



## **Brochure/Form ADV Part 2A**

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### **I. Cover Page**

This Form ADV Part 2A/Brochure provides information about the qualifications and business practices of Ameliora Wealth Management Ltd. ("Ameliora"). Ameliora is registered as an investment adviser with the United States Securities and Exchange Commission (the "SEC") under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). If you have any questions about the contents of this brochure, please contact us by phone at +41 43 336 10 90 or by e-mail at [office@ameliorawealth.com](mailto:office@ameliorawealth.com). The information in this brochure has not been approved or verified by the SEC or by any state securities authority. Additional information about Ameliora is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The information contained in this brochure relates only to specific questions to which the relevant agencies request answers. This document is not, and is not intended to be, a marketing brochure, nor is it to provide detailed information about all aspects of Ameliora's business. Registration as an investment adviser with the SEC does not imply a specific level of skill or training. Ameliora requires its employees to have a high level of experience and education. This Brochure provides information for U.S. clients of Ameliora. This Brochure has been prepared as of March 14th, 2019.

### **II. Material Changes**

This is the ninth Form ADV Part 2A/Brochure for Ameliora Wealth Management Ltd.

Since the last annual update on March 16<sup>th</sup>, 2018, Laetitia Mantel has been appointed Chief Compliance Officer to replace Max Riederer Von Paar who will continue to serve as external Legal Counsel to Ameliora Wealth Management Ltd.

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#### **IV. Advisory Business**

Ameliora Wealth Management Ltd., a Swiss corporation based in Zurich, Switzerland, provides investment advisory services to clients with connections to the United States of America ("USA"). Ameliora was formed in 2012. Ameliora's shareholders are GN Group Holding Anstalt, Piper Establishment, Daniel Scherrer and Arno Sprenger.

Ameliora provides investment supervisory services primarily for individuals and companies. The services provided include the provision of discretionary portfolio management and advice concerning investment of assets consistent with the circumstances, preferences and objectives of each client. Investment supervisory services are provided based on the individual needs and investment objectives of each client as communicated to Ameliora. Specifically, the structure for each client's investment portfolio is created by taking into account certain considerations such as expected returns, risk tolerance and future liquidity requirements.

Ameliora offers investment management and advisory services on the following types of securities and transactions: exchange-listed securities, securities traded over-the-counter, foreign issuers, corporate debt securities (and other commercial paper), certificates of deposit, investment company securities such as mutual funds, exchange traded funds, private investment funds, foreign exchange transactions, commodities and futures contracts on intangibles. Ameliora offers services which include the evaluation, selection and monitoring of investments.

##### *Discretionary Asset Management Services*

Under a discretionary management mandate, Ameliora has the authority to supervise and select investments of and for each client's account generally in line with the investment profile agreed with the client and without prior consultation with the client. Ameliora determines which securities are bought and sold for the account and the total amount of the purchases and sales. Ameliora's authority may be subject to special conditions imposed by individual clients. For example, a client may restrict or prohibit transactions in certain types of securities. Ameliora does not select the broker or dealer for executing securities transactions and does not negotiate the commission rates paid to execute transactions.

##### *Non-Discretionary (i.e. Advisory) Asset Management Services*

Under a non-discretionary management mandate, Ameliora makes investment recommendations to a client, and the client subsequently makes all investment decisions about the investments held in the account. In order to implement the client's decisions, the

client may authorize Ameliora to place orders for the execution of securities transactions for the client's account. In such cases, Ameliora does not select the broker or dealer used for executing such securities transactions and does not negotiate the commission rates paid. Ameliora will place orders with the custodian bank or broker directed by the client. Ameliora does not issue periodic publications, nor does Ameliora prepare for distribution special reports or analysis relating to securities. Generally, Ameliora does not issue any charts, graphs, formulas or other devices for use by clients in evaluating individual securities, nor does Ameliora give advice to clients on any matters not involving securities other than on an incidental basis. Related to its primary function as an asset manager, Ameliora may offer clients certain broad guidance commonly considered as financial planning. Ameliora does not vote proxies on behalf of clients.

Ameliora Wealth Management Ltd. has approximately USD 253'146'950 under management as of December 31, 2018. All of the assets under management are managed on a discretionary basis.

## **V. Fees and Compensation**

Ameliora charges investment advisory fees for its services consisting of a percentage of the market value of assets under management. The fees charged by Ameliora may be higher than the fees charged by other investment advisors offering similar investment management services. The fixed asset management fee for discretionary management, which is the default compensation scheme, is deducted quarterly from the client's custodian account. We calculate the value of the assets in client's accounts by averaging the asset values that are calculated for the last day of each of the three months preceding the month of payment. For example, the first quarterly payment to Ameliora each year, paid in April, would be the average of the values set on the last days of January, February and March. No fees are deducted in advance. The fee schedule below for discretionary asset management shows the applicable fee for each bracket of assets under management along with the applicable cost based on the amount of assets.

### Asset Management Fee Schedule

**Fees are quoted in percentage per annum and assets under management in USD, minimum investment USD 1,000,000.00**

1.25%* up to and including 5,000,000.00	0.80% from 20,000,001.00 to 50,000,000.00
1.00% from 5,000,001.00 to 10,000,000.00	0.75% over 50,000,001.00
0.90% from 10,000,001.00 to 20,000,000.00	<b>Minimum Fee 10,000.00</b>

\*in certain circumstances, we may charge more than the highest fee disclosed in this schedule (i.e. minimum investment threshold not met)

The same fee schedule applies to accounts advised on a non-discretionary basis.

Ameliora may waive, discount and/or negotiate fees at its discretion.

Fees charged by Ameliora do not include custodian fees, brokerage commissions and other transaction costs, or any other fee imposed by the custodian bank or the broker, such as stamp duties, local taxes or other fees charged by third-party entities or regulatory authorities. The custodian fees will include, among other fees, the bank's mark-up on any foreign currencies exchanged in the account and on any exchange of physical gold. Ameliora believes these fees to be reasonable when compared to the local market. Ameliora does not charge its investment advisory fee in advance of performing its services. Ameliora may also charge additional fees for services provided outside the scope of the services described above. Any additional fees are disclosed and agreed upon in advance by the client. Ameliora relies on the custodian banks, selected by its clients, to value the assets in the respective client accounts, and to compute its investment advisory fees based on these valuations provided by the custodian. On a quarterly basis, Ameliora performs reasonable checks to confirm that the valuations used by the custodian are correct. After the end of each quarter Ameliora arranges with the custodian for the direct payment of its fee from the respective client accounts. The client's statement from the custodian bank will show all amounts debited to the account, including the amount of any advisory fee paid to Ameliora. The investment performance expressed in percentage points will therefore be slightly higher than the actual performance after taking into account the cost for advisory services.

Ameliora is exclusively compensated by the fee paid by the client and does not receive undisclosed remuneration from third parties in relation to its investment advisory services. Any remuneration received by Ameliora from third parties will be disclosed to the client and shall be credited to the client's account if such payments are permitted by regulatory provisions or otherwise be credited against Ameliora's investment advisory fees. Clients should also refer to item XII of this brochure where brokerage practices are discussed.

## **VI. Performance-Based Fees and Side-by-Side Management**

Ameliora does not charge performance-based fees. All clients are charged only the fixed asset management fee according to the fee schedule disclosed above.

## **VII. Types of Clients**

Ameliora offers investment management services to individuals, estates, corporations, trusts, foundations and other entities. Generally, Ameliora intends its client relationships to have a minimum of USD \$1,000,000 of assets under management. Ameliora may accept accounts below the minimum requirements, or may retain accounts that have dropped below this minimum requirement due to changes in asset prices. Accounts that have family, corporate or other relationships may be aggregated for purposes of the minimum account requirement.

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

### *Methods of Analysis*

Ameliora's active investment strategy seeks to generate sustainable long-term investment results through a combined focus on capital appreciation and capital preservation. In its efforts to minimize risk, Ameliora actively seeks to maintain a sufficient level of asset diversification and degree of capital exposure.

Ameliora's investment management process is based on analysis of conditions and factors such as global economic cycles, geo-political developments, business trends, market conditions, and securities valuations. Using a top-down analytical approach, Ameliora constructs and optimizes asset allocations with a focus on diversification across asset classes, regions, sectors, and instruments. A further bottom up analysis is conducted to identify and analyze eligible securities under consideration for investment.

Ameliora utilizes its own proprietary information and research methodology in conjunction with external and third party research and analytical tools. Ameliora's investment strategy is continually reviewed and asset allocations are monitored on a regular basis to ensure alignment with investment goals and risk management.

In making the decision as to which securities are to be purchased or sold and the amounts thereof, Ameliora is guided by the general guidelines set up at the inception of the adviser client relationship in cooperation with the client and a periodic review of the asset allocation. These general guidelines cover such matters as the relative proportion of debt and equity securities to be held in the portfolio, the degree of risk, which the client wishes to assume, and the types and amounts of securities to be held in the portfolio.

Ameliora's authority may be further limited by specific instructions from the client which may restrict or prohibit transactions in certain securities. Ameliora may manage numerous accounts with similar or identical investment objectives or may manage accounts with different objectives that may trade in the same securities. Despite such similarities, portfolio decisions relating to client investments and the performance resulting from such decisions may differ from client to client. Ameliora will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible clients, particularly if different clients have selected different investment profiles, have materially different amounts of capital under management with Ameliora or different amounts of investable cash available. In certain instances such as purchases of less liquid publicly traded securities or oversubscribed public offerings, it may not be possible or feasible to allocate a transaction pro rata to all eligible clients, especially if clients have materially different sized portfolios. Therefore, not all clients will necessarily participate in the same investment opportunities or participate on the same basis.

### *Investment Strategies*

Clients may choose from the following investment strategies according to their individual investment goals and risk tolerance:

#### **Fixed Income Strategy**

The investment goal is to preserve the real value of the assets and generate regular income from interest bearing instruments. The investments will be made in bonds and money market instruments. The principal material risk to this strategy is interest rate risk, in that rising interest rates can cause the value of fixed-income investments to decline. See discussion below of Material Investment Risks.

#### **Income Strategy**

The investment goal is to achieve real long-term growth of assets through interest income and dividends as well as capital gains from asset appreciation. The majority of assets are invested in bonds and money market instruments with equities and alternative

investments representing a smaller part of the assets. The principal material risk to this strategy is interest rate risk, in that rising interest rates can cause the value of fixed-income investments to decline and to a degree equity market risk, in that adverse macroeconomic and political developments will cause equity prices to decline. See discussion below of Material Investment Risks.

### **Balanced Strategy**

The investment goal is to achieve real long-term growth of assets through both interest and dividend income and capital gains derived from asset appreciation. Investments will be made in equities, bonds, alternative investments and money market instruments and balanced between equities and bonds. The principal material risks to this strategy are interest rate risk, in that rising interest rates can cause the value of fixed income investments to decline and equity market risk, in that adverse macroeconomic and political developments will cause equity prices to decline. See discussion below of Material Investment Risks.

### **Growth Strategy**

The investment goal is to achieve substantial real long-term growth of assets mainly through capital appreciation of assets and dividend income, supplemented by interest income from money-market and bond instruments. The majority of assets are invested in equities with bonds, alternative investments and money market instruments representing a smaller part of the assets. The principal material risks to this strategy are equity market risk, in that adverse macroeconomic and political developments will cause equity prices to decline and interest rate risk, in that rising interest rates can cause the value of fixed-income investments to decline. See discussion below of Material Investment Risks.

### **Equity Strategy**

The investment goal is to achieve large real long-term growth of assets through capital appreciation of assets and dividend income. This investment strategy consists predominantly of equities, supplemented by alternative investments and money-market instruments. The principal material risk to this strategy is equity market risk, in that adverse macroeconomic and political developments will cause equity prices to decline. See discussion below of Material Investment Risks.



### *Material Investment Risks*

Clients should be aware that investing in securities involves a risk of loss. Among other risks, investments will be subject to market risk, liquidity risk, credit and counterparty risk, interest rate risk, event risk due to unfavorable political and economic developments and events adversely affecting a specific company or particular industry, and risks involving movements in the currency and commodity markets. There may be additional risks that Ameliora does not currently foresee or consider material. Clients should be prepared to bear the risk of losing their investment. Past performance should not be taken as an indication or guarantee of future results. In certain cases Ameliora may acquire structured products or derivatives within the context of its discretionary asset management mandate. In addition to the risks that apply to all investments in securities, investing and engaging in derivative instruments and transactions may involve different types of risk and possibly greater levels of risk. These risks include, but are not limited to the following:

- **Leverage.** A derivative instrument or transaction may have the effect of disproportionately increasing an account's exposure to the market for the securities or other assets underlying the derivative position and the sensitivity of an account's portfolio to changes in market prices for those assets. Leverage will tend to magnify both the positive impact of successful investment decisions and the negative impact of unsuccessful investment decisions by Ameliora on an account's performance.
- **Counterparty Credit Risk.** An account's ability to profit from a derivative contract depends on the ability and willingness of the other party to the contract ("Counterparty") to perform its obligations under the contract. Although exchange-traded futures and options contracts are generally backed by a guarantee from a clearing corporation, an account could lose the benefit of a contract in the unlikely event that the clearing corporation becomes insolvent. The counterparty's obligations under a forward contract, over-the-counter option, swap or other over-the-counter derivative contract are not so guaranteed. If the counterparty to an over-the-counter contract fails to perform its obligations, an account may lose the benefit of the contract and may have difficulty reclaiming any collateral that an account may have deposited with the counterparty.
- **Lack of Correlation.** The market value of a derivative position may correlate imperfectly with the market price of the asset underlying the derivative position. To the extent that a derivative position is being used to hedge against changes in the value of assets in an account, a lack of price correlation between the derivative position and the hedged asset may result in an in-complete hedge.

- **Illiquidity.** Over-the-counter derivative contracts are usually subject to restrictions on transfer, and there is generally no liquid market for these contracts. Although it is often possible to negotiate the termination of an over-the-counter contract or enter into an offsetting contract, the counterparty may be unable or unwilling to terminate a contract with an account, especially during times of market instability or disruption. The markets for many exchange traded futures, options and other instruments are quite liquid during normal market conditions, but this liquidity may disappear during times of market instability or disruption.
- **Less Accurate Valuation.** The absence of a liquid market for over-the-counter derivatives increases the likelihood of the client's custodian bank not being able to correctly value these interests.

## **IX. Disciplinary Information**

Neither Ameliora nor its management and employees have been involved in any legal or disciplinary events.

## **X. Other Financial Industry Activities and Affiliations**

Ameliora and its management or personnel are neither registered nor have an application pending to register as, broker-dealers, registered representatives of a broker-dealer, futures commission merchants, commodity pool operators, commodity trading advisors, or associated persons of the foregoing entities.

Ameliora is a member of the Swiss Association of Asset Managers (SAAM) and its self-regulatory organization (SRO), which is officially recognized by the Swiss Financial Market Supervisory Authority (FINMA). Ameliora is not directly registered with or regulated by FINMA.

GN Group Holding Anstalt, one of Ameliora's shareholders also owns an interest in GN Finance AG, a Liechtenstein based investment adviser and GN Invest AG, a Liechtenstein based fund manager. GN Finance AG and GN Invest AG have no U.S. clients. Ameliora has not recommended, nor does it intend to recommend, any investments sponsored by GN Invest AG. Ameliora has not identified any conflicts of interest nor does it anticipate any conflicts of interest arising with respect to these affiliated companies.

## **XI. Code of Ethics, Participation in Client Transactions and Personal Trading**

Ameliora believes that its fee-only advisory business model significantly reduces the potential for conflicts of interest between Ameliora and its clients. Ameliora seeks to minimize such conflicts of interest and resolve those conflicts of interests in favor of the client to the extent it determines reasonable and necessary in accordance with its Code of Ethics.

### *Code of Ethics*

Ameliora has adopted a Code of Ethics (the “Code”) and relevant policies and procedures governing personal securities transactions by Ameliora and its personnel. The Code also provides guidance and instruction to Ameliora and its personnel on their ethical obligations in fulfilling its duties of loyalty, fairness and good faith towards the clients. The overriding principle of Ameliora’s Code of Ethics is that all employees of Ameliora owe a fiduciary duty to clients for whom Ameliora acts as investment adviser. Employees of Ameliora are responsible for conducting personal trading activities in a manner that does not interfere with a client’s portfolio transactions or take improper advantage of a relationship with any client. The Code contains provisions designed to: (i) prevent, among other things, improper trading by Ameliora’s employees; (ii) identify conflicts of interest; and (iii) provide a means to resolve any actual or potential conflicts of interest in favor of the clients. The Code attempts to accomplish these objectives by, among other things, (i) requiring pre-clearance of specific trades, which includes documenting any exceptions to such pre-clearance requirement; (ii) restricting trading in certain securities that may cause a conflict of interest, as well as (iii) periodic reporting regarding transactions and holdings of employees. The Code contains sections including, but not limited to, the following key areas: (i) restrictions on personal investing activities; (ii) gifts and business entertainment; and (iii) outside business activities. Ameliora has designated a Chief Compliance Officer responsible for maintaining, reviewing and enforcing Ameliora’s Code of Ethics and corresponding policies and procedures. The fundamental position of Ameliora is that, in effecting personal securities transactions, personnel of Ameliora must place at all times the interests of clients ahead of their own financial interests. All personal securities transactions by these persons must be conducted in accordance with the Code of Ethics and in a manner to avoid any actual or potential conflict of interest or any abuse of any person’s position of trust and responsibility. Furthermore, these persons should not take inappropriate advantage of their positions with or on behalf of a client. Ameliora will provide a copy of the Code of Ethics to any client or prospective client upon request.

### *Participation or Interest in Client Transactions*

From time to time, Ameliora personnel may invest alongside the firm’s clients, both to align the interest of firm and personnel and firm clients and as an expression of confidence in our portfolio management efforts. In order to ensure that Ameliora personnel never trade ahead of their clients, the firm requires all trading in specific positions for officer and employee accounts to come at least 2 business days after the correspondent trades are executed for client accounts.

## **XII. Brokerage Practices**

Ameliora does not have custody or possession of client assets; each of Ameliora's clients maintains custody of its assets at one or more custodian banks selected by the client. Each custodian bank acts as a broker-dealer itself and/or maintains relationships with designated broker-dealers (including potentially an affiliate of the custodian bank). Securities transactions are executed through the custodian or the broker or dealer designated by the custodian bank selected by the client. Under no circumstances will Ameliora act as a broker-dealer for its clients' accounts nor will it charge or receive, directly or indirectly, any portion of the transactional fee charged by the client's broker-dealer.

Ameliora does not guarantee best execution or the best brokerage commissions because Ameliora does not control these factors. Ameliora makes best efforts to assure that custodian banks, in executing client's trades, weigh the characteristics of the client and the financial instruments involved in light of: the best possible price, the probability of complete execution and handling of orders, the promptness of complete execution and handling, the security of handling, and the range and type of the desired services. Ameliora operates exclusively on this directed brokerage basis whereby the client and/or the client's choice of custodian bank selects the broker-dealer to be used for securities transactions. Therefore, clients should be aware of the following:

- Ameliora does not negotiate commission rates with broker-dealers with whom orders are placed either directly or via the custodian bank because the broker-dealer is determined by the custodian bank and/or the client. The applicable commissions and fees charged for securities transactions are agreed upon between the client and the custodian bank when the client accepts the applicable commission schedule published by the custodian bank or otherwise agrees.
- Commission charges will vary among clients and best execution may not be guaranteed by Ameliora.

Because the client selects the custodian bank and thereby the broker-dealer to be used for securities transactions involving its account, different clients may have accounts at the same custodian bank or a single client may have multiple accounts at different custodian banks. Therefore, a client may pay an executing broker a higher commission for a securities transaction than might be charged by another broker-dealer executing the same transaction or the commission charged by the broker-dealer executing a similar transaction for another client of Ameliora. Commission charges may also vary between clients. It also is possible that the broker-dealer used for transactions may not be a registered broker-dealer under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

### *Use of Soft Dollars*

Ameliora does not presently have any arrangements pursuant to which it receives research or other products and benefits from a broker-dealer or third party in connection with Client securities transactions ("soft dollar benefits"). However, to the extent it may have them in the future, Ameliora will enter into such arrangements only in accordance with the conditions of the safe harbor provided by Section 28(e) of the Exchange Act. Section 28(e) provides a "safe harbor" that permits an investment manager to use commissions or "soft dollars" to obtain research and brokerage services which constitute research and brokerage within the meaning of Section 28(e).

### *Trade Errors*

It is Ameliora's policy to exercise the utmost care when handling client orders and correcting orders when trade errors occur. Once an error is recognized, the person responsible for the error, or spotting it, must immediately notify the Chief Executive Officer ("CEO") or Chief Compliance Officer ("CCO"). If it is possible to cancel the trade prior to settlement, the person responsible for placing the trade should attempt to do so, in a manner to minimize risk of financial loss. If it is not possible to cancel the trade, the transaction should be reversed as soon as possible. If it is not possible or not in the best interest of the Client to reverse the trade immediately, the CEO or CCO will determine whether the reversal of the trade should be delayed or what other course of action to take. Ameliora will correct any trade error promptly with the objective to place any affected account in the same position it would have been in, had the error not occurred. The party responsible for the error will bear the gain or the loss resulting of the error and all associated costs to reverse the error.

### *Aggregation of client transactions*

Ameliora will work with custodian banks to aggregate trades for client accounts at that bank, if such trading will be of advantage to the clients. It is not expected that such aggregations would affect brokerage commission rates.

## **XIII. Review of Accounts**

All managed accounts are reviewed by the Chief Investment Officer at least quarterly in order to ensure that they remain in agreement with the client's investment strategy and Ameliora's prevailing asset allocation for the relevant investment strategy as part of Ameliora's investment and investment control process.

Various other circumstances (for example, substantial international political changes, significant market developments, unusual exchange rate movements) may result in additional reviews of accounts. When necessary, accounts may be rebalanced based on Ameliora's tactical asset allocations.

Ameliora provides written quarterly investment performance reports to clients containing cash balances and all securities holdings as well as the sources of performance of the individual client account.

#### **XIV. Client Referrals and Other Compensation**

Ameliora is exclusively compensated by the advisory fees paid by its clients. Ameliora's policy is not to accept compensation from third parties relating to referrals or to the investment advice it provides to its clients. To the extent Ameliora receives a referral fee for an investment it recommends, it will reduce the fees owed by the respective client to Ameliora or will credit the respective client's account for the applicable amount. For these purposes, referral fees include marketing fees, discounts, finder's fees, service fees, including shareholder service fees, referral fees, 12b-1 fees or bonus commissions paid by mutual funds, privately offered funds, insurance products, variable annuities or other investment products paid to Ameliora for recommending an investment, for investing client funds in such product or for marketing assistance or the performance of certain administrative tasks associated with making an investment.

Ameliora may pay fees for client referrals. Ameliora may execute a solicitation agreement with a third party for client referrals and share the advisory fee paid by the client with the third party. Clients will be informed of such an agreement in writing before the Client signs a contract with Ameliora and Clients will be asked to consent to the agreement. Such arrangements comply with the conditions and requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940. Ameliora's employees or associated persons may be invited to attend seminars and meetings with the costs associated with such meetings borne by a sponsoring brokerage firm or other party extending the invitation. Any affiliated solicitor of Ameliora will be required to disclose the nature of his/her relationship to prospective clients at the time of the solicitation and must provide all prospective clients with a copy of Ameliora's written disclosure statement at the time of the solicitation.

#### **XV. Custody**

Ameliora's clients will authorize their custodian banks to deduct its fees from the client's account at the bank. Apart from this, Ameliora does not exercise any sort of custody over clients' accounts. Ameliora client accounts are held at qualified custodian banks in a separate account for each client. The client establishes the bank account directly and therefore is aware of the qualified custodian's name, address and the manner in which investments are maintained. Account statements are prepared by the custodian bank and delivered directly to the client or the client's representative at least quarterly. Generally,



these statements include a listing of all investments held and transactions made during the period. Clients should carefully review these statements and when they have questions contact either Ameliora or the custodian bank. The custodian bank also provides the client with all required year-end tax information. Ameliora may also provide performance reports to advisory clients on a quarterly basis, which may include a reference to a relevant market index or benchmark. Ameliora may also provide reports analyzing the sources of each account's performance. Clients are advised to compare such reports with the statements they receive from the custodian bank.

#### **XVI. Investment Discretion**

Ameliora may have discretionary authority to manage client accounts as described above. Clients may limit the authority by which Ameliora may act by placing any form of investment restrictions on this authority in writing. In the context of a discretionary mandate, Ameliora makes investment decisions without consulting the client by utilizing its limited power of attorney for the management of the account maintained at the custodian bank selected by the client. Ameliora will assume discretionary authority only after an asset management agreement and the power of attorney have been duly executed. In the context of a non-discretionary mandate, Ameliora's investment discretion is limited to an advisory role and Ameliora does not implement investment decisions without the approval of the client. Ameliora never has discretionary authority to select a qualified custodian for a client's account.

#### **XVII. Voting Client Securities**

In accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Investment Advisers Act, Ameliora has adopted and implemented written policies and procedures governing the voting of client securities. These procedures specify that Ameliora does not have the authority to and will not vote proxies on behalf of clients, and any such materials should not normally be sent to Ameliora. Clients may request a copy of these policies and procedures. Clients will receive their proxies or other solicitations directly from their custodian. If Ameliora inadvertently receives any proxy materials on behalf of a client, Ameliora will forward such materials to the client or a representative of the client, who is responsible for voting the proxy. From time to time, securities held in the accounts of clients will be subject to class action lawsuits. Ameliora has no obligation to determine whether securities held by the client are subject to a pending or resolved lawsuit, to evaluate a client's eligibility or to submit a claim to participate in any award. Clients may contact Ameliora with questions about a particular solicitation by telephone or e-mail. Ameliora personnel may answer questions regarding proxy-voting matters in an effort to assist the client in determining how to vote the proxy, but only the client is responsible for deciding how to vote the proxy.

## **XVIII. Financial Information**

Ameliora has not been the subject of a bankruptcy petition at any time nor does it anticipate or foresee such petition taking place.

Ameliora is not required to provide financial statements as part of this Brochure because it does not require or solicit prepayment of any fees from Client.