

# Cadogan Park



## SEC Form ADV Part 2A

### CADOGAN PARK ADVISORS INC.

Suite #1150 – 885 W. Georgia St., Vancouver, BC V6C 3E8 Canada  
604.373.3388

July 31, 2024

This brochure ("Brochure") provides information about the qualifications and business practices of Cadogan Park Advisors Inc. ("Cadogan Park"). If you have any questions about the contents of this Brochure, please contact us at [info@cadoganpark.com](mailto:info@cadoganpark.com) or by telephone at 604.373.3388. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority, and references in this Brochure to Cadogan Park as a "registered investment adviser" are not intended to imply a certain level of skill or training.

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

## ITEM 2

### Material Changes

This is an annual amendment to the last annual Form ADV filed on July 31, 2023. The following does not identify every change to the firm brochure since the last update. There have been minor word clarifications and enhancements throughout the brochure, but we do not consider these changes to be material. Since the last annual amendment:

- We have updated our registration with several Canadian Securities Regulatory agencies, and added the additional categories of Investment Fund Manager and Exempt Market Dealer.

## ITEM 3

### Table of Contents

Item 2	Material Changes
Item 3	Table of Contents
Item 4	Advisory Business
Item 5	Fees and Compensation
Item 6	Performance Based Fees and Side-by-Side Management
Item 7	Types of Clients
Item 8	Method of Analysis
Item 9	Disciplinary Information
Item 10	Other Financial Industry Activities and Affiliations
Item 11	Code of Ethics
Item 12	Brokerage Transactions
Item 13	Review of Accounts
Item 14	Client Referrals and Other Compensation
Item 15	Custody
Item 16	Investment Discretion
Item 17	Voting Client Securities
Item 18	Financial Information
Privacy Policy	

## ITEM 4

### Advisory Business

Founded in December 2015, Cadogan Park Advisors Inc. (hereinafter, "Cadogan Park" or the "Firm") is an investment advisor registered with the U.S. Securities and Exchange Commission (the "SEC"). The Firm is wholly owned by Paul Bains as the Principal. The Firm provides investment management services to its clients (individually, the "Client"). This Brochure is not: a) an offer or agreement to provide advisory services to any person, b) an offer to sell interests (or a solicitation of an offer to purchase interests) in any investment fund, or c) a complete discussion of the features, risks or conflicts associated with any investment fund, or any other product or service offered by Cadogan Park.

Cadogan Park Advisors Inc. is also registered with each of the following Canadian Securities Commissions: Portfolio Manager - British Columbia, Alberta, Ontario, and New Brunswick. Investment Fund Manager - British Columbia, Ontario, Newfoundland and Labrador. Exempt Market Dealer – British Columbia, Alberta, New Brunswick and Ontario.

The Registrant provides investment advisory services to high-net-worth individuals, other individuals, corporations, businesses and on a sub-advisory basis. Investment decisions are based upon each client's Investment Policy Statement (IPS). The assessment of a client's risk and return objectives is achieved through the completion of the client's personal profile questionnaire, including the client's personal financial situation, investment objectives and risk tolerance. This information combined with any input from the client's other professional advisors, is then finalized in a mutually agreed IPS. The client's assets are then invested in accordance with the guidelines defined in the IPS, which may also indicate the eligible investments to be used to achieve the portfolio's investment mandate.

Cadogan Park engages in specialized services that may appeal to expatriate individuals or those individuals that reside in one jurisdiction while they continue to have assets in another jurisdiction (cross border services). Cadogan Park's activities with respect to non-U.S. clients may differ from those described generally herein and Cadogan Park or its affiliate, Firethorn Partners, may provide additional or different services to non-U.S. clients. Furthermore, any discussion of activities with respect to non-U.S. clients is intended solely to provide recipients a more complete understanding of Cadogan Park's business, including potential conflicts of interest.

The Registrant may allocate (and/or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent investment managers (Sub-

Advisors) in accordance with the client's designated investment objective(s). In such situations, the Independent Manager(s) shall have day-to-day responsibility for the active discretionary management of the allocated assets. The Registrant shall continue to render investment advisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors which the Registrant shall consider in recommending Independent Manager(s) include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research.

The Registrants' activities with respect to non-U.S. clients may differ from those described generally herein and the Registrant may provide additional or different services to non-U.S. clients. Furthermore, any discussion of activities with respect to non-U.S. clients is intended solely to provide recipients a more complete understanding of the Registrants' business, including potential conflicts of interest.

In addition to the IPS, each client will formally agree to engage the services of Cadogan Park through an Investment Management Agreement (IMA). This document includes information on the client's identity and personal financial situation. It is the responsibility of the client to keep Cadogan Park updated on an ongoing basis with respect to any information contained in the IMA, including any significant changes to their personal or financial situation that could impact the appropriateness of the client's IPS.

## **2. Investment Advisory Services**

Cadogan Park combines knowledge and experience, with objective financial advice from financial advisors who act in the best interest of our clients. We charge one all-inclusive fee for our Advisory Services.

A Client's assets are managed within a given Personal Strategy based upon the Client's overall investment objectives.

A Personal Strategy is a comprehensive investment portfolio. It is focused on achieving the Client's financial goals and is designed to grow with the Client over time. Portfolios in a Personal Strategy are custom designed and are flexible to meet the Client's needs or wants. Personal Strategy asset allocations go beyond basic stock and bond portfolios. They invest globally, primarily utilizing individual equities and ETFs. Our tactical index weighting approach adds further diversification and potential return by ensuring exposure to all areas of the market while avoiding being overweight to high-risk segments. Cadogan Park believes that asset allocation is a key investment decision. The goal-based nature of a Personal Strategy means the Client's asset allocation is

continuously linked to their evolving situation, thereby maximizing the likelihood of long-term success.

In most cases, the Registrant manages clients' accounts on a discretionary basis where we have authority to manage a client's portfolio directly and purchase or sell securities without obtaining approval before effecting each trade. In other cases, the Registrant provides advisory investment management services where a client's portfolio is monitored on a day-to-day basis but buy and sell actions are executed by a Sub-Advisor(s). In this latter regard, we oversee the Sub-Advisors and coordinate, monitor and direct their activities as and where appropriate.

Cadogan Park primarily provides investment advisory services to:

- Individuals
- High-net worth individuals
- Trust, estates or charitable organizations
- Multiple Family Offices

#### **IRA Rollover Recommendations**

For the purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02"), when applicable, we are providing the following acknowledgment to clients. When Cadogan Park provides investment advice to clients regarding their retirement plan account or individual retirement account, Cadogan Park is a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way Cadogan Park makes money creates some conflicts with client interests. Cadogan Park operates under an exemption that requires Cadogan Park to act in the clients' best interest and not put Cadogan Parks' or Cadogan Parks' employees' interests ahead of the clients. Under this exemption, Cadogan Park must:

- a. meet a professional standard of care when making investment recommendations (give prudent advice),
- b. never put Cadogan Parks' or Cadogan Parks' employees' financial interests ahead of the clients when making recommendations (give loyal advice),
- c. avoid making misleading statements about conflicts of interest, fees, and investments,
- d. follow policies and procedures designed to ensure that Cadogan Park and Cadogan Parks' employees give advice that is in the clients' best interest,
- e. charge no more than is reasonable for services, and
- f. give the clients basic information about conflicts of interest.

Cadogan Park benefits financially from the rollover of the clients' assets from a retirement account to an account that Cadogan Park manages or provides investment advice, because the assets increase Cadogan Parks' assets under management and, in turn, Cadogan Parks' advisory fees. As a fiduciary, Cadogan Park only recommends a rollover when Cadogan Park and Cadogan Parks' employees believe it is in the clients' best interest.

### **Pooled Investment Vehicles**

Cadogan Park serves as the manager of the Investment Manager for the Tilton Opportunities Canadian Feeder Fund and the Tilton Opportunities Cayman Master Fund I, LP (the "Fund"). The Fund's objective is to provide unit holders with long-term capital appreciation primarily through exposure to investments in a professionally managed portfolio of developed market equity securities traded predominantly in the financial markets located in North America and Europe. The Fund is exempt from registration pursuant to Rule 506(b) of the Securities Act of 1933 and relies on an exemption from the Investment Company Act of 1940 under 3(c)-1. Investments in the Fund are deemed to be high risk investments and for that reason, the offerings are available only to accredited investors in eligible jurisdictions, who can bear the risk of loss of their investment.

This Disclosure Brochure provides only a broad summary of the information provided in the offering documents. Investors should refer to the specific Fund Offering Document for definitive and more comprehensive information regarding a specific investment concept and the matters described in this Brochure.

### **3. Assets Under Management**

Cadogan Park has \$40,796,777 direct assets under management.

## ITEM 5

### Fees and Compensation

Cadogan Park charges a single fee based on the value of the Client's assets under management. The single fee includes portfolio management. Fees are calculated monthly and deducted on a quarterly basis in arrears. The monthly market value of the assets under management is used to calculate the fee. All Client Fees are set by agreement.

Clients are required to establish or maintain brokerage accounts at a qualified custodian ("Broker" or "Brokers") identified by Cadogan Park. The current identified Brokers are:

- **Inspira Financial Trust**
- **National Bank Independent Network**
- **Fidelity Clearing & Custody**
- **Raymond James**

All Client assets are held in custody at the above listed Broker/Custodian. None of the above custodians/brokers are affiliated with Cadogan Park. Where the services of a Sub-Advisor are employed, the client or Sub-Advisor may utilize the services of other custodians of their choice.

The Client authorizes Cadogan Park to debit the advisory fee directly from their investment account. If insufficient cash is available to pay such fees, securities in an amount equal to the balance of unpaid fees will be liquidated to pay for the unpaid balance. Details of Fees and Billing can be found in our Policies and Terms disclosure document.

All fees paid to Cadogan Park for Advisory Services are separate and distinct from the fees and expenses charged by exchange traded funds, mutual funds, closed-end investment companies or other managed investments to their shareholders. The specific fees and expenses are described in each fund's prospectus.

In addition, there may be other costs assessed, which are not included in the Advisory Services fees, such as charges for transactions not executed through Cadogan Park's



designated Broker, costs associated with exchanging currencies, wire transfer fees, or other fees required by law. Clients may purchase the products recommended By Cadogan through other investment advisers.

## The Fund

The Fund's management fees are billed at an annual rate of one and five-tenths percent (1.5%) of the capital account balance of each Limited Partner. Management fees will be calculated and are payable quarterly in advance. Capital contributions accepted after the commencement of a calendar quarter are subject to a pro-rated management fee reflecting the time remaining in the quarter. In the event that a Limited Partner withdraws from the Partnership prior to the end of a calendar quarter, such Limited Partner will not receive a refund for the amount of management fees paid for the remainder of such calendar quarter. The Investment Manager may reduce or eliminate the management fees with respect to any Limited Partner in its sole discretion.

In addition, the Fund charges an incentive allocation if net profits allocated to the Fund's capital account exceed net losses allocated to that account, subject to a loss carryforward provision. The incentive allocation is 15% of net profits. The performance fee, in our sole discretion, may be waived, reduced, or calculated differently with respect to certain investors.

It is critical that investors refer to the relevant offering documents for a complete understanding of how fees and expenses are charged to the Fund. The information contained in Item 5 is a summary only and is qualified in its entirety by the relevant offering documents.

## ITEM 6

### Performance Based Fees

As noted in Item 5, we will receive performance-based compensation or incentive fees from the Fund. Performance-based compensation may be deemed to create a conflict of interest for us as there can be an incentive for us to make investments that are riskier or more speculative than would be the case in the absence of performance compensation. In addition, in situations where separate accounts do not pay an incentive fee, there can be an incentive for us to favor the Fund that does pay performance compensation. However,

to mitigate this inherent conflict of interest, we will implement allocation policies and procedures (when necessary) that seek to ensure that strategy appropriate investments are allocated among the Fund and our clients on an equitable basis.

## ITEM 7

### Types of Clients

Cadogan Park provides portfolio management services to individuals, high net worth individuals, specific trusts, family offices and businesses. There are no minimum requirements for our clients. The Fund's minimum investment is \$500,000 but may be waived at our discretion.

## ITEM 8

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

Cadogan Park's investment analyses emphasize asset allocation, fundamental research and portfolio diversification techniques over individual security analysis.

Cadogan Park's security analysis methods include:

- a tactical asset allocation strategy that attempts to identify an appropriate ratio of equity, fixed income, and cash equivalent securities. The objective of tactical asset allocation is to invest more heavily in markets, asset classes, sectors, or industries which we believe are valued below their intrinsic value. Simultaneously, the objective also attempts to avoid markets, asset classes, sectors, or industries which we believe are trading above their intrinsic value.
- Sampling and screening relevant baskets of securities, or indices, in order to select the desired security attributes.
- Fundamental analysis – evaluating securities based upon historical and projected financial performance.
- While client portfolios are generally invested over a longer time frame, our strategy does involve purchasing securities with the intent of holding the security for a period of less than a year.

All investments involve risk. Cadogan Park does not guarantee the results of the advice given. Significant losses can occur by investing in any security, or by following any strategy, including those recommended or applied by Cadogan Park. As it is not possible to identify all the risks associated with investing, this section discusses certain material risks of our investment activities.

- Client accounts may not achieve their investment objectives. A strategy may not be successful, and investors or clients may lose some or all of their investments.
- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bond holdings become comparatively less attractive, causing their market values to decline.
- Market Risk: The price of a security may drop in reaction to tangible and intangible events and conditions. This type of risk may be caused by external factors independent of a security's underlying circumstances. For example, political, economic and social conditions may trigger market events.
- Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- Business Risk: These risks are associated with a particular industry or a company within an industry. For example, a pharmaceutical company often undertakes a lengthy process or research and development and regulatory approvals, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generally generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

- **Conflicts:** Cadogan and its principals and affiliates spend time on other activities, some of which may compete with investment activities for a particular client, including investing for other clients and their own accounts and engaging in other activities in the investment industry. These other activities create conflicts over the amount of time spent managing each client. If Cadogan or such persons receive better compensation and other benefits from managing other assets or client accounts, they have an incentive to allocate more time to those other activities. These factors could influence Cadogan not to make investments on a client's behalf even if such investments would benefit the client.
- **Preferential Terms:** Cadogan may provide certain investors or clients with reduced fees and allocations, certain other preferential rights, and special liquidity rights that it does not provide to other investors or clients. These preferential rights may adversely affect the clients' portfolio positions, and accordingly, the other investors or clients.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Concentration of Portfolio:** An account may invest in a relatively limited number of investments, so aggregate returns realized by it may be substantially affected by the unfavorable performance of a small number of such investments. Any concentration in an industry, security, issuer or country will make an account more susceptible to fluctuations in value and losses resulting from adverse economic conditions affecting that particular industry, security, issuer or country.
- **Non-US Investments:** An account may invest in securities of non-U.S., private and government issuers. The risks of these investments include political risks, risks associated with the economic conditions and legal systems of the country in which the issuer is located, limitations on foreign investment in any such country, currency exchange risks, withholding taxes, more limited information about the issuer, limited liquidity and limited regulatory oversight.
- **Counterparty Risks:** Counterparties such as brokers, dealers, custodians and administrators with which Cadogan does business on behalf of an account may default on their obligations. For example, an account may lose its assets on deposit with a broker if the broker, its clearing broker or an exchange clearing house becomes bankrupt.
- **Legal and Regulatory Matters Risks:** Legal developments which may adversely impact

investing and investment-related activities can occur at any time. “Legal Developments” means changes and other developments concerning foreign, as well as US federal, state and local laws and regulations, including adoption of new laws and regulations, amendment or repeal of existing laws and regulations, and changes in enforcement or interpretation of existing laws and regulations by governmental regulatory authorities and self-regulatory organizations (such as the SEC, the US Commodity Futures Trading Commission, the Internal Revenue Service, the US Federal Reserve and the Financial Industry Regulatory Authority). Our management of accounts may be adversely affected by the legal and/or regulatory consequences of transactions effected for the accounts. Accounts may also be adversely affected by changes in the enforcement or interpretation of existing statutes and rules by governmental regulatory authorities or self-regulatory organizations.

- **System Failures and Reliance on Technology Risks:** Our investment strategies, operations, research, communications, risk management, and back-office systems rely on technology, including hardware, software, telecommunications, internet-based platforms, and other electronic systems. Additionally, parts of the technology used are provided by third parties and are, therefore, beyond our direct control. We seek to ensure adequate backups of hardware, software, telecommunications, internet-based platforms, and other electronic systems, when possible, but there is no guarantee that our efforts will be successful. In addition, natural disasters, power interruptions and other events may cause system failures, which will require the use of backup systems (both on- and off-site). Backup systems may not operate as well as the systems that they back-up and may fail to properly operate, especially when used for an extended period. To reduce the impact a system failure may have, we continually evaluate our backup and disaster recovery systems and perform periodic checks on the backup systems’ conditions and operations. Despite our monitoring, hardware, telecommunications, or other electronic systems malfunctions may be unavoidable, and result in consequences such as the inability to trade for or monitor client accounts and portfolios. If such circumstances arise, the Investment Committee will consider appropriate measures for clients.
- **Cybersecurity Risk:** A portfolio is susceptible to operational and information security risks due to the increased use of the internet. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include, but are not limited to, infection by computer viruses or other malicious software code, gaining unauthorized access to systems, networks, or devices through “hacking” or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cybersecurity failures or breaches by third-party service providers may cause disruptions and impact the service providers’ and our business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement, or other

compensation costs, and/or additional compliance costs. While we have established business continuity plans and risk management systems designed prevent or reduce the impact of such cyberattacks, there are inherent limitations in such plans and systems due in part to the everchanging nature of technology and cyberattack tactics.

- **Pandemic Risks:** The recent outbreak of the novel coronavirus rapidly became a pandemic and has resulted in disruptions to the economies of many nations, individual companies, and the markets in general, the impact of which cannot necessarily be foreseen at the present time. This has created closed borders, quarantines, supply chain disruptions and general anxiety, negatively impacting global markets in an unforeseeable manner. The impact of the novel coronavirus and other such future infectious diseases in certain regions or countries may be greater or less due to the nature or level of their public health response or due to other factors. Health crises caused by the recent coronavirus outbreak or future infectious diseases may exacerbate other pre-existing political, social, and economic risks in certain countries. The impact of such health crises may be quick, severe and of unknowable duration. This pandemic and other epidemics and pandemics that may arise in the future could result in continued volatility in the financial markets and could have a negative impact on investment performance.
- **Taxes:** Cadogan Park and its affiliates' activities could cause adverse tax consequences to clients and investors, including liability for interest and penalties.

The above risks are not meant to represent all risks associated with investing, and investments typically carry the potential for a loss of your total investment. Please discuss the risks associated with investing with your investment advisory representative to ensure you are comfortable with the level of risks in your portfolio.

## ITEM 9

### Disciplinary Information

Our U.S. affiliate (Firethorn Partners LLC) and Bains entered into a settlement agreement with the BC Securities Commission dated March 2020 related to alleged incomplete filings. Bains engaged a compliance firm to manage its registration process and submit these filings, but nonetheless remained responsible for any alleged inaccuracies submitted on its behalf. The matter was concluded via an administrative settlement that was in excess of \$2,500. No sanctions, suspensions, revocations or orders accompanied this settlement.

## ITEM 10

### Other Financial Industry Activities and Affiliations

Cadogan Park is an independent investment advisor, unaffiliated with any other financial institution or securities dealer. Cadogan Park is registered as a Portfolio Manager, Investment Fund Manager and Exempt Market Dealer with each of various Canadian Provincial regulators. Paul Bains, the Principal of the firm, has developed a significant knowledge base and practice in the area of expatriate and cross border financial management. In order to facilitate or implement certain investment strategies or execute certain transactions in the fulfillment of these expatriate clients, the principal does hold an interest in another registrant – Firethorn Partners, LLC. Firethorn Partners, LLC is a registered investment advisor whereupon we facilitate certain expatriate mandates. Other than the description and details provided in Item 4 and above with respect to the Fund and our affiliate, Firethorn Partners, the Firm does not have any other related parties, nor does it or its employees have any affiliation to a broker dealer or futures/commodities merchant.

## ITEM 11

### Code of Ethics

Cadogan Park has adopted a Code of Ethics designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940. The Code establishes rules of conduct for all employees of Cadogan Park and is designed to educate all Cadogan Park employees of the Firm's ethical standards and prohibition of fraudulent, deceptive or manipulative conduct.

The Code is based upon the principle that Cadogan Park and its employees have a fiduciary duty to Cadogan Park clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the Firm and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

Our Code of Ethics includes prohibitions against the use of material non-public information. Employees are prohibited from trading for themselves or others while in possession of material nonpublic information (NPI) as well as communicating NPI to anyone else. The Code also covers protecting the confidentiality of client information.

The Code of Ethics also covers restrictions on personal securities transactions of employees. Officers or employees of the Firm are permitted to invest in the same securities (with limitations and pre-clearance requirements) that are purchased on behalf of clients for their personal investment considerations. The Firm also reserves the right to disapprove any proposed transaction that may have the appearance of improper conduct. The Firm does not foresee a conflict of interest due to the liquidity and depth of the markets in which these securities trade. Clients should be aware that this potential conflict of interest exists.

## ITEM 12

### Brokerage Transactions

Cadogan Park will arrange for the execution of securities brokerage transactions for Client portfolios through broker-dealers which Cadogan Park reasonably believes will provide “best execution”. In seeking “best execution”, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealers’ services including the value of research provided, execution capability, commission rates and responsiveness. Accordingly, although Cadogan Park will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for account transactions.

The factors that Cadogan may consider in determining which brokers to use include among other things:

- Research reports, services and conferences (including third-party research fees);
- Outsourced trading expertise and trading desk access;
- Economic and market information;
- Portfolio strategy advice;
- Industry and company comments;
- Technical data;
- Performance measuring data;
- On-line pricing;
- Special execution capabilities;
- Outsourced trading services;
- Block trading and block positioning capabilities;
- Willingness to execute related or unrelated difficult transactions in the future;
- Willingness to commit capital;



- Knowledge of market participants;
- Order of call;
- Sophistication of computerized trading systems;
- Clearance and settlement;
- Reputation, financial strength and stability;
- Confidentiality;
- Efficiency of execution and error resolution;
- Quotation services;
- Availability of stocks to borrow for short trades;
- Custody, recordkeeping and similar services;
- General business or operational consulting; and
- Other matters involved in the receipt of brokerage services generally.

Cadogan also may purchase from a broker, or allow a broker to pay for, all or a portion of operating costs and expenses of Cadogan or its affiliates, such as:

- Supplies;
- Newswire and data processing charges;
- Quotation services and equipment;
- Accounting, administrative and legal fees;
- Periodical subscription fees;
- Third party research fees;
- Costs and expenses of offering and selling interests and shares in the Funds and communicating with existing and prospective investors; and
- Registration fees to attend research conferences.

Consistent with obtaining best execution, transactions for Client portfolios may be effected through broker-dealers in return for research products and/or services that assist Cadogan Park in its investment decision-making process. Such research generally will be used to service all of Cadogan Park's Clients (including accounts that may not generate commissions used to pay for investment research), but brokerage commissions paid by the Client may be used to pay for research that is not used in managing Client accounts. Client accounts may pay to a broker-dealer a commission greater than another qualified broker-dealer might charge to affect the same transaction where Cadogan Park determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received.

Transactions for each Client account generally will be effected independently, unless Cadogan Park decides to purchase or sell the same securities for several Clients at approximately the same time. Cadogan Park may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission

rates or to allocate equitably among Cadogan Park's Clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among Cadogan Park's Clients in proportion to the purchase and sale orders placed for each Client portfolio on any given day. To the extent that Cadogan Park determines to aggregate Client orders for the purchase or sale of securities, including securities in which Cadogan Park's principals and/or associated person(s) may invest, Cadogan Park shall generally do so in accordance with the parameters set forth in SEC No-Action Letter, SMC Capital Inc. Cadogan Park shall not receive any additional compensation or remuneration as a result of the aggregation.

- (a) The Client recognizes and agrees that for Cadogan Park to discharge its responsibilities, Cadogan Park may, by way of discretionary authorization or upon prior authorization from the Client if non-discretionary, effect securities transactions for the portfolio.
- (b) Commissions and/or transaction fees are generally charged for effecting securities transactions and that brokerage commissions and/or transaction fees charged to the portfolio for securities brokerage transactions are the responsibility of the Client.
- (c) In return for effecting securities brokerage transactions through certain broker-dealers, Cadogan Park may receive from those broker-dealers certain investment research products and/or services which assist Cadogan Park in its investment decision-making process for the Client, all of which transactions shall be in compliance with Sections 28(e) of the Securities Exchange Act of 1934.

## ITEM 13

### Review of Accounts

Cadogan Park utilizes portfolio management software to monitor and manage Clients accounts on a continual basis. Exception reporting is monitored by a member of the Investment Committee. Deviation from an account's determined asset allocation parameters and the addition or removal of a specific security from the designated model portfolio may trigger periodic rebalancing. Each client account will be reviewed periodically by the Investment Committee, and each portfolio manager will review client accounts frequently. Accounts are supervised continuously and reviewed periodically by

the Chief Compliance Officer or his Alternate.

Cadogan Park provides Clients on-line access to their financial information. In addition, Cadogan Park may provide a detailed semi-annual report to each client, as well as brokerage account statements and confirmations from the client's custodian. Clients are urged to periodically compare statements prepared by Cadogan Park and the custodian regarding activity, holdings and valuations.

## ITEM 14

### Client Referrals and Other Compensation

We may enter into agreements with third party solicitors who refer clients. Referral fees shall be paid solely from the Firm's compensation as defined in our agreement and shall not result in any add-on charge to the client. A written disclosure statement disclosing the terms of the referral arrangement between the Firm and the referrer will be provided to the Client in advance, including the compensation to be received by the referrer from the Firm. Any solicitation agreements will be in accordance with Rule 206(4)-3 under the Advisers Act.

## ITEM 15

### Custody

#### Separate Accounts

Clients' assets are maintained with qualified custodians that are not affiliated with Cadogan Park. The qualified custodians are authorized by clients to deduct and direct payment of Cadogan Parks' advisory fees directly from the clients' custodial accounts. Such clients receive account statements directly from their respective custodians on at least a quarterly basis. Each client should carefully review those statements.

If a client also receives an account statement from Cadogan Park, it will be based on the information provided to Cadogan Park from the custodian of the client's account. Clients are urged to carefully review such statements and compare such official custodial records to the account statements that Cadogan Park may provide to the client. Cadogan Parks' statements may vary from custodial statements based on accounting procedures,

reporting dates, or valuation methodologies of certain securities.

## ITEM 16

### Investment Discretion

Clients retain Cadogan Park on a discretionary basis to provide continuous investment advice pursuant to an investment management agreement (IMA) that describes the services to be provided. Consistent with the client's investment objectives, Cadogan Park typically will have full investment decision-making authority over the type of investments and brokerage for the client's account. In addition to the IMA, the Firm's Terms and Policies statement and the agreement between the client and the custodian/broker-dealer for the account grant this discretionary authority to the Firm. The client's written agreement with the custodian also grants a limited power of attorney to the Firm to effect transactions in the client's custodial account. When selecting securities and determining amounts, Cadogan Park seeks to follow the investment policies and limitations of the clients.

## ITEM 17

### Voting Client Securities

In the absence of specific voting guidelines from a client, Cadogan does not vote proxies for its clients.

Clients are permitted to vote their own proxies by "opting out" of proxy voting services during the account opening process, or at any time, by submitting a request in writing to Cadogan. If a client chooses to "opt out", they do so on an "all or none" basis and agree to respond to their own proxies independently of Cadogan.

## ITEM 18

### Financial Information

The Firm is not subject to any financial commitment that impairs its ability to meet contractual and fiduciary commitments to its clients.

Privacy Policy

Cadogan Park:

- collects non-public personal information about its clients from the following sources:
  - information received from the clients on applications or other forms;
  - information about the clients' transactions with Cadogan Park, its affiliates or others; and
  - information Cadogan Park receives from consumer reporting agencies;
- does not disclose any non-public personal information about its clients or former clients to anyone, except as permitted by law;
- restricts access to non-public personal information about its clients to its employees who have a business or professional reason to know such information; and
- maintains physical, electronic and procedural safeguards that comply with federal standards to guard their investors' personal information.