

## **ITEM 1 – Cover Page**

### **Investment Adviser Brochure**

**Community Capital Management, Inc.**

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**March 23, 2018**

This brochure provides information about the qualifications and business practices of Community Capital Management, Inc. If you have any questions about the contents of this brochure, please contact us at (877) 272-1977 or [agreenspan@ccminvests.com](mailto:agreenspan@ccminvests.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 Community Capital Management, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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

## **ITEM 2. Material Changes**

This page discusses only the material changes to this brochure since the last update on June 30, 2017. Those changes include:

- Update Assets Under Management as of December 31, 2017
- Addition of additional Registered Funds under management
- Update description of fixed income and equity impact strategy
- Refine noted risks associated with fixed income and equity impact strategies
- Addition of language regarding new Fixed Income and Equity Sub-Committee structures associated with the Investment Management & Trading Committee
- Addition of language regarding third party transaction monitoring
- Update soft dollar language to reflect current practices
- Disclosure of receipt of 12b-1 compensation
- Addition of language regarding securities' legal actions policies

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## ITEM 4. Advisory Business

Community Capital Management, Inc. (“CCM”) was founded in 1998. The principal owners of CCM are Todd Cohen, Chief Executive Officer, Chief Investment Officer and Director, the Patricia R. Cohen Irrevocable Trust and John Scott Cooper.

CCM is an institutional investment adviser providing investment supervisory services on a discretionary or non-discretionary basis. Investment management is guided by the objectives articulated by the client (*i.e.*, preservation of capital, growth, income, growth and income). CCM also provides investment supervisory services on a discretionary basis to The Community Capital Trust and the Quaker Investment Trust (the “Registered Trusts”) series trusts including, respectively, The Community Reinvestment Act Qualified Investment Fund and the CCM Alternative Income Fund, the Quaker Strategic Growth Fund, the Quaker Global Tactical Fund, the Quaker Small Cap Value Fund and the Mid-Cap Value Fund (the “Registered Funds”), all open-end management investment companies and the CCM Economic Development Bond Fund LLC, The New York State Series (the “Private Fund”), a pooled investment vehicle sponsored and advised by CCM which is not registered under the Securities Act of 1933, as amended (the “Securities Act”), or the Investment Company Act of 1940, as amended (the “Investment Company Act”). The Private Fund is exempt from registration under the Investment Company Act by virtue of Section 3(c)(1). Accordingly, interests in the Private Fund are offered and sold exclusively through the means of a private placement memorandum to investors satisfying the applicable eligibility and suitability requirements. CCM is the sole managing member of the Private Fund.

CCM engages in the following strategies, described in greater detail in Item 8 below:

- Fixed Income Impact Strategy
- Equity Impact Strategy

As of December 31, 2017, CCM managed 15 accounts for 15 Clients on a discretionary basis with an approximate value of \$ 2,484,398,025.

## ITEM 5. Fees and Compensation

CCM’s fixed income impact strategy annual fees are payable monthly in arrears based upon the calendar quarter market value either as provided by the pricing agencies utilized by CCM or by the custodian when mandated by contract according to the following standard schedule:

<u>Assets under Management</u>	<u>Annual Fee as a Percentage of Assets</u>
First \$25,000,000	0.40%
Next \$25,000,000	0.30%
Next \$50,000,000	0.25%
Balance	0.20%

Currently the Equity strategy is only managed as part of registered funds and does not have a separate fee schedule. See each fund's prospectus and SAI for associated fee information.

CCM may negotiate fees. Fees for separate accounts are charged according to the above schedule. To the extent that a client's assets are invested in mutual funds, including ETFs, the client will indirectly incur any investment management fees that are charged to the mutual funds by their investment managers. Separate account assets are not invested in any funds managed by CCM.

For the Registered Funds, fees are computed daily and paid monthly and are calculated at annual rates based on the average daily net asset value of the Registered Funds. Currently, CCM is not paid investment advisory fees in advance of services. Generally, a client may terminate an investment advisory agreement at any time on written notice and CCM may terminate the agreement after thirty days' written notice. CCM or the Registered Funds may terminate the investment advisory agreement on 60 days' written notice to the other party.

Investors in the Private Fund should refer to the offering documents for additional/supplementary information regarding the various fees and charges associated with investments in the Private Fund. Separate accounts may have fees deducted or billed at the client's discretion.

From time to time, CCM will provide non-investment-related advice and education with regard to the implications of the Community Reinvestment Act of 1977. CCM has a special servicing agreement with respect to a particular share class (CRA Shares) of The Community Reinvestment Act Qualified Investment Fund whereby it charges an additional fee for this type of advice and education.

In addition to CCM's fees discussed above, clients may incur transaction costs. See the section titled "Brokerage Practices" below.

## **ITEM 6. Performance-Based Fees and Side-By-Side Management**

CCM does not receive performance-based fees.

## **ITEM 7. Types of Clients**

CCM provides investment supervisory services to financial advisors, banks or thrift institutions, investment companies, pooled investment vehicles, pension and profit sharing plans, trusts, estates or charitable organizations and corporations or other business entities.

CCM requires a minimum investment of \$10,000,000 for a separate account, which may be waived in certain circumstances. Information regarding minimum investment requirements for the Private Fund is described within the offering documents.

## **ITEM 8. Methods of Analysis, Investment Strategies and Risk of Loss**

### **METHODS OF ANALYSIS**

**IMPACT INVESTING:** CCM's mission is to deliver superior risk-adjusted returns through investment strategies that contribute to positive environmental and societal outcomes. CCM utilizes a research process that combines an impact research with financial analysis to provide clients an added layer of investment transparency. Clients may receive detailed impact reports for impact investments held in their portfolio.

CCM can customize an impact portfolio utilizing the variety of approaches and instruments outlined below. Separate account clients may restrict investments based on their specific investments and goals, subject to CCM's ability to effectively manage the portfolio.

### **INVESTMENT STRATEGIES**

**Fixed Income Impact Strategy:** CCM primarily manages fixed-income *impact investing* portfolios for which CCM incorporates a thematic and geographic approach. The focus is on capital preservation, current income, diversification, volatility control, total return, and risk minimization. We provide impact investing solutions coupled with hands-on client services to a broad range of investors through fossil fuel free fixed income strategies. We report to clients on the multiple positive-based outcomes of their investments and offer institutional clients the opportunity to customize their bond portfolios by geographies or impact themes.

The first step in the fixed income security selection process is to identify investments typically in one of the following sectors: multifamily mortgage-backed securities; single family mortgage-backed securities; taxable municipal bonds; and Small Business Administration (SBA) pools and loans. The next step is to analyze the use of investment proceeds by evaluating the positive community and environmental impact and determine if there are any geographic targeting or thematic targeting needs. The third step is to conduct credit rating assessment and verification procedures by doing independent research on taxable municipal bonds and prepayment analysis on agency mortgage-backed securities. Then the security's fundamental impact on the portfolio is analyzed. Finally, the security may be purchased after determining its fair value based on quantitative financial data. In order to manage duration risk, a portfolio may be hedged with US Treasury Futures and may seek to create a low beta and low volatility income stream derived from security selection.

**Equity Impact Strategy:** CCM manages equity impact strategies that may include the following security types: common stock, ETFs, closed end funds, master limited partnerships (MLPs), real estate investment trusts (REITs) and preferred stock, foreign securities, American Depositary Receipts (ADRs) and futures.

Portfolios may be comprised of:

- companies that pay dividends or are expecting an imminent dividend, potentially hedged with index and single name short positions;
- stocks of companies that exhibit attractive fundamental valuation measures such as price-to-earnings or price-to-book ratios, typically considered out of favor by the market as a result of decelerating revenue growth, declining profit margins and increasing competition;
- companies CCM believes will provide a higher total return than that of the index without regard to market capitalization; or
- companies with market capitalizations similar to the market capitalizations of companies included in the Russell 2000® Index and Russell 2500® Index. CCM may invest in companies considered to have consistent earnings and above-average core assets, selling at relatively low market valuations, with attractive growth and momentum characteristics.

CCM uses a combination of third party and in-house research to determine where potential holdings fall in the following four-part segmentation:

1. Contains **positive impact** attributes – *eligible for investment*
  - Equities, Preferreds, and Corporate Debt: Revenue > 50% from impact themes;
  - Financial institution instruments: for entities with outstanding or satisfactory CRA ratings
2. Has specific **impact** characteristics – *eligible for investment*
  - Analysis of established third-party research incorporating various impact/ESG scores and factors
  - Net Benefit to Society
    - Less than 50% of revenue comes from positive impact themes but other positive policies and procedures
3. Maintains **neutral** posture toward ESG risk – *eligible for investment*
  - Potential to reach impact status in the future
  - Possibility of incremental changes in corporate behavior in response to future shareholder resolutions
  - Does not violate any negative restrictions
4. Has excessive ESG related risk – *excluded from investment universe as not eligible for investment*
  - Fossil fuel exploration and production; any activity related to coal
  - Tobacco, chemical manufacturing, weapons, prison management

- Regulatory issues, discriminatory labor practices, safety issues, poor CRA ratings
- Companies with a material involvement (over 30% of revenue) in: gaming, oil transportation & storage, fuel generation from fossil fuels, and junk food

## RISK OF LOSS

Noteworthy portfolio risks include the following:

### FIXED INCOME RISKS:

- *Interest Rate Risk.* Generally, the prices of fixed-income debt securities tend to move in the opposite direction of interest rates. When rates are rising, the prices of debt securities tend to fall. When rates are falling, the prices of debt securities tend to rise.
- *Credit Risk.* The value of debt securities also depends on the ability of issuers to make principal and interest payments. If an issuer cannot meet its payment obligations or if its credit rating is lowered, the value of its debt securities will fall. The ability of a state or local government issuer to make payments can be affected by many factors, including economic conditions, the flow of tax revenues and changes in the level of federal, state or local aid. Some municipal obligations are payable only from limited revenue sources or private entities.
- *Prepayment Risk.* Prepayments of principal on mortgage-backed securities may tend to increase due to refinancing of mortgages as interest rates decline. When this occurs, the portfolios may lose a portion of its principal investment to the extent the portfolio paid any premium for a security. In addition, the portfolio's yield may be affected by reinvestment of prepayments at lower rates than the original investment. The portfolio may sell securities that it has held for less than one year. When it does so, the portfolio may realize short-term capital gains, which are taxed at higher rates than long-term capital gains.
- *Futures Risk.* Futures contracts, swaps and certain other derivatives provide the economic effect of financial leverage by creating additional investment exposure, as well as the potential for greater loss. If the strategy uses leverage through activities such as borrowing, entering into short sales, purchasing securities on margin or on a "when-issued" basis or purchasing derivative instruments in an effort to increase its returns, it has the risk of magnified capital losses that occur when losses affect an asset base, enlarged by borrowings or the creation of liabilities. Leverage may involve the creation of a liability that requires the portfolio to pay interest.
- *Commodities Risk.* Exposure to the commodities markets may subject the strategies to greater volatility than investments in traditional securities. The value of commodity-linked derivative investments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or sectors affecting a particular industry or commodity.



- *Liquidity in Financial Markets.* The financial markets in the United States and elsewhere may experience a variety of difficulties and changed economic conditions over time. Reduced liquidity in equity, credit and fixed-income markets may adversely affect many issuers worldwide. This reduced liquidity also may result in more difficulty in obtaining financing by issuers. In addition, these conditions could lead to reduced demand for the securities in which CCM invests, which may in turn decrease the value of managed assets. Because the securities held by CCM are marked to market and fluctuate in value based on supply and demand, reduced liquidity in the markets for certain securities could depress the value of the assets managed by CCM to less than their intrinsic value and may also make it difficult for the security or instrument to be valued.

#### EQUITY RISKS:

- *Market Risk.* Common stocks are subject to greater fluctuations in market value than other asset classes as a result of such factors as a company's business performance, investor perceptions, stock market trends and general economic conditions.
- *Liquidity in Financial Markets.* The financial markets in the United States and elsewhere may experience a variety of difficulties and changed economic conditions over time. Reduced liquidity in equity, credit and fixed-income markets may adversely affect many issuers worldwide. This reduced liquidity also may result in more difficulty in transacting in the securities in which CCM invests, which may in turn decrease the value of managed assets.
- *Exchange-Traded Product (ETP) Risk.* Exchange-Traded Funds (ETFs) and Notes (ETNs) (jointly, ETPs) track the performance of a particular market index but do not represent ownership in a pool of securities. ETNs have a stated maturity date but pay no periodic coupon interest and offer no principal protection. ETN investors receive cash payments linked to the performance of the particular market index (less any fees) upon maturity. The value of an ETN is subject to the credit risk of the issuer. There may not be an active trading market available for some ETPs. In addition, trading of ETPs may be halted or de-listed.
- *Currency Risk.* Changes in currency exchange rates may negatively affect securities denominated in, and/or receiving revenues in, foreign currencies. The risk that investing in foreign (non-U.S.) securities may result in more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies, due to less liquid markets and adverse economic, political, diplomatic, financial, and regulatory factors. Foreign governments also may impose limits on investment and repatriation and impose taxes.
- *Derivative Risk.* Options trading is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary securities transactions. The value of options can be highly volatile, and their use can result in loss if the advisor is

incorrect in its expectation of price fluctuations. The successful use of options for hedging purposes also depends in part on the ability of the advisor to predict future price fluctuations and the degree of correlation between the options and securities markets. Unlisted options are not subject to the protections afforded purchasers of listed options by the Options Clearing Corporation, which performs the obligations of its members that fail to perform them in connection with the purchase or sale of options.

- *Stock Class Risk.* Preferred stocks are securities that represent an ownership interest providing the holder with claims on the issuer's earnings and assets before common stock owners but after bond holders. Unlike most debt securities, the obligations of an issuer of preferred stock, including dividend and other payment obligations, typically may not be accelerated by the holders of such preferred stock on the occurrence of an event of default or other non-compliance by the issuer of the preferred stock.
- *Short Position Risk.* Short sales expose a portfolio to the risk that it will be required to buy the security sold short (also known as "covering" the short position) at a time when the security has appreciated in value, thus resulting in a loss to a portfolio. The amount a portfolio could lose on a short sale is theoretically unlimited (as compared to a long position, where the maximum loss is the amount invested).
- *Hedging Risk:* The success of the any hedging strategy is subject to the investment adviser's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of a hedging strategy will also be subject to the investment adviser's ability to continually recalculate, readjust, and execute hedges in an efficient and timely manner. In addition, it is not possible to hedge fully or perfectly against any risk, and hedging entails its own costs.
- *Leverage Risk:* CCM may make investments in futures contracts, swaps and other derivative instruments. The futures contracts, swaps and certain other derivatives provide the economic effect of financial leverage by creating additional investment exposure, as well as the potential for greater loss. If CCM uses leverage through activities such as borrowing, entering into short sales, purchasing securities on margin or on a "when-issued" basis or purchasing derivative instruments in an effort to increase its returns, there is the risk of magnified capital losses that occur when losses affect an asset base, enlarged by borrowings or the creation of liabilities, that exceeds the assets of the portfolio. The asset value of the portfolio employing leverage will be more volatile and sensitive to market movements. Leverage may involve the creation of a liability that requires the portfolio to pay interest.

All investment portfolios are affected by changes in the economy and swings in investment markets. Investing in securities involves a risk of loss that clients should be prepared to bear.

It is CCM's policy to ensure the proper valuation of all securities purchased and held for the benefit of its clients. In general, when the market value of a security is readily available, CCM shall rely on pricing services to determine the value of securities. In this connection, CCM is authorized to engage the services of one or more qualified independent pricing services to value securities. Differing pricing services for each type of security may be selected. When market value is not readily available, the value obtained is deemed to be unreliable, or there is a significant event affecting the value of a security, the "fair value" of a security is determined by the Investment Management & Trading Committee, taking into account various factors as recommended by applicable regulatory authorities, including the SEC, and the Valuation Committee.

The Valuation Committee shall be responsible for procedural oversight of the actions of the Investment Management & Trading Committee with respect to the pricing of securities. The fair value of a security may differ from its actual sales price at the time of sale.

### **ITEM 9. Disciplinary Information**

There are no material legal or disciplinary events.

### **ITEM 10. Other Financial Industry Activities and Affiliations**

CCM has engaged Foreside Fund Services LLC to carry registered representative or principal licenses of those supervised persons of CCM who will service or assist in the offering of the shares of a Registered or Private Fund. Currently there are 14 CCM supervised persons who are Registered Representatives with Foreside Fund Services. CCM serves as the investment adviser to the Registered Funds, which are registered investment management companies. Stefanie Jane Little is CCM's Chief Compliance Officer. Ms. Little is a lawyer and is the President of Little Consulting Group, Inc. ("LCG"), a compliance consulting firm located in Elkton, Maryland. Ms. Little is also Managing Member of LCG's majority-owned subsidiary, SEC Compliance Alliance LLC ("SECCA"), also a compliance consulting firm based in Elkton, Maryland and its subsidiary, Chenery Compliance Group LLC ("CCG"). CCM and the Trusts have entered into Compliance Services Agreements with LCG pursuant to which compliance services are performed, including the designation of Ms. Little as CCM's Chief Compliance Officer as well as the Chief Compliance Officer for the Community Capital Trust.

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

CCM and its supervised persons owe a fiduciary duty that client interests be placed ahead of personal or business interests. In an effort to ensure that CCM develops and maintains a reputation for integrity and high ethical standards it has adopted a Code of Ethics that establishes the standard of business conduct that all employees must follow. The Code of Ethics addresses personal trading and investments by access persons. Specifically, before transacting in any securities (other than those considered exempt pursuant to SEC guidance), access persons must obtain pre-clearance.

Absent extraordinary circumstances, pre-clearance is denied in instances where there is trading within client accounts in the same issuer on the same day. In addition, pre-clearance is required for any private placements or initial public offerings to ensure that opportunities of limited availability are first afforded to clients where appropriate. Access persons are required to acknowledge at hire and annually thereafter that they have received, read and understood the Code of Ethics and that they agree to comply with it in all respects. Additionally, access persons submit a report of their personal transactions on a quarterly basis and arrange for electronic feeds of their personal trading holdings and transactions to be submitted to CCM's personal trading database. A copy of the Code of Ethics is available to any client or prospective client upon request.

CCM may solicit advisory clients to invest in its Private Funds.

## **ITEM 12. Brokerage Practices**

CCM's Chief Investment Officer oversees the determinations of the Investment Management and Trading Committee which is responsible for the oversight of brokerage practices, among other functions described in this document.

CCM requests that discretionary clients provide it with written authorization to determine which securities are bought or sold and the amounts thereof as well as the broker or dealer to be utilized. CCM will select those brokers or dealers that will provide the best price and execution under the circumstances. Best price is normally an important factor in this decision, but the selection also takes into account the quality of brokerage services, including such factors as acting as originator, underwriter or market maker for relevant issues; quality of overall execution services provided by the broker-dealer; commission and transaction fees charged by the broker-dealer; promptness of execution; creditworthiness and business reputation of the broker-dealer; research (if any) provided by the broker-dealer; promptness and accuracy of oral, hard copy or electronic reports of execution; ability and willingness to correct errors; promptness and accuracy of confirmation statements; ability to access various market centers; the broker-dealer's facilities, including any software or hardware provided to CCM; any expertise the broker-dealer may have in executing trades for the particular type of security; reliability of the broker-dealer; if applicable, the ability of the broker-dealer to use electronic trading networks to gain liquidity, price improvement, lower commission rates and anonymity; and review of financial reports of the broker-dealer. Accordingly, transactions may not always be executed at the lowest available price or commission. Typically, commissions are not generated on fixed income transactions and transaction costs are built into the execution price. CCM has engaged a third-party execution monitoring firm to ensure that it continuously assess its execution quality against industry metrics. Transaction cost reporting is reviewed on at least a quarterly basis by the Investment Management and Trading Committee.

CCM may execute trades with broker-dealers who provide research or brokerage services to it at no direct cost (also called "soft dollar" benefits), and the receipt of such services may be a factor in CCM's decision to use a particular broker-dealer. As a result, it may pay a broker-dealer who provides such brokerage and research services a higher commission than another broker-dealer

might have charged for effecting the same securities transaction. When CCM uses client brokerage commissions to obtain such services, it receives a benefit because it does not have to pay for the services. Accordingly, CCM may have an incentive to select or recommend a broker-dealer based on the services that they provide rather than the client's best interest.

To address this conflict, CCM has adopted policies and procedures for using soft dollars, which require CCM to determine, among other things, that:

- Client commissions are only used to obtain "research" and "brokerage" services that are eligible under the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)");
- The primary use of the service directly assists CCM in its investment decision-making process; and
- The commissions paid are reasonable in relation to the value of the service provided.

Additionally, to ensure that CCM continues to receive best execution for trades where it also receives soft dollar benefits, all trades are reviewed on a regular basis. CCM monitors trading costs by, among other things, using analytics obtained by a leading third-party best execution service provider. The Investment Management & Trading Committee reviews the results in these reports on a quarterly basis, looking specifically at different measures of trading performance for all of the brokers used.

The services that we currently receive as soft dollar benefits include research services and educational seminars, statistical services, data on trading conditions and markets, quotation equipment and services, computer software used for arraying and processing research data, and portfolio evaluation services. Some of the services may benefit clients as a whole, while others may benefit a specific segment of clients. CCM does not attempt to match a particular client's trade executions with the broker-dealers who have provided research services of direct benefit to that client's portfolio.

Generally, research services provided by broker-dealers may include information on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, secondary-pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis, and analysis of corporate responsibility issues. Such research services are received primarily in the form of access to various computer-generated data, and computer software. In addition, such research services may be provided in the form of electronic and hard-copy written reports and raw data, telephone contacts, and meetings with security analysts, corporate and industry spokespersons, economists, academicians, and government representatives. In some cases, research services generated by third parties could be provided to CCM by or through broker-dealers.

In some instances, only a portion of a service received will be used for investment decision making purposes. In other words, only part of the service received may be eligible as a soft dollar benefit. The other non-eligible portion, which may be used for marketing or administrative purposes, will be paid for by CCM. When CCM acquires such a mixed-use service, it generally conducts an assessment to determine the level of research or brokerage assistance versus the level of marketing or administrative assistance that the service provides. With this information, CCM is able to make a reasonable determination of the percentage of the service that will be paid with client commissions and the percentage that will be paid for by CCM.

CCM's fiduciary duty to clients is especially evident when it comes to correcting errors made in placing trades for clients. A trade error is considered to have occurred if the order executed for a client materially differs from the trade instructions for that client (for reasons other than customary allocation of unfilled or partially filled orders). It is CCM's policy that when correcting a trading error, the client may not be disadvantaged, therefore they must be made "whole."

CCM is authorized to purchase or sell securities between client accounts ("cross transaction") in accordance with applicable law. Clients are notified and provided with the transaction details in the event their account is either the purchaser or seller in a cross transaction on a quarterly basis. Upon written notice to CCM, clients may revoke their consent to cross transactions at any time. Generally, CCM will engage in cross trades when securities that are no longer warranted within one portfolio would benefit another client, thus reducing trading costs for both sides of the transactions.

CCM from time to time may purchase securities with a forward settlement date, including most mortgage backed securities. These securities may not have a recognizable CUSIP or pool number and may not be reflected in a client's portfolio by its custodian until the settlement date. The securities are reflected within CCM's records which are based upon trade-date accounting principles. These forward settling securities may require the provision of collateral, usually in the form of margining.

On occasion, a security may be purchased for multiple accounts with the order for said security aggregating the accounts into a single trade. Such trades are generally allocated on a pro rata basis, unless circumstances (e.g. a partially filled order) warrant a different approach. Allocations on a basis other than pro rata are performed as required in CCM's compliance manual. These activities are overseen by the Investment Management and Trading Committee and the Chief Investment Officer.

At this time, CCM does not accept brokerage direction from advisory clients.

### **ITEM 13. Review of Accounts**

Accounts are monitored by the Investment Management and Trading Committee and its associated sub-committees (IMTC-FI for fixed income and IMTC-EQ for equities) on a monthly basis. Todd Cohen, Chief Executive Officer and Chief Investment Officer, has oversight of the Investment

Management & Trading Committee and associated Sub-Committees. The members of the Investment Management & Trading Committee are as follows:

<b>Name</b>	<b>Title</b>	<b>Sub-Committee Membership</b>
Elliot Gilfarb	Portfolio Manager	IMTC-FI & IMTC-EQ
David Sand	Chief Impact Strategist	IMTC-FI & IMTC-EQ
Kristin Fafard	Chief Investment Strategist	IMTC-FI
Julie Egan	Portfolio Manager	IMTC-FI
Andy Kaufman	Portfolio Manager	IMTC-FI
Cayce Shawn	Trader	IMTC-FI
Andrew Cowen	Portfolio Manager	IMTC-EQ
Alyssa Greenspan	President & Chief Operating Officer	IMTC-EQ
Tom Lott	Portfolio Manager	IMTC-EQ

Portfolio valuations, portfolio holdings, portfolio changes and reports on investment policies are provided in writing at least quarterly and more frequently if requested by client.

#### **ITEMS 14. Client Referrals and Other Compensation**

CCM may enter into written agreements with unaffiliated solicitors. Solicitors of governmental plans must be registered as an Investment Adviser Representative in order to do business with CCM. CCM will generally pay the solicitor a percentage of all fees received by CCM from an investment advisory client for a period of twelve quarters following the date that the client retained CCM assuming that such retention occurred during the term of the agreement between CCM and the solicitor. Such payment will not reduce the amount invested by a solicited investor. Solicitors are required to provide prospective investors with disclosures describing the relationship between CCM and the solicitor.

CCM is also reimbursed for its marketing efforts made on behalf of the Registered Funds under the 12b-1 Plans for each Trust.

#### **ITEM 15. Custody**

U. S. Bank and Trust Company serves as the custodian to both the Registered Funds and the Private Fund. All other clients designate their own custodian and set up their own custodial accounts. Custodians supply quarterly statements. Clients should carefully review those statements and compare them with account statements sent by CCM. Differences may arise on account of

variation in the pricing sources as well as differences in accounting (trade date versus settlement date) utilized by the custodians and CCM.

Due to its role as sole managing member of the Private Fund, CCM is considered to have constructive custody of the assets of the Private Fund. The Private Fund is audited annually and financial statements are distributed to investors within 120 days of its fiscal year end.

### **ITEM 16. Investment Discretion**

CCM accepts discretionary authority to manage securities accounts on behalf of clients and requests that discretionary clients provide it with written authorization to determine which securities are bought or sold. Clients may impose guidelines or restrictions on this authority, subject to CCM's ability to effectively manage the portfolio. Management of an account is contingent on the receipt of an executed investment management agreement and corporate resolution, trust agreement, or other documentation indicating authorized signatories.

### **ITEM 17. Voting Client Securities**

CCM has established an Investment Management & Trading Committee with authority to supervise the implementation and administration of the proxy policy, among other functions.

For non-ERISA clients, CCM states in its Advisory Agreement whether or not it is responsible for voting proxies. If CCM undertakes to vote proxies, its fiduciary duty requires CCM to vote proxies in the best interest of its clients.

It is CCM's policy, where it has accepted responsibility to vote proxies on behalf of a particular client, to vote such proxies in the best interests of its clients and ensure that the vote is not the product of an actual or potential conflict of interest. For clients that are subject to ERISA, it is CCM's policy to follow the provisions of the plan's governing documents in the voting of plan securities, unless CCM determines that to do so would breach its fiduciary duties under ERISA. Additionally, with respect to securities held in either of the Registered Funds' or Private Fund's portfolio, CCM will vote proxies related to such securities in a manner that is consistent with the interests of the Registered Funds or Private Fund. CCM will comply with the Registered Fund's proxy policies if the Board of Trustees has adopted such policies. Clients may obtain a copy of CCM's proxy voting policies and procedures upon request.

Except for the Registered Funds, CCM will not take action or render advice involving legal action on behalf of Client with respect to securities or other investments held in Client's account or the issuers thereof, which become the subject of legal notices or proceedings, including securities class actions and bankruptcies.

### **ITEM 18. Financial Information**

CCM does not require or solicit prepayments of more than \$1,200 in fees per client six months or more in advance.



There is no financial condition that is reasonably likely to impair CCM's ability to meet contractual commitments to clients.

CCM has not been the subject of a bankruptcy petition within the past 10 years.