

## FORM CRS – CUSTOMER RELATIONSHIP SUMMARY

**Item 1. Introduction**

SouthernSun Asset Management LLC (“SouthernSun,” “we,” “us,” or “our”) is registered with the Securities and Exchange Commission (“SEC”) as an investment adviser. Investment advisory and brokerage services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about investment advisers, broker-dealers, and investing.

**Item 2. Relationships and Services****What investment services and advice can you provide me?**

SouthernSun offers investment advisory services to a wide range of client types, including retail investors (e.g., individuals, family foundations, and trusts), via separately managed accounts (“SMAs”) either directly with SouthernSun or indirectly through third-party financial intermediaries, namely wrap fee programs or master contract relationships. Our focus is primarily on the small capitalization to small-to-mid (“SMID”) capitalization range of the financial markets, taking long-only positions in equity securities.

- **Monitoring**

As part of our standard service, we continuously monitor client accounts. This process includes general reviews of accounts as trades are placed and as accounts are screened for compliance with investment guidelines. Additionally, we typically analyze position-level dispersion across accounts on a regular basis to ensure accounts are being like-managed (subject to any account-specific restrictions).

SouthernSun is not responsible for determining whether any of its investment strategies or overall risk profile are appropriate or suitable for any given retail client’s particular circumstances. Such decisions should be made by the retail client in consultation with a financial advisor who understands and is familiar with the retail client’s past and present circumstances, including any asset allocation goals.

- **Investment Authority**

Our retail clients grant us discretionary authority to manage their accounts, which means that we can buy and sell investments on behalf of our clients without seeking permission on a trade-by-trade basis.

- **Limited Investment Offerings**

We do not limit the provision of investment management services to proprietary products. Our advisory services are generally limited to common stock traded on U.S. exchanges.

- **Account Minimums and Other Requirements**

The minimum account size for SMAs directly with SouthernSun is \$5,000,000, which may be waived at our discretion. If a retail client has an account with SouthernSun via a third-party wrap fee program or master contract relationship, then such accounts will have a significantly lower account minimum that is contractually agreed upon between the wrap program sponsor/financial intermediary and SouthernSun.

- **Additional information** about SouthernSun’s services is available in Part 2A of our Form ADV (specifically Items 4, 7, and 13), which is available at <https://adviserinfo.sec.gov/firm/summary/154572>.



Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

**Item 3. Fees, Costs, Conflicts, and Standard of Conduct****A. What fees will I pay?**

SouthernSun charges retail clients an investment management fee that is based on the value of each retail client’s assets under management with the firm (i.e., asset-based fees). Additional information about our firm’s fees are included in Item 5 of our Form ADV Part 2A, available at <https://adviserinfo.sec.gov/firm/summary/154572>.

In addition to SouthernSun’s investment management fee, retail clients bear transaction fees when we buy or sell investments (called “brokerage” fees). Retail clients also pay fees to the broker-dealer or bank that maintains each account (called “custody” fees).

If retail clients have an account managed by SouthernSun through a third-party wrap fee program, such fees will be bundled along with any management or other fees charged by the wrap program sponsor, and the retail client will pay a single fee known as the “wrap fee” to the wrap program sponsor, which is higher than a typical asset-based advisory fee.



**Conversation Starters to Ask Your Financial Professional**

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees you are paying.



Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

*What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?*

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide to you. Here are some examples to help you understand what this means.

- **Side by Side Management:** Certain employees of SouthernSun may from time to time invest in unregistered pooled vehicles, which invest in similar strategies as those of our retail clients. This may create an incentive to favor such vehicles in the allocation of investment opportunities. Please see Item 12 of our Form ADV Part 2A available at <https://adviserinfo.sec.gov/firm/summary/154572> to understand how SouthernSun has designed and implemented procedures in an effort to ensure that all clients are treated fairly and to prevent this conflict from influencing the allocation of investment opportunities among clients.
- **Soft Dollar Benefits:** SouthernSun receives soft dollar benefits (e.g., research, access to conferences, etc.) from brokers with whom we trade as well as brokers who are trying to solicit business from SouthernSun but with whom we do not currently have a trading relationship. However, we are under no obligation to trade with any broker, nor do we adjust commission rates (i.e., pay higher commissions) to obtain these soft dollar benefits. These services are used for the benefit of all applicable clients irrespective of the nature of the relationship.



How might your conflicts of interest affect me, and how will you address them?

**Additional information** about conflicts of interest between SouthernSun and its retail clients is available in Part 2A of our Form ADV, which is available at <https://adviserinfo.sec.gov/firm/summary/154572>.

**B. How do your financial professionals make money?**

Finding and retaining the right individuals is paramount to our success, and we believe our very low turnover on the investment team/management team is a testimony to the success of our approach. We believe our compensation philosophy is aligned with the clients' best interests. Investment professionals and other key employees of SouthernSun receive compensation which typically consists of an employee's salary, bonus and profit-sharing potential, health and life benefits, vacation, and personal days as well as our employer 401k match.

**Item 4. Disciplinary History**

*Do you or your financial professionals have legal or disciplinary history?*

Yes

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No ☒

Visit <https://www.investor.gov/CRS> for a free and simple search tool to research us and our financial professionals.



As a financial professional, do you have any disciplinary history? For what type of conduct?

**Item 5. Additional Information**

Additional information about our services can be found at <https://adviserinfo.sec.gov/firm/summary/154572>. If you have any questions about the contents of this brochure or would like to request a copy of this relationship summary, please contact [clientservice@southernsunam.com](mailto:clientservice@southernsunam.com) or call (901) 341-2700.



Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

