

# Seahorse Financial Advisers Inc.

## Information about our Firm

Regulatory Form ADV, Part II  
Seahorse Financial Advisers Inc.

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This brochure provides information about the qualifications and business practices of Seahorse Financial Advisers Inc. If you have any questions about the contents of this brochure, please contact us at (845) 605-8122 and/or [info@seahorseadvisers.com](mailto:info@seahorseadvisers.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state regulatory authority.

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



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## **Seahorse Financial Advisers Inc. Advisory Business**

Seahorse Financial Advisers Inc. is an investment advisory firm that manages investment accounts for families, their trusts, estates and retirement plans.

The principal of our firm and our sole owner is Mr. Edvard Jorgensen. Mr. Jorgensen, a graduate of Harvard College and Harvard Law School, incorporated our Firm in 1981, and has managed client accounts since 1983. Seahorse Financial Advisers is the personal investment advisory business of Mr. Jorgensen, who himself manages all accounts.



We render our investment advice by managing separate accounts that are maintained by our client at a brokerage firm.



## Advisory Business: The Services We Offer

Seahorse Financial Advisors manages separate accounts held by our client at a brokerage house. We buy and sell investments that are available through the broker, based on our view of the investment mix that would be most advantageous for our client.

We select investments based first on our discussions with our client, seeking to create a portfolio that is appropriate to the individual needs and circumstances of our client. Our review of a client's individual needs includes their age, family circumstances, investment history, tolerance for risk and market fluctuations and other financial resources. Generally, our clients seek to both earn regular income from their investment accounts, and realize some appreciation in the value of their account. In creating a portfolio, we review the businesses characteristics of individual companies whose stock is traded publicly, the general economic climate, and the overall performance of the broad investment markets. So we use a combination of investment techniques, including fundamental analysis, economic analysis and market timing analysis. We tend to be long term investments, not frequent traders, and we prefer to buy and hold a security rather than attempt to predict the short term direction of investment markets.

## Advisory Business: How We Manage Your Brokerage Account

We manage our client's brokerage account under a written authority from our client, using a form from the brokerage house sometimes called a "limited power of attorney" or a "trading authority".

Kindly note that we do not call you to obtain prior approval of a purchase or sale. We make that decision on our own. Of course we meet with you from time to time to assess your individual circumstances. But unlike a "stock broker," we do not call you to recommend a purchase or sale. We place the orders.

We ask you not to request that we make investments you select. If you want to make your own investment decisions, you should run your own brokerage account instead of hiring an account manager. Naturally, if a particular investment is distasteful to you (for example, a tobacco company) please advise us and we will try to honor your preference not to invest in that company.



Seahorse Financial Advisers limits its business to separately managed accounts. We cannot act as a trustee of your trust or an executor of your estate. Further, our principal cannot act as a trustee or executor of any account that is managed by Seahorse Financial Advisers.

In addition to the managed accounts where Seahorse Financial Advisers Inc. takes a trading authority from you, we may agree to provide you advice regarding the investments held in accounts where we do not take a trading authority, for example, your 401k where you are given the option by your employer to select among a menu of mutual funds for your account.

A copy of our Form of Investment Counseling Contract is annexed to this brochure so you can see the complete formal description of our relationship.

As of December 31, 2016, we managed \$38,149,695 in separate accounts .



## Fees and Compensation

We are compensated by a fee paid directly by our client to us. We do not charge or collect brokerage commission, referral fees, or product sales charges.

**Our Fee Schedule.** Our fee is calculated as a percentage of the value of the accounts we manage. All of your accounts with us are added up, and our fee is calculated as a percentage of that total amount. Our fee schedule was as follows:

Total Value of Accounts	Annual Fee	
The First \$1 Million:	1 %	
The Next \$1 Million:	.6% (6/10 %)	(\$1 Million to \$2 Million)
The Next \$3 Million	.45% (4.5/10 %)	(\$2 Million to \$5 Million)
The Next \$2.5 Million	.3% (3/10%)	(\$5 Million to \$7.5 Million)

Further, fees on balances held in Money Funds or CD's are waived.

Our fees are negotiable. We may provide a discount for clients that have a long-standing relationship with our firm.

Our Annual Fee is billed and collected twice a year, in January and July of each year. We calculate the total value of your accounts as of December 31 or June 30, as the case may be, and then calculate a fee based on a rate of ½ of the year.

**How We are Paid.** We will send you a bill for your fee during the half year in progress, in January or June, as the case may be. You may pay by check or fill out an instruction to your broker to deduct the fee from your account. We do not deduct the fee on our own, even by prior agreement with you.

**Hourly Fee.** We may from time to time be asked by a client to provide investment planning advice on an hourly basis in addition to the regular management of an account. In that event, our billing rate will be \$895 per hour. We will agree with our client in advance regarding the scope of the advice.



**Other Fees You May Incur.** As the holder of an account, you will incur any fees charged by your broker, such as commissions, custodian fees etc. If your investments include mutual funds or exchange traded funds or other similar investments, the fund will have its own fees that will be in addition to the fees we charge you. In the event we select a mutual fund for purchase in your account, that mutual fund may have a sales charge (called a “load”) in addition to our fee, or not (called a “no-load” fund). Also the fund may have other charges or annual operating expenses borne by its shareholders. All these charges will be in addition to our fee. Currently, exchange-traded funds customarily have some annual expense borne by shareholders, and these expenses will be in addition to our fee. Please go to the Section entitled Brokerage Practices for a further discussion of brokerage commissions.

**Other Brokers and Advisors.** Since we select widely available individual investments and mutual funds and exchange traded funds, our clients always have the option of purchasing these same investments from other brokers or investment advisers without retaining our services.

**Our Fees are a Retainer.** We send our bill for the semester then in progress, so our bill is a retainer paid in advance. If your retainer with us is terminated, for example, if you wish to discontinue our services, during the semester then in progress, we will issue you a check in refund of the unused days of our retainer.

**No other Compensation to Us.** Our firm, and our principal Edvard Jorgensen, does not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds or insurance products as to any investment held in any separately managed account managed by Seahorse Financial Advisers and covered by this Form ADV.



## Performance-Based Fees.

We do not charge a fee based on a percentage of the investment gains your account earns. For example, we do not charge a fee based on a share of capital gains on or capital appreciation of the assets of a client account. We believe that such a fee encourages speculation, and we disapprove of such a fee arrangement.

We charge only the percentage of assets fee listed above. We do not charge a “side-by-side” management fee, for example, a flat fee in addition to the percentage of the value of the account.





## Types of Clients

Our Clientele: We generally provide investment advice to individuals, families, minor's accounts, family trusts, family estates and family retirement plans, for example, personal IRAs or individual client accounts at a company 401k.

Our minimum size for a new account, or combination of family accounts, is \$1,000,000. We may waive that requirement in our discretion.

We select our investments from among the publicly traded stocks and bonds of U.S. and foreign companies; commercial paper, certificates of deposit, municipal securities available through the brokerage house where you maintain your account; mutual fund shares and exchange traded funds; United States Government securities; publicly traded interests in real estate trusts; oil and gas partnerships; and other publicly-traded commodity and business companies and partnerships.

We identify a group of investments that we favor in the current business, economic and market climate, and limit our investments to that group we have selected. The exact balance of investments that we select for your account will vary with our view of your individual needs and circumstances.



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

We manage investment accounts with the goal of both generating annual income and some long term appreciation in the value of the account. Accordingly, we analyze the business of stocks or other investments in which we invest; we review general economic conditions; we examine the recent activity of investment markets to see if investment prices appear “high”; and we try to buy good quality investments at a reasonable price. We tend to select investments from among common stock, preferred stock, real estate investment trusts, master limited partnerships, municipal and government bonds, money market funds, and mutual funds and exchange traded funds invested in these assets, although we do not limit our selection of investments to these asset classes. The investments we select will be traded on national or regional exchanges or over-the-counter, and must be available through the broker which has custody of your account. We do not invest in private placements or private partnerships.

Investing in securities always involves a risk of loss, and you our client should be prepared to bear that loss. If you cannot stand loss, you should not be investing in securities whose price can go up or down.

We generally maintain long term (one year or more) positions in the securities we purchase for our clients. Under certain circumstances, in our discretion, we may sell a position held less than one year (a short term position) or even less than 90 days (a trading position).

We generally do not buy on margin. However, most of the taxable accounts of our clients will be margin accounts. If our client withdraws cash before we have funded that withdrawal by a sale of securities, our client’s account will be “on margin” and will incur margin expense. We ask that you advise us of your planned withdrawals so we can work with you to minimize the period that your account is on margin.

We generally do not “sell short” a security, that is, sell as security your account does not own in the hope of buying it back at a lower price. Nor do we invest in options or futures. But depending upon our view of the markets, we reserve the right to make these transactions.

In summary, we provide traditional long term investment portfolios for our clients.

Kindly further note that investment portfolios result in income taxes, whether from interest, dividends, taxes on gains upon sale, or taxes upon distributions from tax-deferred accounts. We report to you your gain or loss before taxes. The actual gain or loss you have will be net of taxes ultimately payable based on your tax situation.



## Disciplinary Information

There are no legal or disciplinary events that are material to a client's or a prospective client's evaluation of our company, Seahorse Financial Advisers Inc., or our principal, Mr. Edvard Jorgensen.

## Other Financial Industry Activities and Affiliations

Our firm is not registered as a securities broker, futures commission merchant, commodity pool operator, commodity trading advisor, and our principal, Mr. Edvard Jorgensen, is likewise not registered as any of the above.

Our principal, Mr. Edvard Jorgensen, is licensed as a lawyer in the State of New York, and has been so licensed since he was admitted to the practice of law in 1977. Mr. Jorgensen is also licensed as a real estate broker and owns a real estate company known as Jorgensen Real Estate.

We do not have a relationship or arrangement to procure clients that is material to our business or to our clients with a broker, fund company, financial adviser or planner, futures merchant, bank, accountant, law firm, insurance company or agent, pension consultant, real estate broker or partnership sponsor or syndicator. Our new clients come by referrals from existing clients and by the personal social contacts of our principal, Edvard Jorgensen.

We do not recommend or select other investment advisers for our clients, and accordingly, do not receive compensation from other investment advisers for any such recommendations.



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

### Our Code of Ethics

We have adopted the Investment Advisers Association Standards of Practice as our Firm's Statement of General Principles. Here is that Statement:

**I. Fiduciary Duty and Professional Responsibility:** An investment adviser stands in a special relationship of trust and confidence with, and therefore is a fiduciary to, its clients. As a fiduciary, an investment adviser has an affirmative duty of care, loyalty, honesty, and good faith to act in the best interests of its clients. The parameters of an investment adviser's duty depend on the scope of the advisory relationship and generally include:

- (1) the duty at all times to place the interests of clients first;
- (2) the duty to have a reasonable basis for its investment advice;
- (3) the duty to seek best execution for client securities transactions where the adviser directs such transactions;
- (4) the duty to make investment decisions consistent with any mutually agreed upon client objectives, strategies, policies, guidelines, and restrictions;
- (5) the duty to treat clients fairly;
- (6) the duty to make full and fair disclosure to clients of all material facts about the advisory relationship, particularly regarding conflicts of interest; and
- (7) the duty to respect the confidentiality of client information.

**II. Professional Qualifications:** To enable an investment advisory firm to serve its clientele effectively, its investment and managerial personnel should be individuals of experience, ability, competence, and integrity.

**III. Responsible and Ethical Business Practices:** An investment adviser should run its business responsibly and ethically, including ensuring that its financial condition, operations, and compliance structure are appropriate to protect its clients' interests.

**IV. Compensation for Services:** The compensation of an investment adviser for investment advisory services should be fair, reasonable, and fully disclosed to the client.

**V. Communications with Clients and the Public:** An investment adviser's oral and written statements, including those made to clients, prospective clients, their representatives, or the media, must be accurate, balanced, and not misleading.

In accordance with this Statement of General Principles, our Firm has adopted a complete Code of Ethics. We will be happy to supply you our client and any prospective client with a copy of our complete Code of Ethics at any time without charge upon your request. A copy of our current Code of Ethics is attached to this brochure.



## Interest in Client Transactions

Mr. Jorgensen, the principal of our Firm, may from time to time buy, hold or sell (in his name, as trustee or in other capacities) publicly traded securities which are recommended or purchased for clients by us. Further, from time to time he may take differing action regarding the same security held in his accounts, and the accounts of our clients. All these actions are based on the individual needs and circumstances of the relevant investor, which needs and circumstances may differ. These needs and circumstances may include, for example, need for cash distribution, tax concerns, size and allocation of existing positions, risk tolerance and investment objectives.

Over the years, our clients have indicated that they like that Mr. Jorgensen is an active investor holding positions in any number of the securities that our Firm buys for clients. Our Code of Ethics, which is discussed below, contains provisions governing personal securities transactions by employees of our Firm, including Mr. Jorgensen. These ethics rules require generally that on a given day orders for clients in a security be executed before orders for any employee of our Firm in the same security or as part of a block trade being allocated that day. We will provide a copy of our Code of Ethics to any client or prospective client upon request without charge.

Our Firm has in the past, and may in the future, maintain its own investment account, but that account has and will be limited to mutual funds available at the Vanguard Company. Our Firm does not trade or own individual common stock or other market investments outside of the Vanguard funds.



## Brokerage Practices

We will use whatever broker you select as custodian of your account and for executions of transactions in your account. We currently recommend one broker in particular, Charles Schwab & Co. Inc. We also recommend the mutual funds available at the Vanguard Company, if you ask for a mutual fund account recommendation separate from a brokerage house. In the past we have recommended other brokers, and we may recommend a different broker in the future. In our recommendations of brokers and our determination of the reasonableness of their commissions, we look for the lowest possible commission cost and best execution while taking into account the following additional factors:

- (i) Size, nationwide scope and account insurance offered by the broker;
- (ii) Provision of an effective Internet Web-based trading platform for order entry.
- (iii) Convenient local office locations;
- (iv) Clear and accurate brokerage house statements and service for clients;
- (v) Facility to provide a selection of tax-free, government and corporate bonds for income.

When you select a broker for custodian, that is, when you open an account at a broker, we will be using that broker for execution of trades. Other brokers may offer to execute trades at a lower commission cost. The selection of broker should be based on a review of all the factors noted above, for a combination of service, cost, reliability and safety.

We do not guarantee the financial security of a broker or custodian, including any broker we recommend. You must rely only on the broker, its financial condition, and any insurance protection for the security of your funds and securities held in the account.

Although we will use whatever broker you select, we currently recommend to you that you maintain your account at Charles Schwab & Co., which we believe offers a good combination of service, cost, reliability and safety. Presently, all the accounts over which we have trading authority are maintained by our clients at Charles Schwab & Co.

We are registered with the Institutional division of Charles Schwab & Co. As part of that relationship, our firm and your account at Charles Schwab & Co. receive the following services not available to accounts in the retail division:

- we are provided with a service department which services administrative matters regarding accounts.
- we are provided with an Internet Web-based trading platform for order entry.
- we receive a nightly electronic download of account information regarding transactions and positions of client accounts.



- we receive information regarding investment adviser regulatory compliance and practice management.

We believe that these services, which facilitate our management of your account, are of value to us and are of value to your account.

We have retained Morningstar Inc., a large national investment data and services provider, to maintain an accounting system of our accounts and a system that provides us with a wide range of investment reports regarding your account. This is in addition to a parallel accounting system that is a custom system we maintain in our office. For any client account not maintained at Charles Schwab & Co., we will incur an additional charge from Morningstar Inc. to obtain and process that brokerage data into the accounting system they maintain for us. For a prospective client who wishes to use a broker other than Charles Schwab & Co., we will obtain a quotation from Morningstar for their additional fee to process that brokerage account and that fee will be charged to our client in addition to the investment advisory fee set forth in our schedule of Fees and Compensation.

### Research and Other Soft Dollar Benefits

Charles Schwab & Co. includes on its website research from specialty research firms and from investment banks and brokers. We do not place orders in exchange from this research, but it is there are available to us.

### Brokerage for Client Referrals

We do not solicit client referrals from a brokerage house, and in selecting or recommending a broker for you, we and our principal do not consider, seek or accept such referrals.

### Directed Brokerage

We currently routinely recommend that our clients select Charles Schwab & Co. as their broker and custodian. Not all advisers recommend a broker or request that their clients execute trades through a particular broker. It may be that another broker would execute your trades at a lower commission than Charles Schwab & Co., or give you some other service that Charles Schwab & Co. does not give you. By all means, please evaluate any other broker that you wish.

There are many other investment advisory services available to you from other advisers, individuals and institutions. You can place your investment funds with a broker at a brokerage house; you can investment in a broker's "wrap fee" program; you can hire a trustee, individual or institutional; you can invest directly in a limited partnership, hedge fund, tax-shelter; you can buy an investment product from a life insurance company, such as an annuity. We provide none of those services. As we have said, the



business of Seahorse Financial Advisers is strictly limited to management of separate accounts that you open at an independent brokerage house.

It is possible that we may combine an order for a purchase or sale in your account with orders for purchase or sale in other client accounts. But most commonly, we execute your trade separately. It may be that another adviser could combine his trades for you with trades for his other clients, and negotiate for you a commission charge that would be lower than the charge you would incur for a trade we make. You should evaluate this possibility in comparing us to another adviser, and we urge you to review to schedule of charges from Charles Schwab & Co. that will apply to your account and compare it to the schedule of charges available at other brokers or through other advisers.





## Review of Accounts

All accounts are managed and reviewed by Mr. Edvard Jorgensen, President and principal of Seahorse Financial Advisers Inc. Mr. Jorgensen monitors each account on a continuous basis. Since we are a personal practice, Mr. Jorgensen keeps in touch with each client individually by meetings, telephone conversations and correspondence. Clients are welcome to call Mr. Jorgensen at any time.

Our review of your account may be triggered by changes in our investment outlook, by developments in a particular security held in your account, by discussions we have with you regarding your personal situation, or by a combination of these factors. We do not set a regular weekly or monthly time slot to review your account; we review your account as these factors we have discussed may require.

We submit to you our client portfolio statements prepared by us four times a year, in January, April, July and October. In addition, a client will receive regular monthly portfolio statements from the brokerage house in which the client's accounts are placed. After year-end, we provide a statement for tax purposes of capital gains and losses in a client's accounts. The information on our tax statement should be reviewed against brokerage house tax statements by the client's accountant or tax preparer to ensure an accurate tax return.

The regularly monthly statement prepared by the broker who has custody of your account is the authoritative statement of what is in your account. You should always compare our statement, which is for information and description only, with the statement provided by your broker-custodian. If you see an discrepancy between our statement and the statements provided by your broker-custodian, please advise us immediately so that we may correct our records.



## Client Referrals and Other Compensation

We have no relationship with any person or firm who provides us with an economic benefit for providing investment advice or other advisory services to our clients. For example, our firm does not earn “sales awards” or other prizes based on “sales production” of investment products to our clients.

As we noted above, we provide the investment management of our client’s brokerage account for a fee paid directly by the client.

## Custody of Accounts

We are not a broker or trust company and we do not provide or otherwise take custody of your account. We also do not take any authority from you that would constitute custody, such as the authority to move money into or out of your account. Only your broker-custodian has custody, and only you will have authority to move money into or out of your account. Instructions for the movement of money, whether by internet or by wire per a standing letter of authorization, must be given by you to your broker. This limitation is for your protection, and for our protection as well, to avoid any misunderstandings.

## Investment Discretion

We manage your separate account under an authority called a “limited trading authority” in accordance with a form provided by your broker-custodian. That form must be signed by you, in addition to our Investment Advisory Contract, before we will invest your account. That limited trading authority may be revoked by you at any time by notice to the custodian-broker and must be revoked upon cancellation of our investment counseling contract with you.

## Voting Client Securities

We will set up your account so that you vote on the proxy matters relating to your investments. We view that voting on these matters is your privilege as a stockholder. A copy of our company policy regarding Voting of Securities is attached to this brochure.



# Seahorse Financial Advisers

## Business Continuity Plan

### Security of Client Brokerage Accounts Regional Disasters and Client Account Records Policy Advisory Service and Market Risk during local Disasters Advisory Service in Disasters & Continuity of Business and Advice

**Seahorse Financial Advisers Inc.** maintains a Business Continuity Plan to ensure that our clients and their investment portfolios are serviced in the event of natural disasters and other disruptions of our business.

**Security of Client Brokerage Accounts.** We do not take custody of any of your investment assets, that is, of your stocks and bonds. Your investments are held by the Broker-Custodian of your brokerage account. We hold only a trading authorization to buy and sell in that account. Accordingly, the custody of your assets is not affected by natural disasters or other interruptions of the business continuity of Seahorse Advisers. Your broker-custodian will have its own plan to preserve the physical custody of your assets, including the book entry record of your positions, and you may consult with the broker-custodian for information regarding that plan.

**Regional Disasters and Client Account Records Policy.** Seahorse Advisers retains a national data records firm, Morningstar Inc., to keep a copy of every transaction in your brokerage account. Morningstar also provides a reporting program from which we print your quarterly reports, and calculates statistical reports such as the income generated by your portfolio and your portfolio's performance. The original record of every transaction in your brokerage account is kept by the broker-custodian. In addition, you receive from the broker-custodian their monthly report of the holdings in your account and the transactions in your account during the past month.

Morningstar retains its copy of the records of your account at its national data centers. Likewise, your broker-custodian retains its copy of the records of your account at its national data centers. All such data centers are separate from our offices and would not be affected by natural disasters or other disruptions unique to our business offices. Both Morningstar and your broker-custodian will have their own policies to ensure that copies of your records survive regional disasters, and you may consult



with these firms regarding these policies. You may also wish to keep your copy of the monthly statements and confirmations sent to you by your broker-custodian.

**Advisory Service and Market Risk during Local Disasters.** Disasters and other disruptions local to our business offices may prevent us from placing trades or otherwise managing your account from a particular Seahorse office. Since we maintain multiple offices, we can promptly move to an unaffected office and resume managing your account. In that event, the long term holdings in your account will remain in your account until we resume service at one of our other locations. We do not invest in options, futures or highly margined positions where the passage of time will inherently change, and particular diminish, the market value of the investment, but all market-traded securities fluctuate in price during trading hours, and all accounts will be subject to market and individual event risk until our trading supervision resumes.

**Personal Incapacity of Mr. Jorgensen; Continuity of Business and Advice.**

Seahorse Advisers is the personal investment practice of Mr. Jorgensen. We have employees able to manage our office and communicate with your broker-custodian, but the selection of investments in your portfolios reflects the unique individual judgment and philosophy of Mr. Jorgensen, and is his personal advice and service to you. In the event of Mr. Jorgensen's death or incapacity, that personal advice would no longer be possible. In such an event, our office, by our legal counsel, will notify you, and will recommend that you retain new investment counsel or manage your investments yourself. The portfolio Mr. Jorgensen selects for you will likely contain individual stocks, real estate trusts, publicly traded limited partnerships and exchange traded funds whose management requires specialized knowledge and research. In the event you elect to manage your investments yourself, we recommend that you liquidate the individual positions selected by Mr. Jorgensen and instead invest in widely held and well-known funds such as the Vanguard S&P 500 fund or other well-known broad market funds available to you. The custodian broker, Charles Schwab & Co., offers investment management services and support described on their website [www.Schwab.com](http://www.Schwab.com) under the tab, "Investment Help." If you elect to retain a new investment adviser, that adviser will manage the portfolio. Complete tax basis (purchase price cost) records are now maintained at your broker-custodian.



## Summary Information about our Principal and Our Firm

Seahorse Financial Advisers Inc. is the managed account investment advisory business of our sole principal and sole investment manager, Mr. Edvard Jorgensen.

All decisions regarding your account are made personally and directly by Mr. Jorgensen.

### Our Principal and Sole Executive Officer

Born May 23, 1950, Mr. Jorgensen is a graduate of Harvard College (BA, 1972) and Harvard Law School (JD, 1976). He practiced law in New York City with the following firms: Patterson, Belknap, Webb & Tyler, 30 Rockefeller Plaza, NY NY 10020 (1976-1978) and Lord Day & Lord, 25 Broadway, NY NY 10004 (1978-1982). Mr. Jorgensen founded Seahorse Financial Advisers Inc. in September 1981 and has been President since then to date. He remains a lawyer licensed to practice in the State of New York. Mr. Jorgensen is also a licensed real estate broker in the State of New York and owns a real estate brokerage company known as Jorgensen Real Estate.

### Other Businesses of Seahorse Financial Advisers Inc.

Seahorse Financial Advisers Inc. sole business is managing separate accounts as described in this brochure.



# Seahorse Financial Advisers Inc.

## Information Edvard Jorgensen Owner and Principal Seahorse Financial Advisers Inc.

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Revision Date: as of March 1, 2017

This brochure supplement provides information about Edvard Jorgensen that supplements the Seahorse Financial Advisers Inc. brochure. You should have received a copy of that brochure. Please contact the company at the contact addresses listed above if you did not receive Seahorse Financial Adviser Inc.'s brochure or if you have any questions about the contents of this supplement.

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



# Mr. Edvard Jorgensen

## Principal, Seahorse Financial Advisers Inc.

The sole owner and principal of Seahorse Financial Advisers Inc. is Mr. Edvard Jorgensen. Mr. Jorgensen founded our Firm in 1981 and has been our sole owner and principal ever since. Our Firm is the personal advisory practice of Mr. Jorgensen managing separate broker account for investment clients.

You are receiving this Supplement regarding Mr. Jorgensen because he personally manages your brokerage account as a client of our Firm.

### Educational Background and Business Experience

Mr. Jorgensen was born May 23, 1950, in Southampton NY, outside New York City. He attended Harvard College (A.B., 1972, Phi Beta Kappa, Magna Cum Laude) and Harvard Law School (J.D., 1976, Cum Laude).

Mr. Jorgensen was Editor-in-Chief of the Harvard International Law Journal while at Harvard Law School.

Mr. Jorgensen worked in New York City for two law firms before establishing the investment business of Seahorse Financial Advisers Inc.:

Patterson, Belknap, Webb & Tyler, 30 Rockefeller Plaza, New York NY (1976-1978)

Lord, Day & Lord, 25 Broadway, New York NY (1978-1982)

Mr. Jorgensen incorporated our Firm in 1981 and began the business of Seahorse Financial Advisers Inc. in 1983 upon leaving Lord, Day & Lord.



# Mr. Edvard Jorgensen

Principal, Seahorse Financial Advisers Inc.

## Other Business Activities

Mr. Jorgensen is licensed by the State of New York as an attorney at law, and has been so licensed since 1977. From time to time Mr. Jorgensen's practice as an attorney may require a substantial amount of his time.

Mr. Jorgensen is licensed as a real estate broker by the State of New York, and has been so licensed since 2010. Mr. Jorgensen's practice as a real estate broker has not represented by than 10% of his time.

## Additional Compensation

Mr. Jorgensen does not receive additional compensation from somebody other than our Firm for his work managing the accounts of the clients of Seahorse Financial Advisers Inc. For example, Mr. Jorgensen does not receive sales awards, prizes etc. from some third part for his work managing client accounts at our Firm.

## Supervision

Mr. Jorgensen is the sole owner and principal of Seahorse Financial Advisers Inc., and accordingly, he supervises his management of a client's accounts.

## Disciplinary Matters; Proceedings; Bankruptcy

Mr. Jorgensen has not been involved an award, arbitration claim or proceeding requiring disclosure on this form by applicable federal or state securities law. Mr. Jorgensen has not been the subject of a bankruptcy petition.





**Seahorse Financial Advisers Inc.**

**Corporate Policies**  
**Annex to Form ADV Part 2 Brochure**

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# Seahorse Financial Advisers Inc.

## Code of Ethics

Seahorse Financial Advisers is proud to offer clients independent financial advice under the highest ethical standards.

### 1. General Principles

Our Firm is the personal advisory practice of Mr. Edvard Jorgensen, our founder and sole principal. Our clients are families and their diverse accounts, including personal accounts and trusts.

Our Firm, and Mr. Jorgensen, believe strongly in the investment adviser's overarching fiduciary duty to clients and the obligation of firm personnel to uphold that fundamental duty.

We support as a Firm and require of our employees to observe:

1. The duty at all times to place the interests of clients first;
2. The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics and to avoid any actual or potential conflict of interest or any abuse of an employee's position of trust and responsibility;
3. The principle that investment adviser personnel should not take inappropriate advantage of their positions;
4. The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
5. The principle that independence in the investment decision-making process is paramount.

Our Firm values highly the firm's reputation, as well as principles of honesty, integrity, and professionalism.

We further emphasize to all directors, officers, and employees that these general principles govern all conduct, whether or not the conduct also is covered by more specific standards and procedures set forth below.

The failure to comply with the firm's code of ethics may result in disciplinary action, including termination of employment.

### 2. Scope of this Code

Our Firm presently consists of Mr. Jorgensen, our sole Director and Officer, and non-professional personnel, including clerical and maintenance. In order to provide general application to our Firm in the event we add personnel, our Code is written to apply to a business with multiple directors, officers and personnel. Our Code is drawn from the Investment Advisers Association Model Code, edited to make the Model Code more directly applicable to a firm of our size and organization.

#### A. Persons Covered by the Code

Our Code of Ethics covers the following persons:

Supervised Persons include:

1. Directors, officers, and partners of the adviser (or other persons occupying a similar status or performing similar functions);
2. Employees of the adviser; and
3. Any other person who provides advice on behalf of the adviser and is subject to the adviser's supervision and control,

Access Person includes any supervised person who:

1. has access to nonpublic information regarding any clients' purchase or sale of securities, or nonpublic information regarding the portfolio holdings of any fund the adviser or its control affiliates manage; or
2. is involved in making securities recommendations to clients, or has access to such recommendations that are nonpublic.

Our firm's primary business is providing investment advice, and all of the firm's directors, officers, and partners are presumed to be access persons.

Family Members. For purposes of personal securities reporting requirements, terms such as "employee," "account," "supervised person," and "access person" are defined to also include the person's immediate family (including any relative by blood or marriage living in the employee's household).

Investment Personnel. In this Code of Ethics, "investment personnel" includes, portfolio managers, portfolio assistants, securities analysts, and traders.

### **C. Securities Covered by the Code**

*Covered Security* means any stock, bond, future, investment contract or any other instrument that is considered a "security" under the Investment Advisers Act. The term "covered security" is very broad and includes items you might not ordinarily think of as "securities," such as:

1. Options on securities, on indexes, and on currencies;
2. All kinds of limited partnerships;
3. Foreign unit trusts and foreign mutual funds; and
4. Private investment funds, hedge funds, and investment clubs.

*Covered Security* does not include:

1. Direct obligations of the U.S. government or Federal Agencies.
2. Bankers' acceptances, bank certificates of deposit, commercial paper, and high quality short-term debt obligations, including repurchase agreements;
3. Shares issued by money market funds;
4. Shares of open-end mutual funds that are not advised or sub-advised by the firm (or certain affiliates, where applicable); and
5. Shares issued by unit investment trusts that are invested exclusively in one or more open-end funds, none of which are funds

advised or sub-advised by the firm (or certain affiliates, where applicable).

## **3. STANDARDS OF BUSINESS CONDUCT**

**A. Compliance with Laws and Regulations.** We require the highest standard of conduct from all employees. All employees must comply with all applicable Federal and State Laws, including without limitation securities laws, privacy laws and anti-money-laundering laws.

All provisions of Federal or State Law, including without limitation any provision for an investment adviser code of ethics required of our Company and not otherwise specifically set forth in this Policy, is hereby incorporated and made a part of the Policy by reference.

As part of this requirement, supervised persons are not permitted, in connection with the purchase or sale, directly or indirectly, of a security held or to be acquired by a client:

- a. To defraud such client in any manner;
- b. To mislead such client, including by making a statement that omits material facts;
- c. To engage in any act, practice or course of conduct which operates or would operate as a fraud or deceit upon such client;
- d. To engage in any manipulative practice with respect to such client; or
- e. To engage in any manipulative practice with respect to securities, including price manipulation.

**B. Conflicts of Interest.** As a fiduciary, the firm has an affirmative duty of care, loyalty, honesty, and good faith to act in the best interests of its clients. Compliance with this duty can be achieved by trying to avoid conflicts of interest and by fully disclosing all material facts concerning any conflict that does arise with respect to any client. In addition, our Firm imposes a higher standard by providing that individuals subject to the code must try to avoid situations that have even the *appearance* of conflict or impropriety.

*1. Conflicts Among Client Interests.* Conflicts of interest may arise where the firm or its supervised persons might have reason to favor the interests of one client over another client (e.g., larger accounts over smaller accounts, accounts compensated by performance fees over accounts not so compensated, accounts in which employees have made material personal investments, accounts of close friends or relatives of supervised persons). Our Firm specifically prohibits inappropriate favoritism of one client over another client that would constitute a breach of fiduciary duty.

*2. Competing with Client Trades.* Our Firm prohibits access persons from using knowledge about pending or currently considered securities transactions for clients to profit personally, directly or indirectly, as a result of such transactions, including by purchasing or selling such securities. Conflicts raised by personal securities transactions also are addressed more specifically in section D below.

*3. Other Potential Conflicts Provisions.*

a. *Disclosure of personal interest.* Our Firm prohibits investment personnel from recommending, implementing or considering any securities transaction in a covered security for a client without having disclosed any material beneficial ownership, business or personal relationship, or other material interest in the issuer or its affiliates, to an appropriate designated person (e.g., the chief investment officer or, with respect to the chief investment officer's interests, another designated senior officer). If such designated person deems the disclosed interest to present a material conflict, the investment personnel may not participate in any decision-making process regarding the securities of that issuer. As noted below, Mr. Jorgensen is an active investor, and may hold positions in the same securities in which we invest on behalf of our clients. Mr. Jorgensen's personal securities transactions are regulated by our firm as discussed below. All other employees of our firm are required to limit their securities holdings to open end mutual funds, as discussed below.

b. *Referrals of Brokerage.* Our Firm requires supervised persons to act in the best interests of the firm's clients regarding execution and other costs paid by clients for brokerage services, and to provide referrals with offer clients a combination of custody, service and low commission costs which believe offers our clients good value.

c. *Vendors and Suppliers.* Our Firm requires supervised persons to disclose any personal investments or other interests in vendors or suppliers with respect to which the person negotiates or makes decisions on

behalf of the firm. We generally prohibit supervised persons with such interests from negotiating or making decisions regarding the firm's business with those companies,

d. *No Transactions with Clients.* Supervised persons are not permitted to knowingly sell to or purchase from a client any security or other property, except securities issued by the client.

**C. Insider Trading.** Our Firm strictly prohibits supervised persons from trading, either personally or on behalf of others, while in possession of material, nonpublic information. Further, we prohibit personnel from communicating material nonpublic information to others in violation of the law.

1. *Penalties.* Although access persons are most likely to come in contact with material nonpublic information, the prohibition on insider trading and potential sanctions apply to all employees, officers, and directors. Any violation of our prohibition on Insider Trading will result in dismissal from our firm in addition to application federal and state penalties.

2. *Material Nonpublic Information.* We note the SEC's position that the term "material nonpublic information" relates not only to issuers but also to the adviser's securities recommendations and client securities holdings and transactions.

#### **D. Personal Securities Transactions.**

Mr. Jorgensen is an active investor. Over the years, our clients have indicated that they like that Mr. Jorgensen is an active investor holding positions in any number of the securities that our Firm buys for clients. In order to avoid actual or apparent conflict of interest, we have adopted the following ethics rules which require generally that orders for clients in a security be executed either before orders for Mr. Jorgensen in the same security, or as part of a block trade.

All other employees are required to notify the Firm of any proposed trade, including a mutual fund or ETF, prior the entry thereof so that Mr. Jorgensen, as chief compliance officer of the Firm, can confirm that the proposed trade does not involve conflicts or irregularities.

#### **Personal Trading of Mr. Jorgensen.**

As of the date of this Code, our sole employee participating in the management of our client accounts is our Founder, sole Director and Officer, Mr. Edvard Jorgensen.

We are proud to inform clients that Mr. Jorgensen is an active investor, and that his investments include many securities that we also recommend to, and purchase for, clients. Over the years, our clients have told us that they take assurance from Mr. Jorgensen's investing "side by side" with them. We also inform clients that because of personal financial circumstances – such as taxes, cash needs, funds available for investment or reinvestment, estate planning, etc. -- we may take different actions regarding different securities in client or Mr. Jorgensen's account. Also, Mr. Jorgensen may hold some but not all securities held in client accounts, and may hold them in different percentages than clients. This is in keeping with our business of managing each client account individually, taking into account the needs and circumstances of the client. With that in mind, the following rules apply to Mr. Jorgensen's investment account and any account of his family or where he is a trustee but is not managed by our Firm:

a. For market orders, Mr. Jorgensen's order shall be placed after all client market orders entered that day have been executed, or as part of a block trade.

b. For limit orders, Mr. Jorgensen's order shall be placed either (1) at a price that ensures that all client limit orders will be filled first, or (2) if placed at the same limit as client limit orders, after all client limit orders have been transmitted so that all client limit orders have "first in time" priority.

*Other Provisions. Initial Public Offerings - Prohibition.* We prohibit *investment personnel* from acquiring any securities in an initial public offering, in order to preclude any possibility of their profiting improperly from their positions with an adviser. *Limited or Private Offerings* - We further prohibit any acquisition of securities by access persons in a limited offering (e.g., private placement).

## **E. Gifts and Entertainment.**

*1. General Statement.* A conflict of interest occurs when the personal interests of employees interfere or could potentially interfere with their responsibilities to the firm and its clients. *The overriding principle is that supervised persons should not accept inappropriate gifts, favors, entertainment, special accommodations, or other things of material value that could influence their decision-making or make them feel beholden to a person or firm.*

*2. Gifts.* No supervised person may receive any gift, service, or other thing of more than *de minimis* value from any person or entity that does business as a vendor with or the adviser. Our Clients are often personal friends of our Firm and of Mr. Jorgensen, and all clients should understand that Mr. Jorgensen, his Family and our Firm may exchange gifts, including Holiday gifts, with clients.

*3. Entertainment.* No supervised person may provide or accept extravagant or excessive entertainment from vendor that does or seeks to do business with or on behalf of the adviser. Supervised persons may provide or accept a business entertainment event, such as dinner or a sporting event, of reasonable value, if the person or entity providing the entertainment is present.

**F. Political and Charitable Contributions.** Our Firm prohibits employees from making political contributions for the purpose of obtaining or retaining advisory contracts with government entities. In addition, we prohibit our supervised persons from considering the adviser's current or anticipated business relationships as a factor in soliciting political or charitable donations.

**G. Confidentiality.** We start with the basic fiduciary premise that information concerning the identity of security holdings and financial circumstances of clients is confidential.

*1. Firm Duties.* Our Firm, and each of our employees, must not disclose or share and personal non-public information regarding any client to any third party, unless we have been directed by the Client to disclose such information. Clients normally will direct us to disclose personal non-public information to the Client's custodian broker in the course of administering the client's account; to the Client's accountant or tax preparer to assist in preparing taxes; and to the client's lawyer to assist in estate planning. Except as directed by clients, our Firm must keep all information about clients (including former clients) in strict confidence, including the client's identity (unless the client consents), the client's financial circumstances, the client's security holdings, and advice furnished to the client by the firm.

*2. Supervised Persons' Duties.* We prohibit supervised persons from disclosing to persons outside the firm any material nonpublic information about any client, the securities investments made by the firm on behalf of a client, information about contemplated securities transactions, or information regarding the firm's trading strategies, except as required to effectuate securities transactions on behalf of a client or as directed by a client.

*3. Regulation of Privacy.* Supervised persons shall comply with the firm's privacy policy and with every provision of applicable law.

## **H. Other Outside Activities.**

*1. General.* We discourage supervised persons from engaging in outside business or investment activities that may interfere with their duties with the firm. We note that Mr. Jorgensen, principal of the Firm, is a lawyer licensed in the State of New York. He is entitled to maintain his practice, but must do so in a way

that is consistent with his fiduciary obligation of Clients of our Firm and his obligations under this Code of Ethics and application federal and state law.

*2. Fiduciary Appointments.* No employee of our Firm may accept a position of trustee under the trust of any client nor general partner of any partnership that is a fee-paying client of this Firm. Employees of our Firm may serve as Trustee of the trust of any family member, relative or other person, provided that such trust is not a fee-paying client of this Firm.

*3. Creditors Committees.* We prohibit a supervised person from serving on a creditors committee except as approved by the firm as part of the person's employment duties.

*4. Disclosure.* Supervised persons should disclose any personal interest that might present a conflict of interest or harm the reputation of the firm.

**J. Marketing and Promotional Activities.** All oral and written statements, including those made to clients, prospective clients, their representatives, or the media, must be professional, accurate, balanced, and not misleading in any way.

## **4. COMPLIANCE PROCEDURES**

### **A. Personal Securities Transaction Procedures and Reporting.**

#### *1. Reporting Requirements*

*a. Holdings Reports.* We require access persons to submit to the chief compliance officer a report of all holdings in covered/reportable securities within 10 days of becoming an access person and thereafter on a monthly basis. The holdings report must include: (i) the title and exchange ticker symbol or CUSIP number, type of security, number of shares and principal amount (if applicable) of each reportable security in which the access person has any direct or indirect beneficial ownership; (ii) the name of any broker, dealer or bank with which the access person maintains an account in which any securities are held for the access person's direct or indirect benefit; and (iii) the date the report is submitted. This requirement shall be met by filing with the Firm a copy of the brokerage statement showing the holding.

In our Firm, Mr. Jorgensen is presently the only access person or employee permitted to invest in covered securities. Accordingly, Mr. Jorgensen shall maintain, with the Firm's monthly client account records, copies of all brokerage house statements for any account containing covered securities in which he has a legal or beneficial interest.

*Current information.* The information supplied must be current as of a date no more than 45 days before the annual report is submitted. For new access persons, the information must be current as of a date no more than 45 days before the person became an access person.

*b. Quarterly Transaction Reports.* We require access persons to submit to the chief compliance officer transaction reports no later than 30 days after the end of each calendar quarter covering all transactions in covered/reportable securities during the quarter. The transaction reports must include information about each transaction involving a reportable security in which the access person had, or as a result of the transaction acquired, any direct or indirect beneficial ownership. The reports must include: (i) the date of the transaction, the title and exchange ticker symbol or CUSIP number, the interest rate and maturity date (if applicable), the number of shares and the principal amount (if applicable) of each reportable security involved; (ii) the nature of the transaction (e.g., purchase, sale); (iii) the price of the security at which the transaction was effected; (iv) the name of the broker, dealer, or bank with or through which the transaction was effected; and (v) the date the report is submitted.

This requirement shall be met by filing with the Firm a copy of the brokerage statement showing the holding and the transaction.

c. *Confidentiality of Reports.* We assure access persons that their transactions and holdings reports will be maintained in confidence, except to the extent necessary to implement and enforce the provisions of the code or to comply with requests for information from government agencies.

4. *Duplicate Brokerage Confirmations and Statements.* We require Mr. Jorgensen and other access persons to direct their brokers to provide to the chief compliance officer or other designated compliance official, on a timely basis, duplicate copies of confirmations of all personal securities transactions and copies of periodic statements for all securities accounts. As noted above, Mr. Jorgensen and other access persons may use such duplicate brokerage confirmations and account statements in lieu of submitting their quarterly transaction reports, provided that all of the required information is contained in those confirmations and statements.

5. *Monitoring of Personal Securities Transactions.* Our Firm will review personal securities transactions and holdings reports periodically.

6. Our Firm designates our President as responsible for reviewing and monitoring personal securities transactions and trading patterns of access persons ("Reviewer").

7. Since our President is the sole professional employed by our Firm, he must act as Reviewer for his own account and shall comply with this Code of Ethics and the rules of Personal Trading.

## **B. Certification of Compliance**

1. *Initial Certification.* The firm is required to provide all supervised persons with a copy of the code. We require all supervised persons to certify in writing that they have: (a) received a copy of the code; (b) read and understand all provisions of the code; and (c) agreed to comply with the terms of the code.

2. *Acknowledgement of Amendments.* We will provide supervised persons with any amendments to the code and supervised persons should submit a written acknowledgement that they have received, read, and understood the amendments to the code.

3. *Annual Certification.* We require that all supervised persons annually certify that they have read, understood, and complied with the code of ethics.

## **5. RECORDKEEPING**

Our Firm will maintain the following records at our principal place of business, for the period of time required by all applicable laws.

A. A copy of each code that has been in effect at any time during the past five years;

B. A record of any violation of the code and any action taken as a result of such violation for five years from the end of the fiscal year in which the violation occurred;

C. A record of all written acknowledgements of receipt of the code and amendments for each person who is currently, or within

the past five years was, a supervised person;

These records must be kept for five years after the individual ceases to be a supervised person of the firm.

D. Holdings and transactions reports made pursuant to the code, including any brokerage confirmation and account statements made in lieu of these reports;

E. A list of the names of persons who are currently, or within the past five years were, access persons;

F. A record of persons responsible for reviewing access persons' reports currently or during the last five years; and



## 6. FORM ADV DISCLOSURE

Our Firm will include on Schedule F of Form ADV, Part 11 a description of the firm's code and will state that the firm will provide a copy of the code to any client or prospective client upon request.

## 7. ADMINISTRATION AND ENFORCEMENT OF THE CODE

A. Training and Education. Our principal, Mr. Jorgensen, will be the chief compliance officer for our Firm, and will undertake to main current information regarding Code of Ethics requirements.

B. Annual Review. The chief compliance officer shall review at least annually the adequacy of the code and the effectiveness of its implementation.

C. Report to senior Management (All Advisers). Mr. Jorgensen shall file the annual compliance review and report in an appropriate compliance folder.

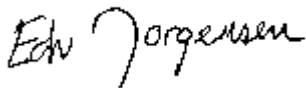
D. Reporting Violations. We require all supervised persons to report violations of the firm's code of ethics promptly to the chief compliance officer or other appropriate personnel designated in the code (provided the chief compliance officer also receives reports of all violations). Such reports will be treated confidentially to the extent permitted by law and investigated promptly and appropriately.

E. Advice of Counsel. Upon any apparent violation of this Code of Ethics, management of the Firm shall consider referral and advice of outside counsel.

F. Miscellaneous. We require supervised persons to report "apparent" or "suspected" violations in addition to actual or known violations of the code. Retaliation against an individual who reports a violation is prohibited and constitutes a further violation of the code.

G. Sanctions. We warn supervised persons that any violation of the code may result in any disciplinary action that a designated person or group (e.g., chief compliance officer, compliance committee) deems appropriate, including but not limited to a warning, fines, disgorgement, suspension, demotion, or termination of employment. In addition to sanctions, violations may result in referral to civil or criminal authorities where appropriate.

Receipt, Certification and Confirmation



President  
Seahorse Financial Advisers Inc.

## **Seahorse Financial Advisers Inc. Brokerage and Best Execution Policy**

### **Selecting Your Broker**

We will use whatever broker you select as custodian of your account and for executions of transactions in your account. We currently recommend one broker in particular, Charles Schwab & Co. Inc. We also recommend the mutual funds available at the Vanguard Company, if you ask for a mutual fund account recommendation separate from a brokerage house. In the past we have recommended other brokers, and we may recommend a different broker in the future. In our recommendations of brokers and our determination of the reasonableness of their commissions, we look for the lowest possible commission cost and best execution while taking into account the following additional factors:

- (i) Size, nationwide scope and account insurance offered by the broker;
- (ii) Provision of an effective Internet Web-based trading platform for order entry.
- (iii) Convenient local office locations;
- (iv) Clear and accurate brokerage house statements and service for clients;
- (v) Facility to provide a selection of tax-free, government and corporate bonds for income.

When you select a broker for custodian, that is, when you open an account at a broker, we will be using that broker for execution of trades. Other brokers may offer to execute trades at a lower commission cost. The selection of broker should be based on a review of all the factors noted above, for a combination of service, cost, reliability and safety.

We do not guarantee the financial security of a broker or custodian, including any broker we recommend. You must rely only on the broker, its financial condition, and any insurance protection for the security of your funds and securities held in the account.

Although we will use whatever broker you select, we currently recommend to you that you maintain your account at Charles Schwab & Co., which we believe offers a good combination of service, cost, reliability and safety. Presently, all the accounts over which we have trading authority are maintained by our clients at Charles Schwab & Co.

We are registered with the Institutional division of Charles Schwab & Co. As part of that relationship, our firm and your account at Charles Schwab & Co. receive the following services not available to accounts in the retail division:

- we are provided with a service department which services administrative matters regarding accounts.
- we are provided with an Internet Web-based trading platform for order entry.
- we receive a nightly electronic download of account information regarding transactions and positions of client accounts.
- we receive information regarding investment adviser regulatory compliance and practice management.

We believe that these services, which facilitate our management of your account, are of value to us and are of value to your account.

We have retained Morningstar Inc., a large national investment data and services provider, to maintain an accounting system of our accounts and a system that provides us with a wide range of investment reports regarding your account. This is in addition to a parallel accounting system that is a custom system we maintain in our office. For any client account not maintained at Charles Schwab & Co., we will incur an additional charge from Morningstar Inc. to obtain and process that brokerage data into the accounting system they maintain for us. For a prospective client who wishes to use a broker other than Charles Schwab & Co., we will obtain a quotation from Morningstar for their additional fee to process that brokerage account and that fee will be charged to our client in addition to the investment advisory fee set forth in our schedule of Fees and Compensation.

## Seahorse Financial Advisers Privacy Pledge and Corporate Privacy Policy

**Client Privacy Promise.** Seahorse Financial Advisers respects your privacy and we will not share your personal non-public information that we may collect with any other person unless you so direct us.

**Information We Collect.** Seahorse Financial Advisers collects non-public personal information such as your name, age, address, marital status, social security number and employments, wealth, income, expenditures, investment and tax information. You have provided this information to us to assist us in formulating financial objectives and managing your financial affairs.

**Basic Pledge:** We will not share your personal non-public information that we may collect with any other person unless you so direct us. Your personal non-public information will be given to your brokerage house, in the course of their servicing your account, and to our data manager, Morningstar Inc. Each such institution maintains its own policies and protections of your personal non-public information.

**When You Ask Us to Share Your Information.** If you ask us to share your non-public personal information, such as with your accountant, lawyer or estate planner, we of course will do so. But you must ask us first. You may ask us by individual requests, or by general authorization such as requests regularly to send information to your accountant.

**Government Requirements.** Seahorse Financial Advisers will share information when we are so required by law, such as in examinations by regulators.

**Confidentiality Safeguards** Seahorse Financial Advisers simply does not release your personal information except as noted above. We do not release your personal information for marketing or advertising purposes.

**The Internet and Privacy.** Access to your brokerage account, by you or by us, is often over the Internet. Brokerage houses strive to maintain "secure" web sites, and the security of brokerage house web sites is the responsibility of the broker. We advise that you have Internet firewall, virus, worm, and other confidentiality safeguards built in to your computer system and maintained current. Although imperfect, these protections are advisable. We recommend that you safeguard your personal information in your dealings with vendors and other advisers, and in your use of the Internet. In addition, we do not consider any unencrypted e-mail containing personal financial information as secure. We will not send forms containing your social security number, or any tax form, by unencrypted e-mail, and we ask that you do the same. If you suspect a breach of your privacy, please advise us immediately so we may take steps to minimize the impact upon you.

**Theft of Identity Monitoring.** We strongly advise that you enroll in a theft of identity monitoring program with a major credit agency.

**Custody of Assets and Preservation of Account records.** Your investment assets are held in custody by the broker for your account. We do not take custody nor exercise any power – such as disbursement authority – which might be construed as custody. Further, your broker maintains your original account records. Our records are duplicates of the broker's records and the records the broker sends to you. Thus, your assets and records relating to them are always maintained separately from our office locations.

**Federal and State Laws.** Our privacy policy will be updated periodically to conform to applicable Federal and State laws, and all such laws apply to our privacy policy and are automatically incorporated in to it.

# Seahorse Financial Advisers Corporate Notice to Employees

## Insider Trading Review and Audit Confidentiality of Client Information Confidentiality of Company Information

**General Statement.** Seahorse Financial Advisers Inc. (the “Company”) is a fiduciary to our clients and their families, and is a regulated investment adviser in multiple jurisdictions. All employees must at all times observe Company policies regarding ethics, privacy, confidentiality and insider trading or their employment will be terminated.

**Confidentiality of Information.** All information and records concerning our clients, our business, the families of our employees, and any family, personal, trust, partnership or other accounts or related party accounts of our corporate officers shall be retained on our premises and shall never be removed from our premises, or copied in any fashion except as authorized by the administrator of our ethics and investment adviser compliance programs, which is Mr. Jorgensen, President of the Company. The only exception is that each employee may of course keep the original of their own investment and personal records at their own personal location of their choosing, but must provide a copy to the Company to assist our compliance with our ethics and insider trading compliance programs.

**Certain Non-Client Accounts and Persons Covered.** The Company maintains the records and accounts of certain family trusts, partnerships, or other entities of Mr. Jorgensen or which Mr. Jorgensen manages or serves as a trustee, and the families interested in such records and accounts, even though such accounts and persons may not be paying clients of the Company. All such records and accounts are subject to the insider trading compliance program of the Company and are subject to the ethics, privacy, confidentiality and fiduciary obligations of the Company and our employees, and are explicitly covered by this Notice and the policies set forth herein.

**Company Information.** The business records and information of the Company are also fully covered and subject to the provisions of this Notice and the obligations of confidentiality set forth herein.

**Company Electronics.** The Company may from time to time provide electronic equipment and services to employees (the “Electronics”). These electronic equipment and services may include computers, cell phones, email accounts (which may be under the Company server or outside servers such as AT&T-Global, Microsoft Hotmail, Google, Yahoo or other servers), dictation and transcription machines and recording and video equipment, and any other electronic equipment or services available from time to

time. The Electronics are by their nature portable and usable outside the premises of the Company. Our ethics, confidentiality, privacy and insider trading policies shall apply to all such Electronics. All Electronics are subject to inspection, review, audit and monitoring by the Company at the Company's discretion, with or without notice to an employee. All such Electronics may be recalled by the Company at any time and for any reason, and shall be immediately surrendered to the Company, and no copies of any records contained on or in such Electronics may be retained by any employee after recall by the Company. No employee shall have any right or expectation of privacy in any Electronics. Our fiduciary obligations to our Clients and other persons whose information we collect and maintain, and our regulatory obligations and liabilities take precedence and fully void any such expectation of privacy. Employees should keep their personal information on electronics and electronic services of their own choosing and separate from any Company Electronics. In the event the Company or any regulatory agency has reason to believe that an employee has breached the ethics, privacy, confidentiality, insider trading or other such policies of the Company, such employee shall immediately, in accordance with applicable law, make such employee's personal electronics and records available for inspection by the Company, its legal advisers, or regulators.

**Communications at our Locations.** All communications to which any employee is a party and which are conducted at one of our locations, whether in Millbrook NY or Remsenburg NY or any temporary location, and whether by telephone, letter, email, texting or any other manner ("Communications") are subject to monitoring, recording, copying and archiving by the Company to ensure compliance with our fiduciary obligations as an investment adviser. Each employee as a condition of continuing employment agrees and consents to all such monitoring, recording, copying or archiving of any Communications to which such employee is a party, and no employee shall have any expectation or right of privacy in and to any such Communications. Employees desiring privacy in their personal communications should make such communications away from our locations.

**Federal and State Laws.** This Notice and the policies described herein are intended to, and shall be interpreted so as to, comply with applicable Federal and State Laws and the laws of any other body, domestic or international, having jurisdiction of the subject matter hereof.

**Seahorse Financial Advisers Inc.**  
**Corporate Proxy Policy**  
**Corporate Voting as a Shareholder**

If you own stock in your account, you will receive corporate proxy solicitations for voting on corporate matters, such as election of Directors and shareholder votes on certain matters of corporate policy.

Voting on corporate matters is your right as a shareholder, and your choice.

As investment adviser, we limit our activity as holder of a trading authorization in your account to buying and selling securities. We do not vote your shares, so we encourage you to read the proxy solicitation materials you receive and exercise your rights as a shareholder. We are always happy to discuss any question you may have about any particular proxy solicitation, but voting your shares will remain your right alone.

# Seahorse Financial Advisers Business Continuity Plan

## Security of Client Brokerage Accounts Client Account Records Policy Market Risk Management during Disaster Advisory Service in Disasters

**Seahorse Financial Advisers Inc.** maintains a Business Continuity Plan to ensure that our clients and their investment portfolios are serviced in the event of natural disasters and other disruptions of our business.

**Security of Client Brokerage Accounts.** We do not take custody of any of your investment assets, that is, of your stocks and bonds. Your investments are held by the Broker-Custodian of your brokerage account. We hold only a trading authorization to buy and sell in that account. Accordingly, the custody of your assets is not affected by natural disasters or other interruptions of the business continuity of Seahorse Advisers. Your broker-custodian will have its own plan to preserve the physical custody of your assets, including the book entry record of your positions, and you may consult with the broker-custodian for information regarding that plan.

**Client Account Records Policy.** Seahorse Advisers retains a national data records firm, Morningstar Inc., to keep a copy of every transaction in your brokerage account. Morningstar also provides a reporting program from which we print your quarterly reports, and calculates statistical reports such as the income generated by your portfolio and your portfolio's performance. The original record of every transaction in your brokerage account is kept by the broker-custodian. In addition, you receive from the broker-custodian their monthly report of the holdings in your account and the transactions in your account during the past month.

Morningstar retains its copy of the records of your account at its national data centers. Likewise, your broker-custodian retains its copy of the records of your account at its national data centers. All such data centers are separate from our offices and would not be affected by natural disasters or other disruptions unique to our business offices. Both Morningstar and your broker-custodian will have their own policies to ensure that copies of your records survive regional disasters, and you may consult with these firms regarding these policies. You may also wish to keep your copy of the monthly statements and confirmations sent to you by your broker-custodian.

**Market Risk Management during Disaster.** Disasters and other disruptions local to our business offices may prevent us from placing trades or otherwise managing your account from that office. In that event, the long term holdings in your account will simply stay in place. We do not invest in options, futures or highly margined positions where the passage of time will inherently change, and particular diminish, the market value of the investment.



**Advisory Service in Disasters.** We have computer internet access to your brokerage account, and in the event one of our offices is disrupted, our principal Mr. Jorgensen can move to another location to manage your account. This mobility gives us flexibility to continue our daily monitoring of your account even if one of our business locations is affected by a natural disaster or other disruption.

**Personal Incapacity of Mr. Jorgensen.** Seahorse Advisers is the personal investment practice of Mr. Jorgensen. We have employees able to manage our office and communicate with your broker-custodian, but the selection of investments in your portfolios reflects with unique individual judgment and philosophy of Mr. Jorgensen, and is his personal advice and service to you. In the event of Mr. Jorgensen's sudden death or incapacity, that personal advice would no longer be possible. In such an event, our office, and our legal counsel, will notify you, and will recommend that you retain new investment counsel or manage your investments yourself. The portfolio Mr. Jorgensen selects for you will likely contain individual stocks, real estate trusts, publicly traded limited partnerships and exchange traded funds whose management requires specialized knowledge and research. In the event you elect to manage your investments yourself, we recommend that you liquidate the individual positions selected by Mr. Jorgensen and instead invest in widely held and well-known funds such as the Vanguard S&P500 fund or other well-known broad market funds available to you.

**Thank you** for your long standing retainer of Seahorse Advisers as your investment adviser and we hope that these business continuity policies give you assurance that your accounts will operate properly and with full record keeping in the event of disasters or other disruptions that we cannot predict, but must prepare for.