



## **PART 2A OF FORM ADV: FIRM BROCHURE**

### **ITEM 1 – COVER SHEET**

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March 31, 2015

This brochure provides information about the qualifications and business practices of Eigenvector Capital LLC (the "Firm", "Eigenvector", or "we"). If you have any questions about the contents of this brochure, please contact us at [Investors@EigenvectorCap.com](mailto:Investors@EigenvectorCap.com) or (718) 406 7660. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

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

Being a "registered investment adviser" or describing ourselves as being "registered" does not imply a certain level of skill or training. This brochure is not an offering or solicitation of interests in funds managed by Eigenvector.

**ITEM 2 – MATERIAL CHANGES**

No material changes.

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## ITEM 4 – ADVISORY BUSINESS

Eigenvector is a Delaware limited liability company that was formed in April 2014. The Firm is a value-oriented equity investment management firm managing long/short and long-only investment portfolios for managed accounts. The Firm is principally owned and controlled by Nathan Rex, Ph.D. and Sean Ballard, its Chief Investment Officer and Chief Executive Officer, respectively.

We generally invest, on behalf of separately managed accounts (the "Managed Accounts") in publicly traded equity securities. We anticipate launching a private investment fund in the near future. We believe that while individual stocks gravitate toward fair value over longer periods of time, they frequently trade at significant deviations from fair value. We generally take long positions in securities that we believe to be undervalued and short positions in securities that we believe to be overvalued, based on our analysis of the issuer's financial reports and market valuation.

Under certain circumstances, the Firm may agree to tailor advisory services to the individual needs of clients and/or permit restrictions on investing in certain securities. There can be no assurance that the investment objectives of the Managed Accounts will be achieved and investment results may vary substantially.

As of March 31, 2015, we had approximately \$46,492,809 in regulatory assets under management, all of which is managed on a discretionary basis.

## ITEM 5 – FEES & COMPENSATION

The Firm charges each Managed Account a fee based upon a percentage of assets under management and may vary depending upon the nature of the portfolio to be managed. Managed Account advisory fees generally range from 0.75% to 2% annually of a client's assets under management, payable quarterly in arrears, unless otherwise agreed with a client. Managed Accounts initiated or terminated during a calendar quarter generally are charged a prorated management fee.

In addition, the Firm may charge a Managed Account a performance fee, which generally ranges from 10% to 20%. Performance fees are based on a client's net profits (subject to a high water mark) Performance fees are generally charged to clients on December 31 of each year.

We bill fees to Managed Account clients by invoicing the Client's custodian.

The Managed Accounts are also subject to expenses related to investment activity, including brokerage commissions, ticket charges, expenses related to short sales, trade execution, trading platforms, clearing and settlement charges, custodial fees, bank service fees, interest expense, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees.

Exchange traded funds may be used as an investment vehicle by a Managed Account to increase or decrease market exposure. When these types of funds are used a Managed Account, in effect, pays two advisory fees with respect to the amount of assets so invested (i.e., exchange traded fund's fees and expenses and that portion of our compensation attributable to such assets).

## ITEM 6 – PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT

We simultaneously manage multiple portfolios for client accounts. The simultaneous management of these different portfolios, some of which are charged a performance-based compensation as well as management fees based on assets under management, and some of which are only charged management fees based on assets under management, creates certain conflicts of interest, as the compensation may be higher for certain clients accounts. Performance-based compensation also creates an incentive for us to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee arrangement.

Managing more than one client account with different performance-based compensation and management fees raises the possibility of preferential treatment of those clients that pay the higher performance-based compensation and management fees. As a fiduciary, we exercise due care to ensure that investment opportunities are allocated fairly and equitably over time among all suitable clients, regardless of their fee structure.

The Firm reviews investment decisions for the purpose of ensuring that all accounts with substantially similar investment objectives are treated equitably. The performance of similarly managed accounts is also regularly compared to determine whether there are any unexplained significant discrepancies. In addition, the Firm's procedures relating to the allocation of investment opportunities require that similarly managed accounts participate in investment opportunities pro rata based on asset size. We may also consider the following factors, among others, in allocating securities among clients (i) a client's investment objectives and strategies; (ii) risk profiles; (iii) tax status and restrictions placed on a client's portfolio by the client or by applicable law; (iv) size of the client account; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; and (viii) account liquidity, account requirements for liquidity and timing of cash flows and generally that, to the extent orders are aggregated, the client orders are price-averaged. Finally, the Firm's procedures also require the objective allocation for limited opportunities (such as initial public offerings and private placements) to ensure fair and equitable allocation among accounts. These areas are monitored by the Firm's Chief Compliance Officer.

## **ITEM 7 – TYPES OF CLIENTS**

Our clients currently consist of three family offices with multiple accounts.

Our investment minimums vary according to product and strategy. Generally, our Managed Account minimum is approximately \$5,000,000.

## ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS

Eigenvector is a value oriented asset management firm specializing in equity strategies. The Firm's value investing principles use a fundamental research process developed by its Chief Investment Officer, Nathan Rex, Ph.D, through his experience in stock selection and portfolio management gained over 10 years of managing investment portfolios.

The Firm believes that while individual stocks gravitate toward fair value over longer periods of time, they frequently trade at significant deviations from fair value, for various reasons such as emotion, analytical errors, and the inability of many large institutional investors to tolerate short-term underperformance. Further, as markets have become more institutionalized, the Firm believes investor time horizons have shortened. The Firm believes that capital allocations follow recent performance (both good and bad) and, therefore, portfolio managers "need" to do well now. The Firm believes this institutionalized effect has been growing over the last several decades. This may cause certain companies to be systematically avoided even if they are attractively priced, generate substantial free cash flows and earn high returns on capital. The Firm seeks to capitalize on these market inefficiencies by employing a systematic bottom-up approach to identify companies that appear to be undervalued or overvalued on both an absolute and relative basis.

In order to take advantage of these inefficiencies, the Firm evaluates companies according to the Firm's proprietary analytical framework, which is based on fundamental measures of financial performance. The process allows the Firm to compare companies within the US-listed equity universe from the most undervalued to the most overvalued.

Using publicly available financial data, the Firm values this universe of companies on the basis of underlying economic performance. The Firm performs financial analysis and maintains a proprietary database. The Firm typically:

- Researches and analyzes each company in the coverage universe according to a proprietary methodology that emphasizes fundamentals such as recurring earnings, capital efficiency and valuation;
- Identifies and excludes companies that do not conform to the Firm's valuation methodology or companies judged by the Firm to have questionable financial reporting, as well as companies in the financial services sector;
- Updates the analysis for earning releases, Form 10-Ks, Form 10-Qs and other corporate filings; and
- Records analysis in a centralized database which enables the Firm to compare all companies and identify the best longs and shorts on a daily basis. This firm-wide database fosters transparency and accountability and is central to the investment process.

From the results of this analytical process, the Firm generally constructs long portfolios made up of what it believes to be the most undervalued stocks and short portfolios made up of the most overvalued stocks, subject in both cases to strategy-specific features and constraints. Portfolios are adjusted (generally quarterly) to rebalance and manage exposure levels, risk metrics, and specific position sizes according to the characteristics of the strategy.

The Firm manages both long/short and long-only investment strategies. Strategies may differ from one another in a number of ways, including, but not limited to, differences in targeted gross and net exposure, concentration/diversification levels and the number of positions.

There can be no assurance that the objectives associated with any of the Firm's investment



strategies will be met or that the Firm will achieve profitable results. The Firm may, at any time, add, remove or modify any of the strategies it employs and this includes any of the significant investment strategies discussed above. These investments, methods and strategies involve risk of loss to clients and clients must be prepared to bear the loss of their entire investment.

## MATERIAL RISKS (INCLUDING SIGNIFICANT, OR UNUSUAL RISKS) RELATING TO INVESTMENT STRATEGIES

No Assurance of Investment Return: The task of identifying and evaluating investment opportunities, managing such investments and realizing an attractive return is difficult. There is no assurance that the Firm will be able to invest capital on attractive terms, generate returns for their clients or preserve client capital. The profitability of the investment programs depends to a great extent upon correctly assessing the future course of the price movements of securities. There can be no assurance that the Firm will be able to predict accurately these price movements. There is always a significant degree of market risk, including the risk of a complete loss of capital. The performance of any investment is subject to numerous factors that are not within the Firm's control. Such factors include a wide range of economic, political, competitive and other conditions that may affect investments in general or in specific industries or companies.

Market Risk: Our portfolios are subject to market risk—the risk that securities markets and individual securities will increase or decrease in value. Market risk applies to every market and every security. Security prices may fluctuate widely over short or extended periods in response to market or economic news and conditions, and securities markets also tend to move in cycles. If there is a general decline in the securities markets, it is possible investments may lose value regardless of the business operations of the issuers. The magnitude of up and down price or market fluctuations over time is sometimes referred to as "volatility," which, at times, can be significant. In addition, different asset classes and geographic markets may experience periods of significant correlation with each other. As a result of this correlation, the securities and markets in which we invest may experience volatility due to market, economic, political or social events and conditions that may not readily appear to directly relate to such securities, the securities' issuers or the markets in which they trade.

Value Investing Risk: We buy securities we believe are undervalued and short securities we believe are overvalued. Investing in "value" stocks presents the risk that the stocks may never reach what we believe are their full market value, either because the market fails to recognize what we consider to be the company's true business value, because we misjudge that value or because we sell the security before such value is recognized by the market. In addition, value stocks may fall out of favor with investors and underperform growth stocks during given periods. Value-oriented investment approaches are subject to the risk that securities believed to be undervalued do not appreciate in value as anticipated or decline in value.

Conversely, we short securities we feel are overvalued which presents the risk that the stocks may never decrease in value to what we believe are their true market values, because the market fails to recognize what we consider to be the company's value, because we misjudge those values or because we cover such security before such value (or lack value) is recognized by the market. In addition, certain stocks may rise quickly during up markets.

Database Errors: Our strategies rely on proprietary databases and third-party data sources. As a result, any errors in the underlying data entry, database or the assumptions underlying the strategies may result in a portfolio acquiring or selling investments based on incorrect information. Additionally, data entries made by the Firm may contain errors, as may the database system used to store such data. When strategies and data prove to be incorrect, misleading, flawed or incomplete, any decisions made in reliance thereon expose our clients to potential risks. For example, by relying on our strategies and data, we may be induced to buy certain investments at prices that are too high,

to sell certain other investments at prices that are too low, or to miss favorable opportunities altogether. Similarly, any hedging based on faulty strategies and data may prove to be unsuccessful. As a result, the portfolio could incur losses on such investments before the errors are identified and corrected.

Systems Risk: We rely extensively on computer programs and systems to implement our strategies and to trade, clear and settle securities transactions, to monitor our portfolios, and to generate risk management and other reports that are critical to oversight of our activities. These programs or systems may be subject to certain defects, failures or interruptions, including, but not limited to, those caused by computer "worms," viruses and power failures. Any such defect or failure could have a material adverse effect on our activities. For example, such failures could cause settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and/or cause inaccurate reports, which may affect our ability to monitor investment portfolios and risk.

Accuracy of Public Information Risk: We select investments, in part, on the basis of information and data filed by issuers with various government regulators or made publicly available by the issuers or through publicly available sources other than the issuers. Although we evaluate this information and data, we are not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information may not be available.

Concentration/Non-diversification Risk: Certain portfolios may be concentrated in only a few industries, sectors, countries or geographic regions, or may be concentrated in other ways. This investment strategy could expose investors to greater risk than if the portfolios were more diversified. A concentrated portfolio may cause the value of the portfolio's shares to be especially sensitive to factors and economic risks that specifically affect areas of concentration. This may cause the value of the portfolio to fluctuate more widely than a comparative benchmark that is more diversified.

Securities Lending Risk: Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, a portfolio may lose money and there may be a delay in recovering the loaned securities. The portfolio could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain potential adverse tax consequences.

Illiquid Investments Risk: In order to have liquid positions and portfolios, we generally limit the maximum quantity of shares that may be held in a single position based on the market's normal trading volumes for each security held. However, if liquidity were to rapidly disappear from a security or market, such an occurrence would increase our cost of exiting such positions and could have a material adverse impact on performance. In addition, if markets were to close for any reason we would not be able to liquidate positions until the markets reopened.

Material, Nonpublic Information: From time to time, we may come into possession of material, nonpublic information that would limit our ability to buy and sell investments on behalf of clients. Investment flexibility may be constrained as a consequence of our inability to take certain actions because of such information. Clients may experience losses if we are unable to sell an investment that they hold because we have obtained material, nonpublic information about such investment.

Leverage and Borrowing Risk: Certain of our strategies utilize varying amounts of leverage, which involves the borrowing of funds from brokerage firms, banks, and other institutions and may also be embedded in financial instruments such as short sales, which enable investors to gain exposure to assets whose value exceeds the amount of capital necessary to obtain such exposure. The use of leverage allows us to increase our exposure to assets, such that total assets may be greater than capital invested. However, the use of leverage may also magnify the volatility – or the likelihood of

short-term changes in value – of any portfolio. The effect of the use of leverage in a portfolio may result in greater losses to the portfolio than would be the case if leverage were not used.

The instruments and borrowings utilized to leverage investments are collateralized by all or a portion of the applicable portfolio. Accordingly, a portfolio pledges its securities in order to borrow or otherwise obtain leverage for investment or other purposes. Should the securities pledged to brokers to secure the portfolio's margin borrowings decline in value, the portfolio could be subject to a "margin call", pursuant to which the client must either deposit additional funds or securities with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. The banks and dealers that provide financing to clients can apply essentially discretionary margin, "haircut" financing and collateral valuation policies. Changes by counterparties in any of the foregoing may result in large margin calls, loss of financing and forced liquidations of positions at disadvantageous prices. There can be no assurance that a portfolio will be able to secure or maintain adequate financing. Borrowings will also be subject to interest, transaction and other costs and other types of leverage also involve transaction and other costs. Any such costs may or may not be recovered by the return on the portfolio.

## RISKS ASSOCIATED WITH TYPES OF SECURITIES THAT ARE PRIMARILY RECOMMENDED

### (INCLUDING SIGNIFICANT, OR UNUSUAL RISKS)

**Equity Securities Risk:** Stocks are subject to greater fluctuations in market value than other asset classes as a result of such factors as a company's business performance, investor perceptions, stock market trends and general economic conditions. The rights of equity holders are subordinate to all other claims on a company's assets including debt holders. The value of equity securities could decline if the financial condition of the issuers decline or if overall market and economic conditions deteriorate. Equity investments risk a loss of all or a substantial portion of the investment.

**Short Selling Risk:** A short sale involves the sale of a security that a portfolio does not own in the expectation of purchasing the same security (or a related derivative security) at a later date at a lower price. To make delivery to the buyer, the portfolio must borrow the security, and the portfolio is obligated to return the security to the lender, which is accomplished by a later purchase of the security by the portfolio. In some cases, the lender may rescind the loan of securities. When a portfolio makes a short sale in the United States, it must leave the proceeds with the broker and it must also deposit with the broker an amount of cash or marketable securities sufficient under margin regulations to collateralize its obligation to replace the borrowed securities that have been sold. A short sale involves the risk of a theoretically unlimited increase in the market price of the security. As a result of margin calls, actions by the lender, changes in maintenance or other regulatory requirements or other matters, the portfolio may be forced to cover the short position at a time that is out of the control of the portfolio, resulting in losses or a failure to realize the value of the position. The extent to which a portfolio will engage in short sales depends upon the investment strategy. In addition, regulatory prohibitions on short sales may impair our ability to implement our investment process. Bans may add additional constraints to a strategy, which may increase transaction costs as well as the time required to monitor compliance with the restrictions.

**ITEM 9 – DISCIPLINARY INFORMATION**

This Item is not applicable.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS**

This Item is not applicable.

## ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS & PERSONAL TRADING

### CODE OF ETHICS

We have Firm has adopted a Code of Ethics (the “Code”) that obligates the Firm and its related persons to put the interests of the Firm’s clients before their own interests and to act honestly and fairly in all respects in their dealings with clients. In addition to compliance with the Firm’s policies and procedures, all of the Firm’s personnel are required to comply with applicable federal securities laws. Clients or prospective clients may obtain a copy of the Code by contacting Sean Ballard (Chief Compliance Officer) by email at [Investors@EigenvectorCap.com](mailto:Investors@EigenvectorCap.com), or by telephone at (718) 406 7660. See below for further provisions of the Code as they relate to the pre-clearing and reporting of securities transactions by the Firm’s related persons.

The Firm, in the course of its investment management and other activities (e.g., board or creditor committee service), may come into possession of confidential or material nonpublic information about issuers, including issuers in which the Firm or its related persons have invested or seek to invest on behalf of clients. The Firm is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is a client. The Firm maintains and enforces written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information and to assure that the Firm is meeting its obligations to its clients and remains in compliance with applicable law. In certain circumstances, the Firm may possess certain confidential or material, nonpublic information that, if disclosed, might be material to a decision to buy, sell or hold a security, but the Firm will be prohibited from communicating such information to the client or using such information for the client’s benefit. In such circumstances, the Firm will have no responsibility or liability to the client for not disclosing such information to the client (or the fact that the Adviser possesses such information), or not using such information for the client’s benefit, as a result of following the Firm’s policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

### INVESTING IN SECURITIES RECOMMENDED TO CLIENTS

The Firm or its related persons may invest in the same securities (or related securities, e.g., warrants, options or futures) that the Firm or a related person recommends to clients. Such practices present a conflict when, because of the information the Firm has, the Firm or its related persons are in a position to trade in a manner that could adversely affect the Firm’s clients (e.g., place their own trades before or after client trades are executed in order to benefit from any price movements due to the clients’ trades). In addition to affecting the Firm’s or its related person’s objectivity, these practices by the Firm or its related persons may also harm clients by adversely affecting the price at which the clients’ trades are executed. The Firm has adopted the following procedures in an effort to minimize such conflicts: The Firm requires its related persons to preclear all transactions in their personal accounts with the Chief Compliance Officer, who may deny permission to execute the transaction if such transaction will have any adverse economic impact on one of its clients. In addition, the Firm’s Code prohibits the Firm or its related persons from executing personal securities transactions of any kind in any securities on a restricted securities list maintained by the Chief Compliance Officer. All of the Firm’s related persons are required to disclose their securities transactions on a quarterly basis. In addition, the Firm’s related persons are required to disclose the holdings in their personal accounts upon commencement of employment with the Firm and on an annual basis thereafter. The Firm’s related persons are required to provide broker confirmations of each transaction in which they engage and monthly certification of such transactions. The Firm’s related persons are also required to provide monthly brokerage statements. Trading in the personal accounts of the Firm’s related persons is reviewed by the Chief Compliance Officer and compared

with transactions for client accounts and reviewed against the restricted securities list

#### INVESTING CONFLICTS OF INTEREST CREATED BY CONTEMPORANEOUS TRADING

The Firm or a related person from time to time recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that the Firm or related person buys or sells the same securities for its own account in accordance with the procedures described above in order to minimize the conflicts stemming from situations where the contemporaneous trading results in an economic benefit for the Firm or its related person to the detriment of the client. In addition, the Firm has adopted the aggregation policies and procedures discussed in Item 12.

## ITEM 12 – BROKERAGE PRACTICES

### FACTORS CONSIDERED IN SELECTING OR RECOMMENDING BROKER-DEALERS FOR CLIENT TRANSACTIONS

Our objective in selecting brokers and in effecting portfolio transactions is to seek the best combination of price and execution with respect to our portfolio transactions over time. In selecting executing brokers we may consider a variety of factors, including, but not limited to:

- the broker's commission rate;
- the size of the transaction;
- the liquidity of the security to be traded;
- the ability of the broker's algorithms to fill as much as possible of the order while mitigating market impact;
- the broker's technical capabilities and programming flexibility;
- the broker's clearance and settlement capabilities;
- the broker's trade error rate and ability or willingness to correct errors;
- the broker's reputation, experience and financial stability; and
- the quality of service rendered by the broker in other transactions.

Best execution is not measured solely by reference to commission rates. Paying a higher commission rate may be appropriate if the difference in cost is reasonably justified by the quality of the service offered. We believe that paying fair and reasonable commissions to broker-dealers in return for quality execution services benefits clients. Moreover, transactions that involve specialized services on the part of the broker-dealer will usually result in higher commissions or other compensation to the broker-dealer than would be the case with transactions requiring more routine services.

For significant portions of our client trading, we utilize execution management systems that provide advanced capabilities such as algorithmic trading and/or direct market access to electronic communications networks.

We periodically review our execution policies, evaluate the broker-dealers used by us to execute client trades using the foregoing factors, and assess the quality of brokerage executions. We endeavor to be aware of current charges of eligible brokers and to minimize the expense incurred for effecting portfolio transactions to the extent consistent with the interests and policies of our clients. Any broker who has provided (or who is expected to provide) acceptable performance and whose financial condition and commission rates are acceptable to us may be selected to execute transactions for clients.

We do not currently have any formal soft dollar arrangements and do not receive any soft dollar benefits. If we decide to enter into soft dollar arrangements, such arrangements would be consistent with the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended.

### BROKERAGE FOR CLIENT REFERRALS

We do not maintain any formal arrangements to allocate brokerage transactions in exchange for client referrals. From time to time, our representatives speak at conferences and programs sponsored by prime brokers. Through such "capital introduction" events, prospective investors have the opportunity to meet with our representatives. Neither we, nor our clients, compensate the prime brokers for organizing such events or for any investments ultimately made by prospective investors attending such events. However, such events and other services (including, without limitation, capital introduction services) provided by a prime broker may influence us in deciding whether to use such



prime broker in connection with brokerage, financing and other activities only if we determine that client trades with such broker-dealers are otherwise consistent with seeking best execution.

#### CLIENT-DIRECTED BROKERAGE TRANSACTIONS

While we generally select brokers for Managed Accounts, we may accept in limited circumstances direction from Managed Account clients as to which broker-dealer is to be used. If a client directs the use of a particular broker, we may ask that the client also specify in writing: (i) general types of securities for which a designated firm should be used; and (ii) whether the designated firm should be used for all transactions, even though we might be able to obtain a more favorable net price and execution from another broker in particular transactions. Clients who in whole or in part direct us to use a particular broker to execute transactions on their behalf should be aware that, in so doing, such decision may adversely affect our ability to, among other things, obtain volume discounts on aggregated orders or to obtain best price and execution by, for example, executing over-the-counter stock transactions with the market makers for such securities.

Additionally, as noted above, transactions for a client that directs brokerage generally will not be aggregated for execution purposes with orders for the same securities for other portfolios we manage. Accordingly, directed transactions may be subject to price movements, particularly in volatile markets, that may result in a client receiving a price that is less favorable than the price obtained for the aggregated order.

Although we will attempt to effect such transactions in a manner consistent with our policy of seeking best execution, there may be occasions where we are unable to do so, in which case we will continue to comply with the client's instructions. Accordingly, under these circumstances, the direction by a client of a particular broker or dealer to execute transactions may result in higher commissions, greater spreads, or less favorable net prices than might be the case if we could negotiate commission rates or spreads freely, or select brokers or dealers based on best execution. Consequently, best price and execution may not be achieved.

#### TRADE AGGREGATION AND ALLOCATION

Our policy seeks to sequence orders and/or allocate trades in a manner that treats all clients fairly and equitable. We may not allocate trades in such a way that our personal, proprietary or affiliated accounts receive more favorable treatment than clients.

In making investment decisions, securities considered for investment by one client may also be appropriate for another client. On occasions when the purchase or sale of a security is deemed to be in the best interest of more than one client, we may, but will not be obligated to, aggregate orders for the purchase or sale of securities for all client portfolios to the extent consistent with best execution and the terms of the relevant investment management agreements with clients. Such aggregated trades may be used to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing transaction charges. When we aggregate securities transactions we seek to have participating clients treated in a fair and equitable manner.

We may include in aggregated trades proprietary accounts (those in which we or our affiliates have significant ownership interests), and funds and accounts that are not managed by us but for which we or our affiliates provide trade execution services, subject to our duty of seeking best execution. We indicate, prior to execution: (i) the participants among whom a trade will be allocated; and (ii) the total amount to be purchased and the allocation between or among participants, which will be recorded in our books and records.

When an aggregated order is filled in its entirety, each participating client account will participate at

the average share price for the aggregated order, and transaction costs will be shared pro rata based on each client account's participation in the aggregated purchase or sale order. Adjustments or changes may be made under certain circumstances, such as to avoid odd lots or excessively small allocations. When an aggregated order at a particular broker is filled at several different prices, through multiple trades, generally all such participating accounts will receive the average price and pay the average commission, subject to odd lots, rounding, and market practice. The partial fill of the order is generally allocated among the participating client accounts based on the size of each client account's original order, subject to rounding in order to achieve "round lots."

We may allocate on a basis other than pro rata, if, under the circumstances, such other method of allocation is reasonable, does not result in improper or undisclosed advantage or disadvantage to any portfolio, and results in fair access over time to trading opportunities for all eligible portfolios. For example, we may identify investment opportunities that are more appropriate for certain portfolios than others, based on such factors as security restrictions, tax status, account size, available cash and cash flows. Consequently, we may decide it is more appropriate to place a given security in one account rather than another account. Other non-pro rata methods include rotation allocation and random allocation. Alternative methods of allocation are appropriate, for example, when the transaction size is too limited to be effectively allocated pro rata among all eligible portfolios. In addition, in order to efficiently liquidate portfolio positions, we may aggregate the orders for portfolios to be closed separately from the rest of its orders.

When we do not aggregate trades, we allocate trades among clients and other portfolios by methods that, under the circumstances, we believe to be reasonable, do not result in improper or undisclosed advantage or disadvantage to any portfolios, and in a fair and equitable manner to trading opportunities for all portfolios. Absence of aggregation when it would otherwise be feasible could, depending on trading activity and pricing, increase costs for clients.

**ITEM 13 – REVIEW OF ACCOUNTS**

Our client accounts are reviewed by our Chief Investment Officer and Chief Executive Officer at least quarterly. This team monitors and reviews portfolio activity, including stock rankings, buy/sell decisions, and over/underweight of positions. Investment personnel employ various computer programs in conducting periodic account reviews, which include monitoring for account restrictions and consistency with investment objectives and strategy descriptions. More frequent reviews may be triggered by material changes in variables such as a client's individual circumstances, or the market, political or economic environment.

When requested, periodic written reports may be furnished to clients and our representatives may meet with such clients when requested or at such other times as may be mutually agreed with our client. Such meetings may be conducted in person or telephonically. Managed Account clients receive custodian statements at least quarterly.

## **ITEM 14 – CLIENT REFERRALS & OTHER COMPENSATION**

This Item is not applicable.

**ITEM 15 – CUSTODY**

This Item is not applicable.

## ITEM 16 – INVESTMENT DISCRETION

We provide investment advisory services on a discretionary basis to clients. Please see Item 4 for a description of any limitations clients may place on our discretionary authority.

Generally, our clients retain us on a discretionary basis upon execution of an investment management agreement or other agreement that sets forth the scope of our discretion.

Unless otherwise instructed or directed by a discretionary client, we have the authority to determine (i) the securities to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) and, (ii) the amount of securities to be purchased or sold for the client account. Because of the differences in client investment objectives and strategies, risk tolerances, tax status and other criteria, there may be differences among clients in invested positions and securities held. We may consider the following factors, among others, in allocating securities among clients: (i) a client's investment objectives and strategies; (ii) risk profiles; (iii) tax status and restrictions placed on a client's portfolio by the client or by applicable law; (iv) size of the client account; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; and (viii) account liquidity, account requirements for liquidity and timing of cash flows. Although it is our policy to allocate investment opportunities to eligible client accounts on a pro rata basis (based on the value of the assets of each participating account relative to value of the assets of all participating accounts), these factors may lead us to allocate securities to client accounts in varying amounts. Even client accounts that are typically managed on a pari passu basis may from time to time receive differing allocations of securities based on total assets of each account eligible to invest in the particular investment type (e.g., equities) divided by the total assets of all accounts eligible to invest in the particular investment.

If it appears that a trade error has occurred, we will review the relevant facts and circumstances to determine an appropriate course of action. To the extent that trade errors occur, our error correction procedure is to ensure that clients are treated fairly. We have discretion to resolve a particular error in any manner that it deems appropriate and consistent with the above stated policy. In the event that a client account incurs a trade error as a result of our gross negligence, willful misconduct or violation of the standard of care that is applicable to the client account, we will reimburse the client. Trade errors that do not result from our gross negligence, willful misconduct or other standard of care applicable to the client account are borne by the client account.

## ITEM 17 – VOTING CLIENT SECURITIES

To the extent we have been delegated proxy voting authority on behalf of our clients, we comply with our proxy voting policies and procedures that are designed to ensure that in cases where we votes proxies with respect to client securities, such proxies are voted in the best interests of our clients.

Our policies do not require us to vote every proxy we receive. This may be done, for example, if: (i) the resolution of the proxy is not relevant to the client's investment; (ii) we believe the cost of voting the proxy outweighs the potential benefit derived from voting; (iii) a proxy is received with respect to securities that are no longer held; (iv) the terms of a securities lending agreement prevent us from voting a loaned security; (v) we receive proxy materials without sufficient time to reach an informed voting decision and vote the proxies; (vi) the terms of the security or any related agreement or applicable law preclude us from voting.

If a material conflict of interest between us and a client exists, we will determine whether voting in accordance with the guidelines set forth in our proxy voting policies and procedures is in the best interests of the client or take some other appropriate action.

Clients may obtain, free of charge, a full copy of our proxy voting policies and procedures and/or a record of proxy votes on their behalf by contacting us at the following address:

Eigenvector Capital LLC, Attention: Chief Compliance Officer, Sean Ballard

601 Lexington Avenue, Suite 5100, New York, New York 10022

Telephone: (718) 406 7660

Email: [Investors@EigenvectorCap.com](mailto:Investors@EigenvectorCap.com)

**ITEM 18 – FINANCIAL INFORMATION**

This Item is not applicable.