



SEAMANS CAPITAL MANAGEMENT, LLC
500 BOYLSTON STREET, SUITE 420
BOSTON, MA 02116
WWW.SEAMANSCAPITAL.COM

December 31, 2014

This Brochure provides information about the qualifications and business practices of Seamans Capital Management, LLC. If you have questions about the contents of this Brochure, please contact our Chief Compliance Officer at 781-890-5225 or info@seamanscapital.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.

Additional information about Seamans Capital Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Seamans Capital Management does not provide the ADV Part 2B, brochure supplement. The disclosures required for ADV Part 2B are included in Item 4 of this brochure. The disclosures provide information about Richard F. Seamans and Eleanor Mulvaney Seamans, principal owners of Seamans Capital Management, LLC.

Item 2 - Material Changes

- Item 4 has been updated to reflect the closure of the Seamans Global Bond Fund QP, LLC, which closed on 12/22/14. Investments in the Global Bond strategy are still available through the Seamans Global Bond Fund, LLC and separately managed accounts.
- Item 5 has been updated to reflect the change in fees for the Offshore Global Opportunities investment strategy.

Item 3 - Table of Contents

Item 2 - Material Changes	2
Item 3 - Table of Contents	3
Item 4 - Advisory Business	4
Item 5 - Fees and Compensation	7
Item 6 - Performance-Based Fees and Side-By-Side Management	9
Item 7 - Types of Clients	9
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss	10
Item 9 - Disciplinary Information	13
Item 10 - Other Financial Industry Activities and Affiliations	13
Item 11 - Code of Ethics	13
Item 12 - Brokerage Practices	14
Item 13 - Review of Accounts	14
Item 14 - Client Referrals and other Compensation	15
Item 15 - Custody	15
Item 16 - Investment Discretion	16
Item 17 - Voting Client Securities	16
Item 18 - Financial Information	16

Item 4 - Advisory Business

Seamans Capital Management, LLC (“SCM”) was established in August 1986 to provide global bond management and strategic investment research to institutional money managers. In the Firm’s early years, it also acted as a sub-advisor in global bond management to mutual funds. In 1993, the Firm began to offer strategic research on commodity prices and currencies to resource companies in North America and Australia. In addition, the Firm began offering global income management, which included both global bonds and income-generating global resource stocks.

The Firm discontinued the strategic research business in 2000 to concentrate on investment management for endowments, foundations, pensions and individuals. In 2002, SCM began to offer separately managed accounts in global energy income stocks and metals and mining stocks. Beginning in 2005, the Firm began adding private pooled investment vehicles in four product areas: Global Bonds, Global Income Preferred 6%, Global Clean Energy (successor to Global Energy Income) and Global Opportunities.

SCM currently concentrates on a small number of carefully selected sectors, including global bonds, clean energy and income-producing resource-related investments. Investments are based on fundamental, quantitative and qualitative research on global interest rates, currencies, commodities and global financial markets.

Separately Managed Accounts

SCM maintains an open dialogue with every separately managed account client. The process begins with integral questions about financial goals and objections, risk/reward tolerances, investment restrictions and past investment experience. Broad investment areas that are available to the client are reviewed and a responsive strategy is structured for the portion of the clients’ assets allocated to global bond and resource investments. A proposal is outlined for the client and questions are encouraged regarding any recommended investment sector opportunities. After client approval, the chosen investment strategy is implemented.

Fund Investments

SCM is the investment manager for the following Funds.

- Seamans Global Bond Fund, LLC (“Global Bonds”)
- Seamans Global Clean Energy Fund, LLC (“Global Clean Energy”)
- Seamans Global Income Preferred 6% Fund, LLC (“Global Income Preferred 6%”)
- Seamans Global Opportunities Fund, LLC (“Global Opportunities”)
- Seamans Offshore Global Opportunities Fund, Ltd. (“Offshore Global Opportunities”)

Please see **Item 8** of this brochure for specific information related to each Fund. SCM provides each prospective Fund member with a private placement memorandum, operating agreement, investor questionnaire, and subscription agreement. Prospective members are urged to examine these documents before making an investment in any Fund.

Portfolios

SCM managed \$81.0 million in discretionary assets as of December 31, 2014. SCM does not manage any non-discretionary assets or participate in any wrap fee programs.

SCM believes that what investors seek in an investment firm, in addition to advising, managing and guiding their investments, is sound judgment. At SCM, judgment is not simply a thought process. It is an approach that combines decades of experience, ongoing research, specific areas of expertise, accumulated wisdom, strategic formulation, tactical execution and a strict adherence to SCM's investment philosophy.

Faith in that judgment, combined with positive, long-term results, creates trust. That deep, enduring trust is why SCM has so many long-standing and mutually rewarding client relationships.

SCM invests Firm capital alongside client assets.

Management

Richard F. Seamans

Education, Background and Business Experience

Richard F. Seamans, 69, is the Founder and Managing Director of Seamans Capital Management. The Company was founded in 1986 to provide research on U.S. and global interest rates, currencies, commodities and long-term investment strategies to institutional investors and operating companies in North America and Australia. Clients included Fidelity, Wellington, Deutsche Bank and BNP Paribas. The Firm began managing global bonds in 1987 and resource equities in 1993. Mr. Seamans was previously a Managing Director and Senior Group Vice President for Scudder, Stevens & Clark, Ltd., in Boston, Massachusetts, now part of Deutsche Bank, where he directed tax-exempt bond research, policy and investments totaling \$3.9 billion.

Mr. Seamans received his BA from Duke University and an MBA with distinction from the Wharton School of the University of Pennsylvania. A past trustee and member of the Investment Committee of Mount Holyoke College in South Hadley, Massachusetts, he is a member of the Society of Municipal Analysts and a Chartered Financial Analyst.

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 100,000 CFA charter-holders working in 134 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision-making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

Disciplinary Information

Mr. Seamans does not have any legal or disciplinary history to report.

Other Business Activities

Mr. Seamans is not engaged in any other investment-related business or occupation for compensation not discussed in response to Item 4 of ADV Part 2A, the brochure.

Additional Compensation

Mr. Seamans does not receive economic benefits from non-clients for providing advisory services to clients.

Supervision

Mr. Seamans is the investment advisor representatives for SCM. Mr. Seamans is also the Chief Compliance Officer and supervises the Firm with respect to all legal and regulatory requirements of the Investment Advisors Act of 1940. Questions related to the activities of any employee may be directed to Mr. Seamans at the telephone number noted on the Cover Page of the brochure.

Eleanor Mulvaney Seamans

Education, Background and Business Experience

Eleanor Mulvaney Seamans, 66, is a principal owner of SCM and the Chief Executive Officer. She joined as the Chief Operating Officer in 1993. She is responsible for the Firm's strategic growth and organizational structure. She provides oversight for the functions of the Firm's daily operations. Designed around the core principles of continuous learning, collaborative leadership and strong working relationships, Seamans Capital Management is positioned to operate effectively in a dynamic global environment. She is the Founder of the Glastonbury Company, a Waltham, Massachusetts-based consulting firm specializing in personal and corporate transformational learning. Mrs. Seamans has more than 20 years of experience as an organizational consultant in financial services, working primarily with senior corporate leaders and entrepreneurs to translate vision into organizational effectiveness and profitable performance.

She currently serves on the Board of Directors of the Public Sector Consortium in Cambridge, MA and the Board of Trustees at Emmanuel College, Boston, MA, where she founded the Mulvaney Leadership Institute in 2008.

Mrs. Seamans received her BA from Emmanuel College and her MS from Simmons College in Boston, from which she graduated summa cum laude.

Disciplinary Information

Ms. Mulvaney does not have any legal or disciplinary history to report.

Other Business Activities

Ms. Mulvaney is not engaged in any other investment-related business or occupation for compensation not discussed in response to Item 4 of ADV Part 2A, the brochure. Ms. Mulvaney spends less than 10% of her time on clients outside of SCM.

Additional Compensation

Ms. Mulvaney does not receive any economic benefits from non-clients for providing advisory services to clients.

Supervision

Ms. Mulvaney shares operations responsibility as a Co-Managing Director of Seamans Capital Management, LLC. She is in charge of client relationships, business strategy, personnel and marketing.

Item 5 - Fees and Compensation

Separately Managed Accounts

Investment management fees are paid quarterly in arrears at one-fourth the annual rate shown in the fee schedule below, based on the value of assets in the account(s) at the end of the calendar quarter. Management fees are billed directly to the client or deducted from the client account, depending on the client's election in the Investment Advisory Agreement. Incentive fees (charged only to qualified clients), which are subject to a "high-water" mark, are generally deducted from the client custody account on an annual basis.

SCM has an overall minimum annual investment management fee for new separately managed accounts of \$100,000 for individual clients and \$200,000 for institutional clients in all products except for physical precious metals, where the minimum account fee is \$10,000. Specific types of accounts also have minimum investment thresholds and differing minimum fees. Investment management fees are negotiable for accounts in excess of \$100 million.

Clients also incur custodian and brokerage fees and other transaction costs. Custody fees and transactions costs are outlined in the client's custodian agreement. Please refer to Item 12 of this brochure for additional brokerage information. Fee information is reported to clients in their monthly custodian account statements.

Separately managed account clients may terminate their Investment Advisory Agreement upon not less than thirty (30) days prior written notice to SCM. Some investment strategies may require ninety (90) days prior written notice. The Investment Advisory Agreement is not assignable without the consent of the client.

Fund Investments

Investment management fees are accrued monthly based on the aggregate net asset value of the investors' capital accounts at the end of each month and paid to SCM quarterly in arrears. Incentive fees accrue monthly based on appreciation of the investor's capital account and are paid to the manager on an annual basis. Operating costs are allocated to all Fund investors based upon percentage ownership of the Fund.

Fee Schedule for Funds and Individual Accounts

GLOBAL BONDS

Investment Management Fee: 1.00% of Assets

PHYSICAL PRECIOUS METALS*

Investment Management Fee: 1.00% of Assets

GLOBAL INCOME PREFERRED 6%

Investment Management Fee: 1.20% of Assets

Incentive Allocation: 20.00% of Net Asset Gains in Excess of 6% Return Annually **

GLOBAL CLEAN ENERGY

Investment Management Fee: 1.50% of Assets

Incentive Allocation: 15.00% of Net Asset Gains **

GLOBAL OPPORTUNITIES

Investment Management Fees: 2.00% of Assets

Incentive Allocation: 20.00% of Net Asset Gains **

OFFSHORE GLOBAL OPPORTUNITIES

Investment Management Fees: 1.50% of Assets

Incentive Allocation: 15.00% of Net Asset Gains**

*: Physical Precious Metals Product is only available as an individual account.

**: Net Asset Gains are subject to a high water mark.

Fund Subscription

Funds are available for subscription at the beginning of every calendar month with a minimum investment of \$5 million for institutions and \$1 million for individuals. The Fund redemption schedule is as follows:

Fund	Written Notice	Calendar Timing
GLOBAL BOND FUND	30 Days	Quarterly
GLOBAL INCOME PREFERRED	45 Days	Quarterly
GLOBAL CLEAN ENERGY	90 Days	Year End
GLOBAL OPPORTUNITIES	90 Days	Year End
OFFSHORE GLOBAL OPPORTUNITIES	90 Days	Year End

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

SCM manages separate accounts that have both performance-based fees and non-performance-based management fees as described in Item 5. Performance-based fees for separately managed accounts and Funds are only charged on Income Preferred, Clean Energy and Opportunities strategies.

SCM does manage Global Income Preferred 6% accounts that have performance-based fees alongside accounts that do not. No non-performance based fee accounts in this strategy have been opened since 2005.

Managing accounts that pay performance-based fees and asset based fees with the same strategy creates an inherent conflict of interest. Allocating lower cost securities to accounts earning performance based fees can increase performance fees. In order to mitigate this conflict of interest, SCM procedure dictates that securities are allocated in similar proportions and costs to accounts of similar size.

Item 7 - Types of Clients

SCM manages separately managed accounts and Funds available to the following types of clients.

- Endowments
- Foundations
- Pensions
- Trust Companies
- Family Offices
- High Net Worth Individuals
- Pooled Investment Vehicles

Schedule of Minimum Investments

FUND INVESTORS - INDIVIDUAL
\$1,000,000
FUND INVESTORS – INSTITUTIONAL
\$5,000,000
SEPARATELY MANAGED INDIVIDUAL ACCOUNT – PHYSICAL PRECIOUS METALS
\$1,000,000
SEPARATELY MANAGED ACCOUNT – INDIVIDUAL INVESTORS
\$15,000,000
SEPARATELY MANAGED ACCOUNT – INSTITUTIONAL INVESTORS
\$25,000,000

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

SCM analyzes trends in major industrialized countries to determine the effects of changes in fiscal and monetary policies on economic growth and financial markets. Elections and tax changes frequently cause short-term dislocations, which may lead to investment opportunities or risks. SCM selectively reviews the information available from government and industry publications, expert source research materials, corporate rating services, company information and the financial media. The Firm also directly engages successful entrepreneurs, corporate visionaries, investors and other stakeholders in the field to obtain valuable research and specific knowledge. SCM relies on global relationships for technical and business expertise in the resource markets and proprietary research models to identify, examine, and select appropriate opportunities in each market sector and industry.

SCM utilizes a top-down approach to broad markets and a bottom-up approach to individual securities. Proprietary signaling tools and technical analysis are also employed in the selection of investments. SCM's analysis identifies broad investment classes and markets that benefit from multiple factors. Individual companies in these market sectors are evaluated to determine the best investment opportunities. SCM analysis is focused on finding companies that generate rising future cash flow. Future cash flow growth creates fundamentally sound investment opportunities and leads to higher company valuations. Equity investments are evaluated using top-down fundamental analysis of markets and industries and bottom-up fundamental analysis of companies, including discounted cash flow modeling, peer relative-valuation analysis, and management and expert analysis. Global bond investments are evaluated based on economic analysis that is focused on international capital flows, interest rates, currencies, government and central bank policies, and the impact of commodity and equity markets on international trade.

Portfolios are crafted by aligning the results of SCM's time-tested research and security selection methods with clients' investment objectives. SCM maintains an absolute return approach,

concentrating on returns from specific sectors, rather than returns relative to an index. The Firm's commitment to flexibility and adherence to clearly defined investment principals has allowed SCM to stay ahead of constantly changing markets.

Monitoring and predicting the ebb and flow of international capital are important to returns. SCM Funds/portfolios are intended to produce or develop sustainable cash flow and positive long-term real returns. Each Fund/portfolio has a specific investment objective and income goal, as described below:

Funds / Portfolios	Bonds U.S. and other Major International Markets	Resource Physical Precious Metals	Resource Energy Stocks	Equity Metals and Mining Stocks	Investment Objective	Major Risk Areas
Global Bond	✓	✓			Income and Capital Preservation	Interest Rates and Currencies
Physical Precious Metals		✓			Capital Preservation	Markets
Global Income Preferred 6%	✓	✓	✓	✓	Capital, Growth and Income	Interest Rates, Currencies, Countries and Markets
Global Clean Energy			✓		Capital Gains	Markets, Countries and Currencies
Global Opportunities and Offshore Global Opportunities*		✓	✓	✓	Capital Gains	Markets, Countries and Currencies

✓ : reflects portfolio holdings

*Offshore Global Opportunities is a BVI Business Company incorporated under the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands on May 2, 2006.

Risk Areas

Interest Rate

Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities.

U.S. Government Securities

Generally, these securities include U.S. Treasury obligations and obligations issued or guaranteed by U.S. Government agencies, instrumentalities or sponsored enterprises. U.S. Government securities also include Treasury receipts and other stripped U.S. Government securities, where the interest and principal components of stripped U.S. Government securities are traded independently. These securities are subject to market and interest rate risk. Portfolio managers retained by the funds may also invest in zero coupon U.S. Treasury securities and in zero coupon securities issued by financial institutions, which represent a proportionate interest in underlying U.S. Treasury securities. A zero coupon security pays no interest to its holder during its life, and its value consists of the difference between its face value at maturity and its cost. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically

Corporate Debt Securities

Corporate debt obligations, including commercial paper involve interest rate risks described above, as well as the risk of an issuer's inability to meet principal and interest payments on the obligations.

High Yield Securities

"High yield" bonds and preferred securities that are rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and principal.

Foreign Securities

Investing in these securities involves considerations and possible risks not typically involved in investing in securities issued by companies domiciled and operating in the United States, including instability of some foreign governments, the possibility of expropriation, limitations on the use or removal of funds or other assets, changes in governmental administration or economic or monetary policy (in the United States or abroad) or changed circumstances in dealings between nations. The application of foreign tax laws (e.g., the imposition of withholding taxes on dividend, interest or other payments) or confiscatory taxation may also affect investment in foreign securities (country risk).

Risk Management

SCM focuses on three types of risk: liquidity risk, country risk and co-investor risk. Risk control begins with the selection of investments that have low risks relative to expected returns. Historical analysis provides the basis for this determination. Bond, stock and currency positions are monitored frequently and consistently to reduce risk. Convertible bonds and preferred stocks are generally purchased at prices that represent modest premiums to comparable underlying issues. This provides downside protection to the investment in the event of a substantial fall in the price of the stock. Positions are reevaluated whenever there are significant price changes.

SCM may use cash in combination with shorts on the stock market, sector indices, and individual securities, as well as currency hedging to mitigate portfolio risks. Controlling risk and minimizing losses are important parts of achieving favorable investment returns. Knowledge of, judgment on and expertise in risk/reward tradeoffs generates greater returns with less risk. SCM consistently monitors bond, stock and currency positions to reduce risk.

SCM investment strategies involve frequent trading which may cause clients to pay more commissions and possibly, more taxes. Investing in the Global Opportunities strategy may involve risk of loss that clients should be prepared to bear.

Item 9 - Disciplinary Information

SCM is required to disclose all legal and disciplinary events that are material to clients and prospective clients for evaluating SCM or the integrity of SCM's management. Neither SCM nor its management persons have any legal or disciplinary events to report for this Item 9.

Item 10 - Other Financial Industry Activities and Affiliations

SCM and its principals are not involved in other financial industry activities nor do they have other business affiliations that create conflicts of interest that would impair the objectivity of its advisory services.

Item 11 - Code of Ethics

SCM has adopted a Code of Ethics pursuant to SEC rule 204A-1 of the Investment Advisors Act of 1940. The Code of Ethics sets forth conduct applicable to all employees of SCM, summarized below.

Each employee is expected to:

- act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets;
- place the integrity of the investment profession and the interests of clients above their own personal interests;
- use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities;
- practice and encourage others to practice in a professional and ethical manner that will reflect credit on ourselves and the profession;
- promote the integrity of, and uphold the rules governing, capital markets; and

- maintain and improve their professional competence and strive to maintain and improve the competence of other investment professionals.

SCM and its principals may personally invest in securities that they buy for clients. SCM believes that co-investing aligns the interest of the clients and the managers. SCM's Chief Investment Officer reviews such transactions to ensure that the client's investment and the manner in which it is made do not create a conflict of interest that favors SCM and its principals and employees.

The SCM Code of Ethics is available upon request.

Item 12 - Brokerage Practices

SCM does not permit clients to direct trades to specific brokers. SCM has full discretion over the amounts of securities purchased or sold for accounts, broker selections and commissions paid. The Firm does not consider, in selecting or recommending broker-dealers, whether SCM or a related person receives client referrals from a broker-dealer or third party. The primary criteria for selecting brokers are execution skills, willingness to negotiate low commissions, efficiency and accuracy in confirming and settling trades and financial position. SCM regularly monitors executing brokers to comply with "best execution" standards. The Firm does not have an affiliate relationship or have another economic relationship with the broker-dealers selected that create a material conflict of interest.

There is a natural conflict of interest between investors and advisors to the extent that advisors seek to reduce their expenses by generating "soft-dollar" commissions to defray their expenses for research or other services from broker-dealers. SCM believes that it is important to achieve strong net returns for clients. For this reason, "soft-dollar" commissions are largely generated only when commissions paid to "soft-dollar" brokers are at a competitive level for a security. In 2014, approximately 25% of commissions were directed to brokers in return for soft-dollar credits.

SCM does not seek to allocate "soft-dollar" benefits to client account(s) proportionately to the account(s) generating the "soft-dollar" credits. Rather, "soft-dollar" research materials and computerized analytical tools are used to benefit all clients. SCM does not pay commissions higher than those charged by other broker-dealers in return for "soft-dollar" benefits.

Item 13 - Review of Accounts

The Chief Investment Officer, or one of the most experienced portfolio managers, reviews every account on a quarterly or more frequent basis. Market or political events and changes in a client's individual circumstances trigger more frequent reviews of separately managed accounts. The Fund portfolios are monitored on an ongoing basis.

For both separately managed accounts and Funds, SCM measures overall account performance and sector allocation to ensure that account guidelines are met. Reviews of account conformity to objectives are also conducted on a regular basis, while individual securities are reviewed more frequently, particularly in the event of a significant change in value.

SCM sends quarterly statements to separately managed account clients. These statements report the individual holdings and the asset values of their individual account(s). Separately managed account clients also receive market review letters from SCM. These letters review significant events of the previous quarter and their impact on investment performance. Broad trends may be reviewed along with the long-term outlook on various investment sectors.

Separately managed account clients receive monthly account statements from their respective qualified custodians. Fund investors receive monthly account statements from the Fund's administrator.

Item 14 - Client Referrals and Other Compensation

SCM does not receive economic benefits from non-clients for providing advisory services to clients.

SCM infrequently employ the services of "finders" in obtaining new clients. This arrangement may require the Firm to pay a percentage of the new client's assets under management, as a finder fee or commission, to third parties for the successful referral of clients. In no case will the clients' fees increase as a result of these arrangements. In cases where a client is referred by a third party, the client will receive, prior to signing the Investment Advisory Agreement, a separate Disclosure Statement in which the client agrees to the payment of the solicitation fee to the finder by either the finder or SCM.

Item 15 - Custody

The client's or Fund's custodian has custody of all the security investments. SCM has custody of client's funds and securities only to the extent of authority to deduct investment management fees directly from the client's account(s). Separately managed account clients receive a monthly account statement which includes transaction reports, client contributions, withdrawals, and all fees and expenses directly from their respective qualified custodians. Fund investors receive monthly account statements from the Fund's administrator showing the account's month-end value together with any contributions and withdrawals. Clients are urged to carefully review their statements upon receipt. SCM recommends that separately managed account clients compare their quarterly holding reports, prepared by SCM, to the custodian's monthly report.

Item 16 - Investment Discretion

SCM has full discretionary authority to manage the securities held in the separately managed accounts and Funds. Separately managed account clients execute an Investment Advisory Agreement, which governs the authority and fees. Documentation is provided to Fund investors, including a private placement memorandum, limited liability company operating agreement, investor questionnaire, and subscription agreement.

Item 17 - Voting Client Securities

Rule 206(4)-6 of the Advisors Act sets forth the conditions under which advisors have fiduciary obligations with respect to each client for which the advisor exercises investment discretion, including the authority and responsibility to vote proxies. Advisors with proxy voting authority must monitor corporate developments and, where appropriate, vote proxies. In addition, advisors must cast proxy votes in the best interest of its clients.

SCM has adopted the following policies and procedures with respect to voting proxies on behalf of its clients.

- SCM has a proxy voting policy, which may be updated and supplemented from time-to-time, for clients who delegate the authority or responsibility to vote their proxies to SCM.
- Clients may request a copy of the proxy voting policy and information about how their securities were voted.
- SCM monitors such voting for any potential conflicts with the interests with its clients.
- SCM may on occasion use the advice of an independent third party to review the proxies to supplement research.
- It is SCM's general policy to vote proxies in what it considers to be in the best interests of its clients. If mitigating circumstances and/or conflicts of interests arise, the circumstances or conflicts will be discussed by SCM's investment committee. This committee may inform the client or may forward the proxy material to the client if it deems it necessary for review.

Item 18 - Financial Information

SCM has discretionary authority over investment trading and may deduct fees directly from client accounts in arrears but does not require or solicit payment of any fees from clients in advance. SCM has never filed a bankruptcy petition and does not foresee any financial condition that would impair the Firm's ability to meet contractual commitments to clients.