

# TeamCo Advisers, LLC

## Part 2A of Form ADV: Firm Brochure

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**This brochure provides information about the qualifications and business practices of TeamCo Advisers, LLC. If you have any questions about the contents of this brochure, please contact us at (415) 445-9800. 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.**

**Additional information about TeamCo Advisers, LLC. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

*Note: Registration as a "registered investment adviser" does not imply a certain level of skill or training*

**Item 2:      Material Changes**

This Brochure dated March 24, 2014 is prepared according to the SEC's requirements and rules. This Item is intended to discuss only specific material changes that are made to the brochure. TeamCo has had no material changes since the last annual amendment filed on March 8, 2013.

In the past we have offered or delivered information about our qualifications and business practices to our clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

Currently, our Brochure may be requested by contacting Robert McCormish at (415) 445-9800 [rmccormish@teamcoadvisers.com](mailto:rmccormish@teamcoadvisers.com) or Savannah Thompson at (415) 445-9800 [sthompson@teamcoadvisers.com](mailto:sthompson@teamcoadvisers.com).

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**Item 4: Advisory Business****Our Organization**

TeamCo Advisers LLC (“TeamCo” or the “Applicant”) is a Delaware limited liability company founded in 2002. Applicant began its current operations, corporate structure and ownership team in 2006. Applicant currently provides discretionary management services for a pooled investment vehicle and tax-exempt institutional investors (each, a “client”), among them benefit plan investors subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). Tax-exempt investor assets are managed through separately managed accounts (“client accounts”).

**Principal Owners**

Applicant’s principal owners are David M. Perry (70%) and Robert A McCormish (30%).

**Types of Services Offered**

Applicant currently provides discretionary management services for tax-exempt investors (“clients”) through either Applicant’s pooled investment vehicle or through separately managed accounts (“client accounts”). The majority of Applicant’s clients are benefit plan investors subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). Applicant currently offers advice to clients in connection with their investments in non-affiliated pooled investment vehicles (“pooled investment vehicles” or “underlying funds”).

**Ability to Tailor Services and Impose Restrictions**

In its capacity as investment manager, the Applicant provides investment advice to clients in accordance with the investment objectives and guidelines of each client account. The investment management agreement (and, as applicable, offering or other documents) by and between the Applicant and any client generally sets forth the investment guidelines and/or the types of investments in which the client’s assets may be invested.

Client accounts will generally be managed with the oversight of each client’s designated trustee (typically a global custodial/trustee bank) or fund administrator/custodian for such client’s qualified plan. Under this approach, TeamCo, as discretionary manager of these assets, has signatory authority to direct the trustee to execute investment documents and wire assets only for the purposes of settling investment transactions.

However, typically, each client account remains under the oversight of the applicable trustee, which has custody of the client’s assets and investments as well as portfolio asset valuation responsibilities.

**Wrap Fee Programs**

Not applicable.

**Assets Under Management**

As of December 31, 2013, Applicant manages approximately \$1.45 billion on a discretionary basis. Applicant does not manage any client assets on a non-discretionary basis.

**Item 5: Fees and Compensation**

Applicant currently provides discretionary management services for large, institutional, tax-exempt investors. As such, all of the Applicant's clients will be qualified purchasers. For its services, Applicant is entitled to management fees, fixed fees and performance-based fees.

For separately managed accounts, Applicant bills clients directly for fees, which are paid with funds outside of the portfolio. Such clients are billed on a calendar quarter-end basis. For the pooled investment vehicle, Applicant is paid out of the fund each fiscal quarter according to the details provided in the Limited Partnership Agreement. Applicant may consider alternative arrangements, if requested, on a client by client basis.

**Other Fees and Expenses**

Fund managers of the underlying funds in which the portfolio invests are compensated on terms which may include fixed fees and/or performance-based fees or allocations. Other than these fees and allocations of the underlying funds, there are not typically any other client fees. However, an underlying fund in which a client account invests may bear costs and expenses directly related to such underlying fund's investment program, including: brokerage commissions, expenses related to proxies, underwriting and private placements, research products and services, fees and expenses of experts, consultants and sub-advisors, interest on debit balances or borrowings, custody fees, investment banking fees, any withholding or transfer taxes imposed on the fund and placement or solicitation fees. Such costs and expenses will typically be borne by all investors in such underlying fund (including the client account) on a *pro rata* basis. Please see Item 12 below for a general discussion of brokerage practices applicable to the underlying funds.

Neither Applicant nor any supervised person of Applicant accepts compensation for the sale of securities or other investment products.

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

As described in Item 5 above, Applicant currently provides discretionary management services for large, institutional, tax-exempt investors that are qualified investors. For its services, Applicant is entitled to performance-based fees, which are generally negotiated with a client at the outset of an advisory relationship or set forth in the pooled investment vehicle's Limited Partnership Agreement. Performance-based fee arrangements may vary across clients. For example, Applicant may negotiate performance-based fees subject to maximums, caps, or other constraints.

Performance-based compensation arrangements may create an incentive for Applicant 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 clients over other clients in the allocation of investment opportunities. There may be occasions when the availability of a particular investment is constrained by capacity such that Applicant may not have the ability to allocate to that investment an amount equal to the sum of all of its clients' desired allocations. Applicant will determine the extent to which the clients participate in an investment, if at all (*i.e.*, the individual client allocation amount), on a basis it believes is fair and equitable, taking into account a variety of factors.

**Item 7: Types of *Clients***

As described in Item 4, Applicant currently provides discretionary management services for tax-exempt investors (“clients”) through either Applicant’s pooled investment vehicle or through separately managed accounts (“client accounts”). The majority of Applicant’s clients are benefit plan investors subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). Applicant will generally require a minimum investment of \$100,000,000 by clients investing through a separately managed account. A \$10,000,000 minimum investment applies to the pooled investment vehicle. In all cases, these minimums may be waived by Applicant in its sole discretion.

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

### **Methods of Analysis and Investment Strategies**

Applicant offers advice to clients in connection with their investments in underlying funds. Such underlying funds may invest in a wide range of investments, including, but not limited to: domestic and foreign equity and equity related instruments, currencies, commodities, fixed income, and other debt instruments; utilize over-the-counter and exchange traded instruments (including derivative instruments). Such underlying funds may also trade on margin and/or engage in short sales. Investment strategies employed by such underlying funds may include, but are not limited to: relative value strategies including convertible and fixed income arbitrage; event driven strategies including distressed/restructuring, value equity and special situations; global long/short equity, and macro investing.

In managing client portfolios, Applicant typically employs a six-stage investment process: (1) identify; (2) evaluate; (3) approve; (4) allocate capital; (5) monitor; and (6) reallocate capital. Applicant generally identifies pooled investment vehicles which it believes have exhibited outstanding long-term performance and whose firms are owned and operated by people that Applicant believes have excellent personal and professional reputations. Applicant will attempt to eliminate identified pooled investment vehicles from consideration due to certain “knockout” items including, but not limited to; concerns regarding the integrity of their key people; inability to measure the personal attributes of their key people; insufficient capital investments of their key people; concerns regarding their firm’s operations; external ownership control; interest in cultivating a long-term relationship; and, any real or perceived conflicts of interest with Applicant and/or the pooled investment vehicles and their investors. Applicant generally evaluates remaining investments on a series of quantitative and qualitative criteria to determine their suitability. In addition to on-site visits, under the evaluation process typically employed by Applicant, Applicant also considers existing relationships and receives input from retained consultants and other influential sources with extensive knowledge and familiarity of such pooled investment vehicles. Applicant will then typically rate and ranks investments by utilizing a proprietary model which considers a variety of attributes and factors. The proprietary model is a transparent process that justifies and formalizes selection, retention and reallocation decisions. Finally, Applicant attempts to allocate the client portfolio assets among the selected group of investments in a way that is expected to meet the client’s performance objectives. Additional allocation considerations include the capital and liquidity constraints provided by Applicant’s proprietary model in combination with client’s specific investment guidelines. Applicant generally continues to monitor the performance of the underlying funds and their portfolio managers and make determinations based on the factors above to reallocate the client portfolio assets from time to time.

The principal sources of information used by Applicant include: certain financial, business, and economic publications, certain information prepared by the private investment companies (*i.e.*, reports to investors and offering documents), communication with third parties, interview and personal visits by Applicant’s staff with the top people (person) at each of the fund managers of each underlying fund that is approved. In addition, and as mentioned above, the views of influential advisors, retained consultants, and plan sponsors may also be considered.

### **Risk of Loss**

All investments risk the loss of capital. There is no assurance that the Applicant and/or the underlying funds will generate positive returns for investors.

Subject to a client’s investment guidelines, adviser typically invests client assets in a diversified portfolio of underlying funds. Applicant believes this will generally mitigate the risk associated with investing in a single or small number of hedge funds. However, clients should be aware that investing in a client account managed by Applicant involves substantial risks, including the risk of total loss of capital, and may not be suitable for all investors. Different investment strategies are subject to different types and degrees of risk and prospective and



current investors should familiarize themselves with the risks associated with the particular investment strategy utilized or to be utilized by a separate account. The principal risks associated with investment strategies and methods of analysis utilized by Applicant are discussed below.

***Lack of coordination among investment decisions of underlying funds.*** Investment decisions of the underlying funds are made by such funds' managers independently of each other. Consequently, at any particular time, one underlying fund may be purchasing interests in an issuer that at the same time are being sold by another underlying fund. Investing by the underlying funds in this manner could cause a client to incur indirectly certain transaction costs without accomplishing any net investment result.

***Payment of incentive allocations or fees if net loss.*** The managers of the underlying funds will receive any incentive allocations or incentive fees to which they are entitled, irrespective of the performance of the other underlying funds and the client account generally. A manager of an underlying fund with positive performance may receive an incentive allocation or incentive fee from a client, even if the client's overall returns from their portfolio managed by the Applicant are negative.

***Acceleration of recognition of incentive allocation or fees.*** An incentive allocation or incentive fee may be payable to the manager of an underlying fund at the end of such underlying fund's fiscal year or upon any withdrawal from the capital account of an investor in such underlying fund, if earlier. The rebalancing of a client's investment portfolio among the underlying funds, if accomplished through withdrawals as opposed to the disproportionate investment of new capital, could cause an incentive allocation or incentive fee to be paid to such underlying funds' managers prior to the end of a fiscal year even if the client has not withdrawn capital from its client account.

***Access to certain of the investment strategies may be terminated.*** At any time, an underlying fund could be dissolved or the relationship of a manager of an underlying fund with Applicant could be terminated, in which case the strategy pursued by such underlying fund may no longer be represented in the client's investment portfolio.

***Diversification risk for the client.*** The underlying funds may invest in a limited number of investments. Despite the client's indirect investments in various underlying funds, such underlying funds may potentially have the same positions in certain securities or other assets (particularly under circumstances where a given investment opportunity is appropriate for more than one investment strategy pursued by the underlying funds). Accordingly, the market value of the client's assets may be adversely affected to a greater degree by the unfavorable performance of an investment made by multiple underlying funds.

***Reliance on third-party fund management.*** The client will invest in underlying funds managed by such underlying funds' managers who are unrelated to Applicant and, indirectly, in investments selected by such unrelated managers. Although Applicant will attempt to evaluate each underlying fund based on criteria such as the performance history of the underlying fund and its underlying manager, as well as the underlying fund's investment strategies, the past performance of an underlying fund and its underlying manager may not be a reliable indicator of future results. Applicant will not have an active role in the day-to-day management of the underlying funds. Moreover, the client will not have the opportunity to evaluate the specific investments made by any underlying fund before they are made, and may not be able to dispose of its investment in an underlying fund if Applicant is dissatisfied with such underlying fund's performance. Accordingly, the returns of the client will depend on the performance of such unrelated underlying managers and could be substantially adversely affected by the unfavorable performance of such underlying managers.

***Access to information from underlying funds.*** Applicant intends to request information from each underlying fund regarding such underlying fund's historical performance and investment strategy. However, Applicant may not always receive such information because certain of this information may be considered proprietary by an underlying fund. An underlying fund's use of proprietary investment strategies that are not fully disclosed to Applicant may involve risks under some market conditions that are not anticipated by Applicant. Furthermore, this lack of access to information may make it more difficult for Applicant to select, allocate among and evaluate underlying funds.

***General risks related to investment strategies.*** The performance of a client's portfolio will substantially depend upon the performance of the investment strategies pursued by the underlying funds. The underlying funds may invest in, and actively trade, securities and other financial instruments using strategies and investment techniques

with significant risk characteristics, including:

- risks arising from the uncertainties of bankruptcy, reorganization, liquidation or adversary proceedings with respect to certain issuers and the securities or other assets of such issuers;
- adverse changes in general economic conditions and price fluctuation in response to interest rates;
- volatility of the global debt, equity, currency and fixed-income markets;
- the risks of short sales;
- the potential illiquidity of securities and derivative instruments; and
- the risk of loss from counterparty defaults.

No guarantee is made that underlying funds' investment programs or overall portfolios, or the various investment strategies employed or investments made by the underlying funds, will have low correlation with each other. The underlying funds' investment programs may use such investment techniques as margin transactions, option transactions, short sales and forward and futures contracts. Such techniques involve substantial volatility and may, in certain circumstances, substantially increase any adverse conditions or effects to which the underlying funds can be subject. All investments made by the underlying funds risk the total loss of capital. No guarantee or representation is made that the investment programs of the underlying funds' investment programs will be successful, that the underlying funds or the client account will achieve any targeted returns or that there will be any return on (or of) any amounts invested, and investment results may vary substantially over time.

**Limitations on investments.** Except for instruments or strategies specifically prohibited by a client's individual investment guideline constraints, Applicant will not be limited as to the investments permitted or strategies in effect. Investments may include underlying funds with limited liquidity which invests assets on a long-term basis. These investments may bear substantial illiquidity and potential loss of capital risks. Applicant's clients must be able to bear the economic risks of an investment for substantial and indeterminate periods of time, have no immediate need for their assets and be able to withstand a total loss of capital.

**Dependence on Applicant and the underlying investment managers.** The administration and management of a client account and the underlying fund investments will be highly dependent on the continued service of the key members, investment professionals and other employees of Applicant and the underlying investment managers. In the event of death, disability, or departure of any such persons, the client account or underlying investments may be adversely affected.

**Competition.** The markets for securities suitable for the investment programs of the clients and the underlying funds at times may be highly competitive. The client account and the underlying funds will be competing for investment opportunities with a significant number of financial institutions and other private funds as well as various institutional investors. As a result, there may be times when there are fewer attractively priced investment opportunities, which could have an adverse impact on the ability of the client account and the underlying funds to meet investment goals or the length of time that is required for the client account and the underlying funds to deploy all capital available for investment. There can be no assurance that the returns on the investment portfolios of the client account and the underlying funds will be commensurate with the risk of investment in the client account and the underlying funds.

**Model risks.** As described in Item 8 above, Applicant employs an investment process and proprietary model for the selection, rating and ranking of the underlying funds. Although Applicant makes attempts to ensure the model is viable and produces valid results, there can be no assurance that the model will always be viable or produce valid results or that Applicant will always be able to ascertain the viability and/or validity of the model and its results.

**Performance-based compensation.** Performance-based compensation of the underlying fund managers advising the underlying funds and of Applicant advising the client may create an incentive for such underlying fund managers and Applicant to cause the underlying funds and client account, respectively, to make investments that are riskier or more speculative than would be the case in the absence of such a performance-based compensation.

**Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of the Applicant's business or the integrity of Applicant's management.

**Item 10: Other Financial Industry Activities and Affiliations**

Applicant currently invests client accounts in a hedge fund managed by Perry Capital, which is majority owned by the brother of Applicant's majority owner, David Perry. The following established procedures are intended to mitigate conflicts of interest that may arise with respect to such arrangement:

- Perry Capital is subject to the same multi-attribute decision analysis process (described in Item 8 above) as all other selected funds managers.
- Applicant uses a third-party consultant firm (Albourne Partners) that provides independent review and due diligence on all managers and from whom Applicant requires minimum ratings to approve a fund manager, including Perry Capital. Clients are also provided the Albourne ratings/reviews and will see the independent ratings of Perry Capital.
- Perry Capital is subject to the same portfolio guideline constraints and target allocation restraints as all other fund managers in a client account.
- The assets that Applicant allocates to Perry Capital are not material to Perry Capital's business.

In addition, Applicant has and will continue to disclose to all clients at the outset of the advisory relationship the presence of Perry Capital on Applicant's approved list and allow each client, if it desires, to opt out of the inclusion of Perry Capital in its portfolio.

On behalf of clients, Applicant selects investments in underlying funds that are advised by other investment advisers. Applicant does not receive any compensation, directly or indirectly, from such advisers, other than *de minimis* meals and entertainment in the ordinary course of business.

**Other Conflicts of Interest**

As discussed in Item 6, there may be occasions when the availability of a particular investment is constrained by capacity such that Applicant may not have the ability to allocate to that investment an amount equal to the sum of all of its clients' desired allocations. Applicant will determine the extent to which the clients participate in an investment, if at all (*i.e.*, the individual client allocation amount), on a basis it believes is fair and equitable, taking into account a variety of factors.

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

### **Code of Ethics**

Applicant has established a comprehensive Code of Ethics that is applicable to all of its employees (“Access Persons”). The Code of Ethics, which is designed to comply with Rule 204A-1 of the Investment Advisers Act of 1940, establishes guidelines for professional conduct, particularly with respect to potential conflicts of interest and personal trading procedures, including pre-clearance and reporting obligations. For example, the Code of Ethics contains policies which address the following situations:

*Personal Trading Policies.* To help prevent conflicts of interest arising from personal trading, Access Persons must comply with Applicant’s policy that restricts the purchase or sale of securities for their personal accounts. Among other things, the Code of Ethics requires pre-clearance for the purchase or sale of securities of any client and for any underlying fund investment in which a client has invested or which is under evaluation as a potential client investment.

*Business Standards and Conduct.* Applicant’s Code of Ethics holds the Access Persons to high standards of ethical conduct and places upon them a duty to act for the client’s benefit as well as place the financial interests of Applicant’s client ahead of their own interests at all times.

*Code of Ethics.* Applicant is required to provide Access Persons with a copy of the code of ethics upon employment and as amended. Access Persons are required to provide to the Applicant a written acknowledgment that they have received the Code of Ethics.

A copy of Applicant’s Code of Ethics is available upon request to any client or prospective client.

### **Interest in *Client* Transactions and Personal Trading**

Applicant’s majority owner, David Perry, currently holds a personal investment in Perry Capital which predates the founding of TeamCo. Applicant and its related persons currently do not otherwise hold any investments in the same securities that are recommended to clients, or buy or sell for client accounts securities in which Applicant or a related person has a material financial interest, although Applicant or its related persons may in the future invest in underlying fund investments that are recommended to, bought or sold for client accounts. Any such transactions by Applicant or its Access Persons would be subject to Applicant’s personal trading restrictions discussed above in “Code of Ethics.”

## **Item 12: Brokerage Practices**

### **Brokerage Practices**

Applicant is responsible for researching various managers of underlying funds and allocating client assets among underlying fund investments. Applicant does not determine (i) the amount of the specific underlying securities to be bought or sold by underlying funds; (ii) the brokers-dealers that are used by underlying funds; or (iii) the commission rates paid by underlying funds. Instead, the underlying fund's manager will have the discretionary authority to select brokers-dealers to effect underlying securities transactions, to determine the securities bought or sold and the amount of brokerage commissions to be paid. In selecting brokers-dealers, certain underlying fund managers may have, subject in each case to their obligations to seek best execution, the discretionary authority to consider products or services provided, or expenses paid, by such broker-dealers, and may enter into soft dollar arrangements. Product and services may include research items and non-research items. Applicant may not be provided with, or benefit from, any such products, services or paid expenses that may be provided to an underlying fund manager. Soft dollar payments or rebates to underlying fund managers may also arise from over-the-counter principal transactions, as well as exchange-traded agency transactions.

### **Trade Aggregation**

It is not anticipated that Applicant will aggregate the purchases of underlying fund investments for clients because aggregation is generally not applicable to such investments. As discussed in Item 6, there may be occasions when the availability of a particular investment is constrained by capacity such that Applicant may not have the ability to invest, in the aggregate, an amount equal to the sum of all of its clients' desired allocations. Applicant will determine the extent to which its clients participate in an investment, if at all (*i.e.*, the individual client allocation amount), on a basis it believes is fair and equitable, taking into account a variety of factors.

**Item 13: Review of Accounts**

Applicant monitors client accounts on an on-going basis and provides monthly accounting statements to both the client and the client's trustee for separately managed accounts. For the pooled investment vehicle, Applicant monitors the account and performs shadow accounting services; monthly accounting statements are provided by the fund's administrator. With respect to each underlying fund, Applicant's review process typically includes a monthly review of performance data and correspondence; to the extent possible, assessing the views of influential underlying fund managers, retained consultants and plan sponsors; maintaining as-needed dialogue and communication with clients; and factoring in the related and expected contributions of the underlying fund in meeting the client's objectives. These reviews are primarily performed by the Senior Managing Directors, Managing Directors, and Directors of Applicant.

A review of reports other than on a periodic basis may be triggered by unusual activity or special circumstances on a case-by-case basis.

For separately managed accounts, the monthly accounting statements provided to each client and client trustee detail a fund-by-fund accounting, including fund balances, individual fund performance and portfolio performance. These written monthly reports are generally provided within ten business days of the end of each calendar month.

Applicant also provides clients with quarterly reports containing a summary of quarterly activity, relevant performance comparisons to objectives and benchmarks and a variety of other analysis at both the fund and portfolio level. This quarterly report is generally delivered to clients within 30 days of the calendar quarter end. In addition, underlying funds send monthly and quarterly account statements directly to the client trustee.

For the pooled investment vehicle, capital account statements issued by the fund administrator detail the client's experience of the portfolio performance. These statements are generally provided within forty-five business days of the end of each calendar month. Applicant also provides clients with a mid-month estimate, "flash reports" as of the fifth business day of each month, and written quarterly reports providing both performance information and portfolio analysis.

**Item 14: *Client Referrals and Other Compensation***

Applicant does not receive any economic benefit from persons other than clients for providing its advisory services. Neither Applicant nor any related person directly or indirectly compensates any person who is not a supervised person for client referrals.



**Item 15: Custody**

Under Rule 206(4)-2 of the Investment Advisers Act of 1940, we are deemed to have custody of the securities and other assets held in the TeamCo Select Tax-Exempt Partners Fund, L.P. (the “Fund”), even though we do not physically hold the securities and other assets. This is because TeamCo GP, LP, a limited partnership for which we serve as general partner, is general partner of the Fund, which effectively gives us access to client funds or securities. We are exempt from many of the provisions of Rule 206(4)-2 with respect to the Fund because the Fund is audited in accordance with U.S. generally accepted accounting principles on an annual basis by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. Audited financial statements are distributed to each investor in the Fund within 180 days of the end of the Fund’s fiscal year.

**Item 16: Investment Discretion**

Applicant accepts discretionary authority to manage client assets and investments. As of December 31, 2013, Applicant manages approximately \$1.45 billion on a discretionary basis. Applicant generally receives discretionary authority from a client at the outset of an advisory relationship. Such authority is provided in Applicant's investment management agreement with each client which specifies the authority and limits of authority that Applicant has with respect to the assets to be managed. In addition, such discretion is to be exercised in a manner consistent with the Investment Guidelines for the particular client account, which provides various portfolio objectives and parameter constraints with respect to the portfolio. These include, but are not limited to: volatility and correlation objectives, limitations on individual fund allocation percentages and minimum number of funds in the portfolio. When selecting investments and determining amounts, Applicant seeks to observe the investment policies, limitations, and restrictions of its client accounts.

**Item 17: Voting *Client* Securities**

Applicant has adopted proxy voting policies and procedures in compliance with Rule 206(4)-6 of the Investment Advisers Act of 1940. The policy of Applicant is to seek to vote proxy proposals, amendments, consents, or resolutions relating to underlying fund investments, to the extent applicable, in a manner that serves the best interests of the clients, and as determined in the sole discretion of Applicant. Although the Applicant generally votes on proxies that it receives, there may be times when the Applicant does not vote proxies, provided Applicant determines that not voting is in the best interest of the client.

The policy also addresses how Applicant will vote proxies with regard to specific matters. Potential conflicts of interest may arise with respect to proxy voting of client securities, including, but not limited to: if Applicant or any of its employees has a familial or personal relationship with a senior officer, manager or other related person of a proxy issuer or with persons or entities making a shareholder or limited partner proposal requiring a vote of an underlying fund whose securities are owned in client account portfolios. In order to address any potential conflicts of interest, Applicant follows the proxy voting policies and procedures generally discussed above. Investors may request a copy of the policies and proxy voting record relating to the underlying funds by contacting Applicant.

**Item 18: Financial Information**

Applicant does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Applicant is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Applicant has not been subject to a bankruptcy petition within the last ten years.

**Item 19: Requirements for State-Registered Advisers**

Not applicable.