

## Item 1 – Cover Page

Cedar Ridge Partners, LLC

Part 2A of Form ADV: Firm Brochure

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This Brochure provides information about the qualifications and business practices of **CEDAR RIDGE PARTNERS, LLC**. If you have any questions about the contents of this Brochure, please contact us at 203-422-0080 and/or [info@cedarridgepartners.com](mailto:info@cedarridgepartners.com). 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.

**CEDAR RIDGE PARTNERS, LLC** is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Our Brochure may be requested free of charge by contacting **Eileen Spencer, Chief Compliance Officer** at 203-413-0274 or [espencer@cedarridgepartners.com](mailto:espencer@cedarridgepartners.com). Our Brochure is also available on our web site [www.cedarridgepartners.com](http://www.cedarridgepartners.com).

Additional information about **CEDAR RIDGE PARTNERS, LLC** also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with **CEDAR RIDGE PARTNERS, LLC** who are registered, or are required to be registered, as investment adviser representatives of **CEDAR RIDGE PARTNERS, LLC**.

## **Item 2 – Material Changes**

This Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure, which was April 1, 2013.

In 2013 the firm launched The Cedar Ridge Unconstrained Credit Fund, an open-end management investment company registered under the Investment Company Act of 1940, as amended. Cedar Ridge serves as the Investment Advisor to the Fund.

During 2013 Cedar Ridge ended its relationship with Forward Management, LLC, for whom it served as a sub-advisor to the Forward Credit Analyst Long/Short Fund.

On January 1, 2014, Eileen Spencer assumed the role of Chief Compliance Officer, the position having been formerly held by Guy Benstead.

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## Item 4 – Advisory Business

Cedar Ridge Partners, LLC (“Cedar Ridge”) provides investment supervisory services to the Cedar Ridge Investors Fund I, LP and the Cedar Ridge Short Term Fund, LP, private investment partnerships designed for sophisticated accredited investors. In addition, the firm serves as the Investment Advisor to The Cedar Ridge Unconstrained Credit Fund, an open-end management investment company registered under the Investment Company Act of 1940, as amended. Cedar Ridge is a privately held company whose principal owners are Alan E. Hart and Guy J. Benstead. Ownership interest may be held directly or through various family trusts. As of December 31, 2013 Cedar Ridge had discretionary assets under management of approximately \$310,000,000.00.

### Cedar Ridge Investors Fund I, LP Summary

The Partnership, which commenced investing activities in May 2004, is an actively managed fixed income fund that seeks to maximize total rate of return and minimize investment risk using a tax advantaged, credit-based and relative value investment strategy. Partnership investments are comprised primarily of long positions in federally tax-exempt municipal bonds, taxable corporate bonds and preferred securities and short positions in corporate bonds, US Treasury and Agency securities. The Partnership seeks to deliver diversified & uncorrelated returns versus other investment alternatives and asset classes by taking advantage of relative value, cross-over trading opportunities and market anomalies and inefficiencies across a wide array of credit risk markets. Current focus sectors include the airline, auto and auto parts, cable, electric utility, energy, industrial and tobacco bond sectors. Investments are comprised of investment grade securities (i.e. rated in the “Baa” category by Moody’s Investors Service, or “BBB” category by Standard & Poor’s Corporation or Fitch Investors Service) and below investment grade securities, including certain “unrated” securities, which may include private placements and restricted securities. The Partnership may also purchase securities on margin and engage in hedging and other securities investment strategies. The Partnership generally may invest up to 5% of its assets measured at cost at the time of investment in securities that are not publicly-traded.

### Cedar Ridge Short-Term Fund, LP Summary

The Partnership is an actively managed high grade fixed income fund with the stated investment objective of seeking to obtain as high a level of interest and dividend income as possible as is consistent with maintaining liquidity and stability of principal. The Partnership invests at least 80% of assets in municipal securities whose interest is exempt from federal income tax. The Partnership holds securities that in the view of the Investment Manager should be deemed to comply with a maturity limitation of about seven years, taking into account specific security features that may include average life, optional/

mandatory call, variable interest rate reset, demand, auction rate and optional put or mandatory tender features, in determining the maturity thereof that will enable the Partnership's average maturity to be maintained at about three years or less. Generally, Partnership assets will be invested in securities rated at least "A" by Moody's Investors Service, Standard & Poor's Corporation or Fitch Investors Service; however, up to 20% of investments may be comprised of securities rated at least in the "Baa" category by Moody's Investors Service, or "BBB" category by Standard & Poor's Corporation or Fitch Investors Service. The Partnership may also purchase securities on margin and engage in hedging and other securities investment strategies

#### Cedar Ridge Unconstrained Credit Fund

The Fund was launched in December 2013. The investment objective is to seek capital appreciation and income. The Fund's advisor aims to achieve this total return objective through the active management of a portfolio whose primary holdings will consist of credit-related instruments available in the US marketplace, including Municipal bonds, High-Yield and High Grade Corporate Bonds and Preferred securities. The Fund's advisor employs a "credit long/short" investment strategy, attempting to locate undervalued securities to fulfill its long positions, and likewise implement short positions in fully valued or overpriced securities. In supporting these decisions the Advisor employs a top-down analysis of fundamental macroeconomic trends that influence the level and direction of interest rates and business cycles, and combines the analysis with bottom-up security selection to build and manage a portfolio with the best chance of realizing the Fund total return objective.

#### Separate Managed Accounts

Cedar Ridge Partners, LLC also provides investment advisory services to various entities, including individuals, trusts, and other investment advisors utilizing similar investment strategies.

These summaries should not be considered complete descriptions of Partnership or Fund operation or policies. Please consult with Cedar Ridge for complete information regarding the Partnerships and Separately Managed Accounts. Please refer to the Prospectus for further information regarding the Cedar Ridge Unconstrained Credit Fund.

### **Item 5 – Fees and Compensation**

#### Basic Fee Structure

##### Cedar Ridge Investors Fund I, LP

Regarding Cedar Ridge Investors Fund I, LP, Cedar Ridge will receive a quarterly management fee calculated at the annual rate of between 1.5% per annum of each Limited

Partner's or shareholder's capital account (the "Management Fee"). The Management Fee will be paid quarterly in advance, based on the value of each Limited Partner's capital account, as of the beginning of each quarter. The Management Fee will be prorated for any period that is less than a full quarter and will be adjusted for subscriptions occurring during the quarter and without accrual of the Incentive Allocation, if any. The Investment Manager may elect to defer receipt of all or a part of the Management Fee.

#### Cedar Ridge Short-Term Fund, LP

Regarding Cedar Ridge Short-Term Fund, LP, Cedar Ridge will receive a monthly management fee calculated at the annual rate of 0.20% of each Limited Partner's capital account (the "Management Fee"). The Management Fee will accrue monthly, based on the value of each Limited Partner's capital account, and be paid monthly in arrears. The Investment Manager may elect to defer receipt of all or a part of the Management Fee.

#### Separately Managed Accounts

Fees charged for Separately Managed Accounts vary and may include management fees and/or incentive allocations based on terms negotiated based on investment objectives and Account parameters.

Cedar Ridge Partners, LLC's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Cedar Ridge Partners, LLC's fee, and Cedar Ridge Partners, LLC shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that the Firm considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

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

As outlined above in Item 5, in some cases Cedar Ridge Partners, LLC has entered into performance fee arrangements with qualified clients: such fees are subject to individualized negotiation with each such client. Cedar Ridge Partners, LLC will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisors Act of 1940 (The Advisors Act) in accordance with the available exemptions there under, including the exemption set forth in Rule 205-3. In measuring

clients' assets for the calculation of performance-based fees, Cedar Ridge Partners, LLC shall include realized and unrealized capital gains and losses. Performance based fee arrangements may create an incentive for Cedar Ridge Partners, LLC to recommend investments that may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. Cedar Ridge Partners, LLC has procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

## **Item 7 – Types of Clients**

Cedar Ridge Partners, LLC provides portfolio management services to individuals, high net worth individuals, Family Offices, foundations, endowments, registered mutual funds, private investment funds, trust programs and other U.S. institutions.

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

Investing in securities, funds and/or partnerships involves risk of loss that clients should be prepared to bear.

### **Cedar Ridge Investors Fund I, LP**

Cedar Ridge Investors Fund I, LP is an actively managed “Municipal-Plus” fixed income fund that seeks to maximize total rate of return from the municipal bond asset class and minimize investment risk using a tax advantaged, credit-based and relative value investing strategy. Investments consist primarily of long positions in high yield municipal bonds, hedged by short positions in corporate bonds, US Treasury and Agency securities. The Fund seeks to out-perform traditional high yield municipal bond alternatives in all market environments and deliver diversified, uncorrelated returns versus other asset classes.

The Cedar Ridge Investors Fund I, LP targets gross leverage at 3-4 times. Leverage is obtained through margin borrowing through the Prime Broker, as well as through shorting of corporate bonds, US Treasury and Agency securities.

### **Cedar Ridge Short-Term Fund, LP**

Cedar Ridge Short-Term Fund, LP is a diversified, actively managed high grade fixed income fund with the stated investment objectives of obtaining as high a level of interest and dividend income as possible as is consistent with maintaining monthly liquidity and stability of principal. The Partnership invests at least 80% of assets in municipal securities whose interest is exempt from federal income tax. The Partnership holds securities that the

Investment Manager deems to comply with a maturity limitation of about seven years (taking into account security features including average life, optional/mandatory call, variable rate reset, demand, auction rate and optional put or mandatory tender features) while maintaining an average maturity of about three years or less. The Partnership may purchase securities on margin and engage in hedging of securities positions.

The Partnership invests at least 80% of assets in municipal securities whose interest is exempt from federal income tax. The Partnership holds securities that the Investment Manager deems to comply with a maturity limitation of about seven years (taking into account certain security features including average life, optional/mandatory call, variable rate reset, demand, auction rate and optional put or mandatory tender features) while maintaining an average maturity of about three years or less. The Partnership may purchase securities on margin and engage in hedging of securities positions.

The Partnership does not intend to utilize leverage as a means of enhancing potential returns; however, at the discretion of the Investment Manager, margin borrowing may be used as an additional tool to manage Partnership liquidity. To the extent legally permissible, the utilization of leverage of up to 2:1 (i.e. the ratio of Partnership gross investments to funds under management) is permitted at the discretion of the Investment Manager. The Investment Manager expects that in the event leverage was utilized, any such leverage would stay within Regulation T of the Federal Reserve's margin rule.

#### Cedar Ridge Unconstrained Credit Fund

Please refer to the Prospectus for Methods of Analysis, Investment Strategies and Risk of Loss with respect to the Cedar Ridge Unconstrained Credit Fund..

#### Separately Managed Accounts

Cedar Ridge Partners, LLC also provides investment advisory services to various clients under Separately Managed Account agreements utilizing similar investment strategies.

#### INVESTMENT DISCIPLINE

We are an actively managed fixed income credit/arbitrage total return strategy with a particular focus and expertise in the “high yield” municipal and corporate bond markets.

#### INVESTMENT PROCESS

The Investment Team uses a combined “Top Down/ Bottom Up” approach to making investment decisions. We believe any sound fixed income investment process must begin with a view of the overall macroeconomic environment, including Federal Reserve policy, interest rate and spread forecast, and business cycle. We then focus on how best to take advantage of that view within our core investing sectors; we do not run an “index fund”,

and maintain our investing focus on about ten core investing sectors. In turn, we closely follow about 120 credits at any given time that may be the source of a long or short view on credit.

We seek to generate over time above market total investment returns from both positive net investment income and correct assessments on credit capable of generating capital appreciation from both positions held “long” as well as “short”. Our typical investment horizon is three to twelve months or longer.

## IDEA GENERATION

Ideas are derived from three primary inputs. The first is general relative value/arbitrage opportunities that are either inter- or intra- asset class. Our goal in this instance is to take advantage of the “silo’ed” nature of the fixed income markets. Most investment managers, as well as Wall Street securities firms, are managed on an “asset class specific basis”. We purposely seek to take advantage of opportunities that arise due to credit views that can become out of sync as managers in one arena may have an opposing view to those of managers in a different asset class. Secondly, we concentrate on the specific areas of the fixed-income markets that the portfolio managers have unique and demonstrated expertise to determine how best to position the portfolio given our macro and market views. Lastly, we seek to take advantage of opportunistic trading around one-off or unique market events.

## MACRO TREND ANALYSIS

The combined team has over 10060 years of experience throughout all fixed income asset classes and investing markets over the past 254+ years. Our level of Macro research and analysis is broad and when needed deep. Our Macro trend analysis focuses on general economic conditions in the U.S. and globally, where economies (and specific investing sectors) are in the business and economic cycle, and what trends and current conditions are being priced into the fixed income markets at any given time. In addition we analyze and predict Central Bank actions and policies and how they will likely affect the market.

## INDUSTRY/SECTOR SCREENING PROCESS

### Starting Universe

We focus on the core industries and fixed income sectors where the Cedar Ridge Team has deep historical and practical knowledge.

### Screening Process

Comprehensive fundamental research on the specific names using both source material and third party research. We gather market pricing daily from primary broker sources at

most major fixed income dealers, and make relative value assessments among current portfolio positions and possible alternatives.

When we analyze credits for long/short investment opportunities, we look at the following characteristics:

Franchise/enterprise value, EBITDA(R) and free cash flow generation, balance sheet strength/weakness, management expertise and “attitude” toward bondholder/creditor interests, over/undervalued assets, relative value pricing of risk, perspective and capability of meeting investment objectives for both income and appreciation.

#### INVESTMENT DECISION/PORTFOLIO IMPLEMENTATION AND MANAGEMENT

Alan Hart, CIO, coordinates investment decisions and implementation. Guy Benstead, Jeff Hudson, Dave Falk and Jeff Rosenkranz are also members of the Investment Management Team. Virtually all of the securities that we trade are “over-the-counter” and we execute trades with as many as 210 broker dealers, consistent with our efforts to seek best execution. The Investment Management Team Fund managers understands that the Fund has its clients have investment criteria and limits that are different, and may vary substantially from from other clients, mainly its legacy hedge fund. These differences, combined with the unique nature of our core investing fixed income sectors, give rise to certain implementation “challenges”, and at times return differentials will arise, but these differences will likely be temporary and portfolio characteristics and return profiles should be similar over time, reflecting a client’s overall objectives and criteria.

#### PORTFOLIO RISK MANAGEMENT

The Investment Team uses a comprehensive proprietary risk system that allows us to stress test portfolios over hundreds of different “what-if” scenarios. Stress tests are run daily. This is a dynamic process that is updated regularly.

The Investment Team also uses a combination of J.P. Morgan/Morcom Prime Brokerage Reports and Excel to monitor VAR, and portfolio leverage on a daily basis.

#### SELL DECISION

All portfolio holdings are always under review. At times positions are sold for four primary reasons: Return objective met, outlook for a specific credit/investment changes, Portfolio Manager seeks to swap into a better total return opportunity, market conditions deteriorate and warrant reduction of risk (i.e. may include outright reduction in exposure to a given credit or asset class, or reduction in use of leverage).

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

Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Cedar Ridge Partners, LLC or the integrity of Cedar Ridge Partners, LLC's management. Cedar Ridge Partners, LLC has no information applicable to this Item.

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

Cedar Ridge GP, LLC, is a related entity of Cedar Ridge Partners, LLC. For Cedar Ridge Investors Fund I, LP there shall be reallocated to the capital account of an incentive allocation at the end of each fiscal year equal to between 15% of each Limited Partner's share of net profits, if any, subject to a "loss carry forward" provision. For Cedar Ridge Short-Term Fund, each month there will be reallocated to the capital account of the General Partner from the capital account of each Limited Partner 10% of each Limited Partner's share of net profits, if any, subject to a "loss carry forward" provision. The Investment Manager may share in the Incentive Allocation (if any) received by the General Partner in a proportion to be determined solely by the General Partner.

## **Item 11 – Code of Ethics**

As a SEC registered investment adviser, Cedar Ridge has in place a Code of Ethics for the benefit of clients. Cedar Ridge's Code of Ethics covers topics of interest including: fiduciary duty, provisions on acceptance of gifts by personnel, company opportunities, influence, confidentiality of client information, record-keeping, and various other important topics. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. Cedar Ridge and its members and employees and persons associated with Cedar Ridge Partners, LLC may invest in securities in which the Applicant may have invested client funds. Cedar Ridge's members and employees may purchase or sell such securities contemporaneously with or after all clients' purchase or sale of such securities, as the case may be, subject to satisfying this policy and applicable laws, officers, directors and employees of Cedar Ridge Partners, LLC and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Cedar Ridge Partners, LLC's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Cedar Ridge Partners, LLC will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such

decisions while, at the same time, allowing employees to invest for their own accounts. All supervised persons at Cedar Ridge Partners, LLC must acknowledge the terms of the Code of Ethics annually, or as amended.

A copy of Cedar Ridge's Code of Ethics, in its entirety, is available to clients and prospective clients upon request. Cedar Ridge Partners, LLC's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Eileen Spencer at [espencer@cedarridgepartners.com](mailto:espencer@cedarridgepartners.com).

## **Item 12 – Brokerage Practices**

Cedar Ridge has sole investment discretion with regard to selection of securities, amount of securities to be purchased or sold, broker or dealer to be used, and commission rates to be paid. Cedar Ridge has a duty to execute transactions, select brokers or dealers, and negotiate commission rates in the interest of its clients. As such, Cedar Ridge conducts regular reviews of its brokerage decisions to ensure that its clients' interests are being served. Cedar Ridge seeks to obtain "best execution," meaning generally that the execution of a securities transaction for a client is performed in a manner that a client's total costs or process in the transaction are most favorable under the circumstances. In seeking best execution, Cedar Ridge takes into consideration the price of a security offered by the broker-dealer, as well as a broker-dealer's full range and quality of their services including, but not limited to: execution, reliability, financial responsibility, commission rates, responsiveness, and the research provided by the broker-dealer to Cedar Ridge.

The Company has adopted trading policies that are intended to insure that all trades are undertaken and, where necessary, allocated to advisory clients in a manner that fulfills our fiduciary obligations to each advisory client and otherwise allocates securities on a basis that is fair, equitable, consistently applied, and does not unfairly discriminate against any advisory client. Instances where allocation may be necessary include, without limitation: block trades, bunching client trades, simultaneous transactions in securities for advisory clients and the firm (or an employee of the firm), purchases of new issues ("IPOs"), acquisitions of securities directly from an issuer in a private placement, and disposition of unattractive securities (e.g., a downgraded security). When allocation is necessary, securities shall be apportioned among advisory clients and others in accordance with the Company's trading policies. In determining whether an allocation is fair, Cedar Ridge Partners, LLC shall take into account the Company's fiduciary duties to each client; potential conflicts of interest; the facts and circumstances presented in each instance, each client's individual investment objectives, mandates and suitability; eligibility to participate

in the transaction and any other considerations which are relevant and material to the overall goal of allocating securities on a fair and equitable basis.

It is Cedar Ridge Partners, LLC's policy that the firm will not effect any principal or agency cross securities transactions for client accounts. Cedar Ridge will allow cross trades between client accounts only when such trades are done in compliance with company policies and procedures, specifically that no client will be disfavored by cross trading and that the trade is effected at a price determined by an independent pricing mechanism. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer. Cedar Ridge Partners LLC is not dually registered as a broker-dealer and does not have an affiliated broker-dealer.

Cedar Ridge Partners' policy is to not use soft dollars.

### **Item 13 – Review of Accounts**

Account Performance reviews are conducted (by Portfolio Managers) no less frequently than daily. Each account is analyzed to ensure that investments are performing as expected and deviations from expected performance are highlighted. Such deviations are further researched to determine appropriate action (re: sell or hold).

UMB Fund Services, the Applicant's fund administrator and accountant for Cedar Ridge Investors Fund I LP, furnishes each client with no less than quarterly reports, which include a statement of the client's net asset value. ALPS Inc., the Applicant's fund administrator and accountant for Cedar Ridge Short Term Fund, LP, furnishes each client with no less than monthly reports, which include a statement of the client's net asset value. Also, each client is furnished with an annual report, which includes audited financial statements prepared in conformity with generally accepted accounting principles.

Cedar Ridge also provides investment advisory services to various separately managed accounts held at Schwab Institutional; Schwab Institutional make available account statements which include client's net asset value at least monthly. All investment accounts employ a similar investment strategy.

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

Cedar Ridge currently has no formal agreements with outside parties regarding Client Referrals and Other Compensation.

## **Item 15 – Custody**

The firm in its ADV Part 1 is identified as having custody of client assets. To facilitate this function, Cedar Ridge has appointed qualified outside custodians to for each of its products. The Cedar Ridge Short Term Fund, LP and Cedar Ridge Investors Fund, I both have J.P. Morgan Clearing Corp. as custodian. The Cedar Ridge Unconstrained Credit Fund uses UMB Bank, n.a. as Custodian.

Clients should receive at least monthly or quarterly statements as outlined above in Item 13. Cedar Ridge urges all clients to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Any questions regarding client statements should be directed to Jeffrey Hudson, [jhudson@cedaridgepartners.com](mailto:jhudson@cedaridgepartners.com)

## **Item 16 – Investment Discretion**

Cedar Ridge has sole investment discretion with regard to selection of securities, amount of securities to be purchased or sold, broker or dealer to be used, and commission rates to be paid. Cedar Ridge has a duty to execute transactions, select brokers or dealers, and negotiate commission rates in the interest of its clients.

Cedar Ridge receives discretionary authority from the client at the outset of an advisory relationship through properly executed Partnership Subscription documents and/or Investment Advisory Agreements. In all cases, 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, Cedar Ridge observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Cedar Ridge's 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.

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

Cedar Ridge generally refrains from voting client proxies due to its limited direct interest in equity securities, however, in certain cases where voting would provide a material benefit to the client, Cedar Ridge may vote client proxies. In cases where Cedar Ridge votes client proxies, it will retain evidence of how client proxy votes were cast and such evidence will be available to its clients upon request. Clients may also obtain a copy of Cedar Ridge's complete proxy voting policies and procedures upon request.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Cedar Ridge Partners LLC's financial condition. Cedar Ridge 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 proceeding. Cedar Ridge Partners LLC is a privately held company and will make updated financial information upon request.