

**SACKVILLE BANK LIMITED**  
**PART 2A OF FORM ADV: FIRM BROCHURE**

**Sackville Bank Limited  
The Grand Cayman Pavilion  
802 West Bay Road  
P.O. Box 30444  
Grand Cayman  
KY1-1202, Cayman Islands**

**September 29, 2014**

**This brochure provides information about the qualifications and business practices of Sackville Bank Limited (“Sackville” or the “Firm”). If you have any questions about the contents of this brochure, please contact (345)749-6102 or [andrewneedham@sackvillebank.com](mailto:andrewneedham@sackvillebank.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.**

**For “Registered Investment Advisers”: Any reference to Sackville as a registered investment adviser does not imply a certain level of skill or training.**

**Additional information about Sackville is also 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 is Sackville's Annual Updating Amendment to the Form ADV for the fiscal year ending June 30, 2014. The Firm was initially registered with the SEC on June 18, 2014. There are no material changes to the disclosures contained herein as of the date of this Annual Updating Amendment.

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**Item 4: Advisory Business**

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**Item 4.A.**

Sackville Bank Limited (“Sackville”) is a bank and an investment adviser with its principal place of business in Grand Cayman, Cayman Islands. The Adviser has been registered with the SEC since June 18, 2014. Somerville Holdings Limited is the Parent Company (“Parent Company”) of Sackville.

**Item 4.B.**

Sackville is an asset management firm that anticipates providing trustee services to client accounts intended for sophisticated investors and institutional clients. The Firm’s investment objective is to generate favorable risk-adjusted returns by taking long positions primarily in fixed income equity and equity-related securities of companies listed on major securities exchanges globally. Clients will be presented with an opportunity to adjust a core strategy designed for: long-term capital growth for entrepreneurial investors, absolute returns over a period of 2-3 years for defensive investors; and capital preservation and secure cash flow streams for income-oriented investors.

The Firm has contracted with a third party investment adviser to provide the day-to-day portfolio management with oversight by Sackville.

**Item 4.C.**

The Firm provides asset management services to client accounts based on specific investment objectives and strategies. The Firm tailors such services to the needs and specified investment objectives and strategies of the client, as set forth in each client’s investment advisory agreement. Clients may impose restrictions on investing in certain securities or certain types of securities.

**Item 4.D.**

Sackville does not participate in a wrap fee program.

**Item 4.E.**

As of September 26, 2014, Sackville managed \$17,000,000 on a discretionary basis and \$19,500,000 on a non-discretionary basis.

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**Item 5: Fees and Compensation**

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**Item 5.A.**

Sackville charges each client a management fee of up to 1% per annum based on the value of each client’s assets.

Management fees for clients may be charged each month or quarter (as applicable) based on the value of the client’s assets or as otherwise determined in accordance with a client’s investment management agreement. The management fees are generally not negotiable; however, the Firm, in its sole discretion, may waive or modify the fees for certain clients.

**Item 5.B.**

Sackville may deduct management fees, directly or indirectly, as the Custodian for client account. Some clients may also be responsible for payment on a monthly or quarterly basis (as applicable).

**Item 5.C.**

In addition to management fees, client accounts will be subject to other investment expenses such as custodial charges, brokerage fees, clearing fees, commissions and related costs; interest expenses; costs associated with foreign exchange transactions; and costs, expenses and fees associated with products or services that may be necessary or incidental to such investments or accounts. Please refer to Item 12 for a discussion on the Firm's brokerage practices.

**Item 5.D.**

Management fee payment in advance or arrears will be determined in the client's investment management agreement.

**Item 5.E.**

Not Applicable. Sackville or its supervised persons are not compensated for the sale of securities or other investment products, and mutual funds.

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

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Performance-based fees will only be charged consistent with the SEC rules and regulations, including Rule 205-3 under the Investment Advisers Act of 1940, as amended. It is not anticipated that Sackville will charge performance-based fee.

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

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Sackville anticipates providing discretionary investment management services to sophisticated investors and institutional clients, as noted in Item 4.B.

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

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**Item 8.A.**

The Firm primarily uses fundamental analysis. Investing in securities involves risk of loss that clients should be prepared to bear. Past performance is not a guarantee of future returns.

Fundamental analysis involves evaluating securities using real data such as company revenues, earnings, return on equity, and profits margins to determine underlying value and potential growth.

Fundamental analysis may involve interest rate risk, market risk, business risk, and financial risk. The main sources of information relied upon include analysis of filings with the SEC, company press releases,

communication with research analysts, industry experts and company management as well as financial newspapers and magazines, research material prepared by others, corporate rating services, annual reports, and prospectuses.

### **Item 8.B & C**

All investment programs have certain risks that are borne by the investor. Sackville's investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks and should discuss these risks with the Firm:

*Economic Conditions.* Changes in economic conditions, including, for example, interest rates, inflation rates, political and diplomatic events and trends, tax laws and innumerable other factors, can affect substantially and adversely the business and prospects of the strategy.

*No Guarantee of Investment Performance.* The Firm cannot warrant or guarantee that any Advisory Client will achieve positive or competitive investment returns. Market, regulatory and other factors, many of which cannot be anticipated or controlled by the Firm, could result in an account not generating positive or competitive returns or in a client losing a portion or all of its investment.

*Volatility of Securities Markets.* Securities prices may be volatile, and securities price movements are influenced by many unpredictable factors.

*Passive Investment.* The Firm will be managed exclusively by the Firm, and clients will not be able to make any investment or other decision on behalf of their investment accounts.

*Possible Adverse Effect of Large Withdrawals.* The Firm's investment strategy could be disrupted by large withdrawals from an account. For example, such withdrawals could require the Firm to prematurely liquidate securities positions it has established for an account. When this occurs, the account may experience difficulty in closing out positions in particular securities at prevailing market prices or at prices which the Firm believes reflects full value.

*Start-Up Periods.* An account will encounter start-up periods during which it may incur certain risks relating to the initial investment of newly contributed assets. An account may receive initial or additional investable capital at unpropitious times such as after sustained movements in a number of markets or individual securities. It may take a significant period of time for the Firm to appropriately invest any newly contributed capital.

*Reliance on Key Personnel.* Each client's Investment Management Agreement vests in the Firm broad powers to manage the investments in the client's account. The account's performance will in large measure depend upon the business and investment acumen of key personnel of the Firm. Should anything happen to such persons, the business and results of operations of the account may be adversely affected.

*Institutional Risk.* The institutions, including brokerage firms and banks, with which the Firm directly and indirectly does business, or to which securities have been entrusted for custodial purposes, may encounter financial difficulties that impair the operational capabilities or the capital position of client accounts.

*Increase in Amount of Managed Funds.* The Firm expects that it will continue to increase the assets for which it will direct trading. It is not known what effect, if any, such increase will have on its performance or trading strategies. No assurance can be given that any changes in the Firm's strategies in response to the increased funds that it manages will be successful. In any case, there can be no guarantee that future investment results of the Firm will be similar to those previously achieved by the Firm.

*Lack of Liquidity in Markets.* Despite the heavy volume of trading in securities, the markets for some securities have limited liquidity and depth. This lack of depth could be a disadvantage to client accounts, both in the realization of the prices which are quoted and in the execution of orders at desired prices.

*Investment Competition.* The market for some types of securities is highly competitive. The Firm will be competing for investment opportunities with a significant number of financial institutions, other private funds and various institutional investors. Many of these competitors are larger and have greater financial, human and other resources than the Firm and may in certain circumstances have a competitive advantage over the Firm. As a result of this competition, there may be fewer attractively priced investment opportunities, which could have an adverse impact on the ability of the Firm to meet its investment objectives or the length of time that is required for client accounts to become fully invested. There can be no assurance that the returns on client investments will be commensurate with the assumed investment risks.

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***Item 9: Disciplinary Information***

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Sackville or its supervised persons currently have no reportable disciplinary events to disclose.

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

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**Item 10.A.**

Not Applicable. Sackville is currently not applying to register as a broker-dealer and does not intend to.

**Item 10.B.**

Not Applicable. Neither Sackville, nor any of its management persons, are applying to register with the National Futures Association. However, they may intend do so in the future, at which time, this Item 10.B. will be amended to reflect such change.

**Item 10.C.**

Sackville has a relationship with the banking services for Sackville Bank Limited, and Sackville Bank Holdings, which is the bank holding company and majority shareholder of the bank and the investment adviser Sackville. The two entities share personnel and provide services for a fee to common clients.

**Item 10.D.**

Not Applicable. Sackville does not recommend or select other investment advisers for its clients.

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

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**Item 11.A**

Sackville's Code of Ethics (the "Code") was adopted in an effort to avoid possible conflicts of interest, the inappropriate use of material, nonpublic information and ensure the propriety of its employees' and partners' personal trading activity.

Sackville is an SEC registered investment adviser who maintains a Code of Ethics. The Firm's reputation in the investment community, with its limited partners, investors and clients, and with those individuals and organizations with which it has contact, depends upon the trust and professionalism with which the Firm and its employees and partners conduct the affairs of Sackville. To this end, Sackville has adopted this Code as part of its compliance program to guide the Firm and to help Sackville to ensure that it complies with all the applicable laws, rules and regulations set forth by the United States governing bodies and the states in which Sackville conducts its business and, more generally, to comply with the Firm's fiduciary duty to Sackville's clients. Failure to adhere to both the letter and spirit of this Code and with the compliance manual may result in disciplinary action, including termination.

The Code is based on the principle that, as employees of Sackville, the Firm owes a fiduciary duty to its clients and investors. Accordingly, Sackville must avoid activities, interests, and relationships that might interfere, or appear to interfere, with making decisions that are in the best interests of its clients and investors.

The Code is distributed to each employee at the time of hire and at least annually thereafter. Sackville's employees are required to have duplicate copies of confirmations and periodic statements with respect to their personal brokerage accounts sent to the Chief Compliance Officer at Sackville.

Clients and prospective clients may obtain a copy of the Code by addressing a request to Sackville's Chief Compliance Officer.

#### **Item 11.B, C & D**

Sackville, as a fiduciary to its clients and endeavoring to be honest and truthful to its clients at all times, prohibits investments in the personal account of any Firm personnel or related person in a security that is currently held or intended to be held by the applicable fund or account. Sackville does not recommend or solicit investment by clients in Sackville managed accounts or Funds that would result in a conflict of interest between Sackville and the client

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#### ***Item 12: Brokerage Practices***

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##### **Item 12.A.1.**

Sackville may allocate transactions to broker-dealers for execution on markets/exchanges and at prices and commission rates that, in the Firm's good faith judgment, are in the best interest of its clients. Sackville takes into consideration primarily available prices, brokerage commission rates, and other relevant factors including, but not limited to, execution, clearance, and settlement and error correction capabilities of the broker or dealer generally and in connection with securities of the type and in the amounts to be bought or sold; the broker's or dealer's willingness to commit capital; reliability and financial stability; the size of the transaction; availability of securities to borrow for short sales; and the market for the security. Research services furnished by brokers may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services.



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

**Item 12.A.2.**

Sackville does not participate in selecting or recommending broker-dealers in exchange for client referrals.

**Item 12.A.3.**

Directed brokerage is not applicable to Sackville.

**Item 12.B**

Sackville will determine the appropriate amount of securities to be purchased or sold for the client accounts and may aggregate trades in a block trade when securities are purchased or sold through the same broker-dealer for multiple discretionary accounts. If a block trade cannot be executed in full at the same price, the securities actually purchased or sold by the close of the business day must be allocated in a manner that endeavors to act in the best interest of clients. Such allocation will ensure that this is done in a way that does not consistently advantage or disadvantage particular client accounts.

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***Item 13: Review of Accounts***

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**Item 13.A & B**

The Principal reviews the portfolio on an ongoing basis. Account reviews are performed more frequently when market conditions dictate. Other conditions that may trigger a review of clients' accounts include new investment information, changes in the macro-economic environment, sector changes, changes in the tax laws, and/or changes in a client's own situation.

Additionally, the Firm has established an Investment Committee to satisfy its fiduciary obligation to evaluate its investment program in accordance with set guidelines. The Investment Committee will meet formally on at least a quarterly basis and the minutes of each Investment Committee meeting will be kept.

**Item 13.C.** Describe the content and indicate the frequency of regular reports you provide to clients regarding their accounts. State whether these reports are written.

Under Cayman Securities and Investment Business Law, report must be provided at least annually. However, the agreement with each client will determine the exact frequency and more usual, is for this to be provided on a quarterly basis.

As a minimum the content of the report includes a detailed valuation of nominal, security, base cost, market value, % of portfolio and realized and unrealized gain. Cash statements reflecting all transactions together with associated costs are provided together with a market report.

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

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**Item 14.A.**

Not applicable. Sackville does not select or recommend broker-dealers for client transactions.

**Item 14.B.**

Not Applicable. The Firm currently does not retain third-party marketers or solicitors.

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***Item 15: Custody***

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An affiliate of the Firm is deemed to have custody of client assets due to serving as the qualified custodian for the accounts, and intends to comply with Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended, by meeting the conditions of independent verification of assets on at least an annual basis.

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***Item 16: Investment Discretion***

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Sackville has full discretion to manage client accounts. This authority is granted pursuant to an investment management agreement between Sackville and each client.

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

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As a fiduciary, Sackville has voting authority due to the fact that it has discretionary authority over the securities held by its clients and accordingly, Sackville understands its fiduciary responsibility to monitor corporate events and to vote proxies and cast votes in the best economic interests of its clients and not put client interests second to its own economic interests.

The Firm will vote all proxies in the best interests of its clients and investors (as applicable) and in accordance with the procedures outlined below (as applicable), unless otherwise mandated by an investment management agreement or applicable law (e.g. ERISA).

- Prior to voting any proxies, any conflicts of interest related to the proxy in question will be determined. If a conflict is identified, the Firm will then make a determination (which may be in consultation with outside legal counsel) as to whether the conflict is material or not.
- If no material conflict is identified pursuant to these procedures, proxies will generally be voted in accordance with management and any recommendations provided.
- The Chief Compliance Officer will maintain a record of how all proxies received and voted.

Voting Guidelines: In the absence of specific voting guidelines mandated by a particular client, Sackville will endeavor to vote proxies in the best interests of each client.

Clients or potential clients that wish to obtain a record of the Firm's proxy voting policy or proxy voting history may contact the Chief Compliance Officer.

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***Item 18: Financial Information***

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**Item 18.A.**

Not Applicable.

**Item 18.B.**

There are no conditions that impair the Sackville's ability to meet its contractual and fiduciary commitment to the client accounts.

**Item 18.C.**

Not Applicable. Sackville has not been the subject of a bankruptcy petition at any time during the past ten years.

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

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Not Applicable.