

# AZG Capital LLC

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**This Brochure provides information about the qualifications and business practices of AZG Capital (“AZG”). If you have any questions about the contents of this Brochure, please contact us at +1 786 866 3700. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

AZG Capital is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

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

## Item 2 – Material Changes

As required by SEC rules, AZG Capital, an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”), is required to inform our clients of material changes to its business that have occurred since the last annual update of the Firm’s brochure.

Since our last annual update, no material changes have been made.

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## **Item 4 – Advisory Business**

### **BRIEF DESCRIPTION**

AZG is a limited liability company established in June 2010 and incorporated in FL. On September 28, 2020, AZ US Holdings acquired an indirect majority ownership of Genesis Fund Management LLC resulting in the name change to AZG ("AZG"). AZG's principal place of business is FL and is 100% owned by Azimut Genesis Holdings LLC (Formerly RGP2 LLC), a privately held limited liability corporation which is subsequently majority owned by AZ US Holdings.

AZG provides investment advisory services, as described below, to a non-US investment company. AZG Capital does not provide advisory services to individual clients.

### **ASSETS UNDER MANAGEMENT**

As of December 31, 2023, AZG has an approximate total of \$7,831,727 in discretionary assets under management and an approximate total of \$0 in non discretionary assets under management.

While there is no minimum account size for affiliated funds, the minimum investment varies by fund.

### **ADVISORY SERVICES PROVIDED**

#### UCITS

AZG is the investment manager to the Protea UCITS II Genesis Bond Fund AKA Genesis Bond fund ("Fund"). The Fund is structured as a 'Societe d'Investissement a Capital Variable' ("SICAV") under the 'Undertaking for Collective Investment in Transferable Securities' ("UCITS") directive for non-U.S. investors. The Fund operates as a sub-compartment to an umbrella investment company of Protea UCITS II Sicav with variable capital and segregated liability between funds incorporated with limited liability in the Luxembourg and authorized by the Commission de Surveillance du Secteur Financier ("CSSF"). The Protea UCITS II Genesis Bond Fund, is a sub-fund within this structure.

## INVESTMENT TYPES

AZG can invest Funds' assets, but is not limited to, in the following types of investments:

- Equity Securities
- Corporate Debt Securities
- Commercial Paper
- Certificates of Deposits
- United States Government Securities
- Options on Securities
- Futures Contracts on Intangibles
- Other High Quality Liquid Short Term Instruments

## WRAP FEE PROGRAMS

AZG does not participate in wrap fee programs.

## Item 5 – Fees and Compensation

### SICAV under UCITS Directive

The investment advisory fees that we receive as a service provider to the SICAV under UCITS directives are described in the registration statements and/or financial filings of the UCITS which are available upon request. Fees are not negotiable.

AZG is compensated for the services performed and the facilities furnished by AZG:

- i. An annual Management Fee based on the net assets of the fund(s). This fee is payable monthly in arrears on the first business day of each calendar month, calculated on the total net asset value as of the last business day of the preceding month, before giving effect to subscriptions and redemptions, if any, accepted as of such day.

The Redemption Price for each Class of Shares is equal to the Net Asset Value per share as of the applicable Valuation Day less any charges set forth in the Appendix for the relevant Sub-Fund. Shareholders who wish all or some of their shares to be redeemed by the Company must make an irrevocable redemption request by sending such request to the Registrar and Transfer Agent or the Company.

AZG can terminate their agreement to manage the Funds at any time if written notice is given at least 30 days before the termination date. However, the Funds represent, covenant, and agree that their decision to terminate their agreement with AZG shall require a unanimous affirmative vote of the funds' directors for so long as the Funds have three or less directors and a vote of 75% of the director's casting votes at such time as the funds have more than three directors.

Upon termination of their agreement, AZG shall be entitled to receive all fees and other monies accrued due up to and including the date of such termination but shall not be entitled to compensation in respect of such termination, however occasioned.

Termination of the appointment of AZG shall be without prejudice to the completion of transactions already initiated by AZG and shall not affect the rights and obligations of the parties which came into existence prior to the termination which shall remain in full force and effect until discharged. Such transactions will be completed by AZG Manager in a timely and expeditious manner.

AZG's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the Funds. The Funds can incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. More information on such expenses can be found in the respective Funds prospectus or offering documenters.

Such charges, fees and commissions are exclusive of and in addition to AZG's fee, and AZG shall not receive any portion of these commissions, fees, and costs.

AZG's affiliate Azimut Genesis Advisors ("AZ Genesis") offers separate account management, which could include recommending a portion of a client's assets be invested in one of more of the Funds. AZ Genesis will receive its asset management fee in addition to the fee charged to the client by the Fund(s).

Item 12 further describes the factors that AZG considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Currently AZG is not charging an incentive or performance fee. AZG however reserves the right to change its fee structure and charge a performance fee.

## **Item 7 – Types of Clients**

AZG provides portfolio management services to the SICAV based UCITS Fund. AZG does not provide services to any individual or corporate client.

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

### **METHOD OF ANALYSIS AND SOURCES OF INFORMATION**

Generally, the methods of analysis, sources of information and investment strategies employed by AZG Capital are:

- Fundamental
- Technical

Additionally, the main sources of information AZG uses include, but are not limited to:

- Financial Newspapers and Magazines
- Research Materials Prepared by Others
- Corporate Rating Services
- Annual Reports, Prospectuses, Filings with the SEC
- Company Press Releases

### **INVESTMENT STRATEGIES**

AZG can implement, but is not limited to, the following types of strategies

- Long-Term Purchases (securities held at least one year)
- Short-Term Purchases (securities sold within one year)
- Trading (securities sold within 30 days)
- Short sales
- Margin Transactions

As part of its investment strategy, AZG can invest in non US bonds, non US equities, non investment grade securities, Eurobonds or similar securities, including Emerging Markets securities. Some of these securities can be illiquid and not have a readily available market.

### **Risks Of High Yield Investing**

Accounts can be invested in debt securities which are rated below investment grade (“lower-rated securities,” sometimes referred to as “high yield” or “junk bonds”) or which are unrated

but deemed equivalent to those rated below investment grade by AZG. The lower the ratings of such debt securities, the greater their risks. These debt instruments generally offer a higher current yield than that available from higher-grade issues, but typically involve greater risk. The yields on high yield/high risk bonds will fluctuate over time. In general, prices of all bonds rise when interest rates fall and fall when interest rates rise. Lower-rated and unrated securities are especially subject to adverse changes in general economic conditions and to changes in the financial condition of their issuers. During periods of economic downturn or rising interest rates, issuers of these instruments can experience financial stress that could adversely affect their ability to make payment of principal and interest and increase the possibility of default. AZG can have difficulty disposing of certain high yield bonds because there could be a thin trading market for such securities. To the extent that a secondary trading market for high yield bonds does exist, it is generally not as liquid as the secondary market for higher-rated securities. Reduced secondary market liquidity can have an adverse effect on market price and AZG's ability to dispose of issues.

Adverse publicity and investor perceptions, whether based on fundamental analysis, can also decrease the values and liquidity of these securities especially in a market characterized by only a small amount of trading.

### **Risks Of Global Investing**

Global investing involves special economic and political considerations. Such considerations include changes in exchange rates and exchange rate controls (which can include suspension of the ability to transfer currency from a given country), currency devaluations, costs incurred in conversions between currencies, non-negotiable brokerage commissions, less publicly available information, different accounting standards, lower trading volume and greater market volatility, the difficulty of enforcing obligations in other countries, less securities regulation, different tax provisions (including withholding on dividends and interest paid to an account), war, expropriation, political and social instability, and diplomatic developments.

### **Risks Of Emerging Markets Investing**

Emerging market countries are those countries defined as "emerging markets" by certain entities such as the World Bank or the United Nations. Securities of many issuers in emerging markets could be less liquid and more volatile than domestic issuers. Emerging markets also have different clearance and settlement procedures, and in certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Delays in settlement could result in temporary periods when a portion of the assets of an account is un-invested and no return is earned thereon. The



inability of an account to make intended security purchases due to settlement problems could cause an account to miss attractive investment opportunities. Inability to dispose of portfolio securities due to settlement problems could result either in losses to an account due to subsequent declines in value of the account securities or, if an account has entered into a contract to sell the security, in possible liability to the purchaser. Costs associated with transactions in foreign securities are generally higher than costs associated with transactions in US securities. Such transactions also involve additional costs for the purchase or sale of foreign currency.

Foreign investment in certain emerging market debt obligations is restricted or controlled to varying degrees. These restrictions or controls can at times limit or preclude foreign investment in certain emerging market debt obligations and increase the costs and expenses of an account. Certain emerging markets require prior governmental approval of investments by foreign persons, and/or impose additional taxes on foreign investors. These markets could also restrict investment opportunities in issuers in industries deemed important to national interests.

Certain emerging markets could require governmental approval for the repatriation of investment income, capital, or the proceeds of sales of securities by foreign investors. In addition, if deterioration occurs in an emerging market's balance of payments or for other reasons, a country could impose temporary restrictions on foreign capital remittances. An account could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital, as well as by the application to an account of any restrictions on investments.

Many emerging markets have experienced, and continue to experience, high rates of inflation. In certain countries, inflation has at times accelerated rapidly to hyperinflationary levels, creating a negative interest rate environment, and sharply eroding the value of outstanding financial assets in those countries. Increases in inflation could have an adverse effect on an account's non-dollar denominated securities and on the issuers of debt obligations generally.

Individual foreign economies can differ favorably or unfavorably from the US economy in such respects as growth of gross domestic product, rate of inflation, capital reinvestment, resources, self-sufficiency, and balance of payments position. The securities markets, values of securities, yields and risks associated with securities markets in different countries can change independently of each other.

Investment in sovereign debt can involve a high degree of risk. Holders of sovereign debt (including an account) can be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which

sovereign debt on which governmental entities have defaulted can be collected in whole or in part.

Additionally, there can be no assurance that an account's investment in Emerging Markets would not be expropriated, nationalized, or otherwise confiscated.

### **Leveraged Trading**

Securities can be traded on a leveraged or margined basis. Accordingly, a relatively small price movement could result in immediate and substantial loss to the investor. Although the use of leverage can substantially improve the return on invested capital, it also can increase any adverse impact to which the hedge fund's investment portfolio could be subject.

### **Short Selling**

Short sales strategies can be used in which a security not owned will be sold in the hope of purchasing the same security later at a lower price. A loss will be incurred because of a short sale if the price of the security increases between the date of the short sale and the date on which the hedge fund covers its short position (i.e., purchases the security to replace the borrowed security.) A gain will be realized if the security declines in price between these dates. A short sale involves the theoretically unlimited risk of an increase in the market price of the security.

### **Exchange Traded Fund Risks**

ETF shareholders are subject to risks like those of holders of other portfolios, such as mutual funds. In addition to these general risks, there are risks specific to each ETF, which are described in the relevant prospectus. Risks can include the following:

- The general value of securities held can decline, thus adversely affecting the value of an ETF that represents an interest in those securities. This could occur with equities, commodities, fixed income, futures, or other investments the fund can hold on to behalf of the shareholders.
- For ETFs for which the stated investment objective is to track a particular industry or asset sector, the fund can be adversely affected by the performance of that specific industry or sector.
- Fund holdings of international investments can involve risk of capital loss from unfavorable fluctuations in currency exchange rates, differences in generally accepted accounting principles, or economic or political instability in other nations.

- Although ETFs are designed to provide investment results that generally correspond to the price and yield performance of their respective underlying indexes, the funds may not be able to exactly replicate that performance because of fund expenses and other factors. This is sometimes referred to as “tracking error.”

## Investment Risks

Markets are speculative, prices are volatile, and movements are difficult to predict. Supply and demand change rapidly and are affected by a variety of factors, including interest rates, merger activities and general trends in the overall economy or industry or other economic sectors. A variety of factors that are inherently difficult to predict, such as domestic and international political developments, governmental trade and fiscal policies, patterns of trade and war or other military conflict also can have significant effects on the market. There could be only limited ability to vary an investment portfolio in response to changing economic, financial and investment conditions. Those risks can be enhanced significantly by the concentration of investments, a consequent lack of diversification and the potential that creates for volatility. No assurance can be given as to when or whether adverse events might occur that could cause significant and immediate loss in value of a portfolio. Even in the absence of such events, large losses could be acquired.

## Risk of Funds Investing

Investing in Funds in general can have the following risks associated:

Market Risk: The value of the underlying investments could decline because of unavoidable risks that affects the entire market.

Liquidity Risk: There is the risk that underlying investments in a fund is not able to be sold because there are no buyers in the market. As a result, the value of underlying securities could decline to zero in the case of illiquidity in the market.

Credit Risk: Funds that invest in fixed income securities (bonds) has the credit risk of the bond issuer. Credit risk exists if the bond issuer is unable to repay a bond upon maturity and/ or interest payments of a bond. This could result in the bond being worthless.

Interest Rate Risk: Funds that invest in fixed income securities (bonds) have the risk of the value of the security to decline during periods of rising interest rates.

Country Risk: Political or instability of a country can negatively affect the value of a security which could result in declining values.

**Currency Risk:** Investments that are denominated in other currencies have the risk of devaluation based on the foreign exchange value rates compared against the US dollar.

### **Special Risks Relating to Certain Investment Instruments**

**Currency Forwards** - Currency forwards can be purchased or sold to hedge the decline in value of securities or to invest in the currency of an Emerging Market country. AZG can enter contractual obligations to purchase a specific currency at an agreed upon price for a specific date with a known counterparty. There is the risk that the counterparty will not be able to perform its obligation (counterparty risk).

**Certificates of Deposit** - AZG can purchase certificates of deposit (CDs) issued by commercial banks that could be domiciled in an Emerging Market country, or through an offshore branch of such a bank. CDs can settle domestically with a local custodian or sub-custodian or can settle via "Euroclear" (EuroCDs). CDs can be denominated in local currency or in a major currency such as the U.S. dollar or Japanese Yen or be linked to hard currency. CDs could be rated or unrated.

**Commercial Paper/Medium Term Notes** - AZG can purchase commercial paper (CP), or medium-term notes (MTNs) issued by a private sector enterprise domiciled in an Emerging Market country or through its offshore entity via a special purpose vehicle or note program. CP/MTNs can settle either domestically with a local custodian, in "Euroclear" (EuroCP or EuroMTNs), or in other major markets (such as Asian currency notes). CP/MTNs can be denominated in local currency or in a major currency such as the U.S. dollar or be linked to a hard currency. CP/MTNs could be rated or unrated.

If a Foreign Currency Constraint Event happens where under certain circumstances an Issuer is restricted or prevented from paying the Specified Currency for amounts owing under the CDs, holders of CDs can elect to receive payment in the lawful currency of the pertinent country, i.e., Brazil. If a holder does not elect to receive payments in the lawful currency of the pertinent country, i.e., Brazil, after the termination of the Foreign Currency Constraint Event such holder will receive any payments in respect of the CDs in such Specified Currency. A Foreign Currency Constraint Event will not be deemed to be an event of default and holders of CDs containing a Foreign Currency Constraint provision shall have no recourse against the Issuer's assets and operations outside the pertinent country, i.e., Brazil, including, without limitation its assets and operations in another jurisdiction or country.

**Structured Products** - AZG can purchase structured products in various forms.

**Illiquid and Restricted Securities** - The absence of a trading market can make it difficult to ascertain a market value for illiquid securities. Disposing of illiquid securities can involve time-consuming negotiation and legal expenses, and it could be difficult or impossible for an account to sell them promptly at an acceptable price.

**Convertible Securities** - While convertible securities generally offer lower yields than non-convertible debt securities of similar quality, their prices can reflect changes in the value of the underlying common stock. Convertible securities generally entail less credit risk than the issuer's common stock.

An account could be required to permit the issuer of a convertible security to redeem the security and convert it into the underlying common stock or the cash value of the underlying common stock. Thus, an account may not be able to control whether the issuer of a convertible security chooses to convert that security. If the issuer chooses to do so, this action could have an adverse effect on an account's ability to achieve its investment objectives.

**Zero Coupon Securities** - Zero coupon securities are subject to greater market value fluctuations from changing interest rates than debt obligations of comparable maturities that make current cash distributions of interest.

**Derivatives** - This includes, without limitation, forward currency contracts, swap contracts, financial futures, index options, etc. The risks of derivatives include the possible default by the other party to the transaction, illiquidity and, to the extent AZG view as to certain market movements is incorrect, the risk that the use of such derivatives could result in losses greater than if they had not been used. Use of put and call options could result in losses to an account, force the sale or purchase of account securities at inopportune times or for prices higher than (in the case of put options) or lower than (in the case of call options) current market values, limit the amount of appreciation an account can realize on its investments or cause an account to hold a security it might otherwise sell. The use of currency transactions can result in an account incurring a loss because of several factors including the imposition of exchange controls, suspension of settlements or the inability to deliver or receive a specified currency. The use of options and futures transactions entails certain other risks. In particular, the variable degree of correlation between price movements of futures contracts and price movements in the related account position of an account creates the possibility that losses on the hedging instrument can be greater than gains in the value of an account's position. In addition, futures and options markets may not be liquid in all circumstances and certain over the counter options could have no markets. As a result, in certain markets, an account might not be able to close out a transaction

without incurring substantial losses, if at all. Although the use of futures contracts and options transactions for hedging should tend to minimize the risk of loss due to a decline in the value of the hedged position, at the same time they tend to limit any potential gain which might result from an increase in value of such position.

Finally, the daily variation margin requirements for futures contracts would create a greater ongoing potential financial risk than would purchases of options, where the exposure is limited to the cost of the initial premium. Losses resulting from the use of derivatives would reduce net asset value, and possibly income, and such losses can be greater than if the derivatives had not been utilized.

**Short Sales** - At times, a hedge fund can engage in short sales in which it will sell a security it does not own in the hope of purchasing the same security later at a lower price. The hedge fund will incur a loss because of a short sale if the price of the security increases between the date of the short sale and the date on which the hedge fund covers its short position (i.e., purchases the security to replace the borrowed security.) A hedge fund will realize a gain if the security declines in price between these dates. A short sale involves the theoretically unlimited risk of an increase in the market price of the security.

Investing in securities involves risk of loss that clients should be prepared to bear.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of AZG or the integrity of AZG's management. AZG has no information applicable to this Item.

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

### **OTHER FINANCIAL INDUSTRY ACTIVITIES**

- AZG is not actively engaged in a business other than giving investment advice.
- AZG does not sell products or services other than investment advice.
- The principal business of AZG and its principal executive officers does not involve something other than providing investment advice.

### **AFFILIATIONS**

Azimut Genesis Advisors LLC (“AZ Genesis”), AZG, Sanctuary Securities, Inc. and Sanctuary Advisors, LLC are advisory affiliate and related persons owned by Azimut US Holdings LLC (Formerly RGP2 LLC), a holding company. AZ US Holdings which own a majority stake in AZ Genesis Holdings LLC, also owns controlling stakes at two other US entities: AZ Apice which is a registered investment advisor; and Azimut Alternative Capital Partners, a non-registered entity located in New York. Additionally, AZ US Holdings parent companies AZ International Holdings and Azimut Holdings SPA, owns several financial entities worldwide. Azimut Holdings SPA is a publicly traded company in Europe.

It is important to note that employees or affiliated persons to AZG and/or AZ Genesis may become registered as registered representatives of Sanctuary Securities, LLC (an affiliated entity) for purposes of executing securities/brokerage transactions on behalf of clients. When this happens, it will create a conflict of interest as these individuals may receive transaction-based compensation for the transactions they execute which may be greater than the compensation they would otherwise receive from AZG and/or AZ Genesis. AZG mitigates this potential conflict by not allowing any of its affiliated persons to charge brokerage transaction commissions on account. In addition, and as described below, AZG has implemented a Code of Ethics and Personal Trading Policy that is designed to mitigate any additional conflicts.

Please see Item 5 – Fees and Compensation for a full review of AZG fees.

AZG has entered into a service agreement with other entities, including client custodians, and could receive compensation from these entities for services provided pursuant to an agreement. These services can include 1) general analysis regarding equities and emerging markets and 2) marketing services. Compensation to AZG could be a percentage of assets under management or a fee based on billable time spent providing the service. Additionally, AZG can enter into service agreements whereby other entities would be compensated for certain administrative and miscellaneous services rendered to AZG. This poses a potential conflict in that AZG can enter in a service agreement that benefit AZG, or an affiliate, when other un-conflicted arrangements could have been made. AZG legal and Compliance reviews all such arrangements to ensure AZG clients ultimately receive the best service that AZG can provide and that such arrangements are adequately disclosed.

## Item 11 – Code of Ethics, Participation or Interest in client Transactions and Personal Trading

### CODE OF ETHICS

It is the policy of AZG that all investment advisory services and related activities comply fully with the provisions of the Investment Advisers Act of 1940 (“Advisers Act”) and the rules and regulations there under, and other applicable federal and state laws.

AZG has a fiduciary duty to its clients. It is of the greatest importance that our clients never have reason to doubt their decision to place their faith and confidence in us. Any action that can cause that decision to be questioned jeopardizes the future of AZG and its employees. If an employee becomes aware of any activities that he/she believes could be in violation of the law or the policies of AZG, it is their responsibility to pass this information on to his/her supervisor or the Chief Compliance Officer.

The purpose of AZG’ Code of Ethics, wherein AZG’ Personal Securities Transactions Policy Statement is incorporated by reference, is to maintain high standards of ethical conduct for AZG and its personnel. In so doing, this Code of Ethics addresses the following: STANDARD OF CARE, SUITABILITY, CONFIDENTIALITY, CONFLICTS OF INTEREST, SUPERVISORS’ ROLES, PERSONAL SECURITIES TRANSACTIONS REPORTING REQUIREMENTS, GIFTS AND ENTERTAINMENT, OUTSIDE BUSINESS ACTIVITIES, INSIDER TRADING, PROHIBITED ACTIVITIES, and CONSEQUENCES OF CODE VIOLATIONS. AZG’ CODE OF ETHICS is available to all clients upon their request.

Any reference to AZG’s Code of Ethics below incorporates AZG’s Personal Securities Transactions Policy Statement also. All AZG employees must acknowledge the terms of the Code of Ethics and Personal Securities Transactions Policy Statement at the beginning of their employment and annually thereafter. The officers and employees of AZG can own securities in which AZG invests for clients.

AZG anticipates that, in appropriate circumstances, consistent with clients’ investment objectives, it will cause accounts over which AZG has management authority to effect and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which AZG, its affiliates and/or clients, directly or indirectly, could have a position of interest. AZG’s employees and persons associated with AZG are required to follow AZG’s Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors, and employees of AZG and its affiliates can trade for their own accounts in securities which are recommended to and/or purchased for AZG’s clients. The Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of the employees of AZG will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions



while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of AZG's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading near client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between AZG and its clients.

Certain affiliated accounts can trade in the same securities with client accounts on an aggregated basis when consistent with AZG's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. AZG will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

It is AZG's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. AZG will also not cross trades on an agency basis between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction can also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

### **FACTORS CONSIDERED WHEN SELECTING BROKER DEALER**

AZG selects the broker/dealers who it believes can provide best execution of securities transactions. Funds leave the selection of the broker/dealer to AZG. AZG can recommend an entity for custody and/or brokerage services.

In selecting a broker/dealer for a transaction, AZG uses its best judgment to choose the broker/dealer most capable of providing the services necessary to obtain the best available price and most favorable execution. The full range of brokerage and research services applicable to a particular transaction will be considered when making this judgment.

When more than one broker can offer the brokerage, services needed to obtain the best available price and most favorable execution, AZG could consider selecting those brokers that also supply research services of assistance to the AZG. Nevertheless, consistent with Section 28(e) of The Securities Exchange Act of 1934, AZG can pay commissions to such brokers at a level that could be higher than those charged by other qualified brokers if AZG determines in good faith that the amount of commission is reasonable in relation to the value of the brokerage and research services provided by the executing broker viewed in terms of AZG's responsibilities to its clients.

Brokerage arrangements are also subject to AZG's good faith determination that the commission amount is reasonable in relation to the value of the research services obtained consistent with AZG's responsibilities to its clients. These research services and products provided by brokers to AZG can include information on the economy, industries, political, tax and legal developments affecting the portfolio management, credit and risk analysis, asset classes and individual securities and quotation equipment, i.e., Bloomberg. Research obtained from such brokers can be used in servicing all or a portion of AZG's accounts.

Not all such research can be used in connection with transactions to the broker providing such research. Additionally, for any "soft dollar" arrangements, AZG periodically and regularly tracks, monitors, and checks all transactions and commissions generated.

Soft dollar benefits are not limited to those Funds who could have generated a particular benefit although certain soft dollar allocations can be connected to particular Funds.

Soft dollar benefits are not proportionally allocated to any Funds that can generate different amounts of the soft dollar benefits.

#### **ITEMS PAID FOR BY SOFT DOLLARS**

The investment approach of AZG is that excellent analytical research is available outside from a large number of reliable sources. The resulting diversification of research sources allows AZG to access a larger quantity of information than it could possibly analyze with its own resources. To the extent that brokerage and research services of value are provided by broker/dealers, AZG could be relieved of some expenses that it might otherwise bear, and it can better contain its costs. AZG is under no obligation to direct a specific level of securities trades to broker/dealers

in exchange for research; however, AZG may enter into agreements with brokers to use commission dollars generated during business transactions for payment of research services and products. It should be noted that the receipt of research is a function of maintaining an active relationship with broker/dealers furnishing such research.

The only product or service aside from research that AZG pays for via soft dollars is the Bloomberg service. Currently, AZG “soft dollars” 1 Bloomberg system and allowable fees associated with them. Note that the terminals fall outside of Section 28(e).

The Bloomberg terminal is a computer system provided by Bloomberg L.P. that enables financial professionals to access the Bloomberg Professional service through which users can monitor and analyze real-time financial market data movements and place trades. The system also provides news, price quotes, and messaging across its proprietary secure network

#### **CLIENT REFERRALS IN EXCHANGE FOR BROKER DEALER SERVICES**

In selecting or recommending broker dealers AZG does not consider whether a broker dealer can provide AZG or a related person with client referrals. AZG does not have any agreements with broker dealers, either written or oral, relating to client referrals with any broker dealer.

#### **CONFLICTS**

It is important to note that a general concept behind the use of soft dollars is that the use of client brokerage commissions to obtain research or other products or services benefits AZG because we do not have to produce or pay for the research, products, or services.

Also, inherent in the use of soft dollars is the principle that there is an incentive for investment advisors, in general, including AZG, to select or recommend a broker dealer based on the interest in receiving the research and or other products or services, rather than on the clients’ interest in receiving the most favorable execution.

#### **DIRECTED BROKERAGE**

There are no direct brokerage relationships established for AZG’s fund clients.

#### **BUNCHED/AGGREGATED TRANSACTIONS**

The procedures used by AZG in effecting trades, particularly when on a “bunched” basis, are intended to ensure that AZG does not favor one account over any other account and that investment opportunities are allocated, over time, in a fair and equitable manner.

AZG can maintain “omnibus” accounts at various broker/dealers and custodian banks, or place one aggregated order with a broker dealer or custodian for the purpose of executing, clearing, and settling transactions that are “bunched,” where appropriate, on a best execution basis.

Consistent with its duty of best execution, AZG, from time to time, buys and sells securities on a “bunched” basis, allocating the securities among multiple client accounts.

AZG’s policies regarding trade execution include the following elements:

- In performing its advisory function for its clients, AZG can determine on a discretionary basis investment decision for its clients. Each investment advisory client will receive individualized investment advice.
- In considering suitable investments for its clients, AZG can consider whether a security is suitable to purchase for, or sell from, a given account based on various factors, including among other things, the client’s investment objectives and guidelines, investment strategies and any restrictions on the account asset size, tax concerns, accounting treatment and cash availability.
- In determining how to allocate securities to or from each account, AZG shall analyze sector weighting, portfolio composition of different classes or types of securities, credit quality, if applicable, minimum denominations and the ratio of cash to securities in the account.
- New issues will be allocated among clients on a rotational basis with consideration given to investment guidelines and fund availability. To achieve an equitable allocation of IPO opportunities among suitable accounts, AZG will monitor on a periodic basis the accounts to which IPOs have been allocated with a view toward identifying other accounts for which it could be suitable to allocate a particular IPO which can become available in the future.
- Prior to placing a transaction order for securities in the primary market or market for initial public offerings, AZG will determine the appropriate quantity to purchase for each account, document the amount of the order to be allocated to each account in a written statement (the “Trade Ticket”) and time stamp the desired order. If the order is filled in its entirety, it will be allocated among clients in accordance with the Trade Ticket. In the event that a sufficient quantity is not received to satisfy an entire order, securities will be allocated on a pro rata basis based on the Trade Ticket respecting the minimum denomination amounts of the security. Customers unable to meet the minimum denomination are not guaranteed allocation of the security. After execution, the amount allocated will be noted and time stamped on the Trade Ticket.
- Prior to placing a transaction order for securities in the secondary market, AZG will determine the appropriate quantity to purchase or sell for each account, document the amount on the Trade Ticket and time stamp the desired order. If the order is filled in its

entirety, it will be allocated among clients in accordance with the Trade Ticket. In the event that a sufficient quantity is not purchased or sold to satisfy the transaction order, securities purchased or sold will be allocated on a pro rata basis based on the Trade Ticket respecting the minimum denomination amounts of the security. After execution, the amount allocated will be noted and time stamped on the Trade Ticket.

- The pro rata formula will be subject to certain limited exceptions, including, but not limited to, the tax consequences or accounting treatment of a given transaction, portfolio restrictions on an account, minimum denominations, and client directives regarding a particular transaction, or other investment guideline limitations on an account.
- If an order cannot be bunched with other account orders because said order comes later in the day after pre-allocation has been determined, that order could be placed separately. This situation should occur infrequently and will be considered on a case-by-case basis, taking care that each client receives fair and equitable treatment.
- If an order must be allocated in a manner different from that on the Trade Ticket, all clients must receive fair and equitable treatment and the rationale for the departure must be approved by AZG's Chief Compliance Officer.
- AZG's books and records will separately reflect securities held by, or bought or sold for, client accounts.
- Client funds and securities are deposited with custodians and will not be held collectively any longer than is necessary to settle the purchase or sale.
- In accordance with its fiduciary duty to its clients, AZG will not seek to disadvantage one client account for the benefit of another client account.

### **Item 13 – Review of Accounts**

Funds are invested primarily in Latin American investment grade or non-investment grade bonds, in non-Latin American Investment Grade Bonds and Commodities, other bonds, related Exchange Traded Notes, Exchange Traded Funds (ETF) or equities. Investments are reviewed by the Chief Investment Officer. Accounts are monitored and reviewed on a continuing basis in order to check that transactions meet the Funds' investment objectives and restrictions. AZG holds periodic meetings to review and discuss events affecting investment strategy. Informal monitoring occurs daily with respect to the purchase and sale of securities. Factors that trigger reviews include but are not limited to: credit quality of issues, tender offers, calls, aberrations in the market price of securities and issue specific news releases.

After the end of each month, investors in the Funds receive monthly valuations of the investments as of the last business day of the month and, a full statement of the investment portfolio from the Fund Administrator and a monthly letter from AZG. Further, portfolio assets

such as holdings and valuations are provided on an as needed basis. Additionally, annual audited financial statements of the Funds are provided to investors by the Fund Administrator.

Note that such statements and reports shall be sent directly by the fund administrator. Fund holdings are at a qualified custodian that holds and maintains its investment assets. AZG recommends a careful review of such statements.

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

AZG does not have any solicitation, promotional or marketing arrangement where it pays a person or entity for solicitation, endorsement or testimonial.

#### **Item 15 – Custody**

AZG does not have Custody over the assets it advises on behalf of the funds. The fund(s) administrator and their providers currently undertake all the requirements under the SEC Custody Rule 206(4)(2).

Fund holdings are at a qualified custodian that holds and maintains its investment assets. AZG recommends a careful review of such statements. See Item 13 – Review of Accounts

#### **Item 16 – Investment Discretion**

AZG receives discretionary authority from the client (i.e., Fund) at the outset of an advisory relationship to select the identity and number 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, AZG observes the investment policies, limitations, and restrictions of the Funds for which it advises.

Investment guidelines and restrictions for a SIF must be provided to AZG in writing. The UCITS cannot accept any restrictions.

#### **CONFLICTS**

The Protea UCITS II Genesis Bond Fund has similar investments to AZ Genesis's investments. The AZG trade desk makes purchase and investment decisions for the Protea UCITS II Genesis Bond Fund and the investment/ portfolio management for AZ Genesis' investment lines and custom

accounts. AZG and AZ Genesis have the same Senior Management Teams and trade desk personnel.

AZG has taken steps to mitigate conflicts in its trading processes to ensure fair allocation and an Investment Management Committee that periodically reviews the funds and investments within the funds.

### **Item 17 – Voting *Client* Securities**

As a matter of firm policy and practice, AZG does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in portfolios. AZG can provide advice to clients regarding the clients' voting of proxies.

### **CLASS ACTIONS/CLAIMS/SETTLEMENTS/PROOF OF CLAIMS**

Unless the parties otherwise agree in writing, AZG shall have no obligation or authority to take any action or render any advice to clients with respect to 1) class action claims, 2) settlements or 3) proofs of claims. AZG does not provide legal services or advice.

### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about AZG's financial condition. AZG has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

# AZG Capital LLC

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April 16, 2024

## BROCHURE SUPPLEMENTS ADV PART 2B



## Item 1- Cover Page

### **RODRIGO REGO**

AZG Capital LLC

("AZG")

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April 16, 2024

**This Brochure Supplement provides information about Rodrigo Rego that supplements the AZG Brochure. You should have received a copy of that Brochure. Please contact AZG, Chief Compliance Officer at +1 786 866 3700 if you did not receive AZG's Brochure or if you have any questions about the contents of this supplement.**

**Additional information about AZG available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Item 2- Educational Background and Business Experience

- Born 1964

### **Education**

- B.A. Pontifícia Universidade Católica de São Paulo (1986)

### **Business Background**

- Azimut Genesis Advisors (Formerly Genesis Investment Advisors LLC)
  - Chief Executive Officer (01/01/15 – Present)
- Azimut Genesis Advisors (Formerly Genesis Investment Advisors LLC)
  - Managing Director (04/01/05 – 12/31/14)
- Alpha Genesis Capital LLC
  - Chief Executive Officer (July 2013 – August 2017)
- AZG Capital (Formerly Genesis Fund Management LLC)
  - Chief Executive Officer (06/2010 – Present)
- BSI Investment Advisors LLC
  - First Vice President (01/01/03– 03/31/05)
  - Vice President (07/01/00 – 12/31/02)
- BSI AG, New York Branch

- Vice President, Portfolio Manager, Private Banking (1996 – 06/30/00)
- Banco Nacional S.A.
  - New York Agency, Private Banking Officer (1993 - 1996)

### **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

### **Item 4- Other Business Activities**

Rodrigo Rego is the Chief Executive Officer of AZG's affiliate entity Azimut Genesis Advisors ("AZ Genesis"), Mr. Rego could have conflicts in allocating his time and services among the affiliated entities. However, Mr. Rego will devote as much time to each Client Account and each affiliate as he deems appropriate to perform his duties. We do not believe his multiple duties will impact his ability to service any account or implement any function at each entity.

### **Item 5- Additional Compensation**

None

### **Item 6 - Supervision**

Ultimately, the Chief Executive Officer is responsible for complete oversight of AZG' activity. Through delegation to the Chief Compliance Officer ("CCO"), the CCO reviews all trades and enforces adherence to applicable laws, regulations, and firm policies regarding discharge of the supervised person's duties. The use of a portfolio management system is employed as part of a surveillance program. Suspected violations are referred to the proper channels within the firm for further investigation and, if necessary, disciplinary action.

Rodrigo Rego - Chief Executive Officer – 786 866 3700  
 Carlos Gonzalez - Chief Compliance Officer – 786 866 3700

### **Item 1- Cover Page**

**ANDRE LEAO**

AZG Capital LLC  
("AZG")

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April 16, 2024

**This Brochure Supplement provides information about Andre Leon that supplements the AZG Brochure. You should have received a copy of that Brochure. Please contact AZG, Chief Compliance Officer at +1 786 866 3700 if you did not receive AZG's Brochure or if you have any questions about the contents of this supplement.**

**Additional information about AZG available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2- Educational Background and Business Experience**

- Born 1984

### **Education**

- Columbia University – M.A. Quantitative Methods Social Sciences (NY) (2008)
- PUC – RJ, Rio de Janeiro, Brazil – B.A. Economics (2006)

### **Business Background**

- Azimut Genesis Advisors (Formerly Genesis Investment Advisors LLC)
  - Chief Investment Officer (11/01/2021 – Present)
- Sanctuary Securities, Inc
  - Registered Representative (11/01/2021 – Present)
- CA Indosuez Wealth (Miami, FL) (08/2019 – 09/2020)
  - VP Financial Advisor
- Société Générale (New York, NY) (02/2010 – 04/2019)
  - Associate / Equity Derivatives Trader (LATAM) (07/17 - 07/19)
  - Associate / Financial Engineer – Structurer LATAM (07/13 – 07/17)
  - Analyst – Associate Trade Assistant LATAM (02/10 – 06/13)
- Canaras Capital Management (New York, NY) (08/2008 – 02/2020)
  - Analyst / Investment Analyst – Leveraged Loans and Preferred Securities

### **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

### **Item 4- Other Business Activities**

Andre Leon is also associated with AZG Capital's affiliate Azimut Genesis Advisor ("AZ Genesis") as its Chief Investment Officer. He is also associated with related broker/dealer Sanctuary Securities as a registered representative. Mr. Leon could have conflicts in allocating his time and services among the affiliated entities. However, Mr. Leon will devote as much time to each Client Account and each affiliate as he deems appropriate to perform his duties. We do not believe his multiple duties will impact his ability to service any account or implement any function at each entity.

### **Item 5- Additional Compensation**

None

### **Item 6 - Supervision**

Ultimately, the Chief Executive Officer is responsible for complete oversight of AZG's activity. Through delegation to the Chief Compliance Officer ("CCO"), the CCO reviews all trades and enforces adherence to applicable laws, regulations, and firm policies regarding discharge of the supervised person's duties. The use of a portfolio management system is employed as part of a surveillance program. Suspected violations are referred to the proper channels within the firm for further investigation and, if necessary, disciplinary action.

Rodrigo Rego - Chief Executive Officer – +1 786 866 3700

Carlos Gonzalez - Chief Compliance Officer – +1 786 866 3700

## Item 1- Cover Page

### CARLOS GONZALEZ

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April 16, 2024

**This Brochure Supplement provides information about Carlos Gonzalez that supplements the AZ Genesis Brochure. You should have received a copy of that Brochure. Please contact AZ Genesis, Chief Compliance Officer at 786 866 3700 if you did not receive AZ Genesis' Brochure or if you have any questions about the contents of this supplement.**

Additional information about AZ Genesis available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2- Educational Background and Business Experience

- Born 1972

### Education

- Kent College of Law (May 1998)

### Business Background

- CIMA Financial Regulation Consultants, LLC
  - Managing Director/ Founder (March 2019 to Present)
- The Citi Private Bank
  - Investment Supervision Head for the Americas (January 2017 to February 2019)
- Citibank N.A. and Citi Global Market, Inc.
  - Investment and Banking Risk and Control Execution Head (June 2015 to December 2016)
- Citi Global Markets, Inc. and Citibank N.A.
  - Head of Investment Supervision for Latin America / Senior Vice President (March 2010 to May 2015)
- Citibank, N.A.
  - Chief Compliance Officer / Vice President (January 2006 to March 2010)
- Popular Securities, Inc.
  - Compliance Manager/ Vice President (October 2000 to January 2006)
- Government of Puerto Rico Office of the Commissioner of Financial Institutions
  - Legal Counsel (1998 – October 2000)

(GENESIS Investment Committee Member, but does not provide investment advice)

### **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

### **Item 4- Other Business Activities**

Carlos Gonzalez is also associated with AZ Genesis' affiliate AZG Capital (Formerly Genesis Fund Management ("GFM")) as their Chief Compliance Officer. Mr. Gonzalez has been hired through CIMA Financial Regulatory Consultants, LLC to provide outsourced Chief Compliance Officer services to the firm. Through this arrangement, Mr. Gonzalez can serve as a Chief Compliance Officer or consultant to other broker dealer or investment advisor firms.

### **Item 5- Additional Compensation**

None

### **Item 6 - Supervision**

Ultimately, the Chief Executive Officer is responsible for complete oversight of AZ Genesis' activity. Through delegation to the Chief Compliance Officer ("CCO"), the CCO reviews all trades and enforces adherence to applicable laws, regulations, and firm policies regarding discharge of the supervised person's duties. The use of a portfolio management system is employed as part of a surveillance program. Suspected violations are referred to the proper channels within the firm for further investigation and, if necessary, disciplinary action.

Rodrigo Rego - Chief Executive Officer – +1 786 866 3700

Carlos Gonzalez - Chief Compliance Officer – +1 786 866 3700

## **AZG CAPITAL LLC PRIVACY POLICY NOTICE**

AZG Capital (“AZG”) is committed to safeguarding the personal information that you provide us. This notice describes our privacy policy and how we handle and protect personal information we collect about you.

### **CATEGORIES OF PERSONAL INFORMATION COLLECTED**

AZG collects personal information about its customers for business purposes such as evaluating your financial needs, processing your requests and transactions, providing customer service, and, generally, managing your assets. The personal information AZG collects about you, without limitation, may include:

- Information received from you in writing, in person, by telephone, electronically or any other means. Such information may include name, address, assets, income, and investment experience, goals, and objectives.
- Information about transaction(s) with AZG or an affiliate, such as securities transactions and account usage.
- Information received from affiliates or nonaffiliated third parties, such as bank references and Know Your Customer data.
- Information received from outside sources, such as broker-dealers and custodians assisting AZG in the execution and settlement of transactions effected for your account(s) may include account holdings and balances.

### **HOW GENESIS PROTECTS PERSONAL INFORMATION**

AZG safeguards your information from potential internal and external threats by:

- Maintaining physical, electronic, and procedural measures designed to protect your personal information.
- Limiting access to your information to those employees who have a legitimate business purpose.
- Requiring employees to maintain and protect the confidentiality of your personal information and following established procedures to do so.

### **CATEGORIES OF PERSONAL INFORMATION DISCLOSED**

AZG does not disclose your personal information to nonaffiliated third parties, except as permitted or required by applicable law or regulatory authorities.

- Should AZG, in the future, decide to disclose your personal information to nonaffiliated third parties that do not fall within a regulatory exception, then AZG shall notify you and provide the right to “opt out” of sharing your personal information.
- AZG may share your personal information with affiliated third parties. AZG requests its affiliates with whom information is shared not to disclose said information to any nonaffiliated third parties, except as permitted by regulatory exceptions and then subject to notification and the right to “opt out.”

#### **FORMER CUSTOMERS**

AZG continues to adhere to the information policies and practices described herein after the termination of a customer relationship.