



THOMPSON DAVIS ASSET MANAGEMENT

Form ADV Part 2A Appendix 1 –
Diversified Funds Program Wrap Brochure

March 27, 2024

Item 1 – Cover Page

This wrap fee program brochure provides information about the qualifications and business practices of Thompson Davis Asset Management. If you have any questions about the contents of this Wrap Brochure, please contact your Advisor or Peggy Myers Walz, Chief Compliance Officer, at (804) 644-6382 or email PWalz@thompsondavis.com. The information in this Wrap Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Thompson Davis Asset Management is a Registered Investment Advisor. Registration of an Investment Advisor does not imply any level of skill or training. Additional information about Thompson Davis Asset Management (CRD #41353) is available on the SEC's website: www.adviserinfo.sec.gov.

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Item 2 – Material Changes

This section summarizes the material changes to our Wrap Brochure since the last version of our Wrap Brochure on March 30, 2023. We encourage you to read each section. We have made the following amendments to the brochure since the last update:

- **Item 6:** We replaced Pandemic Risk with a Global and National Crisis Risk description.

Additionally, we have made other changes, some of which may clarify or enhance existing disclosures, but we do not consider these other changes to be material (for example, we removed references to variable annuities as we no longer offer such products).

We will deliver the applicable disclosure brochure(s) or Form ADV Part 2 to you before or at the time we enter into an investment advisory contract with you. In addition, we will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

At any time, you may receive our Brochure by contacting us at (804) 644-6380, downloading it from our website at www.ThompsonDavis.com, or viewing it at the SEC website <http://www.adviserinfo.sec.gov>.

We urge you to review this document carefully in its entirety, as well as all subsequent summaries of material changes. This document contains important information about our advisory services, fee structure, business practices, conflicts of interest, and disciplinary history.

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Item 4 – Services, Fees, and Compensation

Clients should read and consider the information contained in this Wrap Brochure. There is no assurance that the objectives of any client will be achieved.

Background Information

Thompson Davis Asset Management (“TDAM,” “Firm,” “we,” “our”) is a division of Thompson Davis & Co., Inc. (“TD&Co.”), a New York corporation that commenced operation as a registered broker-dealer in July 2002. In February 2007, TD&Co. became dually registered as an investment advisor and broker-dealer. In its broker-dealer capacity, TD&Co. is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). TDAM represents the asset management side of the business while TD&Co. represents the broker-dealer side of the business. The Firm has been registered as an investment adviser at both the state and federal level since February 2007. Currently, we are registered with the U.S. Securities and Exchange Commission (“SEC”) and notice filed with the appropriate state regulatory authorities.¹

TD&Co. is a privately held, employee-owned business. The principal shareholder is William D. Davis Jr.

Advisory Services

Each client has an Investment Advisor Representative (“Advisor”). Advisors are generally broker-dealer representatives of TD&Co.

Clients who wish to participate in the Diversified Funds Program (“Diversified” or “Diversified Program”) enter into an investment advisory agreement, which defines the terms of the advisory services being offered.

Our Diversified Program provides the ability for our Advisors to utilize portfolios of mutual funds and/or exchange traded funds (“ETFs”) to manage your account. Clients inform their Advisor of their investment objectives, risk tolerance, and investment time horizon, and any investment policies, guidelines, or reasonable restrictions applicable to the assets they designate for investment through the Diversified Program. Based on this information, the Advisor manages client accounts through the Program, which consists of mutual funds, closed-end funds, and ETFs. Advisors generally manage the accounts on a discretionary basis. This means that the Advisor will buy and sell securities without consulting the client in advance. We typically recommend mutual fund or ETF models that range over seven different models, from conservative to aggressive. The models can be managed on a passive or tactical basis, depending on what is agreed to between the Advisor and the client.

Mutual funds available pursuant to the Diversified Program include both “no load” and “load waived” (“load” refers to a sales fee). A no-load fund does not charge any sales fee or “load” and it does not have any 12b-1 Distribution Fees associated with it. A load-waived fund also does not charge any sales fee or “load” but typically is restricted to certain types of retirement accounts. A list of these funds is available upon request. Both “no load” and “load waived” funds purchased pursuant to this program are purchased at Net Asset Value.

You can place reasonable restrictions or constraints on the way your account is managed; however, such restrictions may affect the composition and performance of your portfolio. As such, performance may not be identical with other clients and such restrictions may impact your investment objectives.

¹ Registration of an Investment Advisor does not imply any level of skill or training.

Execution of Trades

TD&Co. will also act as broker-dealer.

Custody

Upon execution and acceptance of the investment advisory agreement, your Advisor assists you with the establishment of an individual account at TD&Co. (as the introducing broker-dealer) and cleared through RBC Capital Markets LLC ("RBC" or "custodian"). RBC will serve as the qualified custodian.

We do not hold custody of any client funds or securities. Client assets are held at RBC. However, we are deemed to have limited custody of some of our clients' funds or securities when the clients authorize us to deduct our management fees directly from their account. In addition, we are also deemed to have custody of clients' funds or securities when clients have standing letters of authorization ("SLOAs") with their custodian to move money from a client's account to a third party, and under that SLOA it authorizes us to designate the amount or timing of transfers with the custodian. The SEC has established, and we follow, standards intended to protect client assets in such situations. The qualified custodian will send you, at least quarterly, your account statements. The account statements will reveal the funds and securities held with the qualified custodian, any transactions that occurred in your account, and the deduction of our fee. You should carefully review the account statements received from the qualified custodian and compare them with any statements that you receive from us. You should contact us at the address or phone number on the cover of this Wrap Brochure with any questions about your statements. You should notify us if you do not receive the account statements, at least quarterly, from RBC.

Fees and Compensation

Under this program the client will pay a wrap fee, which will cover all advisory fees, as well as transaction charges for trading in the Account. Our fee is based on a percentage of your assets we manage. Fees charged are negotiable and will not exceed 2.5%.

The wrap fee does not include: (i) margin interest; (ii) certain miscellaneous account fees or other administrative fees, such as wire fees, transfer fees, transaction fees mandated by the Securities Act of 1934; or (iii) advisory fees and expenses of mutual funds (including money market funds), closed-end investment companies or other managed investments, if any are held in the client's account. A miscellaneous fee schedule is available upon request.

Fee Payments & Termination

The client will pay a monthly management fee based on the market value of the assets in the account as of the close of business on the last business day of each month. Please note that the balance on which your fee is based may not match the statement you receive from the custodian due to dividends, incoming contributions, outgoing withdrawals, settlement issues, etc. The management fee will be payable in arrears at the beginning of each month. Accounts initiated or terminated during a month will be charged a prorated fee. Upon termination of a client account, any earned, unpaid fees will be due and payable.

You authorize us via the investment advisory agreement and the custodial/clearing agreement to debit the account for the amount of the investment advisory fee directly from the custodian to us. Clients will be provided with a statement from the custodian reflecting the deduction of the advisory fee.

Clients may terminate their investment advisory agreement at any time, effective from the time we receive written notification, or such other time as may be mutually agreed upon, subject to the settlement of transactions in progress. Please note that the custodian typically will charge a fee to transfer the account out. This Agreement will also be terminated by TDAM on the fifth (5th) day after TDAM sends notice to client in writing of our intent to terminate the investment advisory agreement or such other time as may be mutually agreed upon, also subject to the settlement of transactions in progress.

Additional Fees and Expenses

Depending on the product or security in which you are invested, clients will also incur certain charges imposed by third parties other than TDAM, in connection with investments made through the account, including but not limited to, mutual fund sales loads, surrender charges, and IRA and qualified retirement plan fees. In some instances, TD&Co. receives a portion of these charges. Clients will incur direct fees (e.g., management fees) and expenses for investments in mutual funds, ETFs, closed-end funds, UITs, and/or money market funds. Such fees and expenses are included in the price of a fund and are described in each fund prospectus. Depending on the type of shares held by clients, the applicable fund or other investment company and/or its affiliates will make certain payments to us in connection with the clients' investments in the product. We strive to invest client assets in share classes that do not pay additional compensation for distribution and related services (e.g., 12b-1 fees). For example, we have access to various mutual fund companies pursuant to which we have access to "advisory share classes" of the funds (i.e., those share classes that do not pay a 12b-1 fee), and typically we are able to convert non-advisory share classes (i.e., those with a 12b-1 fee) held in client accounts into the desired advisory share classes. Notwithstanding the foregoing, certain mutual funds do not offer advisory share classes or certain client accounts may not be eligible for that share class.

TDAM generally will not recommend a share class that pays a 12b-1 fee to TDAM or its broker-dealer when there is another share class with similar characteristics that does not pay a 12b-1 fee to the broker-dealer. However, in situations where the only share class that is available is a share class that pays a 12b-1 fee, TDAM and our Advisors will disclose the fee to the clients and recommend that share class if that share class is in the best interest of the client. In those situations, the clients should be aware that the additional compensation associated with 12b-1 fees presents a conflict between the interests of clients on the one hand and those of TDAM and/or your Advisor on the other. This additional compensation provides an incentive to TDAM or your Advisor, in exercising discretion or making recommendations for your account, to choose or recommend investments that result in higher compensation to our firm or your Advisor. In these circumstances, it is our duty to determine that an investment made in your account or recommended to you that results in such additional compensation is in your best interest based on the information you have provided to us. TDAM has implemented a Compliance Program to monitor its compensation arrangements and Advisors to help ensure that client assets are invested in what we believe are the best available mutual funds for the strategies we are implementing and monitoring. As always, please see a fund's prospectus for more information about fees. A client could invest in a mutual fund directly, without our services or the services of the third-party money manager. In that case, the client would not receive the services provided by our firm that are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Clients should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

No matter what structure of compensation a firm receives for managing customer assets, conflicts of interest are inevitable. TDAM attempts to avoid these conflicts whenever possible; if that is not feasible, we try to disclose these conflicts to our customers. The primary means we have of disclosing these conflicts of interest to our customers is through this Brochure, which is updated not less than annually.

At our discretion, and as applicable, we may combine the account values of family members living in the same household to determine the applicable management fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values will increase the asset total, which could result in your paying a reduced asset management fee based on any available breakpoints we may offer. Clients should be aware that similar or comparable services are available from other sources, including other investment advisors, for fees lower than those charged by TD&Co.

Mutual fund positions held in this account can be more expensive than if held in a non-fee based account; therefore, TDAM and its Advisors can have a financial incentive to recommend participation in the Diversified Program. The mutual funds available through the Diversified Program may be available directly from the funds pursuant to the terms of their prospectuses and without paying the wrap fee or manager fee. ETFs are also available outside of the Diversified Program without paying the wrap fee or manager fee, subject to applicable commissions and/or transaction charges. Further, to the extent that cash used for investment comes from redemptions of a client's mutual fund or other investments outside of the Diversified Program, there may be tax consequences or additional cost from sales charges previously paid and redemption fees incurred. Such redemption fees would be in addition to the wrap fee on those assets. Additional expenses associated with the specific underlying investment funds, such as redemption fees, can apply. Certain mutual funds used in the Diversified Program charge a redemption fee if shares are redeemed within a specified time period. In these cases, clients will incur redemption fees in the event that a sell is executed, or model update is implemented. Redemption fees vary by fund and are described in each fund's prospectus. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, ETFs, TDAM, and others.

Clients should also consider the transaction costs and/or tax consequences that might result from rebalancing. Frequent rebalancing may incur additional costs and/or tax consequences versus less frequent rebalancing. Rebalancing involves restoring your original asset allocation by shifting your funds among investment categories to regain ratios that may have been decided initially, upon designing your portfolio, or decided during the course of your relationship with TDAM.

Comparison of Cost of Service

The wrap fee may cost clients more or less than purchasing services separately, depending on the frequency of trading in the accounts, commissions charged at other broker-dealers for similar products, fees charged for like services by other broker-dealers, and other factors. Among the factors impacting the relative cost of the program to a particular client include the size of the account, the type of account (i.e., equity or fixed income), and the size of the assets devoted to a particular strategy. Advisors receive a portion of the total wrap fee charged per the client's Diversified agreement. This compensation may be more or less than what the Advisor would receive if the client participated in other programs or paid separately for investment advice, brokerage, and other services. Therefore, Advisors can have a financial incentive to recommend the Diversified Program over other programs or services.

Item 5 – Account Requirements and Types of Clients

TDAM provides investment advisory services to individuals, corporations or other business entities, trusts, estates, charitable organizations, and retirement plans. TDAM's minimum account size for the Diversified Program is \$100,000. Under certain circumstances, TDAM will consider waiving the minimum account size requirements; however, smaller account sizes could potentially be at a disadvantage regarding transaction fees and diversification and may experience markedly different performance. Small accounts, if accepted, will likely be invested in a small number of securities or possibly a single security, and thus be exposed to considerably more risk as well as incurring significantly higher fees as a percentage of equity. In addition, smaller accounts, primarily because they will be less diversified, will be prone to larger swings in account value.

Item 6 – Portfolio Manager Selection and Evaluation

TDAM is the Portfolio Manager of the Diversified Program. Clients select the Advisors.

Individual Needs of Clients and Restrictions

Advisors tailor their advisory services to the individual needs of the client. Clients inform their Advisors of their investment objectives, risk tolerance, and investment time horizon and give their Advisors any applicable investment policies, guidelines, or reasonable restrictions. TDAM may accept client-specific restrictions if we believe we can effectively manage the account. However, any restrictions on the management of an account imposed by a client may cause the Advisor to deviate from the investment decisions or recommendations that the Advisor would otherwise make with respect to the account. We will use our best efforts to incorporate or honor any client restrictions; however, such restrictions can affect the composition and performance of your portfolio. For these reasons, performance may not be identical with other clients with similar investment objectives.

Advisors typically manage accounts in the Diversified Program differently than the accounts that pay transaction fees because of the different nature of the services provided. Clients should understand that the wrap fee may cost the client more than purchasing the program services separately; for example, paying fees for the advisory services of the model or program and Advisor, plus commissions for each transaction in the account. Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include the: (1) type and size of the account; (2) types of securities in the account; (3) historical and or expected size or number of trades for the account; and (4) number and range of supplementary advisory and client-related services provided to the client. However, all accounts are managed with the objective to reach each of the client's stated goals within their time horizon and risk tolerance, among other factors.

Several factors can influence the selection of the account structure, including but not limited to:

1. The client's preference for a "wrap" vs. transaction charges per trade on certain or all securities.
2. Account size.
3. Anticipated trading frequency.
4. Anticipated securities to be traded.
5. Management style.
6. Long-term investment goals.

The amount of compensation received by the Advisor may be more than what the Advisor would receive if the client participated in some of our other programs or paid separately for investment advice, brokerage, and other services. Therefore, the Advisor may have a financial incentive to recommend the wrap fee program over other programs or services.

No Performance-based Fees

In the Diversified Program, neither TD&Co. nor any Advisors accept performance-based fees—that is, fees based on a share of capital gains on or capital appreciation of the assets of a client. Performance-based fees may be charged in other accounts (see TDAM's SMA Brochure).

Methods of Analysis, Investment Strategies, and Risk

Advisors base recommendations that they make in the Diversified Program using various types of investment strategies. Recommendations made by Advisors will range, based on the customer, from conservative to aggressive and may include all asset categories. Advisors will utilize various industry

resources such as Morningstar, periodicals, subscriptions, research, etc., in determining appropriate assets.

Each investment style, strategy, and investment entails varying degrees of risk. There can be no assurance that a particular investment or strategy will be successful or that clients will not suffer losses. Results generated for each account will differ, and the investment advice provided to an individual will differ from client to client. Investment performance is not guaranteed, and the Advisor's past performance with respect to a client's account or other accounts does not predict future performance.

The main sources of information Advisors may use include financial publications, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, SEC filings, and company press releases. The investment strategies used to manage accounts may include long-term purchases, short-term purchases, selling securities within 30 days, short sales, and margin transactions.

General Investment Risks: Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Each type of security and asset class has its own unique set of risks associated with it, and it would not be possible to list here all the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it. Depending on the strategy, program, or service you choose, the following material risks will apply to your account:

Market Risk: Overall equity and fixed income securities market risks affect the value of a client's portfolio. Factors such as domestic and international economic growth and market conditions, interest rate levels, and political events affect the securities markets.

ETF and Mutual Funds Risk: ETFs and mutual funds are subject to investment advisory and other expenses, which will be indirectly paid by clients. As a result, the cost of our investment strategies will be higher than the cost of investing directly in ETFs or mutual funds, as there are two levels of fees. ETFs and mutual funds are subject to specific risks, depending on the nature of the fund.

ETFs are professionally managed pooled vehicles that invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. ETF managers trade fund investments in accordance with fund investment objectives. ETF risk can be significantly increased for funds concentrated in a particular sector of the market, or those that invest primarily in small cap or speculative companies, use leverage (i.e., borrow money) to a significant degree, or concentrate in a particular type of security (i.e., equities), rather than balancing the fund with different types of securities.

ETFs can be bought and sold throughout the day like stocks, and their price can fluctuate throughout the day. During times of extreme market volatility, ETF pricing may lag versus the actual underlying asset values. This lag usually resolves itself in a short period of time (usually less than one day); however, there is no guarantee this relationship will always occur. In addition, ETFs may be invested on passive or tactical basis as agreed to between the Advisor and the client. It is important to note that there is more aggressive trading (and thus more volatility) with tactical strategies than passive strategies. For tactical strategies, the client should be able to bear greater trading expenses and fluctuation in portfolio values.

Interest Rate Risk: This is the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.

System Failures and Reliance on Technology: TDAM's 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 backup 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 may result in consequences such as the inability to trade for or monitor client accounts and portfolios. If such circumstances arise, the Firm will consider appropriate measures for clients.

Cybersecurity: 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 business operations of service providers and TDAM, 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 TDAM has 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 in part due to the ever-changing nature of technology and cyberattack tactics.

Global and National Crisis Risk: Ongoing or future global or national crises including, but not limited to, pandemic; cyberattack; sabotage; terrorism; and acts of war, could result in disruptions to the economies of many nations, individual companies, and could negatively impact global markets in an unforeseeable manner. Such disruptions include, but are not limited to, travel restrictions; quarantines; supply chain disruptions; and workforce inefficiencies, absenteeism, distraction, or general anxiety. Such unpredictable, but no longer unprecedented, crises may exacerbate other preexisting political, social, and economic risks in certain countries. The impact of such crises may be quick, severe, and of unknowable duration. Ongoing or future crises could result in the temporary or permanent disruption of TDAM's ability to provide investment advice and volatility in the financial markets and could have a negative impact on investment performance.

The above list of risk factors is not intended to be a complete list or explanation of the risks involved in each of our investment strategies. You are encouraged to consult your financial advisor, legal counsel, and tax professional on an initial and continuous basis in connection with selecting and engaging in the services provided by us. In addition, due to the dynamic nature of investments and markets, strategies may be subject to additional and different risk factors not discussed above.

Voting Client Securities

Proxy Voting

As a matter of firm policy and practice, we do not vote proxies on behalf of advisory clients. Our investment management agreement provides that our advisory clients expressly retain the authority and responsibility for voting proxies of portfolio securities, unless clients direct otherwise in writing. We may provide advisory clients with administrative assistance regarding proxy voting or issues; however, the clients have the responsibility to receive and vote any proxies.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by email, in which case, we would forward any electronic solicitation to vote proxies.

Class Actions

TDAM generally is not able to advise or act on behalf of its clients in legal proceedings, including class actions or bankruptcies, involving securities purchased or held in client accounts. Our custodian sends all legal notices, including proxies, directly to the owners of each account. To the extent that TDAM receives notice of class actions or bankruptcies of securities purchased or held in client accounts, it will forward such notices to the client's custodian for delivery directly to the affected client.

Item 7 – Client Information Provided to Portfolio Managers

As described in **Item 4** of this Brochure, clients inform their Advisors of their investment objectives, risk tolerance, and investment time horizon and provide any applicable investment policies, guidelines, or reasonable restrictions. Based on this information, Advisors provide investment recommendations and/or manage client accounts.

Clients should promptly inform their Advisor of material changes in their financial circumstances or investment objectives. The Advisor will periodically discuss, at least once a year, whether the management of the account continues to reflect the investment objectives and financial requirements of the client.

Item 8 – Client Contact with Portfolio Managers

Clients are free to contact Advisors for questions or consultation in regard to their accounts. There are no restrictions placed on clients' ability to contact and consult with Advisors.

Item 9 – Additional Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of TDAM or the integrity of TDAM's management. TDAM has no history of material disciplinary actions. Clients are also directed to TDAM's Form ADV Part 1, Item 11 for additional events that are not required to be disclosed here.

Other Financial Industry Activities and Affiliations

Neither TDAM nor any of our management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

TD&Co. is dually registered as a Broker-Dealer and Registered Investment Advisor. Associated persons of TDAM also may be licensed as registered representatives of TD&Co. and receive commissions based on transactions effected through the Firm.

Employees of TDAM were involved with the formation of Seven Hills created for private investment purposes, and Seven Hills Capital Management LLC, which serves as the general partner (GP) for the LP. TDAM has been appointed by the GP to serve as the Portfolio Manager of Seven Hills. The GP is controlled by William D. Davis Jr., the Fund's Portfolio Manager, who is also an employee of TDAM. Due to the relationship between the LP, TDAM, and the GP, a conflict of interest exists that can cause personnel of these entities to suggest investing in, or switching assets from our Outside Advisors Program, Diversified Program, or an SMA to the LP, or vice versa, if the Advisor perceives a higher level of compensation will result from the other investment.

The Chief Compliance Officer (CCO) or designee will review all transactions of related persons of the Firm to ensure no conflicts exist with client executions.

Code of Ethics, Policies, and Procedures

In furtherance of the commitment of TDAM to full compliance with its responsibilities under the federal securities laws, TDAM has adopted the following Code of Ethics, Policies, and Procedures:

1. TDAM has appointed a CCO for purposes of administering and overseeing compliance with its Code of Ethics, Policies and Procedures. TDAM's CCO also serves as the resource for giving guidance and answering questions about the Code of Ethics.
2. All of TDAM's owners, directors, officers, and employees, upon commencing employment or service with TDAM, and each year thereafter, are required to read this Code of Ethics, and attest to their understanding of the Code of Ethics. Attestations of the directors, officers, and employees are retained in the personnel compliance files.
3. In addition, the CCO or designee, in the exercise of his or her best judgment, has the authority to establish a continuing education program to highlight the different types of conflicts of interest that may be present in particular situations, as well as give guidance to owners, officers and employees as to what types of information present potential for abuse. This program will advise TDAM's personnel as to recent developments or revised requirements through avenues such as email memoranda and meetings.
4. TDAM recognizes that at times its owners, officers, or employees can come into possession, or be deemed in possession, of material non-public information about the corporations and other entities (hereinafter, the "subject corporations") that it researches, or about which TDAM may provide investment advice to clients. TDAM recognizes that all material information regarding the subject corporations must be disclosed to the public, if at all, by the subject corporations in accordance with applicable legal and regulatory requirements. It is the policy of TDAM that all material information that has not been publicly disseminated shall be distributed within TDAM only on a strict "need to know" basis, and no owner, officer, or employee of TDAM shall be permitted to disclose such information on a selective basis, or to use such information to his or her personal advantage or for the benefit of others. In addition, TDAM's owners, officers and employees shall promptly notify the CCO of the names of any subject corporation for which they come into possession of material non-public information.
5. Owners, officers, and employees of TDAM, while in possession of material non-public information, may not (i) buy, sell, exchange, or otherwise trade in the subject corporation's securities, in securities convertible into the subject corporation's securities or in put or call options on the subject corporation's securities or (ii) disclose such information to anyone not authorized to receive the information. Similarly, owners, officers, and employees of TDAM, while in possession of material

non-public information, may not advise its advisory clients to, or execute transactions on behalf of clients for which it holds discretionary trading authority to, buy, sell, exchange, or otherwise trade in the subject corporation's securities, in securities convertible into the subject corporation's securities or in put or call options on the subject corporation's securities. If there is any doubt as to whether the information is material and/or non-public, TDAM's policies require that guidance be sought from the CCO.

6. All of TDAM's owners, officers, and employees, upon commencing employment or service with TDAM and thereafter, shall notify TDAM's CCO in writing of any public companies in which they are or become a director, officer, or 10% shareholder. TDAM's owners, officers, and employees are required to promptly notify the CCO of any changes in such status.
7. Any TDAM employee who learns that material non-public information has been selectively communicated to an unauthorized person is required to immediately notify the CCO.
8. If material non-public information is to be given to consultants or other individuals who are not employees of TDAM, the CCO, at their discretion, may require some form of written acknowledgment of the confidentiality of the disclosed material and/or that a confidentiality agreement be executed between the concerned parties.
9. TDAM's CCO or designee shall investigate all cases where they become aware that material non-public information may have been misused. Such investigation shall document the relevant details of the event, including without limitation, the name of the security, the personnel and accounts involved, the date the investigation commenced, and its disposition.
10. It is TDAM's policy that all of its owners, officers, and employees comply fully with all insider trading laws and regulations. Violations (whether inadvertent or intentional) will not be tolerated by TDAM and could result in severe disciplinary action being taken against the owner, officer, or employee.

A copy of TDAM's Code of Ethics is available upon request.

Personal Trading

Under the Code, Firm personnel are required to conduct their personal investment activities in a manner that TDAM believes is not detrimental to its advisory clients. As discussed above, personnel must conduct all personal trading in such a manner as to avoid any conflicts of interest or any abuse of their position of trust and responsibility.

TDAM and/or its employees can buy, sell, or hold securities that it also recommends to clients, subject to the requirements of its internal policies and procedures. TDAM's policies are based on the principle that TDAM and its employees have a fiduciary duty to place the interests of clients ahead of their own interests. To the extent not prohibited by its policies, TDAM and/or its employees can hold, acquire, increase, decrease, or dispose of securities or other interests at or about the same time that TDAM is purchasing or selling the same securities or interests for an advisory account. TDAM may manage discretionary accounts on behalf of its owners, employees, and family members.

The Firm has created and implemented internal controls to monitor client account activity and proper allocation of investment opportunities, based on each client's stated investment objectives and risk tolerance, to address these conflicts.

Participation or Interest in Client Transactions

Principal and Cross Transactions

On occasion, TDAM will act as principal in a securities transaction with a client. However, TDAM will not act as principal in a transaction without providing written disclosure to the client, as specified in Section 206(3) of the Investment Advisers Act of 1940 ("Advisers Act"), in which TDAM is acting before completion of the transaction and obtaining client consent to each transaction. TDAM will enter into such transactions only to the extent consistent with its duty to obtain best execution for the client and with appropriate client consent. Clients may revoke consent to engage in such transactions at any time by notifying us in writing.

There are potential conflicts of interest and regulatory issues relating to these transactions that could limit our decision to engage in these transactions for accounts. Principal transactions create the potential for Advisors to engage in self-dealing. When an Advisor engages in an agency transaction on behalf of a client, it is primarily the incentive to earn additional compensation that creates the Advisor's conflict of interest. The Firm has developed policies and procedures that address such conflicts of interest, and any principal transaction will be effected in accordance with fiduciary requirements, applicable law, and internal policy.

In addition to principal transactions above, TDAM, with appropriate disclosure and the client's written consent, can effect agency cross transactions for a client in which it acts as broker for both that client and the other party to the transaction and earn a transaction fee on the trade from that other party. Also, as stated above, TDAM will do so only to the extent consistent with its duty to obtain best execution for the client and with appropriate client consent, as specified in section 206(3) of the Advisers Act. Clients may revoke consent to engage in such transactions at any time by written notice to TDAM.

Financial Interest in Recommendations

TDAM receives its advisory compensation through one or more of the following methods: transaction fees, management fees, and/or performance fees. TD&Co. is also registered with FINRA and various regulatory agencies to provide services as a broker-dealer. Advisors of TDAM, in their capacity as registered representatives of TD&Co., typically will recommend the Firm's broker-dealer services to clients who have or are utilizing TDAM's advisory services. Clients are free to implement advisory recommendations through any firm. Clients are under no obligation to purchase or sell securities through TD&Co. However, if they choose to do so, commissions can be earned that may be higher or lower than commission rates found at other broker-dealers. In this capacity, TD&Co. is compensated with fees and/or commissions. Notwithstanding such additional compensation, the Firm believes that the overall level of services and support provided to clients by TD&Co. outweighs the potentially lower transaction cost available under other brokerage arrangements.

In some instances, TDAM or its associated persons typically will recommend to clients the purchase or sale of investment products in which it or related persons receive some financial interest, including, but not limited to, the receipt of compensation. As stated previously, the GP of Seven Hills appointed TDAM as the investment advisor. The GP is controlled by William D. Davis Jr., the Fund's Portfolio Manager, who is also an employee of TDAM. Therefore, TDAM or its associated persons have a financial interest, including, but not limited to, the receipt of compensation.

Because the advisory fees paid to the Portfolio Manager or the referral fee paid to a TDAM investment executive, by either the SMAs or the partnership, can exceed any commissions paid in standard broker-dealer accounts, the investment executive/Portfolio Manager might be viewed as having an incentive to switch broker-dealer client assets to an advisory relationship in either a SMA or Seven Hills.

TDAM also may participate in new issues or underwritings (including offerings in which TD&Co. is part of the “selling group”) when it is deemed to be in the client’s best interest. In these scenarios, TD&Co. receives a fee (i.e., concession fee) as part of the selling group, which is in addition to any advisory fee charge for managing the investment. You may withdraw your consent to this type of transaction at any time by notifying us in writing. TDAM has developed policies and procedures that address such conflicts of interest related to the account type recommended and our participation as a selling group member, to ensure that the client’s investment objectives are the Advisor’s primary concern.

Donations to Charities

From time to time, TDAM donates to charitable organizations that are affiliated with clients, are supported by clients, and/or are supported by an individual employed by one of our clients. In general, such donations are made in response to requests from clients, or their personnel. Because TDAM’s contributions could result in the recommendation of TDAM or its products, such contributions can raise a potential conflict of interest. As a result, TDAM maintains procedures that generally limit the dollar amount and frequency of charitable contributions and requires that all contributions be made directly to the charitable organization (normally a 501(c)(3) organization). No contribution will be made if the contribution implies that continued or future business with TDAM depends on making such contribution.

Trade Errors

Any trading made by mistake or incorrectly placed by a Portfolio Manager that results in a loss in value of the client’s investments will be reversed and the Firm will be responsible for the loss; however, the Firm shall not be responsible for any gains that the client may have obtained had the Firm originally placed the correct order. The Firm will take steps necessary to minimize trade errors and, if a pattern of errors is discovered, the Firm will make any reasonable revisions to its policies necessary to avoid such trade errors in the future.

A trade error generally is an error in the placement, execution, or settlement of a transaction, not an intentional or reckless act of misconduct; in addition, a good-faith error in an investment recommendation or decision for a client does not represent a trade error. Another way we will define a trade error is the gain or loss generated in order to correct one of the following situations, including but not limited to:

- Overbuying or overselling of securities into or out of a client account, caused by clerical errors made by personnel of TDAM or the broker-dealer.
- Buying or selling of unintended securities into, or out of, a client account, caused by clerical errors made by personnel of TDAM or the broker-dealer.
- Erroneously executing buy transactions as sales or vice versa, caused by clerical errors made by personnel of TDAM or the broker-dealer.
- Buying or selling securities into or out of a client account, that is inconsistent with a client’s written investment guidelines or restrictions.

Trade errors will not include (i) intentional or reckless acts of misconduct or (ii) good faith errors in judgment in making investment decisions for clients, but they can include innocent errors and negligent acts. As part of a standard examination of an investment advisor, examiners will review trade errors to determine if clients were in any way disadvantaged in the process and if errors were resolved in a timely fashion.

The trading DP will review all trade errors and will maintain records that reflect the resolution of trade errors to evidence that customers were not charged losses as a result of the error. The CCO or designee will also be responsible for reviewing the trade error file on at least a monthly basis.

- Errors found prior to settlement will be cancelled and re-billed to the Firm error account and covered.
- Errors discovered after settlement will require CCO approval prior to processing through the Firm error account.
- If TDAM is at fault for the error, the error will be settled out of the Firm's own account, not using client brokerage or funds, in order to place the client in such a position as if the error never occurred ("making the client whole").
- If the broker-dealer is at fault for the error, broker-dealer is responsible for making the client whole.

The CCO or designee will evidence review of the correction of trade errors for consistency, timeliness of resolution, and to identify patterns of losses; any material findings will be documented, including any recommendations for changes to the Firm's brokerage arrangements and/or order routing practices.

Review of Accounts

Reviews and Reviewers of the Accounts

The frequency of account reviews, as well as the nature of the review, can vary widely among the accounts we advise. Considerations such as investment objectives and circumstances, complexity of the relationship, and size and structure of the portfolio are all triggering events.

Each Advisor is involved in continuous and ongoing monitoring of his/her client accounts to ensure that each security or asset allocation is suitable for the account based on information given by the client. In addition, compliance personnel periodically review a sample of customer accounts for adherence to stated investment objectives, among other compliance-related issues. Also, all trades made by the Firm for its clients are reviewed by the CCO or her designee on a daily basis, evidenced by electronically signing the trade blotter on the day the trades were reviewed. The CCO and her designee conduct an annual review of the profitability of client accounts and their investment objectives. They also will conduct extraordinary reviews upon the occurrence of certain events, such as unusual trading activity or performance.

Nature and Frequency of Regular Reports to Clients on their Accounts

Reports shall be sent to each client in the form of account statements not less than quarterly. Should a client request reports to be sent more frequently, TDAM shall comply with such request. Reports shall detail profits and losses for each client account, disbursements made from the account, and fee payments made to TDAM.

Confirmations

Upon positive written consent, a client can suppress the mailing of separate trade confirmations for their account over which TDAM is exercising investment discretion. In lieu of separate trade confirmations, information from the confirmation will be reported at least quarterly via the brokerage statement. Clients can obtain, upon request to the Firm and at no additional charge, information regarding any trade confirmation in their account, and a paper or electronic copy of any trade confirmation. Upon written request, TD&Co. can make available to the client all confirmations and statements online. Clients can rescind this instruction to discontinue mailing of trade confirmations at any time. Suppression of confirmations is not a requirement in order to enter into or continue to have an account with TD&Co. in which the Firm exercises investment discretion. Clients do not pay different fees based on whether or not they suppress trade confirmations.

Client Referrals and Other Compensation

TDAM will at times sponsor and pay for meals, outings, educational seminars, and training programs for its employees in connection with their promotion of investment advisory services. In addition, TDAM Advisors will occasionally attend conferences at which exhibitors have booths. Advisors may accept trinkets at conference exhibit booths as long as the trinkets are less than \$50 in value. Employees also may receive gift baskets or similar items from other professionals, as long as they are less than \$50 in value. To do otherwise would appear ungrateful.

As appropriate, TDAM Advisors solicit referrals from existing clients. Although Advisors do not pay specifically for client referrals, in order to build relationships with their clients, Advisors may provide clients with meals, entertainment, or modest gifts. Such gifts or entertainment may be considered an indirect form of compensation for client referrals.

Promoter Arrangements

TDAM may enter into written promoter agreements to compensate persons either independent of TDAM or employees of TDAM ("Promoters") for client referrals in compliance with federal securities laws. If a referred client establishes an investment advisory relationship with TDAM, the Promoter will receive a referral fee of a negotiated percentage of the investment advisory fees paid by the client for the duration of the investment advisory relationship. The compensated person(s) are/will be properly registered as Promoters when applicable. This referral fee will be paid out of the total advisory fees collected from clients. TDAM will not charge an additional fee for advisory services to pay a Promoter. There is no difference in the advisory fee schedule for clients who have been referred and those who have not been referred as a result of these promoter agreements. Clients that are referred by a Promoter will receive a copy of the Promoter's written disclosure document that describes the nature of the relationship between TDAM and the Promoter, in addition to TDAM's Form ADV Part 2.

Financial Information

Registered investment advisors are required in this Item to provide you with certain financial information or disclosures about TDAM's financial condition if we require prepayment of \$1,200 or more six months or more in advance, which we do not. TDAM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and it has not been the subject of a bankruptcy proceeding.