



The Roosevelt Investment Group, Inc. | 730 Third Avenue, 23<sup>rd</sup> Floor | New York, NY 10017  
Telephone: (646) 452-6700 Fax: (401) 369-7215  
[www.rooseveltinvestments.com](http://www.rooseveltinvestments.com)

## Form ADV Part 2A – Disclosure Brochure

August 13, 2014

This Brochure provides information about the qualifications and business practices of The Roosevelt Investment Group, Inc. (Roosevelt Investments). If you have any questions about the contents of this brochure, please contact Kathryn Mogan, Compliance Manager, at (646)452-6700. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Roosevelt Investments is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training.

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

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## Item 2: Material Changes

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This item discusses only material changes made to this brochure since our last annual update, dated March 31, 2013. The following material changes have been made and further described in the brochure.

**RSTIX:** On November 30, 2013 the Roosevelt Strategic Income Fund (RSTIX) was closed.

**Heckman Global Advisors:** As of January 31, 2014 we no longer maintain any affiliation with Heckman Global Advisors including the international strategies.

During the Third Quarter of 2013, Adam Sheer and David Sheer were named Co-Chief Executive Officers and James Rogers was named the President. Arthur Sheer, previously the Chief Executive Officer, remains the Chief Investment Officer and Co-Chairman of the Board.

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## Item 4: Advisory Business

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### Description of Advisory Firm

Roosevelt Investments is a Manhattan-based Investment Adviser, registered with the Securities and Exchange commission. We trace our origins to the advisory firm P. James Roosevelt, Inc., which began in 1971.

Here is a summary of important dates in our history.

<b>1971</b>	P. James Roosevelt, a cousin of former President Theodore Roosevelt, founded the Investment Advisory firm, P. James Roosevelt, Inc.
<b>1990</b>	Sheer Asset Management is founded by Arthur Sheer.
<b>1993</b>	P. James Roosevelt, Inc., changes its name to The Roosevelt Investment Group, Inc.
<b>2002</b>	The Roosevelt Investment Group, Inc. merges into Sheer Asset Management. The newly combined firm retains the Roosevelt name and Arthur Sheer as the Chief Executive Officer, Chief Investment Officer, and controlling shareholder.
<b>2005</b>	Roosevelt Investments acquires the advisory firm, Ehrlich Meyers Associates, bringing aboard Robert Meyer as a portfolio manager.
<b>2011</b>	Roosevelt Investments expands fixed income offerings with the addition of Howard S. Potter, a senior fixed income portfolio manager with over 30 years of experience.
<b>2013</b>	Roosevelt Investments announces changes to its executive management team. Adam J. Sheer and David L. Sheer are named Co-Chief Executive Officers and James C. Rogers, CIMA has been appointed President. Arthur H. Sheer remains the Chief Investment Officer and Co-Chairman of the Board.

As of December 31, 2013, our Assets Under Advisement were approximately \$4.71Billion. This figure consists of:

- \$2,663,229,196 managed on a discretionary basis;

- \$127,555,437 managed on a non-discretionary basis;
- \$1,924,783,864 in *Advisory-Only-Assets* which are assets in the UMA Programs where we only provide investment models.

## Our Approach to Investing

Roosevelt Investments' approach to investing is founded on our internal research. We believe that our team of research professionals allows us to find hidden investment opportunities for our clients.

In conducting our research, we use a broad spectrum of information, including without limitation financial publications, annual reports, prospectuses, regulatory filings, company press releases, corporate rating services, inspections of corporate activities, and meetings with management of various companies. Our investment professionals also use third-party research providers and data services to supplement their own research.

Using this research, our portfolio managers implement various strategies for our clients' portfolios. Our chief investment strategies and services include:

**Domestic Equity Strategies:** actively managed strategies that break away from the traditional mold of style box investing and pursue a flexible approach. These strategies look for both stocks that are out of favor and considered undervalued (Value), as well as stocks with under-appreciated growth potential (Growth). Furthermore, investments in international companies may be made, though these products predominantly purchase stock of domestic companies.

These strategies typically employ our **Thematic process**, which is a synthesis of top-down and bottom-up methods. Through this forward-looking approach we seek to capitalize on the undercurrents of structural, economic, political, social, demographic, and/or industry-specific change. Once identified, this perspective is constantly reviewed and acts as a framework for further investment analysis.

Additionally, these strategies employ our **Active Risk Management process**, whereby risk is defined in terms of capital preservation and not as deviation from a benchmark. The goal of this process is to provide protection in down markets. Our opinion of both the risk in the market and inherent in our portfolio, determined by the results of various models and the evaluation of key economic data, might signal to us that it would be appropriate to implement any one or a combination of risk tools that may include but are not limited to:

- Flexibility in the deployment of cash (Max 30%), TIPS ETFs, Zero-Coupon Treasury (Strips) ETFs, precious metal-related securities, and inverse and leveraged-inverse ETFs
- Natural Hedges
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**Fixed Income Strategies:** Include both global and domestic actively managed multi-sector fixed income strategies across the risk/return spectrum. Our **Active Risk Management** and **Thematic** processes may be used in our global fixed income strategy, but not typically employed in our domestic fixed income strategies.

Our Domestic Equity and Fixed Income strategies are available as separately managed accounts. Furthermore, the All Cap Core equity strategy is available as a mutual fund that is invested in a largely similar fashion as the separately managed accounts. Additionally, the specific strategies are discussed further in Item 8, below.

## Types of Advisory Services

We offer the following advisory services:

### Private Client Group

Through our Private Client Group (PCG), we provide advisory services to high net-worth individuals, trusts, Taft-Hartley plans, endowments, foundations, government entities, cemetery trusts, and other entities. PCG offers clients on-going advisory services

based on the goals, objectives, time horizon, and risk tolerance of each client. While the advice given to clients is tailored to the unique circumstances of our private clients, we use a number of centrally managed strategies in the implementation of a client's investment portfolio.

The advisory services are available either as separately managed accounts, with certain minimum investment requirements, or as mutual funds in which Roosevelt Investments acts as the adviser to the fund. For individually managed accounts, we request discretionary authority from clients so that we may select securities and execute transactions without permission from the client prior to each transaction.

Clients may restrict us from investing in certain securities or types of securities. We review these requests on a case-by-case basis.

#### **Adviser to Wrap Fee Programs**

We provide portfolio management services to high net-worth individuals, trusts, Taft-Hartley plans, endowments, foundations, government entities, cemetery trusts, and other entities in different Wrap Fee Programs (also known as "separately managed account programs or "SMA" programs). These services are tailored to the client, and are based on the client's individual goals, objectives, time horizon, and risk tolerance. We are paid a portion of the advisory fee the client pays to the firm that sponsors the SMA program. The management of SMA accounts is similar to how we manage PCG client accounts; however in some SMA programs the sponsor of the program may determine the investment strategy's suitability for the client and other programs may request that we participate in that process.

Clients may restrict us from investing in certain securities or types of securities. We review these requests on a case-by-case basis. Additionally, clients may terminate Roosevelt Investments as their manager in a SMA program at any time. The procedures for termination and information regarding the refund of any prepaid fees are described in the SMA sponsor's brochure.

#### **Advisement of Pooled Investment Vehicles**



We serve as an adviser to a mutual fund, The Roosevelt Multi-Cap Fund. We manage this pooled investment vehicle in keeping with the prospectus. We also serve as adviser to the Roosevelt International Fund, LP and the Roosevelt Beta Plus Fund, LP, further described in Item 10.

#### **Investment Model Provider for Unified Managed Accounts (UMA)**

We have relationships with numerous Registered Investment Advisers (also known as an “Overlay Manager” in connection with a UMA platform) where we provide a model portfolio to the Overlay Manager in their UMA platform. The Overlay Manager uses this model portfolio as a guide on how to invest their clients’ accounts. The Overlay Manager may purchase and sell the investment within its clients’ accounts at the same time, prior to, or after Roosevelt purchases and sells the same investment for its advisory clients. The resulting UMA trading activity could have a positive or negative impact on Roosevelt’s ability to execute trades for its clients. This is because the UMA may affect the availability of securities in the marketplace and the securities’ prices. Roosevelt seeks to mitigate the potential effect of this trading activity by pursuing the practices described in “Trade Rotation” described further in Item 12, below.

These client accounts typically pay an advisory fee to the Overlay Manager, and we are paid a portion of this fee. This service is impersonal and not tailored to client needs because we have no knowledge of the clients’ identities or financial situations. We do not offer any additional services to UMA accounts and the Overlay Manager is responsible for all trading and client interaction. UMA assets under management are not considered Roosevelt assets under management and therefore not included in our AUM calculations. However, since we do earn revenue from UMA accounts, we do include them in our Assets Under Advisement calculation.

#### **Consulting Services to Banks and other Fiduciaries**

We offer consultations to Banks and other Fiduciaries that include advice regarding our views on financial markets and security recommendations.

### **Financial Planning Services**

We offer financial planning services on topics such as retirement planning, college savings, cash flow, debt management, and estate and incapacity planning.

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, questions, information and analysis may be considered as they impact and are impacted by the entire financial and life situation of the client.

In general, the financial plan may address any or all of the following areas of concern. The client and advisor generally work together to select the specific areas to cover. These areas may include, but are not limited to, the following:

**Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (i.e., working longer, saving more, spending less, taking more risk with investments).

**College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies may be included, and, if needed, we may review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).

**Cash Flow and Debt Management:** We may conduct a review of your income and expenses to determine your current surplus or

deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

**Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

**Financial Goals:** We may help clients identify financial goals and develop a plan to reach them. We may identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.

**Investment Analysis:** This may involve providing information on the types of investment vehicles available, employee stock options, investment analysis and strategies, asset selection and portfolio design, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

We currently do not charge a fee for our financial planning services.

## Item 5: Fees and Compensation

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How we are paid depends on the type of advisory service we are providing, but generally we are compensated on the basis of fees calculated as a percentage of a client's assets under management. Please see below for fee and compensation information for each of our services.

## **Standard Advisory Fee**

### ***Private Client Group***

Our basic fee schedules for our major investment strategies are listed in Appendix A. The minimum account sizes for most accounts are listed in Item 7.

The fee we charge is listed in a client's written agreement with us. Clients may choose to be billed directly for fees or to have us directly debit fees from their accounts. We will refund fees on a pro-rated basis upon termination of the advisory agreement. In certain circumstances, fees are negotiable.

Typically, fees are billed quarterly in advance. In the event that a client terminates their account mid-quarter they would be refunded the pro-rata share for the remainder of the quarter.

### ***Wrap Fee Programs***

The SMA programs described in Item 4 generally provide for an all-inclusive fee. This fee generally covers advisory fees, trade execution, reports of activity, custodial services, and the recommendation and monitoring of investment managers. In circumstances where Roosevelt is granted brokerage discretion, we may block client trade orders and trade away at a Broker/Dealer that is not the Wrap Program sponsor. When this occurs, an institutional per share commission rate, between \$0.015 and \$0.05 per share may be applied to the price of the security and no further disclosure is given to the client. As a result, this commission is not included in the wrap fee.

As an investment manager on SMA programs, our compensation is a portion of the total managed account program fee paid to the sponsor by the client.

### ***Advisement of Pooled Investment Vehicles***

The investment advisory fee charged to the registered investment company in which Roosevelt Investments serves as adviser are disclosed in the prospectuses of such investment companies and currently range between 0.60% and 1.0% of the fund's net assets.

### ***Investment Model Provider to Investment Firms***

The UMA programs described in Item 4 generally provide for an all-inclusive fee, which covers advisory fees, trade execution, reports of activity, custodial services, and the recommendation and monitoring of model providers.

As a model provider on UMA programs, we receive as compensation a portion of the total managed account program fee paid to the overlay manager by the client.

### ***Consulting Services to Banks and other Fiduciaries***

Our management fee for such services is a minimum of \$30,000 per year, paid in advance on a quarterly basis.

## **Other Types of Fees and Expenses**

Our fees do not include brokerage commissions, transaction fees, and other brokerage related costs and expenses that are paid by the client. Clients pay fees imposed by custodians, brokers, and other third parties that could include the following:

- fees charged by managers,
- custodial fees,
- brokerage commissions,
- deferred sales charges,
- odd-lot differentials,
- transfer taxes,
- wire transfer and electronic fund fees,
- and/or other fees and taxes on brokerage accounts and securities transactions.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for client transactions and how

we determine that the commissions paid to the broker-dealers are reasonable.

We may include mutual funds and ETFs in our investment strategies. Mutual funds and ETFs charge expense ratios, and may charge commissions as well. These charges are in addition to our fee, and we do not receive any portion of these charges. This is called *layering of fees*.

*An **expense ratio** is a measurement of what it costs to operate a mutual fund or ETF. Operating expenses, which includes the management fee, are taken out of a fund's assets and lower the return to a fund's investors.*

For example, the table below demonstrates this *layering of fees* for a single ETF position.

Type of Fee	Annual Fee	Annual Fee Paid (based on \$10,000 position in the ETF)
Roosevelt Investments' Advisory Fee	1.00%	\$100.00
ETF Expense Ratio	0.90%	\$90.00
<b>Total Paid by Client</b>	<b>1.90%</b>	<b>\$190.00</b>

When a client invests in a mutual fund where we are the adviser, we do not bill the client an advisory fee because we will be compensated from the fund's expense ratio. Additionally, depending on the share class of the mutual fund, the fund may pay annual distribution charges, sometimes referred to as "12b-1 fees".

As well, the client's assets invested in a mutual fund in which we are the adviser are subject to the management fee associated with the mutual fund. That fee also includes charges for administration and accounting services for the fund, therefore the investor in a mutual fund will incur a higher total management fee if the mutual fund's expense ratio exceeds the rate the client would otherwise pay for the management of its assets.

Roosevelt Investments employs Regional Directors to support and enhance distribution of Roosevelt Investments' investment strategies through the SMA and UMA sponsor firms with which we have a contract. The Regional Directors receive various forms of compensation, including based on a percentage of revenue from existing SMA and UMA accounts. We believe that this practice does not present a conflict of interest since it is the SMA/UMA sponsoring firm (not the Roosevelt Regional Director) that decides whether the client should invest with Roosevelt Investments.

In our Private Client Group, we employ personnel to support and enhance the distribution of Roosevelt Investments advisory services directly to our target client base. The personnel receive various forms of compensation, including based on a percentage of revenue received from existing client accounts. Additionally, the level of compensation can be dependent on the investment strategy selected (for example equity accounts have a higher advisory fee than fixed income accounts). To ensure client suitability standards are met under this practice, new client accounts are generally reviewed and approved by Roosevelt compliance and/or management. Furthermore, regular reviews are conducted to ensure the appropriateness of the investment strategy.

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

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Roosevelt Investments provides advisory services to a variety of different clients including a mutual special portfolios on a sub-advisory basis, institutional accounts, ERISA accounts, and investment partnerships. We also have a variety of compensation structures, outlined in Item 5, which includes *performance-based fees*.



## Item 7: Types of Clients

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We provide investment management services to individuals, trusts, Taft-Hartley plans, endowments, foundations, government entities, business entities, pension plans, profit sharing plans, 401k plans, money purchase plans, banks or thrift institutions, cemetery trusts, investment companies, private investment funds, , and institutional DVP accounts.

For our Private Client Group, we require a minimum investment of \$300,000 per client household. The strategy specific minimums for our Private Client Group are as follows.

Minimum Investment Requirements	
All Cap Core	\$100,000
Large Cap Core	\$100,000
Select Equity	\$100,000
Global Enhanced Fixed Income	\$300,000
Current Income Portfolio	\$100,000
Core Fixed Income	\$100,000
Intermediate Fixed Income	\$100,000

The minimum account size for an account we manage in a SMA Program varies by sponsor, but generally is \$100,000.

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

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Roosevelt Investments is a multi-strategy investment adviser, so it is possible that certain methods of analysis, investment strategies, and risks, discussed below, may not apply to our management of any particular client's account or investment product. The specific investment strategies and risks associated with a client's account may be described in more detail in presentations, investment guidelines, marketing materials and other documents provided, or discussions held, with that client or investment guidelines provided by the client (or in the case of Wrap Accounts, provided in the Wrap Sponsor's brochure or other program documentation).

### Our Investment Process

As previously discussed in Item 4, our portfolio managers and analysts create proprietary research with which to base investment decisions for our various investment strategies. Our investment professionals have experience researching and investing in many types of securities and asset classes, including common and preferred stocks, convertible securities, government and corporate fixed-income securities, commodities, bank obligations, foreign securities, real estate-related assets, ETFs, MLPs, and oil and gas interests.

### Methods of Analysis

We use the following methods of analysis in formulating investment advice:

- **Fundamental Analysis** involves reviewing financial statements to understand the general financial health of a company, and reviewing the management team or advantages the company may have over competitors. We also try to maintain contact with the management teams of the companies in which we invest or are under

consideration for investment. We regularly hold conference calls or host face-to-face meetings with company management and attend corporate presentations. This helps us learn the most we can about a company and any relevant changes to the economic landscape. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide a basis for a security's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

- **Technical Analysis** involves the analysis of past market data: specifically price and volume, and the use of patterns in performance charts. We may use this technique to search for patterns that help predict favorable conditions for buying or selling a security. The risk of investing based on technical analysis is that current prices of securities may not reflect all information known about the security and day to day changes in market prices may follow random patterns, which are unpredictable with any reliable degree of accuracy, resulting in the analysis not accurately predicting future price movements.
- **Cyclical Analysis** involves the analysis of business cycles to find favorable conditions for buying or selling a security. Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.
- **Quantitative Analysis** seeks to understand market behavior by using complex mathematical and statistical modeling, measurement, and research. The risks associated with this type of analysis include that Quantitative models may be based on assumptions and subjective judgments that may prove to be incorrect. In using this method of analysis, we also rely on publicly

available sources of information, which may be inaccurate or misleading.

## Investment Strategies

**All Cap Core Equity** invests primarily in domestic common stock. Investment opportunity is pursued regardless of style or capitalization (usually investing in companies with a market capitalization of \$1 billion or greater), and investment in stock of international companies may also be made.

**Large Cap Core Equity** invests primarily in domestic common stock. Investment opportunity is pursued regardless of style and investment in stock of international companies may also be made. It targets investment opportunities with a market cap of \$3 billion or above.

**Select Equity** invests primarily in domestic common stock. Investment opportunity is pursued regardless of style or capitalization (usually investing in companies with a market capitalization of \$1 billion or greater), and investment in stock of international companies may also be made. This strategy typically invests in fewer holdings than our other Domestic Equity strategies.

**Global Enhanced Fixed Income** may invest in domestic and foreign corporate and sovereign bonds. Investments in convertible securities, Eurodollar bonds, domestic preferred stock, as well as certain risk mitigation tools (such as leveraged inverse ETFs) may also be made. The strategy seeks to maximize total return through a combination of current income and capital appreciation from the active management of U.S. and international fixed income instruments. The strategy is not limited by geography, currency, or credit quality.

**Current Income Portfolio** seeks to provide high current income through a portfolio comprised primarily of short and intermediate term, investment-grade corporate and agency obligations, and relatively liquid preferred stock positions. Preferred stock positions serve as a portfolio income enhancer as the incremental risk for assuming a lower credit position in a company's capital

structure produces higher income streams than comparable bonds of the same company.

***Intermediate Fixed Income*** seeks to provide capital appreciation and preservation while generating current income and modest capital appreciation. The strategy maintains a high quality credit portfolio and invests primarily in U.S. Treasuries, U.S. Agencies, and investment-grade corporate obligations that are short and intermediate-term in nature. Duration is controlled to limit interest rate sensitivity.

***Core Fixed Income*** seeks to provide current income, capital appreciation and capital preservation. The strategy maintains a high quality credit portfolio and primarily invests in U.S. government, agency, and corporate obligations. The strategy may invest in debt securities of any maturity, though the portfolio tends to maintain an intermediate-term weighted average duration.

## Material Risks Involved

**Investing in securities involves risk of loss that clients should be prepared to bear.** Additionally, we cannot guarantee that we will achieve the stated investment objectives of our strategies. The value of your investment in a Roosevelt Investments strategy may be affected by one or more of the following risks, any of which could cause the portfolio's return or the portfolio's yield to fluctuate:

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Management Risk:** The adviser's strategy may fail to produce the intended results.

**Style Risk:** Any of our strategies may invest in both "value" investments and "growth" investments. With respect to securities and investments we consider undervalued, the market may not agree with our determination that the security is undervalued, and its price may not increase to what we believe to be its full value. It may even decrease in value. With respect to "growth" investments, the underlying earnings or operational growth we anticipate may not occur, or the market price of the security may not increase as we expect it to.

**Defensive Risk:** To the extent that the strategy attempts to hedge its portfolio stocks or takes defensive measures, such as holding a significant portion of its assets in cash or cash equivalents, the objective may not be achieved.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Developing Market Countries:** The strategies' investments in developing market countries are subject to all of the risks of foreign investing generally, and may have additional heightened risks due to a lack of established legal, political, business, and social frameworks to support securities markets, including: delays in settling portfolio securities transactions; currency and capital controls; greater sensitivity to interest rate changes; pervasiveness of corruption and crime; currency exchange rate volatility; and inflation, deflation, or currency devaluation.

**Emerging Market Countries:** Emerging market countries are subject to all the risks of developing market countries generally, and have additional risks due to a lack of established legal, political, business and social frameworks to support capital markets, including: delays in settling portfolio securities transactions; currency and capital controls; greater sensitivity to interest rate changes; pervasiveness of corruption and crime; currency exchange rate volatility; and inflation, deflation or currency devaluation.

**Frontier Market Countries:** Frontier market countries generally have smaller companies and less developed capital markets than traditional developing and emerging markets. The increased risks are the result of: potential for extreme price volatility and illiquidity in frontier markets; government ownership or control of parts of private sector and of certain companies; trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which frontier market countries trade; and the relatively new and unsettled securities laws in many frontier market countries.

**Availability of Information:** Certain issuers, including municipalities, private companies, and foreign issuers may not be subject to the same disclosure, accounting, auditing, and financial reporting standards and practices as companies publicly-listed in U.S. stock markets. Thus, there may be less information publicly available about these issuers and their current financial condition.

**Limited Markets:** Certain securities may be less liquid (harder to sell) and their prices may at times be more volatile than at other times. Under certain market conditions we may be unable to sell or liquidate investments at prices we consider reasonable or favorable, or find buyers at any price.

**Concentration Risk:** To the extent that the strategy focuses on particular asset-classes, countries, regions, industries, sectors, or types of investment from time to time, the strategy may be subject to greater risks of adverse developments in such areas of focus than a strategy that invests in more broadly diversified across a wider variety of investments.

**Interest Rate:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes.

**Credit:** An issuer of debt securities may fail to make interest payments and repay principal when due, in whole or in part. Changes in an issuer's financial strength or in a security's credit rating may affect a security's value.

**Prepayment or Call Risk:** The issuer of a debt security may prepay or call the debt, in whole or in part, prior to the security's maturity date. We may be unable to reinvest the proceeds in a security of equivalent quality or paying a similar yield or coupon.

**Trading Practices:** Brokerage commissions and other fees may be higher in certain markets or for foreign securities. Government supervision and regulation of foreign securities markets, currency markets, trading systems, and brokers may be less than those in



the U.S. stock markets. The procedures and rules governing foreign transactions and custody also may involve delays in payment, delivery, or recovery of money or investments.

**Legal or Legislative Risk:** Legislative changes or court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying power of your investment portfolio, even if the dollar value of your investments remains the same.

## Risks of Specific Securities Used

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are highly dependent on short-term interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.

**Commodities** may be subject to extreme changes in price due to supply factors, changes in weather, and trade impacts.

**Common stocks** have often outperformed other types of investments at certain times, however, individual stock prices may go up and down more dramatically. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate bonds** may lose all value in the event of the issuer's bankruptcy or restructuring.

**Currency** can lose value when their market value in U.S. dollars is negatively affected by changes in exchange rates between such foreign currencies and the U.S. dollar, as well as between currencies of countries other than the U.S.

**Exchange Traded Funds (ETF)** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected.

**Foreign Securities** including American Depositary Receipts (ADRs) may involve more risk than investing in U.S. securities. These risks include currency exchange rates and policies, country or government specific issues, less favorable trading practices or regulation and greater price volatility.

**High Yield Debt Securities** are lower-rated debt securities of issuers that are not as strong financially as those issuing higher credit quality debt securities. These issues are more likely to encounter financial difficulties and are more vulnerable to changes in the economy, such as a recession or sustained period of rising interest rates, that could affect their ability to make interest and principal payments when due. The prices of high yield debt securities generally fluctuate more than those of higher credit quality. These securities are generally more illiquid (harder to sell) and harder to value.

**Inverse and/or Leveraged ETFs** are securities that attempt to replicate multiples of the performance of an underlying financial index. Inverse ETFs are designed to replicate the opposite direction of these same indices, often at a multiple. These ETFs often use a combination of futures, swaps, short sales, and other derivatives to achieve these objectives. Most leveraged and inverse ETFs are designed to achieve these results on a daily basis only. This means that over periods longer than a trading day, the value of these ETFs can and usually do deviate from the performance of the index they are designed to track. Over longer periods of time or in situations of high volatility, these deviations can be substantial.

**Municipal/Government bonds** are susceptible to events in the municipality that issued the bond or the security posted for the bond. These events may include economic or political policy changes, changes in law, tax base erosion, state constitutional limits on tax increases, budget deficits or other financial

difficulties, and changes in the credit rating assigned to municipal issues.

**Oil and Gas Interests** may lose value due to changes in commodity prices, costs associated with transport of oil/gas, seasonal factors, or technological advances that impact the demand for oil and gas.

Please note that there are many other circumstances not described here that could adversely affect your investment and prevent your portfolio from reaching its objective.

Investors in the mutual fund in which Roosevelt Investments acts as Adviser should review the prospectus used to offer those shares.

## Item 9: Disciplinary Information

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There are no legal or disciplinary events that we deem are material to a client's or prospective client's evaluation of our firm or the integrity of our management.

## Item 10: Other Financial Industry Activities and Affiliations

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### Registration as a Broker/Dealer or Registered Representative

We currently have management persons that are registered representatives of Unified Financial Securities, Inc., the distributor to the Roosevelt Multi-Cap Fund.

In the normal course of their employment with Roosevelt Investments, adviser to the Roosevelt Multi-Cap Fund, their activities, which may include wholesaling, marketing, and other financial professional contact, require the holding of a securities license. They do not receive compensation from Unified Financial Securities.

### Relationships Material to Our Advisory Business and Possible Conflicts of Interest

We serve as the investment adviser to the Roosevelt Multi-Cap Fund, a mutual fund distributed by Unified Financial Securities, Inc., Our advisory services are supervised by the Board of Trustees for the fund, all of whom are independent of Roosevelt Investments.

Roosevelt Investments is the investment adviser to the Roosevelt International Fund, LP and the Roosevelt Beta Plus Fund, LP. These investment vehicles were created as seed accounts to build performance track records for two separate strategies. Interests in these partnerships are not registered and are only available to certain Roosevelt employees.

In many cases, these vehicles invest in strategies similar to those offered through our Private Client Group or SMA Program services; however they may invest in strategies not available to all clients. Certain employees and shareholders of Roosevelt Investments have an investment interest in the partnerships and

their general partners. Roosevelt Investments policies take steps to avoid or mitigate these potential conflicts.

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

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### Code of Ethics

We have adopted a Code of Ethics, as required under the Investment Adviser's Act of 1940 and the Investment Company's Act of 1940, which describes our standard of business conduct, and our fiduciary duty to our clients. Additionally, it serves as a guide to make our employees aware of what conduct and behavior is expected of them, including their personal securities transactions, and rules against trading upon material nonpublic information so they do not take inappropriate advantage of their positions and the access to information that comes with their position.

The Code of Ethics covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Recordkeeping, Annual Review, and Sanctions.

We will provide a copy of our Code of Ethics to any client or prospective client upon request.

### Recommendations Involving Material Financial Interests

We serve as the Investment Adviser to the Roosevelt Multi-Cap Fund, for which we receive a management fee, calculated at the annual rate of 0.90% for this service. When appropriate for the client, all or a portion of client assets may be invested in the fund

as part of our investment management services. Clients have the right, at any time, to prohibit us from investing any of their managed assets in the fund.

Because we are paid by the mutual fund itself, we do not charge the client an advisory fee for this investment.

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

Roosevelt Investments does not manage any “proprietary” investment accounts – i.e., accounts that are funded with the firm’s own money and are intended to create profits for the firm. However, we may participate or have an interest in client transactions several other ways, which are described below.

### **Firm and Employee Investments**

Personal trading by employees is allowed. Employees may own the same securities as clients; however we require that client accounts take priority over an employee’s personal trading.

The following is a portion of our Personal Securities Transaction policy and applies to all employees.

**Personal Securities Transaction policy covers any account that an employee, or member of their household, has direct or indirect ownership, influence, or control.**

**We require preapproval for personal trades that involve Private Placements, IPOs, or mutual funds in which we are the Adviser.**

**We maintain a restricted list of securities that we are currently trading. Personal trading of these securities is not allowed on the same day we are trading for our clients.**

**If a same-day trade is executed by an employee, then the trade is reviewed by the Chief Compliance Officer to determine client impact and sanction of employee.**

**Personal accounts that are managed by Roosevelt Investments, or another Investment Adviser (on a fully discretionary basis), are not subject to the same-day restriction.**

**Employees are required to have their custodian(s) send electronic feeds, or duplicate statements if electronic feed is not available, to our vendor of pre-**

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trade clearance, employee monitoring, and reporting. Employee trades are then compared against client trades and other criteria.

Employees should not purchase or sell securities for their own accounts or for client accounts which would involve the use of material “inside” information known to such employee but not generally available to the public, or by using knowledge of securities transactions by a client to profit personally, directly or indirectly, by the market effect of such transactions.

New employees are required to provide a copy of statements for all personal accounts that are covered by the Personal Securities Transaction policy. These accounts are then reviewed and added to the monitoring system.

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## Trading Securities At/Around the Same Time as Clients’ Accounts

As previously discussed, Roosevelt Investments does not buy securities for its own account. Therefore no potential conflict of interest exists at the firm level. However, personal trading by employees is allowed. In some cases, employees may desire to trade securities that our clients also own. The potential conflicts of interest are addressed with our Personal Securities Transactions policy, Code of Ethics, trade allocation and inside information policies.

## Item 12: Brokerage Practices

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### Broker Selection and Best Execution

Seeking the best trade execution is an important aspect of every trade that we place in a client account. Roosevelt Investments has a Best Execution Committee that consists of members of our Investment teams, Trading team, and Compliance team. The Best Execution Committee approves the brokers to be used to execute trades and determines the reasonableness of their compensation based on the range and quality of a broker’s services including the quality of execution and services provided value of research provided, financial strength, and responsiveness to Roosevelt Investments.

We have controls in place for monitoring trade execution, including reviewing of trades for best execution.

Our trading staff may consider the following factors when placing a trade for a client with a particular approved broker.

**Quality of overall execution services provided by the broker-dealer**

**Promptness of execution**

**Liquidity of the market for the security in question**

**Provision of dedicated telephone lines**

**Creditworthiness, business reputation, and reliability of the broker-dealer**

**Promptness and accuracy of oral, hard copy, or electronic reports of execution and confirmation statements**

**Ability and willingness to correct trade errors**

**Ability to access various market centers, including the market where the security trades**

**The broker-dealer's facilities, including any software or hardware provided to the adviser**

**Any specialized expertise the Broker-Dealer may have in executing trades for the particular type of security**

**Commission rates**

**Access to a specific IPO or to IPOs generally**

**Ability of the broker-dealer to use ECNs to gain liquidity, price improvement, lower commission rates, and anonymity**

**The broker-dealer's ability to provide for "step-out" transactions**

For our clients that do not have a custodial relationship with a bank or SMA Sponsor, we generally recommend them to custody their account with TD Ameritrade, Inc.. We participate in the institutional advisor program offered by TD Ameritrade Institutional, which is a division of TD Ameritrade, Inc., member FINRA/SIPC/NFA, an unaffiliated SEC-registered broker-dealer and FINRA member.



TD Ameritrade offers to independent investment advisors, like Roosevelt Investments, services which include custody of securities, trade execution, and clearance and settlement of transactions. We receive some benefits from TD Ameritrade through our participation in the institutional advisor program, and therefore we may have a conflict of interest (please see Item 14 below).

## Research and Other Soft Dollar Benefits

When selecting a broker to execute client trades, we do consider various factors that include research and brokerage services provided by the broker. This may result in a conflict between our duty to act in the best interests of our clients and any benefit that we may receive in result of that execution of client trades by a particular broker. This conflict is because (a) the selection of a broker that does provide us research may result in a higher fee to the client than that charged by a broker that does not provide us research and (b) the transaction may benefit us because the use of client commissions may relieve us of having to pay for those research services ourselves. Nevertheless, when selecting brokers for execution of client transactions, Roosevelt Investments does make a good faith determination that the amount of commission to be charged to the client is reasonable in relation to the value of the brokerage and research services provided by the executing broker in terms of either the particular transaction or our overall responsibilities for all the accounts over which we exercise investment direction. Roosevelt Investments may use the research services provided in “soft dollar” arrangements to service all of its accounts and not just the accounts whose transactions paid for the research services. Moreover, it is possible that the accounts whose transactions generate brokerage commissions that are used to pay some of Roosevelt Investments’ research obligations may not benefit in any way from this research.

We use an internal allocation procedure to identify those executing brokers who provide us with research services and direct sufficient transactions to them to ensure the continued offering of research. The determination of broker-dealers to

whom commissions are directed generally is made by the ranking of said broker-dealers by such characteristics as quality of research provided, accessibility to analysts, quality of execution, and accessibility to the broker-dealer in general.

We may use “soft dollar” arrangements to obtain a wide range of research (including proprietary research) and brokerage services from brokers, including: written information and analyses concerning specific securities, companies or sectors; financial and economic studies and forecasts; statistics and pricing services; stock price quotations and market; trade analysis; third party research reports (through “commission sharing arrangements”); as well as discussions with research personnel and meetings with senior management of companies whose securities are held in or may be held in client accounts. These soft dollar arrangements are designed to augment our own internal research and investment strategy capabilities.

Generally Roosevelt does not put a specific dollar value on proprietary research received from broker-dealers, believing that the research received is, in the aggregate, valuable to our clients. However, we may receive research from broker-dealers other than those we trade with, and enter into “soft dollar” arrangements in compliance with Section 28(e) of the Exchange Act pursuant for which such brokers are compensated for the research by broker-dealers with whom we executes transactions (“commission sharing arrangements”). In such cases, Roosevelt establishes what it believes is a fair value for such research.

We also use soft dollar arrangements to obtain services that serve partially an administrative function and are not entirely research or brokerage related. We refer to these arrangements as “mixed-use” and pay a portion of the costs from Roosevelt Investments revenue (“hard dollars”). In these instances, we have policies and procedures in place to define a reasonable allocation between soft dollars and hard dollars to pay for such arrangements. Examples of this would be our use of Bloomberg (used for both portfolio management and marketing).

Some of Roosevelt's clients have selected a broker-dealer to act as custodian for the clients' assets and direct Roosevelt to execute transactions through that broker-dealer. It is not Roosevelt's practice to negotiate commission rates with these broker-dealers. For clients who grant Roosevelt brokerage discretion, Roosevelt will block orders and all client transactions will be done at the same standard institutional per share commission rate. This rate is typically between \$0.015 and \$0.05 per share.

## Brokerage for Client Referrals

In selecting broker-dealers, Roosevelt does not consider whether we have received client referrals from the broker-dealer.

However, we may execute trades through Wrap Program Sponsors or other broker-dealers that may refer clients to Roosevelt. Additionally, a client may direct Roosevelt to trade at a particular broker-dealer for their account. In some cases, the directed broker-dealer may have recommended Roosevelt as the Adviser for that account.

## Directed Brokerage

Certain clients may direct Roosevelt Investments to effect transactions with specific brokers. We do not typically negotiate commissions charged by such brokers and these brokers may charge commissions in excess of that which another broker might have charged for effecting the same transaction. Accounts with directed brokerage instructions may be excluded from block trades, and generally are not able to take advantage of volume discounts. As a result, performance for these accounts may vary from accounts in the same strategy that do not have directed brokerage instructions, and these accounts may not be able to obtain best execution.

In addition, brokers that refer clients to us may expect trading for the client account to be directed to them. In this case, a conflict of interest exists between the client's interest in obtaining best execution and our interest in receiving future referrals from that broker. In the event that the client wishes to direct its brokerage to a specified broker-dealer, then the client has various brokerage options, including utilizing the services of: 1) the referring broker,

if any, 2) any other broker that the client desires, or 3) any firm retained by us to provide custody and execution services for clients. We may be able to negotiate more favorable commission rates when we have full brokerage discretion.

Some clients have arrangements with their securities brokerage firms under which the clients pay a separate fee to their brokerage firm and are not charged commissions on trades. Where appropriate, transactions for advisory clients may be batched for execution which will not ordinarily affect commissions charged on such transactions. In an effort to achieve best execution, we may trade away from the directed broker or SMA sponsor. These trades may be marked up with no further disclosure.

## Aggregated Trades

Although we individually manage client accounts, we often will purchase or sell the same securities for many accounts if it is in the best interests of each client, consistent with our duty to seek best execution, and allowed in client agreements.

When possible, we will group the same transactions in the same securities (aggregate trade) for many clients who have the same directed brokerage firm. Also, when practical, we will aggregate the same transactions in the same securities for many clients for whom we have discretion to direct brokerage. Clients in an aggregated transaction will each receive the same price per share and no client will be favored over another client.

If we have to place more than one order to fill all orders in an aggregated transaction, each client in the aggregated transaction receives the average price for all orders placed for clients in the same aggregated transaction in the same security for that day. If we are unable to complete a trade, the shares are allocated to clients on a pro-rata basis, a random basis, or based on an equitable rotational system.

Some clients may be excluded from an aggregated trade because there is not enough cash in their account, they may have tax

consequences, they may have imposed restrictions on their account, or other administrative reasons.

Conflicts may arise in the allocation of investment opportunities among accounts that we advise on. We will attempt to allocate limited investment opportunities believed appropriate for certain accounts on a fair and equitable basis consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity will be allocated in any specific manner.

## Trade Rotation

For our investment strategies that are available in one or more UMA programs (currently our All Cap Core Equity strategy), Roosevelt Investments utilizes a trade rotation to determine the order in which account groups will be traded in an effort to seek to soften market impact of trading and to create an orderly trading process. However, we may choose to deviate from this procedure within the discretion of our investment and trading teams, because of, among other reasons; a) the security involved; b) Roosevelt's view as to the best interest of affected clients; c) market conditions at the time of the order; or d) the investment strategy being traded for.

Roosevelt organizes account groups into a sequential trade order to determine the order in which it will trade the groups.

Accounts may be grouped together by client type, order management system used, or by executing broker-dealer. The groups, and each group's membership, may change over time. Our trading desk may aggregate orders within the specific group where possible, or may determine on a trade by trade basis the order of execution for the various members of that group at time of group execution. Because the UMA group includes multiple programs where we do not exercise discretion, a sequential sub-rotation within the group itself will be applied.

The sequential order is a static sequence that applies for the entire trade.

## Public Offerings

Roosevelt Investments does not allocate initial public offerings (“IPO”) securities or secondary offerings to separately managed accounts. There are two main reasons for this. First, a material number of the broker-dealer/sponsor firms will not accept these securities into accounts held at their firm, which would lead to performance dispersion between accounts managed in the same strategy. Second, it would be unlikely that we would be allocated the sufficient number of shares of an IPO or secondary offering needed to fill across all of our separately managed accounts.

We will, however, from time to time participate in an IPO or secondary offering for a mutual fund in which we serve as Adviser as long as the investment conforms to the mutual fund’s prospectus and investment strategy.

## Item 13: Review of Accounts

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Client accounts are generally monitored for consistency with client objectives and restrictions. Portfolio managers and our Compliance team perform periodic reviews of client accounts on our internal portfolio accounting system. Among other reviews they may monitor account performance and asset allocation.

Special reviews of an account may be triggered by unusual performance, the addition or deletion of funds or change in/addition of client imposed restrictions, buy and sell decisions from the Investment Committee, or other client needs.

For SMA programs, Roosevelt Investments reviews and evaluates model strategies to ensure compliance with the strategy’s investment objectives, policies, and restrictions.

We issue periodic written reports to our direct clients. These written reports generally contain a list of assets, investment results, and statistical data related to the client’s account. We urge clients to carefully review these reports and compare the statements that they receive from their custodian to the reports that we provide.

SMA program clients receive reports from the program sponsor. We also respond to special requests of clients for ad hoc reports related to activity in their account including, for example, proxy voting.

## Item 14: Client Referrals and Other Compensation

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As disclosed under Item 12 above, we participate in TD Ameritrade's institutional customer program and we recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give to our clients, although we do receive economic benefits because of our participation in the program and these benefits are not typically 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 Advisor 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 Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by our employees.

Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit our clients. These products or services may assist us in managing and administering client accounts, including accounts

not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits we receive through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade.

As part of our fiduciary duties to our clients, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the economic benefits we receive creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

We may receive client referrals from TD Ameritrade through our participation in TD Ameritrade AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, we may have been selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade.

TD Ameritrade is a discount broker-dealer independent of and unaffiliated with Roosevelt Investments and there is no employee or agency relationship between us. 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 advisors. TD Ameritrade does not supervise us and has no responsibility for our management of client portfolios or our other advice or services.

We pay TD Ameritrade an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to us ("Solicitation Fee"). We will also pay TD Ameritrade the Solicitation Fee on any advisory fees we receive from any of a referred client's family members, including a spouse, child, or any other immediate family member who resides with the referred client and hired us on the recommendation of such referred client. We will not charge clients referred through AdvisorDirect any fees or costs higher than our standard fee schedule (see Item 5) offered to our clients



or otherwise pass Solicitation Fees paid to TD Ameritrade to our clients. For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to the TD Ameritrade AdvisorDirect Disclosure and Acknowledgement Form.

Our participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain client referrals from TD Ameritrade, we may have an incentive to recommend to clients that the assets we manage be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, we have agreed not to solicit clients referred to us through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when our fiduciary duties require doing so. Our participation in AdvisorDirect does not diminish our duty to seek best execution of trades for client accounts.

We also have referral fee arrangements with other unaffiliated persons, in addition to TD Ameritrade. These arrangements comply with Rule 206(4)-3 and Rule 206(4)-5 requirements under the Investment Advisers Act of 1940.

## Item 15: Custody

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We have authority to debit fees directly from client accounts. For this reason only, we are deemed to have custody of client funds. Our client assets are held with broker/dealers, banks, or other qualified custodians. Clients should receive at least quarterly statements from their qualified custodian. We urge clients to carefully review such statements and compare the official custodial records to the account statements that we may provide to them. The information in our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## Item 16: Investment Discretion

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Roosevelt Investments provides both discretionary and non-discretionary investment advisory services. The vast majority of our clients grant discretion, which allows us to manage portfolios and make investment decisions without client consultation regarding the securities and other assets that are bought and sold for the account. In such accounts, we do not require client approval for the total amount of the securities and other assets to be bought and sold, the choice of executing brokers or the price and commission rates for such transactions.

We usually receive discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, we observe the investment policies, limitations, and restrictions of the clients for which we advise. For registered investment companies, our authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to us in writing by the client. We make every effort to manage restricted portfolios along with other clients within similar mandates. However, it is possible that security selection and trade placement may be delayed for these portfolios while we determine whether a proposed investment decision complies with the account guidelines and restrictions or identify alternatives. Accounts with investment restrictions may forfeit some of the advantages that may result from aggregated orders and may be disadvantaged by the market impact of trading for other portfolios.

Under certain circumstances on a case by case basis, Roosevelt may accept a client request to place an investment into their

advisory account. In most cases, this investment is an “unsupervised” asset, meaning that Roosevelt does not manage or provide advice regarding such asset. If a client holds an unsupervised asset in their advisory account, the client does so with the understanding that the unsupervised asset may not be included in account statements or performance reports provided by Roosevelt, and Roosevelt does not manage or provide advice regarding any unsupervised asset, even if the asset is included in account statements or performance reports provided to the client.

## Item 17: Voting Client Securities

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We vote our clients' securities in a manner that, in our opinion, is in our clients' best interests. We have established the following proxy voting policy.

### Responsibility for Voting

We will not vote proxies solicited by or with respect to the issuers of securities in which assets of a client portfolio are invested, unless the client instructs us, in writing, to vote such proxies.

### Primary Consideration in Voting

Our primary consideration in determining how proxies should be voted is the client's interest as a shareholder of that issuer. Except as otherwise specifically instructed by a client, we generally do not take into account interests of other stakeholders, of the issuer, or interests the client may have in other capacities.

### Conflicts of Interest

There are circumstances in which a conflict of interest might arise by an Investment Adviser voting proxies on behalf of its client. This might occur where an issuer who is soliciting proxy votes also has a client relationship with the Adviser, when a client of the Adviser is involved in a proxy contest (such as a corporate director), or when an employee of the Adviser has a personal interest in a proxy matter.

We believe that our policy of voting in accordance with the recommendations of Glass Lewis (GL), which provides independent recommendations, ensures that proxies are voted solely in the best interests of clients and resolves any potential conflict of interest. In case we become aware that a GL recommendation results in a conflict of interest, such as described above, we will disclose the conflict to the client and obtain the client's consent or advice with respect to the voting based on GL recommendations.

### Proxy Voting Records

Clients may also obtain information from us about how we voted any proxies on behalf of their account(s) upon request.

### Proxy Voting Policy and Summary

Clients may obtain a copy of our complete proxy voting policies and procedures upon request.

## Item 18: Financial Information

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In certain circumstances, registered investment advisers are required to provide you with financial information or disclosures about their financial condition in this Item.

Roosevelt Investments has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has never been the subject of a bankruptcy proceeding. Additionally, Roosevelt Investments does not receive fees more than six months in advance. Therefore, Roosevelt Investments is not required to provide such financial information or disclosures for this item.

## Appendix A: Private Client Group Fee Schedule

Domestic Equity		
Strategy	Account Size	Annual Fee
All Cap Core	First \$10,000,000	1.00%
	Over \$10,000,000	0.50%
Large Cap Core	First \$10,000,000	1.00%
	Over \$10,000,000	0.50%
Small/Mid Cap Core	First \$10,000,000	1.00%
	Over \$10,000,000	0.50%
Select Equity	First \$10,000,000	1.00%
	Over \$10,000,000	0.50%

Fixed Income		
Strategy	Account Size	Annual Fee
Global Enhanced Fixed Income	First \$10,000,000	1.00%
	Over \$10,000,000	0.50%
Current Income Portfolio	\$100,000 and above	0.50%
Core Fixed Income	\$100,000 and above	0.50%
Intermediate Fixed Income	\$100,000 and above	0.50%