

**Item 1: Cover Page**

**Form ADV Part 2A: Firm Brochure**

**7 North Global Services Corp**  
**dba 7 North Finance**

5601 Collins Avenue  
Apt #515  
Miami Beach, FL 33140  
Telephone: (917) 244-4028  
Fax: (212) 634-6305  
Email: [jalthabe@7northfinance.com](mailto:jalthabe@7northfinance.com)

**June 26, 2015**

This brochure provides information about the qualifications and business practices of 7 North Global Services Corp. If you have any questions about the contents of this brochure, please contact us via telephone at (917) 244-4028 or via email at [jalthabe@7northfinance.com](mailto:jalthabe@7northfinance.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about 7 North Global Services Corp also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 269956.

While 7 North Global Services Corp may refer to itself as being "registered" or a "Registered Investment Adviser" or an "RIA", clients should be aware that registration does not imply a certain level of skill or training.

**Item 2: Material Changes**

We are required to disclose the material changes made to the Form ADV under this Item. This is the first Form ADV Part 2A filing for 7 North Global Services Corp therefore, no material changes to report.

### Item 3: Table of Contents

<u>Topic:</u>	<u>Page</u>
Item 1: Cover Page.....	1
<b>Item 2: Material Changes .....</b>	<b>2</b>
<b>Item 3: Table of Contents .....</b>	<b>3</b>
<b>Item 4: Advisory Business .....</b>	<b>4</b>
<b>Item 5: Fees and Compensation .....</b>	<b>5</b>
<b>Item 6: Performance-Based Fees and Side-By-Side Management .....</b>	<b>6</b>
<b>Item 7: Types of Clients .....</b>	<b>6</b>
<b>Item 8: Methods of Analysis, Investment Strategies and Risk of Loss .....</b>	<b>7</b>
<b>Item 9: Disciplinary Information .....</b>	<b>13</b>
<b>Item 10: Other Financial Industry Activities and Affiliations.....</b>	<b>13</b>
<b>Item 12: Brokerage Practices.....</b>	<b>15</b>
<b>Item 13: Review of Accounts.....</b>	<b>18</b>
<b>Item 14: Client Referrals and Other Compensation.....</b>	<b>18</b>
<b>Item 15: Custody.....</b>	<b>18</b>
<b>Item 16: Investment Discretion.....</b>	<b>19</b>
<b>Item 17: Voting Client Securities.....</b>	<b>19</b>
<b>Item 18: Financial Information.....</b>	<b>19</b>

## **Item 4: Advisory Business**

### **Firm Overview**

7 North Global Services Corp. dba 7 North Finance (“7 North”, “us”, “we” or “our”), is a Delaware corporation that was formed in May 2015. 7 North’s principal place of business is in Miami Beach, FL. Our principal owner is Juan Althabe.

### **Clients and Services**

7 North is an investment management firm providing services to primarily high net-worth individuals, families, family offices, foundations, and other institutions. 7 North provides these services on a discretionary and non-discretionary basis for domestic and non-U.S. accounts.

*Discretionary Services.* 7 North manages client portfolios pursuant to a variety of investment strategies that clients may select depending on their investment objectives and restrictions. Such strategies generally include, without limitation, equities, emerging markets, fixed income, collective investment vehicles and derivatives. More detailed information about these strategies is found below under “*Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.*” Clients may impose restrictions on how 7 North manages their accounts according to these strategies. These restrictions generally appear either in the client’s investment management agreement or in the investment guidelines adopted for the account.

*Non-Discretionary Services.* 7 North provides non-discretionary management services to clients in the following areas:

- (1) 7 North assists clients in the design and implementation of the architecture of overall investment programs, based on, among other things, each client’s financial circumstances, risk parameters, investment objectives and restrictions, and cash flow needs.
- (2) 7 North provides recommendations with respect to liquidity management for the cash needs and goals of clients based on parameters and other information provided by each client.
- (3) 7 North provides oversight, monitoring and review services with respect to the investment management services provided by third-party investment managers who manage portions of client assets (including via their management of pooled investment vehicles in which client assets may be invested) (“Third-Party Managers”).

As part of its services, 7 North will offer to audit a prospective client’s portfolio to gain a better understanding of the allocations, current positions, volatility and risks across the entire portfolio, as well as the prospect’s investment suitability. 7 North will also analyze the portfolio’s fee structure, including the client’s use of banks/custodians, and, where appropriate, make recommendations intended to improve portfolio efficiency that may result in the client paying lower fees and expenses than previously.

In addition, 7 North may act in a sub-adviser capacity from time to time. 7 North may also provide other advisory, private business, family office consulting and administrative services as

clients may request. The scope of any such services provided by 7 North will vary depending on the needs of the client.

As of June 8, 2015, 7 North managed approximately \$1.2BN in client assets on a discretionary basis.

### **Item 5: Fees and Compensation**

7 North does not maintain a basic fee schedule. 7 North may charge clients an investment management fee and/or a performance-based fee, which are generally negotiated with each client. The amount and other terms of such fees will be set forth in the investment management agreement entered into with the client and will vary with each client.

Typically, 7 North's management fee for providing discretionary management services is based upon a percentage of the market value of assets under management and will be payable quarterly in arrears. 7 North may, however, enter into negotiated arrangements where its management fee will be paid on different terms. Management fees will be prorated for partial periods and clients will be refunded the balance (if any) of any pre-paid fees.

7 North's fees for non-discretionary and other services are negotiated on a case-by-case basis with each client based on the services to be provided.

7 North generally will debit client accounts to pay its fees. In such case, fees typically are charged directly to the client's custody account, and a copy of the invoice is sent to the client contemporaneously with its transmittal to the custodian. In its sole discretion, 7 North may negotiate alternative payment arrangements with clients.

7 North may waive, rebate, reallocate or reduce its fees for certain clients, in its sole discretion.

### **Other Fees and Expenses**

Clients incur other fees associated with 7 North's management of their accounts in addition to 7 North's fees described above. For example, each client's custodian charges a custodial fee and may also charge transaction fees or other administrative fees for services it provides. In addition, the broker-dealers that 7 North selects or recommends to execute transactions in client accounts charge a spread, commission or transaction fee, as the case may be, that clients are responsible for paying. More detailed information about our brokerage practices is found below under "*Item 12: Brokerage Practices.*" Clients are also responsible for paying the fees, allocations and expenses of any registered funds, money market funds and private investment funds in which they may be invested, as disclosed in each fund's prospectus or offering documents. Furthermore, in addition to 7 North's fees, clients pay the fees and expenses of any Third-Party Managers that manage client assets pursuant to the investment management agreement entered into with any such Third-Party Manager or other agreement(s) entered into with any collective investment vehicles in which client assets may be invested and that are managed by Third-Party Managers. All fees charged by such third-party consultants are separate from, and in addition to, the fees payable to 7 North and are borne solely by the client.

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

As described above in Item 5, 7 North may charge clients a management fee based on a percentage of assets under management and/or a performance-based fee. As a result, 7 North may face certain actual or perceived conflicts of interest by managing accounts charged a performance-based fee and accounts charged only a management fee or a flat fee, including the possibility that 7 North may have an incentive to favor accounts for which it receives performance-based fees or accounts charged a higher performance-based fee over accounts from which it receives a lower performance-based fee. In addition, it is possible for performance fees to create an incentive for 7 North to make investments that are riskier or more speculative than would be the case in the absence of such fees because 7 North benefits from such fees on the appreciation in value of the applicable accounts.

In an effort to address these potential conflicts, 7 North does not discriminate on an impermissible basis against one client or group of clients. Furthermore, when 7 North transacts securities for more than one client account, the investment opportunities and trades must be allocated in a manner consistent with 7 North's fiduciary duties. 7 North will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible portfolios, particularly if different portfolios have materially different amounts of capital under management by 7 North or different amounts of investable cash available or different investment guidelines, financing arrangements and/or broker-dealer relationships. As a result, although 7 North manages portfolios with similar or identical investment objectives, or may manage accounts with different objectives that trade in the same securities, the portfolio decisions relating to these accounts, and the performance resulting from such decisions, may differ from portfolio to portfolio.

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

7 North offers investment advisory services to various types of clients, including without limitation:

- High net worth individuals, their families, family offices and related entities
- Trusts and other fiduciary accounts (such as estates)
- Foundations, charitable and other nonprofit institutions
- Corporations and other institutions
- Taxable and tax-exempt accounts

The conditions for starting and maintaining an account will vary with the circumstances of each client and be negotiated and set forth in the relevant investment management agreement with the client. 7 North's usual target dollar value of assets for starting a client relationship, however, is \$5 million, which may include several related accounts. 7 North reserves the right to waive or reduce any conditions for opening or maintaining an account in its sole discretion.

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

The methods of analysis and investment strategies used by 7 North in managing client assets are summarized below, but may vary depending on the needs of each client. In addition, the material risks involved with each significant investment strategy and method of analysis is explained below.

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

7 North' investment philosophy is focused on providing a diversified exposure across a large number of asset classes and markets in order to help each client achieve its goals while keeping the overall portfolio risk as low as possible.

7 North employs a comprehensive process to seek to effectively implement its investment philosophy. The first step in the investment process is to define the universe of available investments, which includes, without limitation:

- Global Developed Equity Markets: North America, Europe, Japan, Pacific ex Japan
- Global Emerging Equity Markets: Asia, Latin America, EMEA
- Global Sovereign Bonds
- Global Investment Grade Corporate Bonds
- Global High Yield Bonds
- Emerging Market Debt, both in local currency and in USD/EUR
- Global Inflation Protected Bonds
- Global REITs
- Commodities
- Hedge Funds
- Private Equity

This universe of available investments may be reduced based on specific client instructions in writing.

Our process may involve formulating a strategic asset allocation for clients. The strategic asset allocation is a forward-looking exercise aimed at identifying the best combination of the underlying asset classes to meet each client risk/return profile. This is achieved through a combination of optimization techniques, liquidity considerations and client-specific restrictions. The forward-looking view is generally obtained through a combination of judgment, historical data for each asset class and some quantitative models. The typical investment horizon for the strategic asset allocation is approximately 5 years, and is generally reviewed on a yearly basis.

The strategic asset allocation is intended to serve as a benchmark or a guide to implement investments during the year and provide that each portfolio is properly invested from a

risk/return profile. During the year, 7 North may make tactical asset allocation decisions. Furthermore, the investment process is to implement the strategic asset allocation by selecting investments for each asset class/type of investment in the portfolio, which may include, without limitation, the following:

- Common stocks, preferred stocks and convertible bonds
- Exchange Traded Funds (“ETFs”)
- Mutual Funds (including UCITS funds)
- Debt issued by governments, agencies, supranational entities or corporate entities
- Zero coupon bonds, municipal bonds and asset-backed securities
- Derivatives
- Structured notes
- Hedge funds: single managers and fund-of-funds
- REITs

7 North’s core investment strategy is to develop a balanced portfolio with various risk levels, and within this primary strategy are numerous related subsets. For example, as a subset of its broader balanced strategy, 7 North will also offer strategies based on either fixed income or equity investments. Strategies will be available both on a discretionary and non-discretionary basis.

In its discretion, 7 North may select Third-Party Managers to implement any particular investment strategy or investment opportunity for a client. 7 North will determine the universe of recommended Third-Party Managers. In selecting potential Third-Party Managers, 7 North may consider the following factors:

- Recommendations from banks and brokers, including detailed due diligence analysis (both quantitative/qualitative)
- Quantitative analysis of performance, risk, tracking error, information ratio, impact on overall portfolio (among other items)
- Meetings and conference calls with Third-Party Managers
- Review of total expense ratio for prospective Third-Party Managers

## **Risk Factors**

The following is a brief summary of the risks that 7 North believes to be material and associated with the significant methods of analyses and investment strategies employed by 7 North. The following risk factors do not purport to be a complete list or explanation of all risks involved with all of 7 North’s methods of analyses and investment strategies. Clients should carefully evaluate all applicable risks with any investment or investment strategy before investing. Investing in securities (including instruments in which client accounts may invest) involves a risk of loss that clients should be prepared to bear. An investment in a managed account is not guaranteed and is suitable only for investors who can tolerate significant risk. Past performance



is not indicative of future performance, and there is no assurance that any client account will achieve its investment objective(s).

*Business Risks; Economic Conditions.* Investments are subject to risk from changes in the economic climate, including, for example, interest rates, inflation rates, industry conditions, competition, technological developments, political and diplomatic events and trends, tax laws, the competency of management, and innumerable other factors, in a similar way to other industrial or commercial companies. None of these conditions are within the control of 7 North. For these and other reasons, there can be no guarantee that companies in which client accounts invest will develop as anticipated or that the consistent, absolute returns sought will actually be achieved.

*Market risk.* Prices of the securities and other investments held by client accounts will fluctuate sometimes rapidly and unexpectedly. These fluctuations may cause the price of a security or investment to decline for short or long-term periods and cause the security or investment to be worth less than it was worth when purchased by the client account. In addition, actual and perceived accounting, and other irregularities may cause dramatic price declines in the equity securities of companies reporting such irregularities or which are the subject of rumors of such irregularities.

*Debt Securities Risk.* The risks of investing in debt securities include (without limitation): (i) credit risk -- the issuer may not repay the loan created by the issuance of that debt security; (ii) maturity risk -- a debt security with a longer maturity may fluctuate in value more than one with a shorter maturity; (iii) market risk -- low demand for debt securities may have a negative impact on their price; (iv) interest rate risk -- when interest rates go up, the value of a debt security goes down, and when interest rates go down, the value of a debt security goes up; (v) selection risk -- the securities that we select may underperform the market or other securities selected by other funds; and (vi) call risk -- during a period of falling interest rates, the issuer may redeem a security by repaying it early, which may reduce the strategy's income, if the proceeds are reinvested at lower interest rates.

*Municipal Securities Risk.* Municipal securities risks include the ability of the issuer to repay the obligation, the relative lack of information about certain issuers, and the possibility of future tax and legislative changes which could affect the market for and value of municipal securities. To be tax exempt, municipal bonds must meet certain regulatory requirements. Municipalities continue to experience economic and financial difficulties in the current economic environment. The ability of a municipal issuer to make payments and the value of municipal securities can be affected by uncertainties in the municipal securities market. Such uncertainties could cause increased volatility in the municipal securities market and could have a negative impact on the strategy's performance. To be tax exempt, municipal bonds must meet certain regulatory requirements. If a municipal bond fails to meet such requirements, the interest received by the strategy from its investment in such bonds may be taxable. It is possible that interest on a municipal bond may be declared taxable after the issuance of the bond, and this determination may apply retroactively to the date of the issuance of the bond, which could cause a portion of prior distributions made by the strategy to be taxable in the year of receipt.

*Equity Securities Risk.* Investments in common stocks and other equity securities are particularly subject to the risk of changing economic, stock market, industry and company conditions and the risks inherent in our ability to anticipate changes that can adversely affect the value of the strategy's holdings. Opportunity for greater gain often comes with greater risk of loss.

*Foreign Securities Risk.* Investments in foreign securities are subject to risks that differ from those of U.S. issuers. These risks may include: fluctuating currency values; less liquid trading markets; greater price volatility; political and economic instability; less publicly available information about issuers; changes in U.S. or foreign tax or currency laws; and changes in monetary policy. Foreign securities may be more difficult to sell than U.S. securities. These risks may be greater in emerging market countries (including certain countries in Latin America and Central and Eastern Europe) than in more developed countries.

Investments in foreign securities may involve difficulties in receiving or interpreting financial and economic information, imposition of taxes, higher brokerage and custodian fees, currency rate fluctuations or exchange controls or other government restrictions, including seizure or nationalization of foreign deposits or assets. There may also be difficulty in invoking legal protections across borders. Some of these risks may cause the value of client account assets to be more volatile than that of a U.S. only strategy. Client accounts may also incur higher expenses and costs when making foreign investments, which could affect a client account's total return. The risks of foreign securities are likely to be greater in emerging market countries (including certain countries in Latin America and Central and Eastern Europe) than in foreign countries with developed securities markets and more advanced regulatory regimes. Among other things, emerging market countries may have economic structures that are less mature and political systems that are less stable. Moreover, emerging market countries may have less developed securities markets, high inflation, and rapidly changing interest and currency exchange rates. Exchange rate movements can be large and can endure for extended periods of time, affecting either favorably or unfavorably the value of client account assets.

*Convertible Security Risk.* Convertible securities generally offer lower interest or dividend yields than non-convertible fixed-income securities of similar credit quality because of the potential for capital appreciation. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. However, a convertible security's market value also tends to reflect the market price of the common stock of the issuing company, particularly when the stock price is greater than the convertible security's conversion price. The conversion price is defined as the predetermined price or exchange ratio at which the convertible security can be converted or exchanged for the underlying common stock.

Mandatory convertible securities are distinguished as a subset of convertible securities because the conversion is not optional and the conversion price at maturity is based solely upon the market price of the underlying common stock, which may be significantly less than par or the price (above or below par) paid. Mandatory convertible securities generally do not limit the potential for loss to the same extent as securities convertible at the option of the holder.

*Alternative investments.* Alternative investments, such as hedge funds and private equity/venture capital funds, are speculative and involve a high degree of risk. There is no secondary market for alternative investments and there may be significant restrictions or limitations on withdrawing

from or transferring these types of investments. Private equity funds generally require an investor to make and fund a commitment over several years. Alternative investments generally have high fees (including both management and performance based fees) and expenses that offset returns. Alternative investments are generally subject to less regulation than publicly traded investments.

*Derivatives Risk.* The use of derivatives may increase the volatility of the value of client account assets and may involve a small investment of cash relative to the magnitude of risk assumed. The principal risk of forward commitments is that the security may be worth less when it is issued or received than the price that a client account agreed to pay when it made the commitment. The principal risks of swap agreements are that they may be difficult to value and may be susceptible to liquidity and credit risk. The principal risk of futures contracts is that they may result in losses in excess of the amount invested in the futures contract, which may be unlimited. The principal risk of options transactions is that they may increase the volatility of the value of client account assets and may involve a small investment of cash relative to the magnitude of the risk assumed. Derivatives may also be subject to counterparty risk, that is, the risk that the other party in the transaction will not fulfill its contractual obligations.

*Foreign Futures or Options.* 7 North may trade foreign futures or options contracts for certain client accounts. Transactions on markets located outside of the United States, including markets formally linked to a United States market, may be subject to regulations which offer different or diminished protection to client accounts. Further, United States regulatory authorities may be unable to compel the enforcement of the rules or regulatory authorities or markets in non-United States jurisdictions where transactions for client accounts may be effected.

Specifically, some non-U.S. exchanges, in contrast to U.S. exchanges, are “principal markets” in which performance with respect to a contract is the responsibility only of the individual member with whom the trader has entered into a contract and not of the exchange or clearinghouse, if any. In the case of trading on non-U.S. exchanges, client accounts will be subject to the risk of the inability of, or refusal by, its counterparty to perform with respect to such contracts. It is also possible that client accounts will not have the same access to certain trades as do various other participants in non-U.S. markets. Due to the absence of a clearinghouse system on many non-U.S. markets, such markets are significantly more susceptible to disruptions, which may include prolonged suspensions of trading and involuntary settlement of positions at artificial prices, than on U.S. exchanges.

*Sovereign Debt Obligations.* 7 North may invest in sovereign debt obligations for certain client accounts. Sovereign debt obligations are issued or guaranteed by a foreign government or one of its agencies, authorities, instrumentalities or political subdivisions. Investments in sovereign debt obligations involve special risks not present in corporate debt obligations. The issuer of the sovereign debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest when due, and client accounts may have limited recourse in the event of a default. During periods of economic uncertainty, the market prices of sovereign debt may be more volatile than prices of U.S. debt obligations. In the past, certain non-U.S. markets have encountered difficulties in servicing their debt obligations, withheld payments of principal and interest and declared moratoria on the payment of principal and interest on their sovereign debts. A sovereign debtor’s willingness or ability to repay principal and pay interest in a timely manner may be affected by, among other factors, its cash flow

situation, the extent of its foreign currency reserves, the availability of sufficient foreign exchange, the relative size of the debt service burden, the sovereign debtor's policy toward principal international lenders and local political constraints. Sovereign debtors may also be dependent on expected disbursements from foreign governments, multilateral agencies and other entities to reduce principal and interest arrearages on their debt. The failure of a sovereign debtor to implement economic reforms, achieve specified levels of economic performance or repay principal or interest when due may result in the cancellation of third-party commitments to lend funds to the sovereign debtor, which may further impair such debtor's ability or willingness to service its debts.

*ETF Risk.* Because ETFs trade on a securities exchange, their shares may trade at a premium or discount to their net asset value. An ETF is subject to the risks of the assets in which it invests in addition to those of the investment thesis it follows. A client account invested in ETFs will incur brokerage costs when it buys and sells shares of an ETF and also bear its proportionate share of ETF fees and expenses, which are passed through to ETF shareholders.

*Real Estate Securities Risk.* The value of real estate securities in general, and in particular REITs, are subject to the same risks as direct investments and will depend on the value of the underlying properties or the underlying loans or interest. The value of such securities will increase and decrease in response to many factors, including economic conditions, the demand for rental property and interest rates. Specifically, the value of such securities may decrease when interest rates increase and will be affected by the real estate market and by the management of underlying properties. REITs may be more volatile and/or more illiquid than other types of equity securities.

*Currency Risk.* The value of a client's assets may be affected favorably or unfavorably by the changes in currency rates and exchange control regulations. Some currency exchange costs may be incurred by clients when a strategy changes investments from one country to another. Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by the forces of supply and demand in the respective markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates can also be affected unpredictably by intervention by governments or central banks (or the failure to intervene) or by currency controls or political developments.

*Leverage Risk.* The Third-Party Managers, and any collective investment vehicles in which client accounts may be invested and that are managed by Third-Party Managers, may employ leverage through borrowings (including transactions entered into on margin) and through the use of options, futures contracts, swap transactions, repurchase agreements and other derivative instruments. While the use of borrowed funds can substantially improve the return on invested capital, it also may increase any adverse impact to which the funds may be subject and, therefore, subject client accounts to greater risk of loss. 7 North will have little or no control over the use of leverage by Third-Party Managers and such collective investment vehicles.

*Portfolio Concentration.* 7 North' internally managed investment strategies (and some Third-Party Manager strategies) generally will hold a relatively concentrated portfolio of securities in comparison to their respective benchmarks and broader market indices. In addition, certain of

these strategies may focus on particular sectors of broader markets. As a result, the returns of the strategy may be impacted (adversely or positively) by the performance of one or more positions in the portfolio or the sectors in which the strategies focus their investments.

*Valuation Risk.* There is no central place or exchange for fixed-income securities trading. Fixed-income securities generally trade on an “over-the-counter” market, which may be anywhere in the world where the buyer and seller can settle on a price. Due to the lack of centralized information and trading, the valuation of fixed-income securities may carry more risk than that of common stock. Uncertainties in the conditions of the financial market, unreliable reference data, lack of transparency and inconsistency of valuation models and processes may lead to inaccurate asset pricing. In addition, other market participants may value securities differently. As a result, when a security or other instrument is sold in the market, the amount that the account receives may be less than the amount at which it was valued. Valuations of the assets, which will affect the amount of fees (including, to the extent applicable, performance compensation) payable to 7 North may involve uncertainties and judgmental determinations, and if such valuations prove to be incorrect, client portfolio value could be adversely affected. For example, in the case of an overvaluation of a client’s portfolio, 7 North’ compensation would be greater than if the correct lower valuation had been used.

#### **Item 9: Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client’s evaluation of 7 North or the integrity of our management. Neither 7 North nor any of its supervised persons have been the subject of any legal or disciplinary event that would be material to your evaluation of the integrity of 7 North or that of its management.

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

As a registered investment advisor, we are required to disclose when we, or any of our principals, have any other financial industry affiliations.

Mr. Althabe owns a portion of GBS Finance, LLC (“GBS”), a registered investment adviser with the SEC. Mr. Althabe owns Leben Soil, LLC, which is 100% owned by Mr. Althabe.

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

##### **Code of Ethics**

7 North has adopted a Code of Ethics (“Code”) that sets forth the standards of conduct expected of 7 North’ personnel. The Code requires 7 North’ personnel to report their personal securities holdings and transactions and requires 7 North’ Chief Compliance Officer to pre-approve certain investments. 7 North’ personnel are required to submit an annual report of brokerage accounts and holdings along with an annual acknowledgement and certification stating that the individual will comply with the Code. In addition, personnel are required to submit quarterly transaction reports that detail the individual’s securities transactions for the quarter. The Code also places limits on gifts and entertainments, and political contributions. All employees, managers and

officers of 7 North must comply with the Code. The Code states that 7 North' personnel owe a duty of loyalty to 7 North and its clients that requires personnel to act for the best interests of 7 North' clients. In addition, personnel must avoid actions or activities that allow (or appear to allow) them or their family members to profit or benefit from their relationships with 7 North and its clients. The Code also contains policies involving the safeguarding of proprietary and non-public information by 7 North personnel, along with restrictions on the use of insider information and the use of non-public information regarding a client.

7 North will provide a copy of its Code to any investor or prospective investor upon written request.

### **Personal Trading**

7 North acts as investment adviser to a number of client accounts and may give advice and take action with respect to any accounts it manages, or for its own accounts or for the account(s) of 7 North personnel, which may differ from action taken by 7 North on behalf of other accounts. 7 North is not obligated to recommend, buy or sell, or to refrain from recommending, buying or selling any security that 7 North or a director, officer, employee and affiliate of 7 North may buy or sell for its or their own accounts or for any other account 7 North manages. Additionally, from time to time, 7 North and its directors, officers and employees and affiliates may have interests in securities owned by or recommended to clients. Such interests may also arise because such persons invest or otherwise have an interest, either directly or indirectly, in pooled investment vehicles which, in turn, may invest in securities held in other accounts managed by 7 North. As these situations (as well as personal trading or other activities engaged in by 7 North and its personnel) may lead to potential conflicts of interest, 7 North has implemented procedures relating to, among other things, personal securities transactions and insider trading, as described above, that are designed to identify potential conflicts of interest, to prevent or mitigate actual conflicts of interest and to resolve conflicts appropriately, if they do occur. Subject to compliance with 7 North' Code and applicable law, such personnel are permitted to invest in securities held in client accounts.

### **Participation or Interest in Client Transactions**

7 North may effect cross transactions, either directly or through a broker-dealer, between accounts in which one client will purchase securities held by another client. For example, 7 North may effect a cross transaction in connection with reallocation and rebalancing transactions for certain 7 North client accounts. 7 North effects such cross transactions after taking into account its fiduciary obligations with respect to each client participating in such cross transactions and other requirements of the Advisers Act and applicable law. 7 North will engage in such cross transactions among its clients only if it determines that such cross transactions are in the best interest of each client participating in such cross transactions and the cross transactions are executed at prices that represent the current value of the securities at the time of the transaction. Neither 7 North nor any of its affiliates or other related parties receives any compensation in connection with such cross transactions.

7 North, its affiliates and its other related persons may from time to time buy or sell for their own accounts the same securities they buy or sell for, or recommend to, 7 North clients. This trading is performed independent of the trading activities in client accounts and a client's interest always has priority to the interests of 7 North, its affiliates and its other related persons. These practices create potential conflicts of interest in that 7 North or employees may have an incentive not to recommend the sale of securities held by clients in order to protect the value of their personal investment. It is the expressed policy of 7 North that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for a client account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of client accounts.

As mentioned above, 7 North may give investment advice to clients recommending an investment in various types of investments (including collective investment vehicles and private equity investments) where 7 North and/or its related persons have an interest. Eligible officers and employees of 7 North may be provided the opportunity to align their financial interests with those of 7 North's clients by investing their personal funds in investments (including collective investment vehicles and private equity investments) that are offered to 7 North clients or in which 7 North clients may be invested. 7 North may waive, reduce or otherwise modify the fees it charges to such 7 North personnel with respect to such investments. These arrangements have the potential, however, to present actual or perceived conflicts of interest. For example, it is possible that the 7 North personnel who participate in co-investment opportunities with clients may have an incentive to recommend the acquisition or disposition of assets based on their own interests, rather than those of 7 North's clients. Also, the 7 North personnel participating in such co-investment opportunities may, at the time of their investments, have information regarding potential investments that may be more comprehensive than information known by 7 North clients at the time that they made their investments. In addition, 7 North personnel who participate in such co-investment opportunities may not be financially able to meet capital calls, if applicable. 7 North has implemented policies and procedures, including the Code, that are designed to help mitigate any conflicts of interest and ensure that 7 North personnel act in the best interests of 7 North's clients at all times.

## **Item 12: Brokerage Practices**

### **Best Execution and Brokerage Selection**

For discretionary client accounts, clients generally will provide 7 North with authority to execute trades, select broker-dealers and negotiate commissions on behalf of such accounts. In such case, 7 North makes investment decisions and arranges for the placement of buy and sell orders and the execution of portfolio transactions for such accounts. In arranging for the execution of portfolio transactions on behalf of a client account, 7 North seeks to obtain best execution at favorable prices on behalf of the client account.

In selecting broker-dealers, 7 North seeks those broker-dealers who can provide best execution of transactions under the circumstances. The principal factors determining this selection include, but are not limited to: (1) a broker's financial condition; (2) qualitative assessment of broker's history; (3) accuracy and speed in order execution; (4) documentation and after-sales services; (5) information provided, primarily in the form of research (on companies as well as sectors); (6)

affiliation of the broker with the various exchanges (spot and futures exchanges); (7) a broker's procedure in proprietary trading; (8) corporate brokers are preferable; and (9) brokerage fee structure (discount versus research). "Best execution" is not synonymous with lowest brokerage commission. Consequently, in a particular transaction, a client account may pay a brokerage commission in excess of that which another broker might have charged for executing the same transaction.

### **Soft Dollar Benefits**

7 North may receive proprietary research from a broker-dealer in connection with client securities transactions. When 7 North uses client brokerage commissions to obtain proprietary research from a broker-dealer, 7 North receives a benefit because it does not have to produce or pay for the research itself. As a result, we may have an incentive to select or recommend a broker-dealer based on our interest in receiving the research, rather than on our clients' interest in receiving most favorable execution of trades. The services benefit 7 North by allowing 7 North, at no additional cost to it, to:

- supplement its own research, analysis and execution activities
- receive the views and information of individuals and research staffs of other securities firms
- gain access to persons having special expertise on certain companies, industries, areas of the economy and market factors

7 North describes below its policies concerning the use of soft dollars, what 7 North receives with soft dollars, and how 7 North manages these conflicts. 7 North may cause clients to pay brokerage commissions higher than those charged by other broker-dealers in return for soft dollar benefits. For fixed income trades, 7 North does not cause clients to pay mark-ups or mark-downs higher than those charged by other broker-dealers in return for soft dollar benefits. Under no circumstances does 7 North receive research or other benefits that is not produced or prepared by such broker-dealer (also known as "third-party research").

In general, soft dollar services furnished by broker-dealers through which 7 North trades are used for the benefit of 7 North's clients as a group and not solely or necessarily in all cases for the benefit of the particular client whose trades are handled by the broker-dealer who provides such services.

If 7 North determines in good faith that the amount of client brokerage commissions is reasonable in relation to the value of the brokerage and research services provided, such commissions may be equal to or greater than the amount another broker-dealer might charge. We review the reasonableness of commission and other transaction costs incurred by our clients in light of the facts and circumstances we deem relevant from time to time, including information furnished by our traders.

7 North intends to use client brokerage commissions to pay only for brokerage and research services that are eligible under Section 28(e) of the Securities Exchange Act of 1934, as amended, and related SEC interpretive releases.



The nature of the research services that 7 North receives from brokerage firms varies from time to time, but generally includes, among other information, the following: current and historical financial data concerning particular companies and their securities; information and analysis concerning portfolio strategy, securities markets and economic and industry matters; technical and statistical models and studies and data dealing with various investment opportunities, values, risks and trends; analysis and reports concerning the performance of accounts; and advice as to the value of securities, the advisability of investing in or selling securities and the availability of securities or purchasers or sellers of securities.

### **Trade Aggregation**

7 North may (but is not obligated to) combine or “bunch” orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among 7 North’ clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. 7 North’ determination with respect to allocations will be based on what is appropriate under the particular circumstances, and the allocation may be made based upon relevant factors, which may include: (i) cash availability and need; (ii) suitability; (iii) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (iv) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (v) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (vi) with respect to sale allocations, allocations may be given to accounts low in cash; (vii) in cases when a *pro rata* allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, 7 North may exclude the account(s) from the allocation and the transactions may be executed on a *pro rata* basis among the remaining accounts; or (viii) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis. In general, when allocating fills or grouped orders for non-equity investments, prices are allocated by account or allocate prices from high to low to accounts, whether buying or selling and always in the same order. For equity investments, generally, each client will receive the same average price as other participants in the bunched transaction.

Clients may pay more when 7 North does not aggregate trades, as seeking to place separate, non-simultaneous transactions in the same security for multiple clients may negatively affect market price, transaction commissions and/or trade execution. A client’s non-participation in bunched trades may result in lost opportunities to purchase securities for such client’s account that other clients participating in bunched trades were able to purchase.

### **Brokerage for Client Referrals**

Neither 7 North nor any of its related persons takes into consideration whether it receives client referrals from a broker-dealer or third-party when selecting or recommending broker-dealers for client securities transactions.

## **Directed Brokerage**

7 North will generally accommodate a client's request that a particular broker be used to effect transactions for that client's account. Clients who have so directed that 7 North use a particular broker to effect transactions for its client account are advised that such a direction of brokerage may result in their receiving less favorable execution in certain transactions, paying higher prices, or in their paying higher transaction costs either in individual transactions or in the aggregate, because that broker would be used regardless of that broker's execution capabilities or the execution opportunities available in the market place with respect to particular transactions. In addition, trades for these directed client accounts may not be aggregated with, and may not be effected at the same time or the same price as, the trades for other clients. It is also possible that directed brokerage clients may at times miss limited opportunity investments in which other clients were able to invest by participating in the aggregated trade, and conversely it is possible that at times participation in the aggregate trade could result in those nondirected client accounts missing limited opportunity investments in which directed brokerage clients were able to invest.

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

7 North's Chief Investment Officer and one or more members of the portfolio management team review positions in client accounts on an ongoing basis to monitor each account's compliance with the investment objectives and guidelines described in the investment management agreement and related guidelines for the relevant account. 7 North also conducts meetings with clients upon request.

7 North generally creates customized written reports for client accounts. Clients will receive such reports, if any, as may be required under the terms of the particular client's investment management agreement.

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

7 North does not receive economic benefits from non-clients for providing investment advice and other advisory services to its clients. 7 North may compensate its own personnel, affiliates, employees of its affiliates, or third-party solicitors, placement agents, finders, distributors or similar persons (collectively, "**solicitors**") who refer potential clients to 7 North or solicit.

Any such compensation is generally expected to be paid by 7 North and is not expected to be charged to its clients. Compensation may be based on a percentage of the management fees earned by 7 North from the referred client.

## **Item 15: Custody**

Depending on the scope of services provided to a client, 7 North may be deemed to have custody of assets held within a client's account within the meaning of the Custody Rule because 7 North may have access to or authority over client funds and securities for purposes other than issuing trading instructions (for example, 7 North may have the authority to instruct the custodian for the client's account to pay fees to 7 North directly from such account). If 7 North is deemed to have custody over any client's account, the client's qualified custodian will send directly to such client

(and/or such client's authorized representative) account statements on a quarterly, or more frequent, basis. Clients should carefully review those statements. Clients who do not receive account statements from their qualified custodian on at least a quarterly basis should promptly report this to 7 North. In addition, clients may receive account statements from 7 North. If a client receives account statements from 7 North, we encourage the client to compare those statements to the account statements that the client received from its custodian and/or custodian bank accounting department.

#### **Item 16: Investment Discretion**

In relationships where 7 North is given discretionary authority over the investment management of a client's account, clients are generally required to sign an investment management agreement appointing 7 North as their discretionary investment manager and a limited power of attorney or similar trading authorization. Depending on the client's choice of custodian, the client may also need to specifically appoint 7 North as the discretionary investment manager over the assets held in its custody account on the custodian's custody account application. Clients may impose restrictions on this discretion, which limitations are included in the investment management agreement and/or guidelines for their accounts. For example, the investment management agreement and/or guidelines may specify the types of investments permitted for the account and place limits on the amount of investments in issuers or industries that 7 North may purchase for the account.

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

7 North handles proxy voting only when its clients require it and provide authority in writing. Where 7 North has proxy voting authority over client securities, 7 North seeks to vote proxies related to securities held in client accounts in a manner that serves the best interests of its clients in accordance with its proxy voting policies and procedures. In voting securities held in a client account, 7 North will attempt to resolve any conflict of interest between the client and 7 North's business interests in the way that will most benefit the client.

If a client wishes to direct 7 North's vote in a particular proxy solicitation, the client must instruct us in writing sufficiently in advance of the applicable meeting giving rise to the vote.

Upon request 7 North will provide clients with a copy of its proxy voting policies and procedures as well as information on how 7 North voted proxies of securities held in such client's accounts.

#### **Item 18: Financial Information**

7 North does not have any financial commitments that might impair our current or future ability to meet our contractual commitments to clients and we have not been the subject of a bankruptcy petition at any time during the past ten years.