

SEC Form ADV Part 2A: Firm Brochure

Item 1 Cover Page

Firm Name

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No web site

Date of This Brochure

March 28, 2015

References to Third Stage Investment Group, LLC as a “registered investment adviser” or as being “registered” with the SEC or otherwise

Registration does not imply a certain level of skill or training.

**This brochure provides information about the qualifications and business practices of Third Stage Investment Group, LLC. If you have any questions about the contents of this brochure, please contact us at: phone 425-284-7200, email: Mark.Miller@tsig.biz. 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 Third Stage Investment Group, LLC also is available on the  
SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Item 2 Material Changes

This Item 2 discusses only material changes since the last annual update of our *brochure*. The last annual update of our *brochure* was filed with the SEC on March 26, 2014.

There have been no material changes since the last filed update of our brochure.

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#### Item 4 Advisory Business

A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).

**Notes:** (1) For purposes of this item, your principal owners include the *persons* you list as owning 25% or more of your firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E).

Third Stage Investment Group, LLC was founded in September, 2006. The principal owner owning 25% or more is Ron Liesching. Third Stage Investment Group is an independent investment management company focused on assisting large, sophisticated institutions with attaining their investment goals and objectives.

B. Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.

Our investment advisory services are for large, sophisticated institutions and are focused primarily in the area global fixed income (global bonds).

C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.

Since our clients are sophisticated, large institutions and the mandates are, many times, separate accounts, we work with our clients to provide a strategy that solves their particular problems and meets their particular objectives which means that the strategies we offer may be tailored to fit the needs of our clients. For separate accounts, clients may impose restrictions on investing in certain securities or types of securities.

D. If you participate in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.

We do not participate in wrap fee programs.

E. If you manage client assets, disclose the amount of client assets you manage on a discretionary basis and the amount of client assets you manage on a non-discretionary basis. Disclose the date “as of” which you calculated the amounts.

As of December 31, 2014 we manage a total of \$0 assets for clients.

Note: Your method for computing the amount of “client assets you manage” can be different from the method for computing “assets under management” required for Item 5.F in Part 1A. However, if you choose to use a different method to compute “client assets you manage,” you must keep documentation describing the method you use. The amount you disclose may be rounded to the nearest \$100,000. Your “as of” date must not be more than 90 days before the date you last updated your brochure in response to this Item 4.E.

## Item 5 Fees and Compensation

A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.

As an SEC registered investment adviser delivering the brochure only to qualified purchasers (as defined in section 2(a)(51)(A) of the Investment Company Act of 1940) we need not disclose our fee schedule and whether or not our fees are negotiable.

Product: Global fixed income (bonds)

Fee Type: fixed

Minimum Investment: \$200,000,000

Since our client accounts will be separate accounts, our fees and minimum investment amounts may change for certain client strategies based on the modifications from the standard strategy to fit the needs of a particular client or because the client has hired us for more than one strategy or the client may increase the size of the funds allocated to a particular strategy.

Note: If you are an SEC-registered adviser, you do not need to include this information in a brochure that is delivered only to qualified purchasers as defined in section 2(a)(51)(A) of the Investment Company Act of 1940.

B. Describe whether you deduct fees from clients' assets or bill clients for fees incurred. If clients may select either method, disclose this fact. Explain how often you bill clients or deduct your fees.

We invoice clients for fees incurred on a calendar quarterly or monthly basis and in arrears.

C. Describe any other types of fees or expenses clients may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.

TSIG's fees are exclusive of custody fees, brokerage commissions, transaction fees and other transaction related costs and expenses which are incurred by the client. Such charges, fees and commissions are exclusive of and in addition to TSIG's fee and TSIG does not receive any portion of those commissions, fees and costs.

See also section 12 herein on brokerage.



D. If your clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

Clients do not pay our investment management fees in advance.

E. If you or any of your supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.

Neither our firm, neither any affiliate of our firm nor any supervised persons of our firm or its affiliates accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

See also Section 12 listed in the table of contents which describes Brokerage Practices.

1. Explain that this practice presents a conflict of interest and gives you or your supervised persons an incentive to recommend investment products based on the compensation received, rather than on a client's needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to clients. If you primarily recommend mutual funds, disclose whether you will recommend "no-load" funds.

Not applicable

2. Explain that clients have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.

Not applicable

3. If more than 50% of your revenue from advisory clients results from commissions and other compensation for the sale of investment products you recommend to your clients, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.

Not applicable

4. If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.

Note: If you receive compensation in connection with the purchase or sale of securities,

you should carefully consider the applicability of the broker-dealer registration requirements of the Securities Exchange Act of 1934 and any applicable state securities statutes.

Not applicable

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

If you or any of your supervised persons accepts performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client (such as a client that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your supervised persons manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your supervised persons face by managing these accounts at the same time, including that you or your supervised persons have an incentive to favor accounts for which you or your supervised persons receive a performance-based fee, and describe generally how you address these conflicts.

Currently, we do not manage any assets.

TSIG has procedures to ensure that all clients are treated fairly and to prevent these potential conflicts from influencing the allocation of investment opportunities among clients. Regular reviews of the allocation of investment opportunities and trades among clients are made by TSIG Compliance.

## Item 7 Types of Clients

Describe the types of clients to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

Our clients would typically be large sophisticated institutions. Among these would be public and corporate pension plans, foundations, endowments and nonprofit organizations.

Minimum account sizes for particular strategies are set forth in Item 5.A. herein.

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

A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that clients should be prepared to bear.

Our core competency is the ability to measure and manage financial risks, which is central to the management of TSIG's strategies. We add value by forecasting risk as opposed to the more traditional approach of forecasting return. This investment theme manifests itself in the portfolio construction process, which aides in enhancing returns and managing tail risk. Finally, we believe that encoding expert insights is more robust and scalable than relying on purely judgmental star / team approaches. Our approach helps control behavioral biases in the investment management process, while engendering objectivity and control.

Investing in securities involves risk of loss and clients need to be aware of the risks and the amount of money that is possible for them to lose in any investment strategy in which they are engaged.

B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

### Fixed Income (Bond) Investing

#### Risks

**No Operating History.** Third Stage Investment Group, LLC (“TSIG”) is a relatively recently organized entity and has limited operating history upon which investors may base an evaluation of its likely performance.

**The Company's Forward Trading Is Not Protected By Regulation.** TSIG may engage in trading forward contracts in currencies. A forward contract is a contractual obligation to purchase or sell a specified quantity of a currency at a specified date in the future at a specified price and, therefore, is similar to a futures contract. Such forward contracts are not traded on exchanges; rather, banks and dealers act as principals in these markets. At present, neither the CFTC nor any banking authority regulates trading in such forward contracts. In addition, there is no limitation on the daily price movements of forward contracts. Principals in the forward markets

have no obligation to continue to make markets in the forward contracts traded. There have been periods during which certain banks or dealers have refused to quote prices for forward contracts or have quoted prices with an unusually wide spread between the price at which they are prepared to buy and that at which they are prepared to sell. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which TSIG would otherwise recommend, to the possible detriment of a separate account.

Because performance of forward contracts is not guaranteed by any exchange or clearinghouse, separate account managed by TSIG is subject to the risk of the inability or refusal to perform with respect to such contracts on the part of the counterparties with which a separate account trades. Any such failure or refusal, whether due to insolvency, bankruptcy or other causes, could subject separate account (i.e. the investor) to substantial losses. Typically, a separate account trades forward contracts only with banks, brokers, dealers and other financial institutions which TSIG has determined to be creditworthy, however, circumstances can change and TSIG's determination may prove to be incorrect.

The CFTC has published for comment in the United States Federal Register a statement concerning its jurisdiction over transactions in the foreign currency markets, including transactions of the type which may be engaged in by separate account managed by TSIG. In the future, the CFTC might assert that forward contracts of the type entered into by a separate account constitute unauthorized futures contracts subject to the CFTC's jurisdiction and attempt to prohibit a separate account from participating in transactions in such contracts. If a separate account were restricted in its ability to trade in the currency markets, the activities of TSIG could be materially affected, as a separate account may trade significantly in the foreign currency forward markets.

The Unregulated Nature of the Over-The-Counter Markets Creates Counterparty Risks that do Not Exist in Futures Trading on Exchanges. Unlike futures contracts, over-the-counter "spot" and forward contracts are entered into between private parties off an exchange and are not regulated by the CFTC or by any other U.S. or foreign governmental agency. Due to the fact that such contracts are not traded on an exchange, the performance of those contracts is not guaranteed by an exchange or its clearinghouse and a separate account (i.e. investors) is at risk with respect to the ability of the counterparty to perform on the contract. Trading in the over-the-counter foreign exchange markets is not regulated; therefore, there are no specific standards or regulatory supervision of trade pricing

and other trading activities that occur in those markets. A separate account trades such contracts with the broker, and is at risk with respect to the creditworthiness and trading practices of the broker as the counterparty to the contracts.

The percentage of a separate account's positions that are expected to constitute forward currency contracts can vary substantially from month to month.

**Possible Effects of Speculative Position Limits.** The CFTC and the United States exchanges have established limits referred to as "speculative position limits" on the maximum net long or net short speculative positions that any person may hold or control in any particular futures or options contracts traded on United States exchanges. All accounts owned or managed by TSIG will be combined for speculative position limit purposes. TSIG could be required to liquidate positions held for a separate account in order to comply with such limits. Any such liquidation could result in substantial losses to investors.

**Possible Effect of Withdrawals.** Substantial withdrawals of investor interests (in a separate account) could require a separate account to liquidate positions more rapidly than otherwise desirable in order to raise the necessary cash to fund the withdrawals and, at the same time, achieve a market position appropriately reflecting a smaller equity base. In the event of a high volume of withdrawals, liquidation of positions could continue even after the redemption date, which could make it more difficult to recover losses or generate new profits. Lack of liquidity in the markets could make it difficult to liquidate positions and may result in losses to investors.

**Substantial Charges to a Separate Account.** A separate account is obligated to pay brokerage commissions to the broker and the management fee to TSIG, regardless of whether a separate account is profitable. Although the level of a separate account's brokerage commissions varies from time to time and with the frequency of TSIG's trading on behalf of a separate account, they are at all times subject to substantial ongoing charges.

**Nature of Investments.** Investments will involve a high degree of risk. Markets in which a separate account is anticipated to invest are subject to a high degree of volatility. There can be no assurance that a separate account's investment objective will be realized or that the investors will receive any return on their investment. There may be very few, if any,

limitations on the types of investments TSIG may make. Dependent upon market conditions, TSIG may purchase the underlying securities on different exchanges in both domestic and international markets. TSIG in its sole discretion may employ such investment and trading strategies and methods as it so determines. As a result of these investment risks, an investor may lose all of his or her or its investment in a separate account.

**Trading on Foreign Exchanges.** A separate account may engage in trading on foreign exchanges and other markets located outside of the U.S. ("Foreign Markets"). No regulations of any U.S. governmental agency apply to the actual execution of transactions on Foreign Markets. Some Foreign Markets, in contrast to domestic exchanges, are primarily "principals' markets" in which performance is the responsibility only of the individual member with whom the trader has entered into a transaction and not the exchange or clearing organization. In such case, a separate account will be subject to the risk of the bankruptcy of, other inability of, or refusal by, such member or the counterparty to perform with respect to such transactions.

**Non-U.S. Currency.** A separate account may enter into non-U.S. currency forward contracts, swaps, or other derivatives contracts on non-U.S. currencies. Such contracts involve a risk of loss. In addition, forward contracts are not guaranteed by an exchange or clearinghouse. Therefore, a default by the forward contract counterparty may result in a loss of the value of unrealized profits on the contract.

It is contemplated that most non-U.S. currency forward contracts will be with banks. There are no limitations on daily price moves of forward contracts. Banks are not required to continue to make markets in currencies. There have been periods during which certain banks have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the difference between the price at which the bank is prepared to buy and that at which it is prepared to sell). The imposition of credit controls by governmental authorities might limit the level of such forward trading to less than that which TSIG would otherwise recommend. U.S. banking authorities do not regulate forward currency transactions through banks. In respect of such trading, a separate account is subject to the risk of bank failure or the inability of or refusal by a bank to perform with respect to such contracts.

**Single-Advisor Accounts Lack the Diversity of Multi-Advisor Accounts.** TSIG may manage assets in a separate account traded by a single trading advisor (TSIG). Therefore, such a separate account lacks the potential



benefit of trading advisor diversification available in accounts that are managed by more than one trading advisor.

**Reliance on a Single Trading Advisor.** Accounts which will be managed by TSIG will be directed exclusively by TSIG. As such, TSIG can provide no assurance that the trading program employed by them will be successful. Furthermore, the incapacity of any of TSIG's principals could have a material and adverse effect on TSIG's ability to discharge their obligations to an account.

**Increase in Assets Under Management May Adversely Affect Performance.** TSIG may accept substantial additional capital in the future and has not agreed to limit the amount of additional assets which it may manage. Many analysts believe that advisors' rates of return tend to decrease as assets under management increase. There can be no assurance that TSIG will be able to manage their current or future asset level in the same manner for any period of time during its operation or that speculative position limits or liquidity constraints will not adversely affect its trading.

**Conflicts of Interest.** A separate account is subject to certain potential and actual conflicts of interest, including, but not limited to, the following: the fact that TSIG may trade in the same markets for the accounts of others.

**Lack of Independent Experts Representing Investors.** TSIG consults with independent counsel, accountants and other experts. The investors, however, may not have been represented by any such independent experts. Each prospective investor should consult his or her own legal, tax and financial advisors regarding the desirability of any investment with TSIG and the suitability of an investment.

**Regulatory Change.** The regulation of the United States futures markets has undergone substantial change in recent years, and such change is expected to continue for the foreseeable future. The effect of regulatory change on a separate account, while impossible to predict, could be substantial and adverse.

**Whipsaw Markets.** Often, the most unprofitable market conditions for a separate account are those in which prices "whipsaw," moving quickly upward, then reversing, then moving upward again, then reversing again. In such conditions, an account managed by TSIG may establish losing positions based on incorrectly identifying both the brief upward and downward price movements as trends.

Economic Conditions. Changes in economic conditions, including, for example, interest rates, inflation rates, employment conditions, competition, technological developments and trends, and tax laws can affect substantially and adversely the business and prospects of a separate account. None of these conditions is within the control of TSIG and no assurance can be given that TSIG will anticipate these developments.

The foregoing list of risk factors does not purport to be a complete explanation of the risks involved in investing in an account managed by TSIG. Potential investors should read the entire set of disclosure documents relating to the investment before determining whether to invest and consult with their own legal, financial and tax advisors. Potential investors should also be aware that they may have limited role in the management of an account or no role in the management of TSIG and will be required to rely on the expertise of TSIG in dealing with the foregoing (and other) risks on a day-to-day basis.

#### Trading Risks

Among other trading risks, frequent trading can adversely affect investment performance since each trade has commission and transaction costs paid to a broker which is associated with the trade. In addition, taxes may be incurred for trades either as transaction taxes or on profits which are realized from the trade.

See also the section above entitled Risks

C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.

We do not recommend primarily a particular type of security, however certain strategies typically lend themselves to particular types of securities for reasons of efficiency, liquidity, costs and other factors.

For example, currency hedging and related currency strategies are typically implemented by us using the currency markets. Thinly traded fixed income securities represent one form of risk (which makes it more difficult to sell such securities from the portfolio when markets are declining and more difficult to purchase such securities when such markets are rising).

## Item 9 Disciplinary Information

If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Items 9.A, 9.B, and 9.C list specific legal and disciplinary events presumed to be material for this Item. If your advisory firm or a management person has been involved in one of these events, you must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in your or the management person's favor, or was reversed, suspended or vacated, or (2) you have rebutted the presumption of materiality to determine that the event is not material (see Note below). For purposes of calculating this ten-year period, the "date" of an event is the date that the final order, judgment, or decree was entered, or the date that any rights of appeal from preliminary orders, judgments or decrees lapsed.

Items 9.A, 9.B, and 9.C do not contain an exclusive list of material disciplinary events. If your advisory firm or a management person has been involved in a legal or disciplinary event that is not listed in Items 9.A, 9.B, or 9.C, but nonetheless is material to a client's or prospective client's evaluation of your advisory business or the integrity of its management, you must disclose the event. Similarly, even if more than ten years have passed since the date of the event, you must disclose the event if it is so serious that it remains material to a client's or prospective client's evaluation.

A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which your firm or a management person

1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;

None

2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;

None

3. was found to have been involved in a violation of an investment-related statute or regulation; or

None

4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a management person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

None

B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which your firm or a management person

1. was found to have caused an investment-related business to lose its authorization to do business; or

None

2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority

- (a) denying, suspending, or revoking the authorization of your firm or a management person to act in an investment-related business;

None

- (b) barring or suspending your firm's or a management person's association with an investment-related business;

None

- c) otherwise significantly limiting your firm's or a management person's investment-related activities; or

None

- (d) imposing a civil money penalty of more than \$2,500 on your firm or a management person.

None

C. A self-regulatory organization (SRO) proceeding in which your firm or a management person

1. was found to have caused an investment-related business to lose its authorization to do business; or

None

2. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

None

Note: You may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, you are not required to disclose it. When you review a legal or disciplinary event involving your firm or a management person to determine whether it is appropriate to rebut the presumption of materiality, you should consider all of the following factors: (1) the proximity of the person involved in the disciplinary event to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If you conclude that the materiality presumption has been overcome, you must prepare and maintain a file memorandum of your determination in your records. See SEC rule 204-2(a)(14)(iii).

## Item 10 Other Financial Industry Activities and Affiliations

A. If you or any of your management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

Not Applicable

B. If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.

Not Applicable

C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker

None

2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)

None

3. other investment adviser or financial planner

Mountain Pacific Advisors, LLC (“MPA”) is a SEC registered investment adviser. The existence of this entity does not create a material conflict of interest with clients. Although MPA may be investing for its clients in the same securities as TSIG for MPA’s clients, the markets in which these investments take place are highly liquid for the particular securities traded and, in any event, the size of the trades and portfolio sizes for MPA clients and for MPA are not anticipated to be material relative to the size of the markets as a whole and so the potential conflicts are not anticipated to be material.

4. futures commission merchant, commodity pool operator, or commodity trading advisor

None

5. banking or thrift institution

None

6. accountant or accounting firm

None

7. lawyer or law firm

None

8. insurance company or agency

None

9. pension consultant

None

10. real estate broker or dealer

None

11. sponsor or syndicator of limited partnerships.

None

D. If you recommend or select other investment advisers for your clients and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.

Not Applicable

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

A. If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any client or prospective client upon request.

Our code of ethics exists in two manuals: (1) Code of Conduct, and (2) Personal Trading Policy. A summary of each as described by the table of contents for each is shown below. We will provide a copy of the Code of Ethics to any client or prospective client upon request. Such requests can be made to Mark Miller, CCO, to his email at [Mark.Miller@tsig.biz](mailto:Mark.Miller@tsig.biz) or by phone to our office at 425-284-7200.

### Summary of the Code of Conduct

The Code of Conduct consists of the following major sections

- Administration of the Code of Conduct
- Diversity
- Confidential Information
- Inside Information
- Other Business Conduct
- Outside Activities, Gifts and other Potential Conflicts of Interest
- Personal Securities and Other Financial Transactions
- Certifications
- Compliance with Laws and Regulations
- Sanctions
- Definitions and Examples

### Summary of the Personal Trading Policy

The Personal Trading Policy consists of the following major sections

- Introduction and Applicability
- Standards of Business Conduct
- General Prohibitions and Restrictions
- Access Persons - Periodic Reporting Obligations
- Obligations of Designated Access Persons to Pre-Clear Personal Securities Transactions
- Violations of the Code
- Code Administration
- Definitions
- Certification Forms



In general, our code of ethics reminds each employee of his or her responsibility in identifying and mitigating potential conflicts of interest created when the employee is engaged in an out side business activity or purchases or sells securities.

B. If you or a related person recommends to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Examples: (1) You or a related person, as principal, buys securities from (or sells securities to) your clients; (2) you or a related person acts as general partner in a partnership in which you solicit client investments; or (3) you or a related person acts as an investment adviser to an investment company that you recommend to clients.

An entity which is an affiliate of Third Stage Investment Group, LLC ("TSIG") serves as an investment advisor in a fund set up as a limited liability company which manages equity investments. Conflicts are unlikely since TSIG strategies relate to global bonds and not to equities.

Also, conflict could arise in situations in which the TSIG strategies employed for clients indicate the purchase of sale of the same security for more than one client at the same time. In such an instance TSIG's procedures require the allocation to be prorated based on the original buy order amounts and averaged as to price if executed over the course of a day's trading.

The conflicts and the way TSIG addresses them are described in the Code of Ethics section above.

C. If you or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a related person recommends to clients, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.

TSIG's policies do not permit any of its Access Persons to engage in any trades in any assets which TSIG manages for its clients (except in instances where such Access Persons have no control over the purchase and sale of such assets, as would be the case, for example, if the asset was owned by a mutual fund and the Access Person owned interests in the mutual fund and except for certain exempted securities (such as US Treasuries)).

D. If you or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for your own (or the related person's own) account, describe your practice and discuss

the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Not applicable. See response to 11.C above..

Note: The description required by Item 11.A may include information responsive to Item 11.B, C or D. If so, it is not necessary to make repeated disclosures of the same information. You do not have to provide disclosure in response to Item 11.B, 11.C, or 11.D with respect to securities that are not “reportable securities” under SEC rule 204A-1(e)(10) and similar state rules.

## Item 12 Brokerage Practices

A. Describe the factors that you consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

1. Research and Other Soft Dollar Benefits. If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create.

Note: Your disclosure and discussion must include all soft dollar benefits you receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

- a. Explain that when you use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services.

Not applicable. We do not use brokerage commissions in this manner.

- b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your clients’ interest in receiving most favorable execution.

Not applicable, we do not select a broker-dealer in this manner.

- c. If you may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact.

Not applicable, we do not use soft dollar benefits.

- d. Disclose whether you use soft dollar benefits to service all of your clients’ accounts or only those that paid for the benefits. Disclose whether you seek to

allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

Not applicable, we do not use soft dollar benefits.

- e. Describe the types of products and services you or any of your related persons acquired with client brokerage commissions (or markups or markdowns) within your last fiscal year.

Not applicable we did not acquire and do not seek to acquire products and services with client brokerage commissions.

Note: This description must be specific enough for your clients to understand the types of products or services that you are acquiring and to permit them to evaluate possible conflicts of interest. Your description must be more detailed for products or services that do not qualify for the safe harbor in section 28(e) of the Securities Exchange Act of 1934, such as those services that do not aid in investment decision-making or trade execution. Merely disclosing that you obtain various research reports and products is not specific enough.

- f. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for soft dollar benefits you received.

Not applicable, we do not use or seek soft dollar benefits.

2. Brokerage for Client Referrals. If you consider, in selecting or recommending broker-dealers, whether you or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.

- a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving client referrals, rather than on your clients' interest in receiving most favorable execution.

Not applicable, in selecting a broker-dealer neither we nor a related party receive client referrals from a broker-dealer or third party.

- b. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for client referrals.

Not applicable.

3. Directed Brokerage.

- a. If you routinely recommend, request or require that a client direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their clients to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of client transactions, and that this practice may cost clients more money.

Not applicable. Neither we nor any related party routinely recommend, request or require that a client direct us to execute transactions through a specified broker-dealer.

- b. If you permit a client to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of client transactions. Explain that directing brokerage may cost clients more money. For example, in a directed brokerage account, the client may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.

Note: If your clients only have directed brokerage arrangements subject to most favorable execution of client transactions, you do not need to respond to the last sentence of Item 12.A.3.a. or to the second or third sentences of Item 12.A.3.b.

Not applicable

B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various client accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.

We would aggregate trades to the extent the same clients would trade in the same security at the same time and would be able to use the same executing brokers.

### Item 13 Review of Accounts

A. Indicate whether you periodically review client accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.

We reconcile our client ledger with the client custodian's ledger on a monthly basis after the custodian issues its report of holdings.

We do not do financial planning.

B. If you review client accounts on other than a periodic basis, describe the factors that trigger a review.

We would review a client's account more frequently than monthly if the client requests it or if we have another indication that our client ledger may be out of balance with the client custodian's ledger.

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

We provide written quarterly reports to clients or at the frequency requested by the client.

#### Item 14 Client Referrals and Other Compensation

A. If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.

Not applicable, we do not engage in this practice.

B. If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.

**Note:** If you compensate any person for client referrals, you should consider whether SEC rule 206(4)-3 or similar state rules regarding solicitation arrangements and/or state rules requiring registration of investment adviser representatives apply.

None

## Item 15 Custody

If you have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements. If your clients also receive account statements from you, your explanation must include a statement urging clients to compare the account statements they receive from the qualified custodian with those they receive from you.

Not applicable, we do not have custody of client funds since we currently manage no assets.

## Item 16 Investment Discretion

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (*e.g.*, execution of a power of attorney).

We accept discretionary authority to manage securities on behalf of clients, but all such securities are in the possession of an independent qualified custodian. The limits, if any, placed on our discretion are and would be contained in a written Investment Management Agreement between our firm and the client.



## Item 17 Voting Client Securities

A. If you have, or will accept, authority to vote client securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your clients can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from you about how you voted their securities. Explain to clients that they may obtain a copy of your proxy voting policies and procedures upon request.

We do not vote client securities since we currently manage no assets.

B. If you do not have authority to vote *client* securities, disclose this fact. Explain whether *clients* will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) *clients* can contact you with questions about a particular solicitation.

Clients receive their proxies directly from their custodian. Clients do not contact us with questions regarding voting.

## Item 18 Financial Information

A. If you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.

Not applicable, since we do not require or solicit prepayment of fees.

1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.
2. Show parenthetically the market or fair value of securities included at cost.
3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to Article 2 of SEC Regulation S-X.

Note: If you are a sole proprietor, show investment advisory business assets and liabilities separate from other business and personal assets and liabilities. You may aggregate other business and personal assets unless advisory business liabilities exceed advisory business assets.

Note: If you have not completed your first fiscal year, include a balance sheet dated not more than 90 days prior to the date of your brochure.

Exception: You are not required to respond to Item 18.A of Part 2A if you also are: (i) a qualified custodian as defined in SEC rule 206(4)-2 or similar state rules; or (ii) an insurance company.

B. If you have discretionary authority or custody of client funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.

As of the date of this Brochure, there are no such issues to disclose.

Note: With respect to Items 18.A and 18.B, if you are registered or are registering with one or more of the state securities authorities, the dollar amount reporting threshold for including the required balance sheet and for making the required financial condition disclosures is more than \$500 in fees per client, six months or more in advance.

C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.

If you are registering or are registered with one or more state securities authorities, you must respond to the following additional Item.

Not applicable.

## Item 19 Requirements for State-Registered Advisers

Not applicable, we are not registering with nor are we registered with any state security authorities.

A. Identify each of your principal executive officers and management persons, and describe their formal education and business background. If you have supplied this information elsewhere in your Form ADV, you do not need to repeat it in response to this Item.

B. Describe any business in which you are actively engaged (other than giving investment advice) and the approximate amount of time spent on that business. If you have supplied this information elsewhere in your Form ADV, you do not need to repeat it in response to this Item.

C. In addition to the description of your fees in response to Item 5 of Part 2A, if you or a supervised person are compensated for advisory services with performance-based fees, explain how these fees will be calculated. Disclose specifically that performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

D. If you or a management person has been involved in one of the events listed below, disclose all material facts regarding the event.

Neither TSIG nor a management person has been involved in the events listed below.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - (a) an investment or an investment-related business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or
  - (e) dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - (a) an investment or an investment-related business or activity;

- (b) fraud, false statement(s), or omissions;
- c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

E. In addition to any relationship or arrangement described in response to Item 10.C. of Part 2A, describe any relationship or arrangement that you or any of your management persons have with any issuer of securities that is not listed in Item 10.C. of Part 2A.

**Part 2A Appendix 1 of Form ADV:**

We do not sponsor any wrap fee programs, so this section is not applicable.