



Form ADV Part 2A (Brochure)

March 27, 2024

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This Brochure provides information about the qualifications and business practices of Peregrine Capital Management, LLC (Peregrine). If you have any questions about the contents of this Brochure, please contact us at (612) 343-7600. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Peregrine is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training.

Additional information about Peregrine also is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2 – SUMMARY OF MATERIAL CHANGES

In this Item, registered investment advisers are required to summarize in their annual update material changes made to their Brochure since the last annual update. In this update, we report no material changes since the filing on November 27, 2023.

Peregrine will provide clients with a new Brochure as necessary based on changes or new information, at any time, without charge. Please call (612) 343-7600 or email compliance@peregrine.com to request a Brochure.

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ITEM 4 – ADVISORY BUSINESS

Peregrine Capital Management, LLC was established as an SEC-registered investment adviser in 1984. The firm is located in Minneapolis, Minnesota. Peregrine Capital Management, LLC is owned by Peregrine Capital Management Holdings, LLC, which is owned by a group of senior key principals. Peregrine is governed by a Board of Directors (the “Board”). The Board is made up of many of the owners of Peregrine, including Portfolio Managers, the Founder of Peregrine, and the Director of Client Service and Marketing. As of 12/31/2023, Peregrine managed approximately \$4.2 billion (including \$4.1 billion on a discretionary basis and \$103.6 million on a non-discretionary basis) and an additional approximately \$530.1 million of assets under advisement.

Peregrine provides investment supervisory services to client portfolios, with three distinctly separate investment teams providing three primary styles, utilized to create seven different investment strategies: Small Cap Growth; SMID Growth; Small Cap Value; SMID Cap Value; Large Cap Growth; Select Mid Cap Growth and the Deglobalization New Paradigm Strategy®. Typically, Peregrine has full investment discretion over all accounts, unless otherwise noted in the investment management agreement. Peregrine tailors its advice within the strategies mentioned to the extent it agrees to investment restrictions outlined in a client’s investment guidelines or policies.

Peregrine provides these services to a largely institutional client base, but also provides services to registered investment advisers (“RIAs”) and high net worth individuals. In addition, Peregrine provides sub-advisory services to mutual funds, commingled investment trusts and undertakings for the collective investment in transferable securities (“UCITS”).

In addition, Peregrine provides model portfolio recommendations to unified managed account (“UMA”) programs by periodically communicating portfolio changes (e.g., buy and sell decisions) to the program sponsors. The program sponsors provide certain services to the clients in the program, including assisting each client in selecting one or more investment advisers and investment strategies based on the client’s investment objectives, brokerage, custody, recordkeeping, and other account services. Peregrine relies on the program sponsors to determine suitability. The program sponsors do not share client-specific information with Peregrine. The program sponsors collect a total account fee and remit a portion of the fee to Peregrine. Peregrine does not evaluate

whether any particular client would pay less if such services were purchased separately. The program sponsors direct the execution of trades on behalf of program participants. To the extent this Brochure is delivered to program clients with whom Peregrine has no advisory relationship or under circumstances where it is not legally required to be delivered, it is provided for informational purposes only. Furthermore, because a model-based program sponsor generally exercises investment discretion and, in many cases, brokerage discretion, performance and other information relating to Peregrine's services for which it exercises investment and brokerage discretion is generally provided for informational purposes only and will not be representative of model-based program client results or experience.

More information on Peregrine's trading practices relating to the model portfolio programs can be found in Item 12, Brokerage Practices.

ITEM 5 – FEES AND COMPENSATION

Small Cap Growth Strategy

| Annual Fee Rate | Assets Under Management |
|-----------------|-------------------------|
| 0.90% | First \$50 million |
| 0.75% | Next \$50 million |
| 0.55% | Balance |

SMID Growth Strategy

| Annual Fee Rate | Assets Under Management |
|-----------------|-------------------------|
| 0.90% | Balance |

Small Cap Value Strategy

| Annual Fee Rate | Assets Under Management |
|-----------------|-------------------------|
| 0.80% | First \$100 million |
| 0.75% | Next \$50 million |
| 0.65% | Balance |

Small Cap Value offers a discount to eleemosynary clients.

SMID Cap Value Strategy

| Annual Fee Rate | Assets Under Management |
|-----------------|-------------------------|
| 0.75% | First \$100 million |
| 0.70% | Next \$50 million |
| 0.60% | Balance |

SMID Cap Value offers a discount to eleemosynary clients.

Select Mid Cap Growth Strategy

| Annual Fee Rate | Assets Under Management |
|-----------------|-------------------------|
| 0.70% | First \$25 million |
| 0.65% | Next \$125 million |
| 0.50% | Balance |

Large Cap Growth Strategy

| Annual Fee Rate | Assets Under Management |
|-----------------|-------------------------|
| 0.60% | First \$25 million |
| 0.50% | Next \$125 million |
| 0.35% | Balance |

Deglobalization New Paradigm Strategy®

| Annual Fee Rate | Assets Under Management |
|-----------------|-------------------------|
| 0.75% | First \$50 million |
| 0.70% | Next \$50 million |
| 0.65% | Balance |

Each client's written investment advisory agreement dictates the specific manner in which Peregrine charges fees. In general, Peregrine's accounts are billed quarterly in arrears based on assets under management at the calendar quarter-end. Other methodologies include the averages of month-end asset values or average daily asset values over a specified period. Some accounts are billed monthly or pay fees in advance. In the event of termination, Peregrine will refund any unearned portion of the advanced fee paid based upon the number of days remaining in the billing period. Peregrine does not deduct fees directly from client accounts.

Under special circumstances, such as sub-advisory agreements under which Peregrine does not provide services to the end-client (e.g., mutual funds, UMA programs, commingled investment trusts or UCITS), accounts of significant size, or legacy clients, Peregrine's fee may be negotiated at its sole discretion.

To facilitate large cash flows, Peregrine may invest in exchange-traded funds ("ETFs") if the governing documents allow. ETFs have an embedded fee that flows to the ETF management company. In these circumstances, clients pay two levels of management fees, one to the ETF management company and an additional fee to Peregrine.

Peregrine's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain

charges imposed by custodians, brokers, third-party investment advisers, wrap fee sponsors and other third parties, such as fees charged by managers, wrap fees, custodial fees, deferred sales charges, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to Peregrine's fee, and Peregrine does not directly receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that Peregrine considers in selecting 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

Performance-based compensation arrangements may be negotiated with clients of substantial size. Peregrine will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisers Act of 1940 (the "Advisers Act") according to the available exemptions thereunder, including the exemption outlined in Rule 205-3. In measuring clients' assets for the calculation of performance-based fees, Peregrine will include realized and unrealized capital gains and losses. Actual fees paid under such agreements could be more or less than the fee schedules listed under Item 5 above.

Performance-based fee arrangements may create an incentive for an adviser to recommend investments which may be riskier or more speculative than those recommended under a different fee arrangement. Performance-based fee arrangements may also create an incentive to favor higher fee-paying accounts over other accounts in the allocation of investment opportunities. Peregrine addresses these issues by managing accounts based on a well-defined investment process where all accounts within a particular strategy are generally invested in the same securities, in the same proportionate weights, regardless of fee structure, subject to investment restrictions required under each relationship. Peregrine has designed and implemented procedures that seek to ensure fair and equitable treatment of all clients and to prevent fee considerations from influencing the allocation of investment opportunities among clients. Peregrine also compares the investment performance of any performance-based fee accounts against the performance of similarly managed accounts to identify any differences that might be caused by such favoritism.

ITEM 7 - TYPES OF CLIENTS

Peregrine provides investment advisory services to corporate and public pension plans, profit sharing plans, savings-investment and 401(k) plans, Taft-Hartley plans, foundations and endowments, corporate accounts, large trust accounts, registered investment companies, UCITS, collective investment trusts, UMA programs, RIAs and high net worth individuals.

Peregrine may impose minimum account sizes in its sole discretion. Peregrine generally requires a minimum account size of \$5 million but may accept smaller accounts due to special circumstances. UMA program minimums are set by the program's sponsor and are less than Peregrine's separate account minimum account size.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

Peregrine's investment styles invest primarily in U.S. equity securities traded on U.S. exchanges. Investments may include American Depositary Receipts ("ADRs") for access to foreign investments and ETFs used for cash management purposes. Securities issued by clients may be purchased within client portfolios, except when prohibited by client guidelines or regulations.

All investment styles have research-intensive, company-specific approaches to stock selection. The fundamental research is achieved through meeting with company management, analyzing financial statements, reading press releases and news, meeting with analysts and reading their research reports to identify the best investment opportunities.

Turnover is not managed to a particular level but is residual of each style's discipline. Total transaction costs are directly related to portfolio turnover and cash flows.

A brief description of each style is set forth below.

Small Cap Growth

The philosophy of the Small Cap Growth style is based on the belief that information gaps exist in small, rapidly growing companies, creating the potential for dramatic stock price appreciation. The investment process is designed to capitalize on information gaps – disconnects between a stock's price and its underlying earnings growth prospects.

Through both quantitative and qualitative processes, portfolio managers narrow the universe based on our minimum growth criteria. Discovery phase stocks must have a minimum long-term expected growth rate of 20%. Rediscovery phase stocks require a minimum of 40% near-term earnings growth. We also include takeover candidates in the Rediscovery category. The result of this diversified approach has shown strong upside capture while protecting principal in down market environments. The Small Cap Growth style focuses mainly on companies with a market capitalization in the range of the Russell 2000® Growth Index.

SMID Growth

The investment process seeks to uncover information gaps in smaller-to-mid-sized companies with attractive, asymmetric risk/reward profiles where rapid earnings growth has yet to be reflected in consensus thinking. The strategy holds U.S. traded equity securities considered to have small-to-mid market capitalization with potential for long term appreciation. The SMID Growth Style is similar to the Small Cap Growth style but focuses mainly on companies with a market capitalization in the range of the Russell 2500® Growth Index.

Small Cap Value

We employ a proprietary valuation screen to identify the least expensive stocks in each sector which results in a candidate pool of approximately 175 names. To discern true value from the merely cheap, the team conducts extensive fundamental research in search of one of our five Value Buy Criteria: resolvable short-term problem, catalyst for change; unrecognized assets, fundamental undervaluation, and take-over potential. We believe the presence of our Value Buy Criteria increases the likelihood that an inexpensive stock will return to a state of fair value and outperform its peers. Portfolios are fully invested in 90 to 110 holdings with generally no position exceeding 3.5% in weight. The portfolio seeks to be diversified across all sectors at all times. The Small Cap Value style focuses mainly on companies with a market capitalization in the range of the Russell 2000® Value Index.

SMID Cap Value

We employ a proprietary valuation screen to identify the least expensive stocks in each sector which results in a candidate pool of approximately 140 names. To discern true value from the merely cheap, the team conducts extensive fundamental research in search of one of our five Value Buy Criteria: resolvable short-term problem; catalyst for change; unrecognized assets; fundamental undervaluation; and take-over potential. We believe the presence of our Value Buy Criteria increases the likelihood that an inexpensive stock will return to a state of fair value and outperform its peers. Portfolios are fully invested in 60-90 holdings with generally no position exceeding 5% in weight. The portfolio seeks to be diversified across all sectors at all times. The SMID Cap Value style is similar to the Small Cap Value style but focuses mainly on companies with a market capitalization in the range of the Russell 2500® Value Index.

Large Cap Growth

We make long-term investments in 25 to 35 high quality, dynamic growth companies that are leaders in their industry. We continuously seek high growth, high quality companies that offer the following characteristics: expected future free cash flow growth greater than +12% per year, growth driven by high unit volume growth and supported by recurring revenue, large addressable markets, network effects, long competitive advantage periods, high returns on invested capital and cultures of growth and innovation. The Large Cap Growth style focuses mainly on companies with a market capitalization in the range of the Russell 1000® Growth Index.

Select Mid Cap Growth

We make long-term investments in 15 to 25 high quality, dynamic growth companies that are leaders in their industry. We continuously seek high growth, high quality companies that offer the following characteristics: expected future free cash flow growth greater than +12% per year, growth driven by high unit volume growth and supported by recurring revenue, large addressable markets, network effects, long competitive advantage periods, high returns on invested capital and cultures of growth and innovation. The Select Mid Cap Growth style focuses mainly on companies with a market capitalization in the range of the Russell MidCap® Growth Index.

Deglobalization New Paradigm Strategy®

The Deglobalization New Paradigm Strategy® seeks to capitalize on opportunities arising from the rapid changes in the economic landscape which have been accelerated by the COVID pandemic. The focus is on companies which benefit from changes in both the next generation worldwide supply chain towards a more regionalized, redundant, and reliable model centered in the U.S. The style additionally invests in beneficiaries of lasting changes in consumer and business demand.

The style encompasses high conviction ideas focused on the thematic mandate above and will be exposed to the full U.S. equity market cap spectrum. ESG is a consideration. The process is collaborative, leveraging the research of Peregrine's Small Cap Growth, Small Cap Value and Large Cap Growth teams. Portfolio construction is guided by representatives from each of the investment teams. The Deglobalization New Paradigm Strategy® focuses mainly on companies with a market capitalization in the range of the Russell 3000® Index.

Material Risks Involved

Investing in securities involves risk of loss that clients should be prepared to bear. There is no assurance that an investment will provide positive performance over any period of time. Past performance is no guarantee of future results and different periods and market conditions may result in significantly different outcomes. The material risks presented by each strategy and its investments are set forth below, but this section does not attempt to identify every risk or to describe completely those risks it does identify.

Market Risk

The market value of the securities owned in the strategy may decline, at times sharply and unpredictably. Market values of equity securities are affected by many different factors, including general economic conditions, interest rates, currency exchange rates, investor perceptions and market liquidity.

Economic Risk

Changes in economic conditions, including, for example, interest rates, inflation, political and diplomatic events and trends, tax laws and innumerable other factors, can substantially and adversely affect investments.

Risks of Investing in Smaller Companies

Smaller companies may offer greater opportunities for capital appreciation than larger companies, but investments in small companies may involve certain special risks. Smaller companies may have limited product lines, markets or financial resources and may be dependent on a limited management group. While the markets in securities of smaller companies have grown rapidly in recent years, such securities may trade less frequently and in smaller volume than more widely held securities. The values of these securities may fluctuate more sharply than those of other securities, and Peregrine may experience some difficulty in establishing or closing out positions in these securities at prevailing market prices. There may be less publicly available information about the issuers of these securities or less market interest in these securities than in the case of larger companies, and it may take longer for the prices of such securities to reflect the full value of their issuers' underlying earnings potential or assets.

Concentrated Portfolio Risk

To the extent a strategy invests in a limited number of stocks, it may have more risk because changes in the value of a single security may have a more significant effect, either negative or positive, on the strategy's performance.

Risks of Investing in Large Cap Growth Companies

Stocks of large cap companies tend to be less volatile than stocks of smaller companies. However, since many investors buy large cap growth stocks for their anticipated earnings growth, earnings disappointments often result in sharp price declines. While large cap companies often have greater resources to weather economic shifts than smaller companies, they may be slower to innovate and adapt to changing conditions than smaller companies. Since these companies usually invest a high portion of earnings in their businesses, they may lack the dividends of value stocks that can help to cushion stock prices in a falling market.

Risks of Investing in American Depositary Receipts ("ADRs")

ADRs are receipts issued by an American bank or trust company evidencing ownership of underlying securities issued by a foreign issuer. ADRs, in registered form, are designed for use in U.S. securities markets and are generally subject to the same sort of risks as direct investments in a foreign country, such as currency risk, political and economic risk, and market risk, because their values depend on the performance of a foreign security denominated in its home currency. Certain countries may limit the ability to convert depository receipts into the underlying

foreign securities and vice versa, which may cause the securities of the foreign company to trade at a discount or premium to the market price of the related depository receipt.

Management Risk

After applying its investment process, there can be no guarantee that Peregrine's decisions will produce the intended result, and there can be no assurance that an investment strategy will succeed.

Tax-Loss Harvesting

Peregrine does not provide tax advice and encourages clients to consult with their tax advisor regarding the consequences of investing with Peregrine and engaging in tax-loss harvesting. The effectiveness of tax-loss harvesting to reduce tax liability will depend on the client's entire tax and investment profile, including purchases and dispositions in accounts outside of Peregrine, and the types of investments or holding period. The utilization of losses harvested will depend on the recognition of capital gains in the same or a future tax period, and in addition may be subject to limitations under applicable tax laws (for example, if there are insufficient realized gains in the tax period, the use of harvested losses may be limited to a deduction against ordinary income and distributions). A tax loss realized by a U.S. investor after selling a security will be negated if the investor purchases the security within thirty days, creating a "wash sale," which can occur inadvertently because of trading by a client in portfolios not managed by Peregrine.

Disease Outbreak Risks

Disease outbreaks that affect local economies or the global economy may materially and adversely impact our investment funds and portfolios and/or our business. For example, uncertainties regarding the novel Coronavirus ("COVID-19") outbreak have resulted in serious economic disruptions across the globe. These types of outbreaks can be expected to cause severe decreases in economic activities such as manufacturing, purchasing, tourism, business conferences and workplace participation, among others. These disruptions lead to instability in the marketplace, including stock market losses and overall volatility, as has occurred in connection with COVID-19. In the face of such instability, governments may take extreme and unpredictable measures to combat the spread of disease and mitigate the resulting market disruptions and losses. We have in place business

continuity plans reasonably designed to ensure that we maintain normal business operations, and that our investment portfolios and client assets are protected, and we periodically test those plans. However, in the event of a pandemic or an outbreak, there can be no assurance that we or our portfolios' service providers will be able to maintain normal business operations for an extended period of time or will not lose the services of key personnel on a temporary or long-term basis due to illness or other reasons. The full impacts of a pandemic or disease outbreaks are unknown, resulting in a high degree of uncertainty for potentially extended periods of time. This update is current as of the date of this filing.

Environmental, Social and Governance ("ESG") Investing Risk

An investment style that considers ESG in its investment strategy carries the risk that the style's performance will differ from styles that do not utilize an ESG-aware investment strategy. For example, the application of an ESG-aware strategy could affect the style's exposure to certain investments, which could negatively impact the style's performance. In determining the efficacy of an issuer's ESG practices, Peregrine will use its own proprietary and/or third-party assessments of ESG factors. There is no guarantee that the factors utilized by Peregrine, or any judgment exercised by Peregrine will reflect the opinions of any particular client, and the factors utilized by Peregrine may differ from the factors that any particular client considers relevant in evaluating an issuer's ESG practices.

In evaluating an issuer, Peregrine is dependent upon information and data obtained through voluntary or third-party reporting that may be incomplete, inaccurate or unavailable, which could cause Peregrine to incorrectly assess an issuer's business practices with respect to ESG practices. Environment, social and governance standards differ by region, and an issuer's ESG practices or Peregrine's assessment of an issuer's ESG practices may change over time. Peregrine's successful application of an ESG-aware investment strategy will depend on Peregrine's skill in properly identifying and analyzing material ESG issues, and there can be no assurance that the strategy or techniques employed will be successful.

Peregrine relies on MSCI ESG research, which reports a composite ESG rating based on multiple different factors. We do not have control of the third-party assessments of an issuer's compliance or adherence to these specific factors, which can impact aggregate ratings, and could adversely impact the ESG profile of a particular issuer.

Cybersecurity Risk

As the use of technology and the Internet has become more prevalent in the course of business, Peregrine has become more susceptible to operational, financial and information security risks resulting from cybersecurity breaches or other cyber-attacks. Cyber incidents can result from deliberate attacks or unintentional events and include, but are not limited to, gaining unauthorized access to electronic systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets, sensitive information (e.g., client names, trading information), corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users).

Cyber incidents affecting Peregrine or any its service providers have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the ability to calculate account values, impediments to trading, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. Similar adverse consequences could result from cyber incidents involving counterparties with which Peregrine engages in transactions, governmental and other regulatory authorities, exchanges and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for Peregrine’s clients) and other parties.

Although Peregrine has established internal risk management security protocols reasonably designed to prevent or detect, identify and respond to and recover from cybersecurity incidents, there are inherent limitations in such protocols including the possibility that certain threats and vulnerabilities have not been identified or made public due to the evolving nature of cybersecurity threats. As such, there is a possibility that Peregrine has not adequately prepared for or identified certain risks. Furthermore, although Peregrine conducts initial and ongoing due diligence of its third-party service providers, it cannot directly control any cybersecurity plans and systems put in place by such service providers.

Cybersecurity risks are also present for issuers of securities in which a client account invests, which could result in material adverse consequences for such issuers and may cause a client account's investment in such securities to lose value.

Geopolitical Market Risk

The underlying companies in which Peregrine invests may be sensitive to general downward swings in the overall economy or in their specific industries or geographies. Factors affecting economic conditions, including, for example, inflation, currency devaluation, exchange rate fluctuations, industry conditions, competition, labor issues, technological developments, domestic and worldwide political, military and diplomatic events and trends, natural disasters and innumerable other factors, none of which will be in the control of Peregrine, can substantially and adversely affect the business and prospects of Peregrine and its clients.

ITEM 9 – DISCIPLINARY INFORMATION

Peregrine is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Peregrine or the integrity of Peregrine's management. Peregrine has no reportable legal or disciplinary events.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATES

Peregrine is an independent investment management firm owned by key principals and does not have any other financial industry activities or affiliates.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Peregrine has adopted a Code of Ethics and Personal Trading Policy (the "Code") for all persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts, and personal securities trading and reporting procedures, among other things. All

supervised persons at Peregrine must acknowledge understanding of and compliance with the terms of the Code annually and when amended.

Peregrine employees may trade for their own accounts in securities which are recommended to and purchased for Peregrine's clients. Because Peregrine permits such personal trading, this creates the conflict that employees could use their knowledge of pending client transactions in an attempt to benefit their personal transactions. Peregrine has a policy of prohibiting any employee from engaging in any securities transactions which would create a conflict of interest with any clients of Peregrine. To address conflicts related to personal trading, the Code requires pre-approval of many types of securities transactions and imposes restrictions on the timing of personal securities transactions when client accounts are trading in the same securities.

Employees are prohibited from conducting any personal transactions in any security until two business days after a transaction made in that same security in any client account (the "Blackout Period"). This Blackout Period does not apply to client transactions that are not part of an active trading program by Peregrine (i.e., a portfolio manager directed trade), but rather are passive trades intended merely to rebalance, liquidate, or open client accounts. Peregrine also prohibits any employee from purchasing or selling securities under consideration for purchase or sale or in the process of being purchased or sold for its clients. Peregrine requires all employees to report initially and annually all securities holdings and to report all personal transactions in securities in which the employee has direct or indirect ownership at least quarterly. Under appropriate circumstances, Peregrine may grant exceptions to the restrictions on employee securities transactions outlined above. A complete copy of the Code is available upon request to any client or prospective client.

Peregrine occasionally makes contributions to certain clients that are charitable organizations. Such contributions are not made to obtain or retain business and, if more than de minimis, must be approved in advance by senior management and Compliance.

ITEM 12 – BROKERAGE PRACTICES

Factors Used to Select Broker-Dealers

In most instances, Peregrine is responsible for selecting broker-dealers (“brokers”) to execute client transactions. In doing so, Peregrine has an obligation to seek to obtain “best execution” of client transactions, taking into consideration the circumstances of the particular transaction. “Best execution” means that Peregrine must seek to execute securities transactions for clients in such a manner that the client’s total costs or proceeds in each transaction are the most favorable under the circumstances. In selecting brokers to execute client trades, Peregrine considers the full range and quality of the broker’s services including, among other things, execution capability, commission rate, financial condition, responsiveness, and knowledge of the market, as well as the value of statistical and other research information provided. The determinative factor is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution for Peregrine’s client accounts.

Peregrine's trades are typically executed within the national best bid and offer (“NBBO”) with no differentiation between listed and over-the-counter (“OTC”) trades. Bid and offer spreads are generally minimal and explicit commissions are assigned to trades.

Research and Other Soft Dollar Benefits

As permitted under applicable law and except as otherwise noted below, Peregrine has the ability to pay higher commissions to brokers who provide brokerage and research services (“research services”) than to brokers who do not provide such services, as long as such higher commissions are deemed to be reasonable in relation to the value of the services provided. These types of transactions are commonly referred to as “soft dollar” transactions because commission dollars are used to purchase research services.

To the extent that Peregrine uses commission dollars to purchase research services, it must use the commission dollars generated from client accounts that have granted Peregrine discretion for brokerage placement and that permit the use of soft dollar arrangements. Not all client accounts have granted Peregrine the authority to select brokers for portfolio transactions, and even some that have granted that authority do not permit Peregrine to engage in soft dollar transactions. Nevertheless, research services provided by brokers are generally used by Peregrine in servicing *all* of its clients, regardless of whether Peregrine has brokerage discretion for the client account and

regardless of whether the client permits soft dollar arrangements. Therefore, research services may not necessarily be used by Peregrine in connection with client accounts which paid commissions to the brokers providing the service, and Peregrine does not attempt to allocate soft dollar benefits to client accounts proportionately to the soft dollar commissions the accounts generate. It is quite possible that the research benefits received from any one order will not directly benefit the client placing the order, but Peregrine believes that the aggregate benefits of the research services provided by brokers from all orders will benefit all of its clients. For example, UMA programs do not generate soft dollars but benefit from soft dollars generated by other accounts. Similarly, some clients may be subject to regulatory or other restrictions on the use of commissions to pay for research services. However, such accounts receive the benefits of research generated by those accounts without such restrictions.

Research services provided by brokers directly or through third-party arrangements include: research reports; advice and/or technical analysis on individual securities, specific industries and economic/market sectors, economic and market trends, and portfolio strategy; databases, statistical services, and software used for research, portfolio management and trade execution; and a variety of other research and analytical tools, including performance measurement/attribution reports and systems. When Peregrine uses soft dollar commissions to obtain research services, Peregrine receives a benefit because it does not have to produce or pay for the research services. As a result, Peregrine may have an incentive to select a broker based on its interest in receiving the research services, rather than on clients' interest in receiving the most favorable execution. Because the use of soft dollar commissions to pay for research services for which Peregrine would otherwise have to pay presents a conflict of interest, Peregrine has adopted policies and procedures concerning soft dollars, which address all aspects of its use of soft dollar commissions and require that (i) such use be consistent with Section 28(e) of the Securities Exchange Act of 1934, as amended, and regulatory guidance from the SEC, (ii) such use provides lawful and appropriate assistance to us in the investment decision-making process, and (iii) we determine that the value of the research service obtained is reasonable in relation to the commissions paid.

Peregrine also utilizes so-called "mixed-use" arrangements for products and services where Peregrine determines the "research" portion to be paid by soft dollar commissions and the "non-research" portion to be paid directly by Peregrine. The allocation between research and non-research presents a conflict of interest for Peregrine. Peregrine generally determines the allocation based on actual usage and, in the process, identifies

the proportion utilized in investment decision-making. Compliance and senior management approve the allocation.

Aggregation of Orders

Peregrine believes that aggregating orders for the purchase or sale of securities on behalf of clients aids in seeking to obtain best execution for those clients participating in the trade. To maximize fairness to affected clients when we aggregate trades, Peregrine has adopted a policy expressly addressing allocation of aggregated securities trades. The overriding objective in the process is to treat all clients fairly and equitably. All transactions including aggregated trades are allocated to participating accounts on or prior to the entry of an order. New issue securities are allocated on the day of the underwriter's allotment and before trading commences whenever feasible. Trades will ordinarily be allocated to all accounts using the average share price for all transactions in the security occurring on the same day and will generally be divided pro-rata based on the market value of the specific accounts involved. A portfolio manager may depart from a strict pro-rata allocation when any of a number of factors have an influence on an individual allocation. A departure from a strict pro-rata allocation may thus be appropriate depending on such factors as the market capitalization of the security involved, the total number of shares transacted, the cash flows into or out of the involved accounts, the cash position of the account, the relative magnitude of a security holding in an account in comparison to the targeted amount, relative industry/sector weightings for each account, client and style constraints, allocations which fall below specified minimums and/or other factors which the portfolio manager determines would be fair and equitable for all accounts in a particular management style. Because of the limited share allotment which Peregrine is likely to receive on initial public offerings, trades cannot always be allocated pro-rata to all accounts managed in a particular style. When Peregrine is unable to allocate on a pro-rata basis, trades are allocated by the portfolio manager in an attempt to achieve fair and equitable treatment over time.

Peregrine aggregates trades for its separately managed accounts ("SMAs") although the UMAs trades are not aggregated with them as trades for those programs are managed by the program sponsor. As between the SMAs and UMAs, Peregrine's general policy is to either provide simultaneous notification to UMA sponsors, or to observe trade rotation whereby it rotates communication of a trade to brokers for its aggregated SMAs and the UMA sponsors. As a practical matter, Peregrine achieves near simultaneous execution as between the SMAs and UMAs, although makes no commitment that in the operation of its trade rotation policy it will achieve either simultaneous or near simultaneous

execution. Trader discretion, based on market conditions, will cause a departure from the general rotation policy. Peregrine has no influence over when or even whether UMA model changes are implemented. The UMA sponsor also determines the broker through which the securities are bought or sold, and the commission rates, if any, at which transactions are executed. Given this sequencing, UMA trades that are executed at the discretion of the UMA sponsor are subject to price movements, particularly if they are trading after large block trades, involve thinly traded or illiquid securities or occur in volatile markets. This may result in UMA participants obtaining a price that is different and, in some cases, less favorable than those account trades that are executed first, particularly in the case of model portfolios that hold small or mid-capitalization securities. If it is deemed highly likely that a transaction will be reversed in a very short period of time (one or two days), the trades may not be communicated to the UMA. Peregrine may utilize rotations or allocation methods other than those described above if we believe such rotation or method is appropriate under the circumstances and that such alternative rotation or method is generally fair and equitable. In addition, Peregrine may vary from these policies to comply with additional requirements that may be placed on us by our platforms, intermediaries and clients, including but not limited to timing of trades and broker selection.

Peregrine does not execute securities transactions between client accounts (sometimes referred to as “Cross Trades”).

Directed Brokerage

In limited instances, Peregrine will accept direction from clients as to which brokers are used. Any such direction must be in writing and accepted by Peregrine before it will be effective. Typically, the client has an arrangement with such broker which results in the client receiving some benefit from the broker in exchange for the directed brokerage. Although Peregrine generally discourages such direction, Peregrine does permit client direction in certain circumstances, ensuring that clients are apprised of the potential risks associated with directed brokerage, including that it may cost the client more money for the following reasons:

- the direction may result in higher commissions, greater spreads or less favorable net prices than would be the case if Peregrine selected the brokers;
- the direction may result in trades for the client’s account not being aggregated with similar trades for other client accounts and thus not eligible for the benefits that accrue to such aggregation of orders;

- that as a result of not being aggregated, client transactions will generally be executed after client accounts whose trades are aggregated and may receive less favorable prices; and
- that because of the direction the client's account may not generate returns equal to those of other client accounts which do not direct brokerage.

In these instances, Peregrine will include transactions for clients that have requested directed brokerage in Peregrine's bundled orders and then satisfy the brokerage direction using step-out transactions, subject to Peregrine's best execution obligations. In such transactions, Peregrine requests the executing broker (who may agree or decline) to transfer the settlement and clearing of the portion of the bundled order relating to the directed brokerage accounts to the particular directed brokers who receive a portion of the commission. The executing broker does not receive a commission for that portion of the trade. Peregrine does not guarantee that any or all brokers executing transactions for Peregrine's clients will agree to participate in these types of step-out arrangements, although currently it is Peregrine's experience that they do so. In the event that Peregrine is unable to use step-out transactions in connection with particular brokerage directions, Peregrine will discuss with clients and have procedures in place that ensure that all clients are treated fairly and equitably over time and that no client is systematically disadvantaged.

Brokerage for Client Referrals

Peregrine does not receive client referrals from brokers. Under no circumstances does Peregrine consider the marketing efforts of brokers on behalf of mutual funds it subadvises or personal investment opportunities offered by brokers in selecting brokers to execute client trades.

ITEM 13 – REVIEW OF ACCOUNTS

Peregrine employs a trade order management system and its pre-trade and post-trade compliance functionality. All portfolios are reviewed continuously by the portfolio managers assigned to them. All portfolio managers devote a substantial majority of their time to managing portfolios. The portfolio managers function as teams focused on their individual styles. Each portfolio is reviewed quarterly by a portfolio manager and Compliance to ensure that each portfolio's holdings are consistent with the goals and objectives and limitations imposed by each client.

Peregrine sends quarterly written letters to clients which include performance numbers and a discussion of market events occurring during the quarter. Ad-hoc reports are distributed as requested by clients.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

Peregrine does not have solicitation or referral arrangements in place with third parties at this time. Please refer to the discussion related to the use of client commissions in Item 12 "Brokerage Practices" for information about soft dollar benefits.

Peregrine purchases products and services from some investment management consultants with whom Peregrine shares clients/prospects, creating a potential conflict of interest between these consultants and shared clients/prospects. Examples of products and services purchased include index information, performance attribution, manager universes, attendance at conferences, etc. Clients/prospects are encouraged to request information from their consultants regarding revenue received from other activities. Specific information regarding investment management consultant products and services purchased by Peregrine is available upon request.

ITEM 15 - CUSTODY

Peregrine does not have custody of client assets. All client assets must be held by a third-party custodian, generally a bank or a broker-dealer. Peregrine cannot and does not serve as a qualified custodian for clients and will decline client requests to provide services that would result in Peregrine being deemed to have custody under the applicable regulatory rules.

Each client receive at least quarterly statements from the broker-dealer, bank, or other qualified custodian that maintains the client's investment assets. Peregrine urges all of our clients to carefully review such statements and compare official records to the account statements that Peregrine provides, which may vary from custodian statements based on accounting procedures, reporting dates or valuation methodologies of certain securities. Peregrine requests that clients notify Peregrine using the contact information on the cover page of this Form ADV Part 2A if they have questions about their statement or if their custodian stops sending statements at least quarterly.

ITEM 16 – INVESTMENT DISCRETION

Peregrine receives discretionary authority in the investment management agreement executed with the client at the outset of an advisory relationship. The accounts over which Peregrine exercises investment discretion are generally subject to investment restrictions and guidelines developed in consultation with clients. These restrictions and guidelines customarily impose limitations on the types of securities that may be purchased and also generally limit the percentage of account assets that may be invested in certain types of securities. Additional policies may be set by a client's board or investment committee. For clients who have granted discretionary authority to Peregrine, Peregrine is authorized to make the following determinations, consistent with each client's investment goals and policies, without client consultation or consent before a transaction is effected:

- Which securities or other investments to buy or sell;
- The total amount of securities or other investments to buy or sell;
- The broker or dealer through whom securities are bought or sold;
- The commission rates at which securities or other investment transactions for client accounts are effected; and
- The price at which securities or other investments are to be bought or sold, which may include dealer spreads or mark-ups and transaction costs.

Peregrine generally does not accept non-discretionary accounts, although it reserves the right to accept non-discretionary accounts in certain circumstances. In these situations, the client's retention of discretion may cause the client to lose possible advantages that discretionary clients may have resulting from our ability to act immediately on our decisions for those discretionary clients.

ITEM 17 – VOTING CLIENT SECURITIES

Peregrine votes proxies for shares held in client accounts for the sole or exclusive benefit of the client when the client has authorized us to vote proxies. The investment agreement defines whether Peregrine has the authority to vote proxies. In evaluating a proxy proposal, Peregrine's objective centers on protecting the financial investment of the shareholder. Therefore, Peregrine reviews each proposal to determine its financial implications for the shareholder. In a number of proxy proposals, the financial interests of the beneficiary clearly dictate support for or against a proposal. For example,

Peregrine supports management on routine, noneconomic proposals. However, Peregrine exercises discretion in determining how to best protect the financial investment of the shareholder while providing support to management in the operation of the business.

Common stocks are purchased for Peregrine accounts based upon an evaluation that the stocks have an attractive return potential over a reasonable time horizon. Peregrine's purchase and retention of a stock inherently projects confidence that management will operate the company in a manner consistent with earning a reasonable return. As a result, Peregrine will normally support management's stance on proxy proposals.

If a material conflict of interest is identified regarding proxy voting, it will generally be addressed in one of the following ways by the Board:

1. The proxy will be voted according to the proxy voting guidelines, provided that the proposal at issue is not one which the guidelines require to be considered on a case-by-case basis.
2. In conflict situations which cannot be addressed using the guidelines, the Board will follow the recommendation of a third-party proxy voting service.

Clients for whom Peregrine does not have proxy voting authority should ensure that they receive proxies and other solicitations from their custodian or transfer agent. Clients may contact Peregrine with questions regarding a proxy solicitation.

At the request of our clients, Peregrine sends periodic communications to clients disclosing how proxies were voted. A copy of Peregrine's complete proxy voting policies and procedures is available upon request.

Although Peregrine is authorized to provide investment supervisory services and vote client proxies, Peregrine will not file proofs of claims in class action settlements. Clients assume the sole responsibility of evaluating the merits and risks associated with any class action settlement, therefore clients are responsible for filing proofs of claims. In most instances, the client's custodian receives notices pertaining to class actions. Clients should contact their custodian if they have questions pertaining to class action notices. Peregrine cannot provide legal advice and clients are encouraged to consult with their legal advisor when filing claims in securities class actions suits. The client's response to a settlement notice will impact the client's legal rights.

ITEM 18 – FINANCIAL INFORMATION

Registered investment advisers are required to provide certain financial information or disclosures about their financial condition. Peregrine has no financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients and has not been the subject of a bankruptcy proceeding.

OTHER DISCLOSURES

ERISA Section 408(b)(2) Disclosures

Set forth below are certain disclosures responsive to the service provider disclosure requirements under Section 408(b)(2) of ERISA. Peregrine provides additional supplemental disclosures where required based on the nature of the client relationship.

Services

The United States Department of Labor has adopted certain new disclosure requirements relative to ERISA plan providers, commonly referred to as ERISA 408(b)(2) requirements. Peregrine provides investment management services to our clients, including ERISA clients. Our Form ADV along with each existing investment management agreement between any ERISA client and Peregrine address the scope of our services and limitations thereof, our fiduciary status, any conflicts of interest, and our compensation method and sources. Peregrine will vote ERISA client proxies, unless otherwise directed by the ERISA client. This disclosure supplements our Form ADV and the investment management agreement.

Direct Compensation

Unless otherwise reflected in the investment management agreement between any ERISA client and Peregrine, the only source of direct compensation to Peregrine under the agreement shall be the fee paid to Peregrine by the ERISA client. Any additional fees incurred by the ERISA client for plan-related services that are not provided by Peregrine, including plan administration, professional services (i.e., accounting and legal), and plan custody are not included as part of Peregrine's compensation.

Indirect Compensation

Unless the ERISA client has directed trades to a certain broker, Peregrine often selects a broker or dealer that furnishes it research products or services as further described above in Item 12, Brokerage Practices. These selections are not pursuant to an agreement or understanding with any of the brokers or dealers. Peregrine is not able to quantify the value of the soft dollar benefits to the ERISA client's account; however, the brokerage and research services received provide assistance to Peregrine in performing its investment decision-making responsibilities. Please see Item 12 for additional information.

Peregrine employees may receive gifts and entertainment, such as conference invitations, that are customary and in line with industry practices. Peregrine has a Gift & Entertainment Policy within its Code of Ethics for employees.

Termination Fees

Peregrine does not charge an additional fee upon termination of the agreement. Upon termination of a pre-paid fee account, Peregrine will refund fees for the number of days that services were not provided during the billing quarter.

An ERISA client's acceptance of services from Peregrine serves as an acknowledgement of its receipt of information responsive to the disclosure requirements of Section 408(b)(2) under ERISA reasonably in advance of the execution of the applicable investment management agreement.