

# **TERRA GLOBAL ASSET MANAGEMENT LLC**

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This Brochure provides information about the qualifications and business practices of Terra Global Asset Management LLC. If you have any questions about the contents of this Brochure, please contact us at telephone number (914) 471-7119 and/or by email at [rengifo@ucholding.com](mailto:rengifo@ucholding.com).

The information in this Brochure has not been approved or verified by any state or federal securities authority.

Registration of an investment adviser does not imply any level of skill or training. The oral and written communications received from an adviser provide you with information about which to utilize in determining to hire or retain an investment adviser.

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

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## Item 2 – Material Changes

This Brochure provides information about the qualifications and business practices of Terra Global Asset Management LLC referred to as (“TGAM” or the “Adviser,” or “we,” or “us,” or “our”). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. You will receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year, which is December 31 of each year. We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Currently, our Brochure may be requested by contacting us at phone number (914) 471-7119 and/or by email at [rengifo@ucholding.com](mailto:rengifo@ucholding.com).

Additional information about TGAM is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with the Adviser who are registered, or are required to be registered, as Investment Adviser Representatives (“IARs”) of TGAM.

TGAM will further provide you with a new Brochure, as necessary, based on changes or new information at any time without charge. Since the last submission of TGAM’s Brochure in May 2019, the following material change took place:

- ***Direct Ownership:***

TGAM is directly owned by Terra Global Capital LLC (80%) and Erick W. Rengifo (20%).

## Item 4 – Advisory Services

### General

TGAM is a limited liability company organized in the State of New York and registered to conduct business as a Registered Investment Adviser. TGAM is directly owned by Terra Global Capital LLC and Erick W. Rengifo. Terra Global Capital LLC is in turn owned by Intellectual International Capital LLC and Global Network of Business Consultants Inc, which are ultimately owned by Jiaming Li and Erick W. Rengifo Minaya respectively.

### Description of Advisory Services

TGAM provides asset management, financial advice to individuals, institutions and corporations. TGAM’s investment advisory services are provided through various types of discretionary and non-discretionary accounts (the “Accounts”) in accordance with each client’s investment objectives and pursuant to the terms outlined in TGAM’s investment advisory agreement. The Adviser’s discretionary and non-discretionary investment management services include the design, structure, and implementation of various personalized investment strategies for managed Accounts. Investment activities focus on investments in various kinds of assets and securities in a variety of markets that is intended to fit within the client’s objectives, strategies and risk profile as described by each client.

TGAM generally seeks to invest client assets within several asset classes, including but not limited to equity, fixed income, derivatives (future and options) and foreign exchange. The strategies developed by Adviser range from low, middle or high frequency. A low frequency strategy is based on fundamentals and several technical indicators monitored closely by TGAM. A middle or daily frequency involves taking a position at the beginning of the trading day and close it whenever certain profitability benchmark is achieved or at the end of the same trading day. A high frequency strategy is achieved by taking multiple positions during any given day.

The overall advisory services offered by TGAM fall within the following categories:

➤ ***Customized Discretionary Portfolios***

Adviser offers discretionary separately managed Accounts that are customized to each client. Managed Accounts may focus on investments in specified and limited kinds of assets and securities, in limited markets, or they may be broad-based across many asset classes and markets. Such accounts are intended to fit within the investor's objectives, strategies and risk profile as described by each client. The strategies utilized for these customized accounts may be similar to or may vary widely from the core strategies typically utilized by the Adviser, as further described in Item No. 8 or customized for each client based upon varying factors. Clients may place targets on these accounts and may restrict the types of investments made in such accounts.

TGAM tailors investment advisory services to the individual needs of the client. The goals and objectives for each client are documented via new account documentation. Client Profiles are created that reflect the stated goals and objective. TGAM's clients are allowed to impose restrictions on the investments in their account. All limitations and restrictions placed on accounts must be presented to TGAM in writing.

➤ ***Other Non-Discretionary Advisory Services***

Adviser provides non-discretionary advisory services to all types of clients in accordance with a non-discretionary advisory agreement between Adviser and the client. Each agreement typically defines the services to be provided and if a fee is charged, the fees will also be agreed to in the advisory agreement. Adviser also provides recommendations and research regarding the investment of securities and cash in a client's account. These services are individually tailored to each client's needs and such advice may be provided to accounts with assets maintained at various third parties.

➤ ***Selection of Other Advisers (Third Party Managers)***

Based upon the stated investment objectives of the client, the Adviser may recommend to certain clients that they authorize the active discretionary management of all or a portion of their assets by certain investment advisers/managers that are not affiliated with Adviser. Prior to selecting a third-party manager ("TPM") for a client, TGAM conducts due diligence concerning the manager through assessing overall credentials, performance, as well as engaging the assistance of independent third-party institutions where deemed applicable. Adviser shall continue to render services to the client and, in addition, monitor and review the performance of the third-party manager and the performance of the client's accounts that are being managed accordingly. TGAM may recommend changing managers based on client's needs and financial and investment profile.

In order to assist clients identifying and selecting an appropriate TPM, the Adviser will typically gather information about each client's financial situation, investment objectives, as well as any limits or restrictions considered for the management of account. TGAM is not involved in providing advisory services for accounts managed by third party managers and as such does not offer any advice or recommendation nor is responsible for implementing any investment strategy or placing orders once determined by the client and selected third party money manager.

➤ ***Educational Seminars/ Workshops***

TGAM may provide seminars on an "as announced" basis for groups seeking general advice on investments and other areas of personal finance. The content of these seminars will vary depending upon the needs of the attendees. These seminars are purely educational in nature and do not involve the sale of any investment product. Information presented will not be based on any individual's personal need, nor does TGAM provide individualized investment advice to attendees during these seminars.

➤ ***Other Services***

Adviser may provide additional services for clients from time to time as agreed between the client and the Adviser.

**Regulatory Assets Under Management**

As of May 1st, 2019, TGAM maintained approximately \$31,550,000 in regulatory assets under management on a discretionary basis.

**Additional General Information**

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) may be recommended to clients or engaged directly by the client on an as-needed basis. Conflicts of interest related to recommendations of other professionals will be disclosed to the client in the event they should occur.

TGAM investment advisory agreements may not be assigned without client consent.

TGAM does not currently participate in any Wrap Fee Programs.

**Item 5 – Fees and Compensation**

**Basic fee schedule:**

The specific manner in which fees are charged by Adviser is established in each client's written agreement with Adviser. At times, management fees may be flat or fixed upon negotiation. However, generally and pursuant to contract, fees for the management of Accounts will be based upon a percentage of the total assets in the account (including margined assets). Adviser typically receives an annual management fee,

between 0.30% and 1.00% of the net asset value of the Account. All fees are negotiable. Adviser may enter into flat fee arrangements from time to time, typically for administrative services provided to clients.

Basic Management Fee Schedule	
Account Value	Fee Percentage
Under \$4,999,999	1.00%
\$5,000,000 to \$9,999,999	.75%
\$10,000,000 to \$14,999,999	.50%
Over \$15,000,000	.30%

### **Calculation and Deduction of Advisory Fees**

With respect to accounts that Adviser manages on a discretionary basis, clients are generally required to authorize Adviser to directly debit management fees from client accounts on a quarterly basis. Management fees are deducted or billed, as applicable, on a quarterly basis in arrears. The Adviser may from time-to-time bill fees in advance as negotiated with each individual client.

A client may pay more or less fees than similar clients depending on the investment complexity and particular circumstances of the client, size, additional or differing levels of servicing or as otherwise agreed with specific clients. Clients that negotiate fees, including a flat fee, may end up paying a higher fee than that set forth above as a result of fluctuations in the client's assets under management and account performance.

In the event the Adviser bills fees in advance, refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Fees that are collected in advance will be refunded based on the prorated amount of work completed up to the day of termination within the quarter terminated. The fee refunded will be the balance of the fees collected in advance minus the daily rate\* times the number of days in the quarter up to and including the day of termination. (\*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination quarter). Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

### **Third Party Manager - Advisory Fees**

In addition to a client's agreement with Adviser, a client will also enter into an agreement with a Third Party Manager. TGAM will assist in the evaluation and selection of a TPM in a manner consistent with your investment objectives. The TPM will typically exercise discretionary authority over the assets in accounts participating in TPM programs. TPM fees are individually negotiated and are based on assets under management, while also varying by each program type. Each client of Adviser is provided with a breakdown of the specific fees to be charged and the total fees for participation in the TPM prior to the account opening. TGAM will charge an advisory fee in addition to the fees charged by each TPM. The

total fees charged to you may not exceed 2.0%. TPMs generally pay TGAM a portion of the investment advisory fee that they charge for managing your account or you may pay an extra fee in addition to the standard fee collected by a Third Party Manager. Such fees are ongoing in nature and are subject to the billing processes of each Third Party Manager.

### **Educational Seminars**

Seminars are offered to organizations and the public on a variety of financial topics. Fees range from free to \$2,500 per seminar or free to \$200 per participant. Half of the fees are due prior to the engagement, and the other half are to be paid the day of, no later than the conclusion of the Seminar. The fee range is based on the content, amount of research conducted, number of hours of preparation needed, and the number of attendees. In the event of inclement weather or a flight cancellation, the Speaker shall make all reasonable attempts to make alternative travel arrangements to arrive in time for the presentation. If travel proves impossible, or the event is otherwise cancelled, the Speaker's fee is waived, but the Client will still be responsible for reimbursement of any non-refundable travel expenses already incurred.

In the event that the Client decides to cancel or change the date of the event for any reason besides weather or similar unforeseen causes, the Client will still be responsible for reimbursement of any nonrefundable travel expenses already incurred, and will provide payment for 50 percent of the Speaker's fee if the cancellation occurs within 30 days of the event. In the event that the Speaker must cancel due to health or similar unforeseen circumstances, the Speaker will make all attempts to find a reasonable alternative engagement date and will absorb any incremental additional costs for obtaining alternative travel arrangements. If an alternative date cannot be obtained, the Client will not be responsible for any travel costs already incurred by the Speaker or any portion of the Speaker's fee

### **Additional Fee Information**

Clients may authorize the Adviser to directly debit management fees from client accounts on a quarterly basis. In such instances, management fees are prorated for each capital contribution and withdrawal made during the applicable calendar quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee.

Alternatively, in some instances, clients may receive an invoice for fees, in which it may choose to pay TGAM directly for its billed fees for the relevant period.

Adviser's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred directly by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged by fund managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic funds fees, and other fees and taxes on brokerage account and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. It is the Adviser's policy not to accept "kick-backs" or retrocession fees from any third non-affiliated party providing services to the Adviser's clients.

## **Termination of the Agreement**

Although an Agreement between TGAM and its clients is ongoing and constant adjustments are required, the length of service to the client is at the client's discretion. The client or the investment manager may terminate an Agreement by written notice to the other party with a (30) thirty – day advance notice or as agreed upon otherwise between the client and the Adviser.

If an agreement is terminated during a period in which the client has already paid TGAM its advisory fees in advance, then the Adviser will reimburse, on a pro-rated basis, the remaining advisory fees collected for any service not rendered; these fees will be sent to the client's address of record, unless otherwise directed by the client, within (30) days of termination of the agreement.

## **Item 6 - Performance-Based Fees and side-by-side management**

Adviser charges a management fee and in some cases may charge a performance fee. Adviser structures performance fee arrangements subject to Section 205(a)(1) of the Adviser's Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. Under the referenced exemption, registered investment advisers may charge clients performance fees if the client's net worth or assets under management by the adviser meet certain dollar thresholds. Investors who meet the net worth or asset threshold are deemed to be "qualified clients," able to bear the risks associated with performance fee arrangements. Any performance fee that TGAM charges is intended to comply with Rule 205-3 under the Adviser's Act.

TGAM performance fees would generally be between 5% to 20%. Performance fees are individually negotiated with each client and may be subject to a High Water Mark. Typically, the fee will be charged on a quarterly basis in arrears. The term "High Water Mark" shall mean that no performance fee will be paid for recoupment of losses. Thus, if the net asset value of the Account (excluding the performance fee) at the end of a calculation period falls below the net asset value at the end of any previous calculation period, no performance fee will be owed to the Adviser for the calculation period then ended. The Adviser will only be entitled to a further performance fee once the net asset value of the Account exceeds the highest net asset value of the Account for all previous calculation periods. The High Water Mark is adjusted for contributions to and withdrawals from the Account. Each client is provided with additional information on the fees payable by their Account, including with respect to the High Water Mark, if any, in their advisory agreement.

Performance based fee arrangements may create an incentive for Adviser to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Performance fee arrangements may also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. Adviser has procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients. The Adviser may have clients with similar investment objectives. The Adviser is permitted to make an investment decision on behalf of clients that differs from decisions made for, or advice given to, such other accounts and clients even though the investment objectives may be the same or similar, provided that the Adviser acts in good faith and follows a policy of allocating, over a period of time, investment opportunities on a basis intended



to be fair and equitable, taking into consideration the investment policies and investment restrictions to which such accounts and clients are subject.

## **Item 7 - Types of Clients**

TGAM provides asset and/or portfolio management services to high net worth individuals, individuals, corporations and institutions or other entities. The minimum dollar value for establishing an Account is generally \$1,000,000. Initial investments of a lesser amount may be accepted at Adviser's discretion.

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

### **Methods of Analysis**

TGAM uses the following methods of analysis in formulating our investment advice and/or managing client assets:

***Fundamental Analysis:*** The analysis of a business's financial statements (usually to analyze the business's assets, liabilities, and earnings), health, and its competitors and markets. When analyzing a stock, futures contract, or currency using fundamental analysis there are two basic approaches one can use: bottom up analysis and top down analysis. The terms are used to distinguish such analysis from other types of investment analysis, such as quantitative and technical. Fundamental analysis is performed on historical and present data, but with the goal of making financial forecasts. There are several possible objectives: (a) to conduct a company stock valuation and predict its probable price evolution; (b) to make a projection on its business performance; (c) to evaluate its management and make internal business decisions; (d) and/or to calculate its credit risk.; and (e) to find out the intrinsic value of the share.

When the objective of the analysis is to determine what stock to buy and at what price, there are two basic methodologies investors rely upon: (a) Fundamental analysis maintains that markets may misprice a security in the short run but that the "correct" price will eventually be reached. Profits can be made by purchasing the mispriced security and then waiting for the market to recognize its "mistake" and reprice the security.; and (b) Technical analysis maintains that all information is reflected already in the price of a security. Technical analysts analyze trends and believe that sentiment changes predate and predict trend changes. Investors' emotional responses to price movements lead to recognizable price chart patterns. Technical analysts also analyze historical trends to predict future price movement. Investors can use one or both of these different but complementary methods for stock picking. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

***Quantitative Analysis:*** The use of models, or algorithms, to evaluate assets for investment. The process usually consists of searching vast databases for patterns, such as correlations among liquid assets or price-movement patterns (trend following or mean reversion). The resulting strategies may involve high-frequency trading. The results of the analysis are taken into consideration in the decision to buy or sell securities and in the management of portfolio characteristics. A risk in using quantitative analysis is that the methods or models used may be based on assumptions that prove to be incorrect.

***Qualitative Analysis:*** A securities analysis that uses subjective judgment based on unquantifiable information, such as management expertise, industry cycles, strength of research and development, and labor relations. Qualitative analysis contrasts with quantitative analysis, which focuses on numbers that can be found on reports such as balance sheets. The two techniques, however, will often be used together in order to examine a company's operations and evaluate its potential as an investment opportunity. Qualitative analysis deals with intangible, inexact concerns that belong to the social and experiential realm rather than the mathematical one. This approach depends on the kind of intelligence that machines (currently) lack, since things like positive associations with a brand, management trustworthiness, customer satisfaction, competitive advantage and cultural shifts are difficult, arguably impossible, to capture with numerical inputs. A risk in using qualitative analysis is that subjective judgment may prove incorrect

### **General Investment Strategies**

Adviser develops and implements general macroeconomic analyses of economies, currencies, markets and market sectors. Adviser also has arrangements with third party service providers through which Adviser receives research reports on specific securities, sample asset allocations and administrative services. Adviser uses such information and services as a tool and Adviser also performs its own research and due diligence on advisers and investment opportunities. Adviser makes investment allocation decisions based on each client's investment objectives and risk tolerance, among other factors. Adviser identifies, structures, monitors, invests and liquidates investments in discretionary accounts. The design and day-to-day management of client portfolios is determined by Adviser through the assigned portfolio manager. Such third party service providers do not have access to or knowledge of information concerning the specific investment decisions and recommendations made to Adviser's clients.

Through Adviser's strategy, Adviser seeks asset preservation and capital appreciation of clients' portfolios by customizing asset allocations and selecting investment vehicles that it believes will align clients' risk / return expectations with long term and short term investment needs and goals. The asset class allocations forecasts and expectations are analyzed and invested in various financial instruments, typically include equity, fixed income, options and alternative investments. Adviser will select and monitor the investment vehicles for each asset class in the portfolios based on their history and prospective risk and return characteristics, and determine suitability for each client's needs, as well as, estimated fees and expense.

### **Material Risks for Significant Investment Strategies**

While it is the intention of Adviser to implement strategies which are designed to minimize potential losses suffered by its client, there can be no assurance that such strategies will be successful. It is possible that a client may lose a substantial proportion or all of its assets in connection with investment decisions made by Adviser. The following is a discussion of typical risks for Adviser's clients, but it does not purport to be a complete explanation of the risks involved with Adviser's investment strategies.

There is no guarantee that in any time period, particularly in the short term, a client's portfolio will achieve appreciation in terms of capital growth or that a client's investment objective will be met by Adviser.

The value of the securities in which Adviser invests on behalf of its clients may be volatile. Price movements may result from factors affecting individual companies, sectors or industries that may

influence certain strategies or the securities market as a whole. Furthermore, a client will be subject to the risk that inflation, economic recession, changes in the general level of interest rates or other market conditions over which Adviser will have no control may adversely affect investment results. Adviser notes that while Adviser's management of accounts may not involve direct leveraging, or other risk factors discussed below, the underlying funds and other investments that comprise client accounts may engage in practices that can materially impact the performance of such fund or investment, which in turn may materially impact the value of Adviser's clients' portfolios.

### **Hedging transactions may increase risks of capital losses**

Adviser utilizes hedging strategies primarily to protect and preserve capital as well as yield enhancement. Investment products in which Adviser invests clients' accounts may utilize a variety of financial instruments, such as options, for risk management purposes. While hedging transactions may seek to reduce risk, such transactions may result in a worse overall performance. Certain risks cannot be hedged, such as credit risk, relating both to particular securities and counterparties. Adviser will not always invest in funds or other investment vehicles that utilize hedging strategies.

### **Leverage**

Adviser may utilize and employ leverage under its current strategies. Such strategies may include the borrowing and short selling of securities, bonds, foreign exchange and the acquisition and disposal of certain types of derivative securities and instruments, such as swaps, futures and options. While leveraging creates an opportunity for greater total returns, it also exposes a client to a greater risk of loss arising from adverse price changes. Where leverage is indirect (e.g., used by a fund manager for a fund in which Adviser's client is invested) a sharp decrease in the value of the investment can have a significant impact on a client's portfolio.

### **Liquidity of investment portfolio**

The market for some securities in which Adviser invests indirectly on behalf of its clients may be relatively illiquid. Liquidity relates to the ability to sell an investment in a timely manner. The market for relatively illiquid securities tends to be more volatile than the market for more liquid securities. Investments in relatively illiquid securities may restrict the ability of a fund or portfolio manager to dispose of investments at a price and time that it wishes to do so. The risk of illiquidity also arises in the case of over-the-counter transactions. There is no regulated market in such contracts and the bid and offer prices will be established solely by dealers in these contracts. Client accounts that are invested in funds or other instruments that contain illiquid investments may be subject to these risks.

### **Foreign currency markets**

Adviser's investment strategies may cause a client to be exposed to fluctuations in currency exchange rates where it invests directly or indirectly in securities denominated in currencies other than U.S. dollars. The markets in which foreign exchange transactions are effected are highly volatile, highly specialized and highly technical. Significant changes, including changes in liquidity and prices, can occur in such markets within very short periods of time, often within minutes. Foreign exchange trading risks include, but are not limited to, exchange rate risk, interest rate risk and potential interference by foreign

governments through regulation of local exchange markets, foreign investment, or particular transactions in foreign currency.

### **Derivatives**

Adviser's investment strategy may cause a client to be exposed to derivatives including instruments and contracts the value of which is linked to one or more underlying securities, financial benchmarks or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark, index, currency or interest rate at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives trading. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can result not only in the loss of the entire investment, but may also expose a client to the possibility of a loss exceeding the original amount invested.

### **Settlement risks**

Adviser's investment strategies may expose a client to the credit risk of parties with whom Adviser, on behalf of the client or the underlying funds, trades and to the risk of settlement default. Market practices in the emerging markets in relation to the settlement of securities transactions and custody of assets will provide increased risk. Although the emerging markets have grown rapidly over the last few years, the clearing, settlement and registration systems available to affect trades on such markets are significantly less developed than those in more mature world markets which can result in delays and other material difficulties in settling trades and in registering transfers of securities. Problems of settlement in these markets may affect the net asset value and liquidity of a client's portfolio or investments in such portfolios.

### **Emerging Markets**

Adviser's investment strategies include direct and indirect investments in securities in emerging markets and such investments involve special considerations and risks. These include a possibility of nationalization, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of such countries or the value of a client's investments, and the risks of investing in countries with smaller capital markets, such as limited liquidity, price volatility, restrictions on foreign investment and repatriation of capital, and the risks associated with emerging economies, including high inflation and interest rates and political and social uncertainties. In addition, it may be difficult to obtain and enforce a judgment in a court in an emerging country. The economies of many emerging market countries are still in the early stages of modern development and are subject to abrupt and unexpected change. In many cases, governments retain a high degree of direct control over the economy and may take actions having sudden and widespread effects. Investments in products of emerging market may also become illiquid which may constrain Adviser's ability to realize some or all of a client's portfolio holdings. Accounting standards in emerging market countries may not be as stringent as accounting standards in developed countries.

### **Investment Concentration**

Some client accounts may have a high concentration in one sector, industry, issuer or security that may subject such accounts to greater risk of loss in the event such investments take an economic downturn.

### **Material Risks for Particular Types of Securities**

The Adviser does not invest primarily in a specific security or type of security. The material risks involved with investing are described above.

## **Item 9 - Disciplinary Information**

Investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of an adviser or the integrity of the adviser's management. Adviser has no information applicable to this Item. Please visit [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) at any time to view TGAM's registration information and any applicable disciplinary action.

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

### **Broker-Dealer Registration**

Neither TGAM nor its management or associated persons are (i) registered with the Securities and Exchange Commission (SEC) as a broker-dealer or (ii) have any application to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

### **Commodity Pool Operator, Commodity Trading Adviser, Futures Commission Merchant Registration**

Neither TGAM nor its management persons or associated persons are registered or associated with the Commodity Futures Trading Commission ("CFTC") as a futures commission merchant ("FCM"), a commodity pool operator ("CPO") or a commodity trading advisor ("CTA") or an associated person of the foregoing entities.

### **Other Affiliations**

TGAM is under common ownership with Terra Fintech Capital LLC, an entity that is developing proprietary technology for low and high frequency trading. These are actual "IT" Programs that are used to optimize the reception of data (data handling), modeling (strategies) and order management of trading activities.

The Adviser leases the platform offered by Terra Fintech Capital LLC in order to process trades and implement investment strategies. Such platform is accessed via well known broker dealers with appropriate trading capabilities that support Adviser's strategies for low, medium and high frequency trading.

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

### **Code of Ethics and Personal Trading Policies**

Adviser has adopted the Code of Ethics pursuant to Rule 204A-1 of the Advisers Act in an effort to prevent violations of federal securities laws. Adviser expects all employees to act with honesty, integrity and professionalism and to adhere to federal securities laws.

All officers, directors, and employees of the Adviser and any other person who provides advice on behalf of Adviser and is subject to Adviser's control and supervision (collectively referred to as "Supervised Persons") are required to adhere to the Code.

### **Prevention of Insider Trading**

Adviser has adopted policies designed to prevent insider trading that is more fully described in the Code. Adviser's policy on insider trading applies to securities trading and information handling by all Supervised Persons of Adviser (including spouses, minor children and adult members of their households and any other relative of a Supervised Person on whose behalf Supervised Person is acting) for their own account or the account of any client of Adviser.

Adviser takes its obligation to detect and prevent insider trading with the utmost seriousness. Adviser may impose penalties for breaches of the policies and procedures contained in this manual, even in the absence of any indication of insider trading. Depending on the nature of the breach, penalties may include a letter of censure, profit "give ups," fines, referrals to regulatory and self-regulatory bodies and dismissal.

### **Personal Securities Transactions**

#### ***Periodic Reports***

As more fully described in the Code, "access persons" are required to submit reports detailing their personal securities holdings to the Chief Compliance Officer on an initial basis, a quarterly basis, and an annual basis.

As an alternative to submitting quarterly transaction reports, Adviser requires persons who are "access persons" to submit brokerage statements or trade confirmations as long as such documents contain the information required under Rule 204A-1(b)(2)(i)(A)-(E) under the Advisers Act.

### **Initial Public Offerings and Limited Public Offerings**

Access Persons must obtain prior written approval from the Chief Compliance Officer before investing in initial public offerings ("IPOs") or limited offerings (i.e., private placements). In the event the Chief Compliance Officer wishes to purchase IPOs or the securities of a private placement for his/her own employee account, the Chief Compliance Officer must obtain prior written approval from the Adviser's Board Committee.



## **Review of Personal Securities Reports**

The Chief Compliance Officer (or their designee) is responsible for reviewing the Access Person's Quarterly Transaction Reports as well as the Initial Holdings Report and the Annual Holdings Report as part of Adviser's duty to maintain and enforce the Adviser's Code.

In instances when the Chief Compliance Officer has engaged in personal securities transaction, the Adviser's Board Committee shall review the Chief Compliance Officer's brokerage statements and trade confirmations.

## ***Outside Business Activities and Private Investments of Employees***

Unless otherwise consented by the Chief Compliance Officer, all employees are required to devote their full time and efforts Adviser's business. As such, no person may make use of either his or her position as an employee or information acquired during employment, or make personal investments in a manner that may create a conflict, or the appearance of a conflict, between the employee's personal interests and Adviser's interests. Accordingly, every employee is required to complete a disclosure form and have the form approved by Adviser's Chief Compliance Officer prior to serving in any of the capacities or making any of the investments more fully described in the Code.

## ***Reporting Violations***

All Supervised Persons (any officer, director, partner and employee of Adviser) are required to report actual or known violations or suspected violations of Adviser's Code promptly to the Chief Compliance Officer or his designee.

Any report of a violation or suspected violation of the Code will be treated as confidential to the extent permitted by law.

As part of Adviser's obligations to conduct an annual review of all of its policies and procedures pursuant to Rule 206(4)-7 of the Advisers Act, the Chief Compliance Officer shall review on an annual basis the adequacy of the Code and the effectiveness of its implementation.

## ***Recordkeeping***

Adviser maintains the following:

- Copies of the Code;
- Records of violations of the Code and actions taken as a result of the violations;
- Copies of Adviser's supervised persons' written acknowledgement of receipt of the Code;
- Records of Access Persons' personal trading — Initial Holdings Reports, Annual Holdings Reports, and Quarterly Transaction Reports, including any information provided under Rule 204A-1(b)(3)(iii) in lieu of such reports, i.e., brokerage confirmations and transaction reports;
- A record of the names of Adviser's "Access Persons";
- Records of decisions, and the reasons supporting the decision to approve an Access Person's acquisition of securities in initial public offerings or limited offerings; and

- Records of decisions, and the reasons supporting the decision to approve the Chief Compliance Officer's acquisition of securities in initial public offerings or limited offerings.

### ***Acknowledgement of the Code***

Each employee will execute a written statement certifying that the employee has (i) received a copy of Adviser's Code; (ii) read and understands the importance of strict adherence to such policies and procedures; and (iii) agreed to comply with the Code.

### ***Training and Education***

All Supervised Persons, i.e., all employees, are to receive training on complying with the Code on an annual basis as part of Adviser's annual employee compliance review meeting to ensure that all employees fully understand their duties and obligations and how to comply with the Policy's procedures.

### ***Copies of Adviser's Code***

A copy of Adviser's Code is available upon request. For a copy, please contact Adviser at (914) 471-7119.

### ***Participation or Interest in Client Transactions and Associated Conflicts of Interest***

Adviser may recommend or invest in securities, including funds, issued or managed by its affiliates (or where the affiliate acts as general partner) in which its affiliates have a material financial interest. Adviser has policies that require personnel who develop advice and recommendations for clients to render only disinterested and impartial advice to clients and to comply with other fiduciary obligations, including having an adequate basis in fact for all recommendations and an obligation to recommend only investments that are suitable for the particular client.

The potential conflicts of interest involved in any such transactions are generally governed by Adviser's Code. Pursuant to the stipulations of the Code, Adviser or a related person may buy or sell for itself securities that it also recommends to clients. The potential conflicts of interest involved in such transactions are governed by the Code, which establishes sanctions if its requirements are violated and requires that Adviser and employees place the interests of Adviser's clients above their own.

### ***Investments in Securities by Adviser and its Personnel***

Adviser's personnel or a related person of Adviser may invest in the same or similar securities and investments as those recommended to or entered into on behalf of Adviser's clients. The results of the investment activities of Adviser's personnel or related persons for their accounts may differ from the results achieved by or for client accounts managed by Adviser. The conflicts raised by these circumstances are discussed below.

Adviser may recommend or effect the purchase or sale of securities in which its related persons or an affiliate, directly or indirectly, has a position or interest, or of which related or affiliated person buys or sells for itself. Such transactions may also include trading in securities in a manner inconsistent with the advice given to Adviser's clients.



Activities and transactions for client accounts may be impaired or effected at prices or terms that may be less favorable than would otherwise have been the case had Adviser or related persons not pursued a particular course of action with respect to the issuer of the securities. In addition, in certain instances Adviser's personnel may obtain information about the issuer that could limit the ability of such personnel to buy or sell securities of the issuer on behalf of client accounts.

Transactions undertaken by Adviser's clients may also adversely impact one or more client accounts. Other clients of the Adviser may have, as a result of receiving reports or otherwise, access to information regarding Adviser's transactions or views that may affect their transactions outside of accounts controlled by Adviser, and such transactions may negatively impact other clients' accounts. A client's account may also be adversely affected by cash flows and market movements arising from purchase and sale transactions by, as well as increases of capital in and withdrawals of capital from, other clients' accounts. These effects can be more pronounced in less liquid markets.

Adviser has adopted a Code of Ethics. Such Code of Ethics together with Advisers policies and procedures restrict the ability of certain officers and employees of Adviser from engaging in securities transactions in any securities that its clients have purchased, sold or considered for purchase or sale, for an appropriate "black out" period. Other restrictions and reporting requirements are included in Advisers procedures and Code of Ethics minimize or eliminate conflicts of interest.

### ***Trading Alongside by Adviser and its Personnel***

Client accounts managed by Adviser may trade in the same or similar securities at or about the same time as accounts managed or advised by affiliates of the Adviser. Investments by Adviser's affiliates and their clients may have the effect of diluting or otherwise disadvantaging the values, prices or investment strategies of a client's account, particularly in small capitalization, emerging market or less liquid strategies. This may occur when portfolio decisions regarding a client's account are based on research or other information that is also used to support portfolio decisions for Adviser's affiliates. If a portfolio decision or strategy for Adviser's affiliates' accounts or the accounts of clients of affiliates is implemented ahead of, or contemporaneously with, similar portfolio decisions or strategies for Adviser's client's account, market impact, liquidity constraints, or other factors could result in the account receiving less favorable trading results and the costs of implementing such portfolio decisions or strategies could be increased.

### ***Errors***

Errors may occur from time to time in transactions for client accounts. The Adviser will typically correct any such errors that are the fault of the Adviser at no cost to the client, other than costs that the Adviser deems immaterial. To the extent that the subsequent sale of such securities generates a profit to the Adviser, the Adviser may retain such profits, and may, but is not required to, use such profits to offset errors in the future or pay other client-related expenses. The Adviser will not be responsible for any errors that occur that are not the fault of the Adviser.

### ***Privacy Policy***

Adviser considers your privacy our utmost concern. Adviser does not share any information of clients with nonaffiliated third parties, except such information may be disclosed as necessary to process a

transaction an investor has requested, to the extent the investor specifically authorized the disclosure, to service providers or joint marketers who agree to limit their use of such information, and to the extent required or specifically permitted by law or reasonably necessary to prevent fraud, unauthorized transactions or liability.

When Adviser discloses non-public personal information of clients to a non-affiliated third party that provides services to Adviser or engages in joint marketing, Adviser shall:

- notify investors of the possibility of such disclosure; and
- enter into a contractual agreement with the third party that prohibits the third party from disclosing or using the investors' information other than to carry out the purposes for which the information was disclosed to the third party.

In particular, Adviser may enter, in compliance with the above conditions, into an agreement with a non-affiliated third party to store the records of Adviser clients and investors including electronic and e-mail records.

For more information about Adviser's privacy policies or to request a brochure describing Adviser's privacy policies contact Adviser at (914) 471-7119.

## **Item 12 - Brokerage Practices**

As part of TGAM's relationship with its clients, its Investment Advisory Agreement provides that client may restrict the discretion and direct brokerage to any broker. The Adviser may be also authorized in its Investment Advisory Agreement to select other securities brokers, unless the client directs otherwise in the Agreement.

In recommending brokers-dealers and custodians, TGAM will generally seek the best combination of services provided and associated expenses. Relevant factors used in evaluating "execution quality" include historical net prices, the execution, clearance, and settlement and error correction capabilities of the broker or dealer generally and in connection with securities of the type and in the amounts to be bought or sold; the broker's or dealer's willingness to commit capital; reliability and financial stability; the size of the transaction; availability of securities to borrow for short sales; and the market for the security.

In addition to a broker-dealer's ability to provide "execution quality," the Adviser's selection criteria may include the value of various services or products provided by the broker-dealer. For example, TGAM may acquire: research reports on or other information about particular companies, sectors or industries; economic surveys and analyses; recommendations as to specific securities; electronic market quotations; non-mass-marketed financial publications; portfolio evaluation services; performance measurement services; market, economic and financial studies and forecasts; data on pricing and availability of securities; certain financial database software and services; and other products or services that may enhance its investment decision making.

On occasions, clients might require to have their account held in the custody and trades executed at a broker-dealer of their choice, which may or may not cost more to the client. Clients may pay commissions

higher than those obtainable from other brokers for the same services rendered by other broker-dealer recommended to the client by TGAM.

TGAM may aggregate sale and purchase orders of securities held by a client with similar orders being made simultaneously for other client accounts or entities if, in the reasonable judgment of TGAM, such aggregation is reasonably likely to result in an overall economic benefit to clients based on an evaluation that the clients will benefit from relatively better purchase or sale prices, lower commission expenses or beneficial timing of transactions, or a combination of these and other factors. In general, the average price of all securities purchased or sold in such transactions will be determined, and a client will be charged or credited, as the case may be, the average transaction price. Although, in any given case, this practice could have a detrimental or beneficial effect upon the price or value of the security for any client account, TGAM believes that on an overall basis such practice is beneficial to clients. While TGAM believes this is beneficial and fair on an overall basis with respect to all TGAM accounts, there can be no assurance that on a trade-by-trade or overall basis that any particular client will not be treated more or less favorably than another client.

It is the Adviser's policy not to enter into soft dollar arrangements and the Adviser has no formal soft dollar arrangements. The Adviser does not consider, in selecting or recommending broker-dealers, whether it or a related person receives client referrals from such broker-dealer.

#### ***Execution Venues and Methods of Trading***

TGAM uses electronic or algorithmic trading methods. The use of electronic trading systems can provide the Adviser anonymity and control, and assist in execution strategies. TGAM executes, when appropriate, trades using carefully chosen program trading facilities. TGAM may also use appropriate algorithmic trading strategies, which access registered exchanges and Alternative Trading Systems ("ATs"), including dark pools, provided by select broker-dealers to execute an equity order. Algorithmic trading strategies use advanced mathematical models with rules to determine the ideal time to place a transaction while minimizing market impact. TGAM carefully selects algorithmic strategy choices based on qualitative and quantitative factors. The Adviser also places conditions on orders if necessary in an effort to avoid conflicts. Further, broker-dealers may, without TGAM's knowledge, execute orders sent to that broker-dealer by the firm using algorithmic trading strategies.

#### ***Brokerage for Client Referrals***

Adviser does not direct brokerage to particular brokers in consideration for client referrals.

### **Item 13 - Review of Accounts**

Accounts are typically reviewed by the Chief Compliance Officer on a periodic basis or as needed due to market conditions or transactional activity, amongst other items. The Chief Compliance Officer typically reviews daily transactions entered into for investment advisory clients to determine that correct entries have been made for all client records.

### ***Factors Triggering a Review***

There are no specific triggering factors leading to a review.

### ***Client Reports***

Clients of the Adviser receive at least quarterly reports from their qualified Custodian.

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

Adviser's compensation is primarily in the form of management fees. In addition, Adviser may make cash payments to third-party solicitors for client referrals provided that each such solicitor enters into a written agreement with Adviser pursuant to which the solicitor will provide each prospective client with a copy of Adviser's Form ADV Part 2 and a disclosure document setting forth the terms of the solicitation arrangement, including the nature of the relationship between the solicitor and Adviser and any fees to be paid to the solicitor. Where applicable, cash payments for client solicitations will be structured to comply fully with the requirements of Rule 206(4)-3 under the Advisers Act. Adviser receives referrals from outside attorneys, accountants and other professionals and may enter into remuneration agreements from time to time.

TGAM may from time-to-time receive referral fees or other forms of remuneration from other professionals when a prospect or client is referred to them. Such arrangements (if established) will be disclosed to applicable clients and conducted in accordance with requirements of Rule 206(4)-3 under the Advisers Act (as, applicable).

## **Item 15 - Custody**

All assets are typically held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly. In addition to debiting fees from its clients' accounts to pay for services rendered, TGAM has been granted with full access to clients' funds, which are used accordingly to TGAM's pre-set strategies. Therefore, TGAM is deemed to have custody as it has the ability to obtain actual possession of client's funds and securities.

As such, the Adviser is subject to all applicable provisions of the Custody Rule, which includes either subjecting itself to a surprise annual examination by an independent public accountant (the Surprise Examination Approach) or, alternatively, engaging an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board (PCAOB) to conduct an annual audit of the private fund and deliver audited financial statements to all limited partners or other beneficial owners within 120 days of the end of its fiscal year (the Annual Audit Approach), if applicable.

The Adviser maintains all securities and funds of its clients with a "qualified custodian." Clients will receive no less than, on a quarterly basis, statements directly from the broker-dealer, bank, or other qualified custodian that holds and maintains such client's assets. TGAM urges its clients to carefully review these statements and compare them to the account statements, if any, that may be provided by the

Adviser. The Adviser's statements may vary from the statements provided by the qualified custodian because of accounting procedures, reporting dates, or valuation methodologies used to value certain securities.

### **Item 16 - Investment Discretion**

Adviser receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. When selecting securities and determining amounts, Adviser observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to Adviser in writing.

### **Item 17 - Voting Client Securities**

TGAM does not vote proxies on securities, thus, clients are expected to vote their own proxies. Clients may request a copy of proxy voting records via contact to the Client's respective custodian.

### **Item 18 - Financial Information**

The Adviser has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients. Also, the Adviser has not been the subject of a bankruptcy proceeding.