**

**GLENHAVEN CAPITAL LLC**

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**February 1, 2013**

**This Brochure provides information about the qualifications and business practices of Glenhaven Capital LLC (“Glenhaven Capital” or the “Firm”). If you have any questions about the contents of this Brochure, please contact the Firm at the address listed above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**Glenhaven Capital LLC is a registered investment adviser with the SEC. Registration of an investment adviser does not imply any certain level of skill or training.**

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

## **Item 2 – Material Changes**

This Brochure was prepared for Glenhaven Capital’s initial registration with the SEC.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide Clients with a summary of such changes.

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## Item 4 – Advisory Business

### A. Description of the Advisory Firm

Glenhaven Capital LLC (“Glenhaven Capital”), a Texas limited liability company, was formed on September 10, 2010. The principal owners and Managers of Glenhaven Capital are Daniel Blum, James Tyler, Howard Brazzil and Edmond Herschap III.

### B. Types of Advisory Services

Glenhaven Capital will provide investment advisory services to clients (“Clients”) including portfolio management for individuals and/or small businesses, financial planning services, and selection of other advisers (including private fund managers). In the future Glenhaven Capital may sponsor or manage private investment funds.

In addition, Glenhaven Capital became registered with the Commodity Futures Trading Commission (“CFTC”) as a commodity pool operator (“CPO”) on January 1, 2013, and became a Member of the National Futures Association (“NFA”) on February 9, 2012. Please refer to Item 10 for more information.

### C. Client Tailored Services and Client Imposed Restrictions

Advisory services are tailored to achieve the Clients’ investment objectives. Generally, Glenhaven Capital has the authority to select which and how many securities and other instruments to buy or sell without consultation with the Clients.

### D. Wrap Fee Programs

Glenhaven Capital does not participate in wrap fee programs.

### E. Amounts Under Management

Glenhaven Capital does not currently provide regular supervisory or management services to securities portfolios.

Discretionary Amounts:	Non-Discretionary Amounts:	Date Calculated:
\$0	\$0	February 1, 2013

## Item 5 – Fees and Compensation

### A. Fee Schedule

The fees and compensation payable to Glenhaven Capital are negotiable and vary among its Clients and are established by separate written agreement with each Client. However, the expected range of compensation is generally as follows:

#### 1. Management Fees

Glenhaven Capital typically expects to receive an asset-based management fee calculated as a percentage of each Client's account, payable in advance. Typically, the management fee will not exceed 1.00% per annum. The frequency of Client billing is expected to vary among Glenhaven Capital's Clients.

#### 2. Fixed Fees

##### Consulting Services

Glenhaven Capital will provide a broad range of consulting services, including financial and portfolio consulting and fiduciary coordination services. The fees charged to Glenhaven Capital's consulting Clients are negotiable and are provided on a project basis for a fee quoted in advance.

#### 3. Fee Comparison

The expenses of Clients, including the management fee and fixed fees, may constitute a higher percentage of average assets under management than would be found in other investment vehicles.

### B. Payment of Fees

All fees will be invoiced to the Clients. The frequency of Client billing is expected to vary among Glenhaven Capital's Clients.

### C. Third-Party Fees

Generally, Clients shall pay such costs and expenses as Glenhaven Capital shall reasonably determine to be necessary, appropriate, advisable or convenient to carry on its business and realize its objective, including but not limited to: (i) management fees; (ii) general investment expenses (i.e., expenses which Glenhaven Capital reasonably determines to be directly related to the investment of the Client's assets); (iii) administrative, legal, accounting, auditing, record-keeping, tax form preparation, compliance and consulting costs and expenses; (iv) fees, costs and expenses of third-party service providers that provide such services; and, (v) any extraordinary expenses, among other expenses.

Glenhaven Capital's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the Clients. Such charges, fees and commissions are exclusive of and in addition to Glenhaven Capital's management fee, and Glenhaven Capital shall not receive any portion of these commissions, fees, and costs.

Please see Item 12 of this Brochure regarding brokerage.

D. Prepayment of Fees

Prepaid but unearned fees are refunded to the Clients.

E. Outside Compensation for the Sale of Securities

Neither Glenhaven Capital nor its supervised persons accepts compensation for the sale of securities or other investment products.

**The foregoing discussion in Items 5 represents Glenhaven Capital's basic compensation arrangements. The management fees and incentive allocations described above are structured to comply with Rule 205-3 under the Advisers Act and applicable state laws. Fees and other compensation are negotiable in certain circumstances and arrangements with any particular Client may vary. Although Glenhaven Capital believes its fees are competitive, lower fees for comparable services may be available from other investment advisers.**

### **Item 6 - Performance-Based Fees and Side-By-Side Management**

Glenhaven Capital does not charge performance-based fees for the supervision or management of Client securities portfolios.

### **Item 7 – Types of Clients**

Glenhaven Capital will provide investment advice and management to high net worth individuals, charitable organizations, independent wealth advisers, and family offices.

Glenhaven Capital may in the future provide the same or similar services to privately placed investment funds and/or to other separately managed accounts.

Clients may pursue different strategies, and Client's offering terms may differ. Offering terms are negotiated on a case by case basis.

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

A. Methods of Analysis

Glenhaven Capital's primary methods of analysis are quantitative, and employ price, volume, and term structure data (for futures) to study the return, variance, skew and kurtotic properties of specific assets and asset classes, the covariance among asset classes, and the relative liquidity of any such potential investments. We also analyze the prevailing macro-economic climate and its probable influence upon various assets and asset classes, which may shape strategy implementation, asset allocation and/or portfolio construction.

B. Investment Strategies

Glenhaven Capital employs an investment philosophy emphasizing portfolio management that is custom tailored to the needs of each Client. We begin the investment process by listening to the Client and gaining a thorough understanding of the Client's unique goals, risk tolerance, time horizon, and other circumstances. We then determine an appropriate investment strategy for the Client based on those understandings.

The investment strategy provides a framework for determining the asset allocation that properly balances risk and reward over a long-term time horizon. Asset allocation is the relative mix of cash, fixed income, equity and other securities, and derivatives suitable for a Client's investment portfolio. Glenhaven Capital believes investment risk is lessened when a portfolio is diversified. Diversification is a disciplined long-term investment strategy that helps prevent overexposure to asset classes or specific securities or identify a fitting time when exposure to an undervalued asset class or security may be present. We combine asset allocation with diversification to ensure a Client's portfolio will be managed in a prudent manner. We then implement the strategy to achieve the Client's investment objectives. Although strategies may be changed if necessary, adhering to the asset allocation plan over the determined time horizon seeks to provide enhanced portfolio reward/risk characteristics.

C. Risks of Investments and Strategies Utilized

**Investing in securities involves risk of loss that Clients should be prepared to bear.**

Investment and trading risk factors may include:

**General Investment and Trading Risks.** Clients may invest in securities and other financial instruments using strategies and investment techniques with significant risk characteristics. The investment programs may utilize such investment techniques as option transactions, margin transactions, short sales, forwards, leverage and derivatives trading, the use of which can, in certain circumstances, maximize the adverse impact to which a Client may be subject.

**Common Stocks and Equity-Related Securities.** Prices of common stock react to the economic condition company that issued the security, industry and market conditions, and other factors and may fluctuate widely. Investments related to the value of stocks may rise and fall based on an issuer's actual and anticipated earnings, changes in management, the potential for takeovers and acquisitions, and other economic factors. Similarly the value of other equity-related securities, including preferred stock, warrants and options may also vary widely.

**Small- and Mid-Cap Risks.** Securities of small-cap issuers may present greater risks than those of large-cap issuers. For example, some small- and mid-cap issuers often have limited product lines, markets, or financial resources. They may be subject to high volatility in revenues, expenses and earnings. Their securities may be thinly traded, may be followed by fewer investment research analysts and may be subject to wider price swings and thus may create a greater chance of loss than when investing in securities of larger-cap issuers. The market prices of securities of small- and mid-cap issuers generally are more sensitive to

changes in earnings expectations, to corporate developments and to market rumors than are the market prices of large-cap issuers.

**Risks Associated with Investments in Distressed Securities.** A Client may invest in “below investment grade” securities and obligations of domestic and non-U.S. issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, including companies involved in bankruptcy or other reorganization and liquidation proceedings. These securities are likely to be particularly risky investments although they also may offer the potential for correspondingly high returns. Some of these securities may not be publicly traded, and it therefore may be difficult to obtain information as to the true condition of such issuers. Additionally, in certain periods, there may be little or no liquidity in markets for these securities. Such investments also may be affected adversely by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability and the bankruptcy court’s power to disallow, reduce, subordinate or disenfranchise particular claims. Such companies’ securities may be considered highly speculative, and the ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies.

**Investing in High Yield Securities.** High-yield securities are generally not exchange traded and, as a result, these instruments trade in the over-the-counter marketplace, which is less transparent than the exchange-traded marketplace. High-yield securities face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer’s inability to meet timely interest and principal payments.

**Credit Default Swaps.** A credit default swap is a contract between two parties which transfers the risk of loss if a company fails to pay principal or interest on time or files for bankruptcy. Swap transactions dependent upon credit events are priced incorporating many variables including the pricing and volatility of the common stock, potential loss upon default and the shape of the U.S. Treasury Market curve, among other factors. As such, there are many factors upon which market participants may have divergent views.

**Convertible Securities.** The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors may also have an effect on the investment value of convertible securities. The conversion value of a convertible security is determined by the market price of the underlying common stock. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security’s governing instrument. If a convertible security is called for redemption, a Client will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third-



party. Any of these actions could have an adverse effect on the Client's ability to achieve its investment objective.

**Exchange Traded Funds.** Exchange-traded funds ("ETFs") are a type of index fund bought and sold on a securities exchange. The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track, although lack of liquidity in an ETF could result in it being more volatile and ETFs have management fees that increase their costs. ETFs are also subject to other risks, including: (i) the risk that their prices may not correlate perfectly with changes in the underlying index; and (ii) the risk of possible trading halts due to market conditions or other reasons that, in the view of the exchange upon which an ETF trades, would make trading in the ETF inadvisable.

**Investments in Private Funds.** If a Client invests in private funds, the Client is subject to the risks of the underlying funds' investments and subject to the underlying funds' expenses. There can be no assurance that the other funds will achieve their objectives or avoid substantial losses.

**PIPES and Other Restricted Securities.** In a Private Investments in Public Equity ("PIPE") transaction, the Client typically purchases unregistered equity securities of a class of securities that is publicly traded and receives registration rights with respect to the unregistered securities that it purchases. The securities are not publicly tradable when the Client purchases them, however, and they may never become publicly tradable. Restricted securities generally are difficult or impossible to sell at prices comparable to the market prices of similar securities that are publicly traded. It is highly speculative as to whether and when an issuer will be able to register its securities so that they become eligible for trading in public markets.

**Futures, Commodities, and Derivative Investments.** The prices of commodities contracts and derivative instruments, including futures and options, are highly volatile. Payments made pursuant to swap agreements may also be highly volatile. Price movements of commodities, futures and options contracts and payments pursuant to swap agreements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The value of futures, options and swap agreements also depends upon the price of the commodities underlying them. In addition, Client assets are also subject to the risk of the failure of any of the exchanges on which its positions trade or of its clearinghouses or counterparties.

**Highly Volatile Markets.** The prices of financial instruments can be highly volatile. Price movements of forward and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. Clients are also subject to the risk of failure of

any of the exchanges on which their positions trade or of its clearinghouses or counterparties.

**Use of Leverage and Financing.** A Client may pledge its securities in order to borrow additional funds for investment purposes. Any event which adversely affects the value of an investment by the Client would be magnified to the extent the Client is leveraged. The cumulative effect of the use of leverage by a Client in a market that moves adversely to the Client's investments could result in a substantial loss that would be greater than if the Client were not leveraged.

**Hedging Transactions.** While a Client may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Client than if it had not engaged in any such hedging transactions. For a variety of reasons, Glenhaven Capital may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent a Client from achieving the intended hedge or expose the Client to risk of loss.

**Derivatives and Hedging.** Derivatives are financial instruments or arrangements in which the risk and return are related to changes in the value of other assets, reference rates or indices. A Client's ability to profit or avoid risk through investment or trading in derivatives will depend on the price movement of the underlying asset(s), reference rates or indices, which may be influenced by market factors beyond the control of Glenhaven Capital.

**Short Selling.** Short selling involves selling securities which are not owned and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Client of buying those securities to cover the short position. There can be no assurance that the securities necessary to cover a short position are available for purchase at or near prices quoted in the market. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

**Forward Trading.** Many forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardized; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. Disruptions can occur in any market due to unusually high trading volume, political intervention or other factors. Market illiquidity or disruption could result in major losses.

**Limited Diversification.** Glenhaven Capital may not have at any point in time a broad diversification of investments in number or by industry or geography. This limited

diversity could expose Clients to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in those investments.

**Non-U.S. Securities.** Investments in securities of non-U.S. issuers pose a range of potential risks which could include expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, political or social instability, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding securities of non-U.S. issuers, and non-U.S. issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of U.S. issuers.

**Emerging Markets.** In addition to the risks associated with investments outside of the United States, investments in emerging markets (i.e., the developing countries) may involve additional risks. Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally, and transactions will need to be made on a neighboring exchange. Volume and liquidity levels in emerging markets may be lower than in developed countries. When seeking to sell emerging market securities, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices.

**Illiquid Investments.** Securities and other assets, may be subject to legal or other restrictions on transfer or for which no liquid market exists. The market prices, if any, for such investments tend to be volatile and may not be readily ascertainable, and a Client may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale.

**Counterparty Risk.** Transactions may be affected in “over-the-counter” or “interdealer” markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of “exchange-based” markets. This exposes Clients to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing Clients to suffer a loss.

**Residential Mortgage-Backed Securities.** The loans underlying residential mortgage-backed securities (“RMBS”) have had in many cases higher default rates than those loans that meet government underwriting requirements. RMBS may be backed by subprime mortgage loans. Due to the higher delinquency rates and losses associated with subprime mortgage loans, the performance of an RMBS could be correspondingly adversely affected.

**Asset-Backed Securities.** The underlying assets and loans for asset-backed securities (“ABS”), those that are backed by consumer debt, are subject to prepayments that shorten the securities’ weighted average life and may lower their returns. If the credit support or

enhancement is exhausted, losses or delays in payment may result if the required payments of principal and interest are not made. The value of these securities also may change because of changes in the market's perception of the creditworthiness of the servicing agent for the pool, the originator of the pool, or the financial institution providing the credit support or enhancement.

**Commercial Mortgage-Backed Securities.** Commercial Mortgage-Backed Securities ("CMBS") issued or guaranteed by the U.S. Government, its agencies or instrumentalities, or private issuers such as banks, insurance companies, and savings and loans are often subject to more rapid repayment than their stated maturity dates would indicate as a result of principal prepayments on the underlying loans. This can result in significantly greater price and yield volatility than with traditional fixed-income securities. During periods of declining interest rates, prepayments can be expected to accelerate which will shorten these securities' weighted average life and may lower their return. Conversely, in a rising interest rate environment, a declining prepayment rate will extend the weighted average life of these securities which generally would cause their values to fluctuate more widely in response to changes in interest rates.

**Quantitative Tools Risk.** Some of Glenhaven Capital's investment techniques incorporate, or rely upon, quantitative models. There is no guarantee that these models will generate accurate forecasts, reduce risks or otherwise produce the intended results.

**Allocation Risk.** The allocation of investments among different global asset classes may have a significant effect on Clients' portfolio values, when one of these asset classes is performing poorly relative to the others. As both the direct investments and derivative positions will be periodically adjusted to reflect Glenhaven Capital's view of market and economic conditions, there will be transaction costs which may be, over time, significant. In addition, there is a risk that certain asset allocation decisions may not achieve the desired results and, as a result, Clients' portfolios may incur significant losses.

**Currency Risk.** Fluctuations in currency exchange rates may negatively affect the value of Clients' portfolio investments or reduce returns.

**Real Estate Related Securities Risk.** Investing in real estate related securities includes, among others, the following risks: possible declines in the value of real estate; risks related to general and local economic conditions, including increases in the rate of inflation; possible lack of availability of mortgage funds; overbuilding; extending vacancies of properties; increases in competition, property taxes and operating expenses; changes in zoning laws; costs resulting from clean-up of, and liability to third parties for damages resulting from, environmental problems; casualty or condemnation losses; uninsured damages from floods, earth quakes or other natural disasters; limitations on and variations in rents; and changes in interest rates. Investing in Real Estate Investment Trusts ("REITs") involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs are dependent upon management skills, are not

diversified, and are subject to heavy cash flow dependency, default by borrowers and self-liquidation.

**The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment with Glenhaven Capital. Prospective Clients should read the entire Brochure and other materials that may be provided by Glenhaven Capital and consult with their own advisers prior to engaging Glenhaven Capital's services.**

### **Item 9 – Disciplinary Information**

Glenhaven Capital and its management persons have not been a party to any legal or disciplinary events that would be material to a Client's or prospective Client's evaluation of its investment advisory business or the integrity of its management.

### **Item 10 – Other Financial Industry Activities and Affiliations**

A. Registration as a Broker-Dealer or Broker-Dealer Representative

Neither Glenhaven Capital nor its management persons are registered as a broker-dealer or broker-dealer representative.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Glenhaven Capital became registered with the CFTC as a CPO on January 1, 2013, and became a Member of the National Futures Association ("NFA") on February 9, 2012. Each of Mr. Blum, Mr. Tyler, Mr. Brazzil and Mr. Herschap was listed as a Principal of Glenhaven Capital on February 8, 2012, became registered with the CFTC as an Associated Person of Glenhaven Capital on February 9, 2012, and became an Associate Member of the NFA on February 9, 2012.

C. Relationships Material to this Advisory Business and Possible Conflicts of Interest

There are no other relationships or arrangements that are material to this advisory business.

D. Selection of Other Advisers or Managers

Glenhaven Capital recommends other advisers and third party managers to Clients. However, Glenhaven Capital does not receive compensation, directly or indirectly, from those advisers.

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

### **A. Code of Ethics**

Glenhaven Capital has adopted a code of ethics (“Code of Ethics”) pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended. The Code of Ethics governs the activities of each member, officer, director and employee of Glenhaven Capital (collectively, “Employees”). Glenhaven Capital holds its Employees to a high standard of integrity and business practices that reflects its fiduciary duty to the Client. In serving its Clients, Glenhaven Capital strives to avoid conflicts of interest or the appearance of conflicts of interest in connection with the personal trading activities of its Employees and Client securities transactions. When persons covered by the Code of Ethics engage in personal securities transactions, they must adhere to the following general principles as well as to the specific provisions of the Code of Ethics: (a) at all times the interests of Clients must be paramount; (b) personal transactions must be conducted consistent with the Code of Ethics in manner that avoids any actual or potential conflict of interest; and (c) no inappropriate advantage should be taken of any position of trust and responsibility. Employees covered by the Code of Ethics have certain trading restrictions and reporting obligations of their personal securities transactions. Each Employee is provided with a copy of the Code of Ethics and must annually certify that they have received it and have complied with its provisions. In addition, any Employee who becomes aware of any potential violation of the Code of Ethics is obligated to report the potential violation to the Chief Compliance Officer.

Glenhaven Capital will provide a copy of its Code of Ethics to Clients and prospective Clients upon request. Such a request may be made by submitting a written request to Glenhaven Capital at the address on the cover page to this Brochure.

### **B. Recommendations Involving Material Financial Interests**

Glenhaven Capital may recommend to Clients, or buy or sell for Client accounts, securities (or other investment products) in which Glenhaven Capital has a material financial interest. Glenhaven Capital serves as a commodity pool operator to commodity pools in which certain Clients hold interests or may acquire interests. This creates a potential conflict of interest between Glenhaven Capital and its Clients, because Glenhaven Capital may have a financial incentive to recommend interests in a pool to Clients. To mitigate this risk, Glenhaven Capital requires that all employees sign and adhere to its Code of Ethics.

### **C. Investing Personal Money in the Same Securities as Clients**

Glenhaven Capital, its Employees and/or related persons may personally buy or sell the same instruments that Glenhaven Capital buys or sells for Client accounts, and it or they may own securities, derivatives on securities, or commodities of issuers whose securities are subsequently bought for Client accounts because of Glenhaven Capital’s recommendations regarding a particular instrument. Glenhaven Capital’s policy as to such transactions is that these transactions should never be of sufficient magnitude to materially

impact the price of an asset, and that all employees must sign and adhere to Glenhaven Capital's Code of Ethics.

D. Trading Securities At/Around the Same Time as Clients' Securities

As discussed above, from time to time, Glenhaven Capital, its Employees, or related persons of Glenhaven Capital may buy or sell securities for themselves that Glenhaven Capital also recommends to the Client. Glenhaven Capital will always document any transactions that could be construed as conflicts of interest and will ensure that such transactions are not of sufficient magnitude to materially impact the price of an asset.

## **Item 12 – Brokerage Practices**

A. Factors Used to Select or Recommending Broker-Dealers

Glenhaven Capital will always have discretion as to the placement of brokerage (and accordingly, the commission rates paid). In selecting brokers to effect portfolio transactions, Glenhaven Capital considers such factors as price, quality of execution, expertise in particular markets, the ability of the brokers to effect the transactions, the brokers' facilities, reliability, reputation, experience, financial responsibility in particular markets, familiarity both with investment practices generally and techniques employed by Clients and certain brokerage or research services ("soft dollar items") provided by such brokers and clearing and settlement capabilities, subject at all times to principles of best execution, in accordance with Glenhaven Capital's policies and procedures. In selecting broker/dealers to execute transactions, Glenhaven Capital need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Glenhaven Capital believes that the broker-dealers that it recommends provide competitive transaction and custody costs, helping Clients to eliminate or control costs and optimize the custodial structure to the benefit of account holders. When possible, Glenhaven Capital seeks to pre-negotiate preferred terms for its Clients providing Clients with the benefits associated with the economy of scale and custodial knowledge of the firm.

Certain brokers utilized by Glenhaven Capital may provide general assistance to Glenhaven Capital, including, but not limited to technical support, consulting services, and consulting services related to staffing needs. In selecting a broker, Glenhaven Capital may consider the broker's general assistance and consulting services. To the extent Glenhaven Capital would otherwise be obligated to pay for such assistance, it has a conflict of interest in considering those services when selecting a broker.

1. Research and Other Soft Dollar Benefits

Glenhaven Capital currently does not anticipate receiving research or other products or service other than execution from a broker-dealer or third-party in connection with Client securities transactions ("soft dollar benefits"). However, in the future, Glenhaven Capital shall have the right if, in good faith, it considers it to be in the best interest of the Client and consistent with Glenhaven Capital's obligations to do so, to enter into "soft dollar"

arrangements with one or more broker-dealers. All “soft dollar” arrangements will fall within the safe harbor provided by Section 28(e) of the Securities Exchange Act, as that safe harbor is currently interpreted by the Securities and Exchange Commission. If in the future Glenhaven Capital obtains “soft-dollar” benefits, this Brochure will be appropriately amended.

2. Brokerage for Client Referrals

Glenhaven Capital does not consider, in selecting or recommending broker-dealers, Client referrals from a broker-dealer. Glenhaven Capital may receive referrals in the future and if it does it will appropriately amend this Brochure.

3. Directed Brokerage

Glenhaven Capital expects to recommend brokers from time to time and to enter into directed brokerage arrangements from time to time, in Glenhaven Capital’s discretion.

If a Client directs Glenhaven Capital to use a specific broker, not recommended by Glenhaven Capital, Glenhaven Capital has not negotiated the terms and conditions of the broker’s service terms (including, but not limited to, commission rates); in this case, Glenhaven Capital does not have responsibility for obtaining the best prices or particular commission rates with or through any such broker, and the Client may not obtain rates as low as it might by following Glenhaven Capital recommendations.

B. Aggregating Trading for Multiple Client Accounts

Glenhaven Capital may (but is not required to) combine orders on behalf of one Client account with orders for other Client accounts for which it or its principals have trading authority, or in which it or its principals have an economic interest. When it does, Glenhaven Capital will generally allocate the securities or proceeds arising out of those transactions (and the related transaction expenses) on an average price basis among the various participants. Glenhaven Capital believes combining orders in this way will, over time, be advantageous to all participants. However, the average price could be less advantageous to a Client than if that Client had been the only account effecting the transaction or had completed its transaction before the other participants. Because of Glenhaven Capital’s relationship to the Clients it manages by virtue of its position as an investment manager, there may be circumstances in which transactions for those entities may not, under certain laws, regulations and internal policies, be combined with those of some of Glenhaven Capital’s and its affiliates’ other Clients, which may result in less advantageous execution for those Clients.

Glenhaven Capital may place orders for the same security for different Clients at different times and in different relative amounts due to differences in investment objectives, cash availability, size of order and practicability of participating in “block” transactions. The level of participation by different Clients in the same security may also be dependent upon other factors relating to the suitability of the security for the particular Client.

In addition, Glenhaven Capital and/or its related persons or Clients may buy or sell specific securities for its or their own account that are not deemed appropriate for Client accounts



at the time, based on personal investment considerations that differ from the considerations on which decisions as to investments in Client accounts are made. Where execution opportunities for a particular security are limited, Glenhaven Capital attempts in good faith to allocate such opportunities among Clients in a manner that, over time, is equitable to all Clients.

### **Item 13 – Review of Accounts**

A. Frequency and Nature of Periodic Review and Who Makes Those Reviews

Glenhaven Capital reviews Client accounts on no less than a monthly basis to ensure consistency with the Client's strategy and performance objectives. Asset allocation, cash management, market prospects and individual issue prospects are considered. The reviews are conducted by one or more of the Managers of Glenhaven Capital.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may take place more frequently if triggered by economic, market, or political conditions.

C. Content and Frequency of Regular Reports

The money manager and/or each Client's custodian will provide at least quarterly written reports to Clients showing the assets in each Client account, the market value, and each account's performance for the quarter.

### **Item 14 – Client Referrals and Other Compensation**

A. Economic Benefits Provided by Third Parties

Glenhaven Capital does not receive any economic benefit, directly or indirectly from any third party for advice rendered to the Client.

B. Compensation to Non-Advisory Personnel for Client Referrals

Currently, neither Glenhaven Capital nor its related persons directly or indirectly compensates any person who is not advisory personnel for Client referrals. If in the future Glenhaven Capital enters into such arrangements, this Brochure will be appropriately amended.

### **Item 15 – Custody**

Glenhaven Capital does not have custody of Client funds or securities.

### **Item 16 – Investment Discretion**

Glenhaven Capital may invest and trade the Clients' assets in a broad range of investments, to be selected at Glenhaven Capital's sole discretion, with no specific limitations as to type, amount, concentration, or leverage. Further, Glenhaven Capital may enter into any type of investment transaction and employ any investment methodology or strategy it deems appropriate.

Clients generally will designate Glenhaven Capital as their attorney-in-fact to execute, certify, acknowledge, file, record and swear to all instruments, agreements and documents necessary or advisable to carrying out the Clients' business and affairs, including execution of the Clients' governing documents.

### **Item 17 – Voting Client Securities**

Glenhaven Capital will not have authority to vote proxies on behalf of Clients. If in the future Glenhaven Capital obtains authority to vote proxies, this Brochure will be appropriately amended.

It is the policy of Glenhaven Capital that the exercise of proxy voting authority in respect to Client securities shall be the responsibility of its Clients. As part of their agreements with custodians, Clients will direct custodians to send all necessary proxy voting materials and notices directly to the Clients from the custodians holding such securities. Glenhaven Capital believes that Clients, after reviewing such proxy materials, can then decide and vote proxy voting issues in their own best interest.

Glenhaven Capital does not give specific advice to Clients whether to participate or refrain from participation in investor class action suits. Clients will receive in the normal course of business all brokerage statements and confirmations necessary to complete such materials for securities traded while under Glenhaven Capital's management.

### **Item 18 – Financial Information**

Glenhaven Capital has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has not been the subject of a bankruptcy petition.

#### **A. Balance Sheet**

Glenhaven Capital does not require nor solicit prepayment of more than \$500 in fees per Client, six months or more in advance, and therefore does not need to include a balance sheet with this Brochure.

B. Financial Condition

Glenhaven Capital has discretionary authority over the Client's assets. At this time, neither Glenhaven Capital nor its management persons have any financial conditions that are likely to reasonably impair its ability to meet contractual commitments to Clients.

C. Bankruptcy Petitions in Previous Years

Glenhaven Capital has not been the subject of a bankruptcy petition in the last ten years.