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Form ADV, Part 2A Appendix 1 Wrap Fee Program Brochure

March 1, 2024

This wrap fee program brochure provides information about the qualifications and business practices of Knightsbridge Asset Management, LLC, DBA Knightsbridge Wealth Management (hereafter referred to as "Knightsbridge"). If you have any questions about the contents of this brochure, please contact us at 949.644.4444 or knightsbridge@knightsb.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Any reference to or use of the terms "registered investment adviser" or "registered," does not imply that Knightsbridge Asset Management, LLC or any person associated with Knightsbridge Asset Management, LLC has achieved a certain level of skill or training.

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

ITEM 2 - MATERIAL CHANGES

Revised March 1, 2024

Knightsbridge Wealth Management reviews and updates Form ADV at least annually to confirm that it remains current.

The purpose of this page is to inform you of any material changes since the last update to this brochure. If you are receiving this brochure for the first time, this section may not be relevant to you.

Since the last update to Knightsbridge's brochure dated March 29, 2023, Knightsbridge is now the investment manager to KWM Asymmetric Opportunities Fund, LP, a private fund (the "Fund"). KAO General Partner, LLC, a California limited liability company, serves as the general partner (the "GP" or General Partner") of the Fund. Knightsbridge is the sole member of the GP and the owners of Knightsbridge are also the Managing Members of the GP. The GP has delegated the investment management responsibilities for the Fund to Knightsbridge. The Fund is a Delaware limited partnership and is not publicly offered or traded. The Fund is only available to "accredited investors" as the term is defined by Rule 501(a) of Regulation D of the Securities Act of 1933. The Fund's offering documents provide additional information on these standards. Prospective investors in the Fund receive the offering documents. This Form ADV Part 2A Appendix 1 Wrap Fee Brochure is not an offer to sell, or a solicitation of an offer to purchase membership interests in the Fund. Such an offer can only occur when the prospective investor receives the offering documents. Additional information, conflicts of interest, and how Knightsbridge addresses these conflicts are described in Item 9 of this brochure and in our Form ADV Part 2A Brochure.

Our complete Form ADV Part 2A & 2B may be requested by contacting our firm at (949) 644-4444 or by email at knightsbridge@knightsb.com

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ITEM 4 - SERVICES, FEES AND COMPENSATION

Knightsbridge is an independent, 100% employee-owned limited liability company headquartered in Newport Beach, California. Knightsbridge is registered as an investment adviser with the U.S. Securities and Exchange Commission.

Knightsbridge was co-founded in 1998 by John Prichard, CFA. Historical investment results include periods under predecessor firms Canterbury Capital Services, Inc. (1992) and Buffalo Capital Corporation (1993). John Prichard, CFA, Kurt Beimfohr, and Miles Yourman, CFA currently own the firm.

Knightsbridge Wrap Fee Program

Knightsbridge provides investment advisory services directly to retail clients through a wrap fee program, as described in this brochure. Knightsbridge is both the sponsor and currently the only portfolio manager for our wrap fee program. Knightsbridge no longer offers this program to new investors.

Client investments may include over the counter and exchange-traded securities such as common and preferred stocks and bonds, American Depositary Receipts (ADRs), foreign securities listed on foreign exchanges (ordinaries), Real Estate Investment Trusts (REITs), closed-end and open-end mutual funds, exchange-traded funds (ETFs), interests in exchange-traded and private limited partnerships or funds that may be illiquid, fixed income securities such as corporate, mortgage, government and municipal bonds, and floating rate notes. Accounts may at times hold material positions in cash or cash equivalents.

Fees for the Program

Clients participating in our wrap fee program pay a single bundled fee to Knightsbridge for our advisory services and commissions on transactions instead of paying these fees separately. The maximum annual fee charged is 1.5%. The specific advisory fees are set forth in your Investment Management Agreement.

Additional fees charged to clients of the Knightsbridge wrap fee program may include wire fees, and other fees and taxes on brokerage accounts and securities transactions including possible SEC transaction fees, postage, handling or other miscellaneous transaction related costs. Clients may also incur charges imposed by closed-end and open-end mutual funds and exchange-traded funds which are disclosed in the fund's prospectus (i.e., fund management fees, operating expenses, or variable annuity fees). Clients in the program ultimately bear these costs in addition to the wrap fees charged directly to the client.

Participating in the wrap fee program may cost a client more or less than purchasing investment management and trading services separately. Factors that may affect the cost of a wrap fee program relative to other compensation arrangements include: the advisory

fees the client would pay for Knightsbridge's investment management services if the fees were un-bundled; the transaction and execution fees the custodian would charge to the client under a non-wrap fee arrangement, and the frequency and volume of trading activity in the client's account. Under the terms of this wrap fee program, Knightsbridge will pay trading and execution costs imposed by the custodian for transactions in client accounts. This arrangement presents a conflict of interest for Knightsbridge, as Knightsbridge has a financial disincentive to engage in active trading. However, transaction fees are not a material consideration for Knightsbridge in deciding whether to engage in any trading or the level of trading activity through the custodian. We make investment decisions for clients in wrap fee programs the same way we manage accounts where the client pays for trading and execution costs separately.

Knightsbridge receives compensation when clients participate in this wrap fee program. This compensation may be more than what Knightsbridge would receive if clients participated in other programs at Knightsbridge or paid separately for investment advice, brokerage, and other services, and Knightsbridge may therefore have a financial incentive to recommend the wrap fee program over other programs or services.

Billing Method

All separate accounts controlled by a single client under the wrap fee program will be taken together as if one account for purposes of determining fees. Once the client reaches a breakpoint, Knightsbridge bills all assets under management in the portfolio at the lower rate.

Fees will be charged quarterly in arrears. Fees are calculated quarterly based on the portfolio value of the client's assets under management, including accrued interest, at the close of business on the last day of each calendar quarter. All assets in any form in the client's account are considered in determining the portfolio value, including cash balances, money market assets, equity and debt positions.

Knightsbridge does not charge fees for the initial quarter after inception of the account if we manage the account for less than a full calendar quarter. Fees are due no later than 30 days after the calendar quarter.

With client authorization, Knightsbridge will instruct the custodian to automatically withdraw its advisory fee from the client's account on a quarterly basis. The quarterly reports we send to clients will show the amount of the fee and the fee calculation. Knightsbridge may accommodate client requests to be billed directly.

All clients will receive brokerage statements from the custodian no less frequently than quarterly. The custodian statement will show the deduction of the advisory fee. It is the

client's responsibility to verify the accuracy of the fee calculation. The custodian will not determine whether the fee is properly calculated.

Termination of Agreements

Either party may terminate the agreement upon ten (10) days written notice to the other party; however, the client can revoke our discretionary authority over the account at any time. The client will be responsible for paying fees for services through the effective date of termination. Clients may terminate the agreement by writing Knightsbridge at our office. Any notice shall be deemed effective upon actual receipt of written acknowledgement.

Upon notice of termination, Knightsbridge will calculate the final fees due for services provided through the date of termination. Any advisory fees earned for services provided will be due upon termination. We will prorate the fee due based on the effective date of termination.

ITEM 5 - ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

Clients in Knightsbridge's wrap fee program may include retail clients such as individuals, high net worth individuals, trusts and estates, individual participants of retirement plans, pension and profit-sharing plans, charitable organizations, and businesses. Knightsbridge also offers advisory services to institutional clients.

Account Requirements

Generally, Knightsbridge requires a minimum account size of \$500,000 for accounts in our wrap fee program. We may combine family accounts to meet the account size minimum. Knightsbridge may reduce or waive the account minimum requirements at its discretion. Knightsbridge may recommend that qualified clients participate in securities lending programs offered by their custodians.

ITEM 6 - PORTFOLIO MANAGER SELECTION AND EVALUATION

Portfolio Management and Performance Calculation

Knightsbridge is the sponsor and currently the only portfolio manager of our wrap fee program.

Advisory Business

Investment Advisory Services Offered

Knightsbridge offers investment advisory services directly to retail and institutional clients in individually managed accounts, to clients referred by solicitors, and through sub-advisory and wrap-fee arrangements. This wrap fee program brochure describes the services we provide to clients of the Knightsbridge wrap fee program and our investment and trading

policies as they relate to wrap fee program clients. The other services Knightsbridge offers are described in more detail in our Form ADV Part 2A brochure, which is available upon request.

Tailored Services and Client Imposed Restrictions

Knightsbridge manages client accounts based on the investment strategy the client chooses, as discussed below under **Methods of Analysis, Investment Strategies, and Risk of Loss**.

Clients may request restrictions on their account, such as a minimum level of cash or avoidance of specific securities or security types. Any such limitation may add client-imposed risk of loss and reduction of investment return. It is the client's responsibility to keep Knightsbridge informed of any changes to their investment objectives or restrictions.

Other Wrap Fee Programs

In addition to sponsoring our own wrap fee program, Knightsbridge manages accounts in wrap fee programs sponsored by other financial services firms. The company sponsoring the program pays Knightsbridge a portion of the wrap fee for investment management services as portfolio manager.

Knightsbridge chooses investments for clients in wrap fee programs the same way we make investment decisions for other client accounts.

Performance-Based Fees and Side-by-Side Management

Knightsbridge typically charges asset-based fees for its investment management services. Knightsbridge has also negotiated with certain clients a performance-based incentive fee. We may only offer performance-fee arrangements to clients that meet certain internal and regulatory qualifications. Specifically, clients meeting assets under management or net worth tests of SEC Rule 205-3 under the Investment Advisers Act of 1940 may elect to have assets managed by the firm on a performance compensation basis.

Knightsbridge may give advice to or take action for performance-based incentive fee accounts that differs from advice given to or action taken for other managed accounts as the investment objectives and risk tolerance for these accounts differ from other managed accounts.

These arrangements create a conflict of interest for Knightsbridge as it creates an incentive to allocate investment opportunities that it believes might be the most profitable to accounts charged performance-based or higher asset-based fees.

Knightsbridge has adopted policies and procedures reasonably designed to allocate investment opportunities between accounts on a fair and equitable basis over time and prevent non-suitable investments in client accounts.

Methods of Analysis, Investment Strategies and Risk of Loss

Investment Philosophy

With all strategies, we seek to deliver attractive risk-adjusted returns. We also employ active risk management in many of our strategies. As such, cash equivalents, sometimes used as a defensive tool, may at times represent a significant portion of the client's account, including up to 100% of our Managed Income strategy.

Investment Strategies

Knightsbridge offers the following strategies:

Opportunistic Value Equity strategy: A growth-oriented active equity strategy

For investors seeking capital appreciation. We attempt generate strong returns by investing among stocks exhibiting either a "structural investment anomaly" which may be temporarily depressing price or a "signaling investment anomaly" indicating undervaluation compared to intrinsic value. We also like to have the following qualities present: manageable debt load; cash generative business; good returns on capital; alignment of management; revenue growth.

Long Term Quality Equity strategy: A tax-optimized active equity strategy

For investors seeking long-term growth who benefit from deference of tax realization. We invest in quality companies capable of 'compounding' tax efficiently over a holding period of many years. We define a quality company as one which possesses: consistency in profitability; good returns on capital; no major secular pressures; little risk of obsolescence; easily manageable debt. With higher quality companies, we invest where valuations allow for adequate absolute returns. A reasonable starting valuation allows business cash flows, not perceptions, to ultimately drive investment results. We do not stretch for rock-bottom valuations that are often warning signs of business deterioration and we avoid excessively levered companies.

Managed Income: An actively managed fixed income strategy

For conservative investors seeking daily liquidity and more consistent positive returns. Our Managed Income strategy targets a positive total return during all one-year periods through active risk management with an emphasis on fixed income securities. Investors in our Managed Income strategy should experience low downside principal volatility.

Balanced: includes allocation to both equity and fixed income strategies

Balanced portfolios blend varying degrees of equity and fixed income exposure, utilizing the above strategies, to tailor the level of risk and potential return to meet each individual client's objectives. Our Tax Optimized Balanced Strategy is employed for taxable accounts and is a mix of the Long-Term Quality Strategy, mostly passive equity ETFs, the Managed Income Strategy, and individually selected bonds and fixed income funds. Investments will vary depending on clients' tax brackets. Our Tax Agnostic Balanced Strategy is employed for non-taxable accounts and is a mix of the Opportunistic Value Equity Strategy, mostly passive and active equity funds, the Manage Income Strategy, and individually selected bonds and fixed income funds.

Methods of Analysis

Our portfolio management incorporates tactical and strategic asset allocation and applies both fundamental and technical research and analysis. In addition to our own internal research and analysis, we receive research and analysis from external sources including brokerage firms and mutual fund companies. Some of this research and analysis is available at no cost, others we purchase.

Step One: Objective Setting

We seek to obtain a clear understanding of the client's investment goals based on the client's expectations and time horizon, as well as the client's ability and willingness to assume risk. We use this information to establish an appropriate portfolio strategy consistent with the client's investment objectives.

Step Two: Asset Allocation

Our asset allocation process begins with our assessment of the impact of various factors such as economic indicators, monetary policy and political developments on the financial markets. We then implement a portfolio strategy that is consistent with the client's goals and objectives by deploying assets across equity (stocks), fixed income (bonds) and other asset classes (cash, gold, commodities, etc.).

Step 3: Sector Allocation

Sector selection adds further diversification to the portfolio matrix by allocating across a variety of sectors which may or may not include large, mid or small cap, value or growth equity stocks and funds, as well as various fixed income classes, such as corporate (both investment grade and below investment grade), government (Treasury, agency, municipal), mortgage and asset backed.

Step 4: Investment Selection

Fund Selection: While we primarily select funds with a demonstrated track record of consistently superior returns, it is important to look beyond historical performance and understand the characteristics of each fund. For active funds, we regularly conduct internal

research to ensure we have a thorough understanding of fund investment style. For passive funds, we regularly monitor fees and tracking error.

Stock Selection: When investing in stocks in taxable accounts, we generally invest for the long-term, in quality businesses, seeking an adequate absolute return in a tax efficient manner. We define a quality company as having: consistent profitability; decent returns on capital; no major secular pressures; little risk of obsolescence; easily manageable debt. When investing in stocks in tax-exempt accounts, we generally invest among stocks exhibiting “investment anomalies” and/or where our analysis indicates intrinsic value in excess of current stock price.

Fixed Income Selection: In evaluating fixed income securities for balanced accounts, Knightsbridge considers the financial strength of the issuer, call provisions, liquidity factors, credit spreads, and bond insurance in selecting bonds for purchase. Knightsbridge relies on credit rating agencies such as Standard & Poor’s and Moody’s to help determine the financial strength of issuing creditors. We also use prospectuses, other relevant information from bond underwriters, and/or sources of market data to help in analysis and selection of fixed income securities. Knightsbridge may solicit bids from several sources to obtain the most attractive price/yield on purchase or sale.

Step 5: Portfolio Review Process

The portfolio review process consists of the daily monitoring of the stock and bond markets and based on our models, the increase or reduction of the client’s equity and/or fixed income assets. In addition, sector allocations are changed based upon our forward-looking assessment of investment risks and opportunities within the current economic cycle.

Investing Involves Risks

All investment programs have certain risks that are borne by the investor, including the risk that an investor may lose part or all his or her investment. Past performance is not indicative of future results; therefore, investors should not assume future performance will be profitable.

Prior to entering into an agreement with Knightsbridge, the client should carefully consider:

1. Investing in securities involves risk of loss which clients should be prepared to bear;
2. Securities markets experience varying degrees of volatility;
3. Certain securities may be illiquid;
4. Account values will fluctuate and at any time be worth more or less than the amount invested;
5. Clients should only commit assets available for investment on a long-term basis;
6. Accounts may hold a limited number of individual stocks, i.e. potentially 15 or fewer, in which case diversification would be limited.

7. Accounts may hold high levels of cash at times, potentially up to 100%. This induces timing risk and the potential to miss out on investment gains.
8. Accounts may not be fully invested at inception. This induces timing risk and the potential to miss out on investment gains.
9. Knightsbridge may trade outside of normal stock market hours. Trading before or after these hours; there are no guarantees that we will obtain the price we want or that the order will fill at all.

Investors should be aware that accounts are subject to the following risks:

Market Risk: The price of a stock, bond, mutual fund, ETF or other security may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's underlying circumstance.

Foreign Risk: Investments in international securities include exposure to risks such as currency fluctuations, foreign taxes and regulations, and political instability.

Capitalization Risk: Younger and smaller companies may be hindered as a result of limited resources or less diverse products or services, resulting in more volatility than larger, more established companies.

Interest Rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline. Declining interest rates increase reinvestment and call risk, whereby interest income and return of principal would be invested at lower prevailing rates. In low interest rate environments, advisory fees may exceed cash yields.

Legal/Regulatory Risk: Certain investments or issuers of investments may be affected by changes in state or federal laws, tax laws, or in the prevailing regulatory framework under which the investment or issuer is regulated, negatively impacting the overall performance of such investments.

Credit Risk: The issuer of a security may be unable to make interest or dividend payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may negatively affect a security's value.

Liquidity Risk: Certain assets may not be readily converted into cash or may have a limited market in which they trade, resulting in unfavorable pricing when selling. Private partnerships or funds may significantly restrict the ability to redeem funds. Limitations may include a waiting period before initial redemption, periodic redemptions which require advance notice, acceptance of only a portion of requested redemption, and other restrictions which limit control on the timing and amount of redemption. Knightsbridge is not responsible for, and bears no liability associated with, such limitations.

Inflation Risk: Purchasing power erodes at the rate of inflation, so the value of investments in the future may not be worth what they are today.

Cybersecurity Risk: Investment advisers, including Knightsbridge, must rely in part on network technologies to conduct their businesses. Such networks may be at risk of unauthorized access for purposes of misappropriating sensitive information, corrupting data, or causing operational disruption. Knightsbridge has established a business continuity plan intended to reduce such risks and safeguard our data; nevertheless, cyber incidents could potentially occur.

Voting Client Securities

Proxy Voting

Knightsbridge does not vote proxies on behalf of advisory accounts. Clients should expect to receive proxy solicitations directly from issuers or service providers engaged on behalf of an issuer. At the client's request, we may offer advice regarding the exercise of client proxy voting rights; however, clients will have the ultimate responsibility for making all proxy-voting decisions. Knightsbridge will process corporate actions that do not require shareholder approval, and any action taken will be in the best interest of the client.

ITEM 7 - CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

Knightsbridge collects information from clients about their financial situation, goals, and risk tolerance. Clients are encouraged to contact Knightsbridge whenever this information changes.

ITEM 8 - CLIENT CONTACT WITH PORTFOLIO MANAGERS

We have no restrictions on clients' ability to contact and consult with Knightsbridge.

ITEM 9 - ADDITIONAL INFORMATION

Disciplinary Information

Knightsbridge and its personnel seek to maintain the highest level of professionalism, integrity, and ethics. Knightsbridge does not have any disciplinary information to disclose. The firm and all its past and current principals have never been sued or sanctioned by the Securities and Exchange Commission ("SEC").

Other Financial Industry Activities and Affiliations

Knightsbridge is the investment manager to KWM Asymmetric Opportunities Fund, LP, a private fund (the "Fund"). KAO General Partner, LLC, a California limited liability company

and, serves as the general partner (the “GP” or General Partner”) of the Fund. Knightsbridge is the sole member of the GP and the owners of Knightsbridge are also the Managing Members of the GP. The GP has delegated the investment management responsibilities for the Fund to Knightsbridge. The Fund is a Delaware limited partnership and is not publicly offered or traded. The Fund is only available to “accredited investors” as the term is defined by Rule 501(a) of Regulation D of the Securities Act of 1933. The Fund’s offering documents provide additional information on these standards. Prospective investors in the Fund receive the offering documents. This Form ADV Part 2A Appendix 1 Wrap Fee Brochure is not an offer to sell, or a solicitation of an offer to purchase, membership interests in the Fund. Such an offer can only occur when the prospective investor receives the offering documents.

Additional information regarding Knightsbridge’s other services, including the Fund, and any related conflicts are described in more detail in our Form ADV Part 2A brochure, which is available upon request. See also Code of Ethics below.

Codes of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

Knightsbridge owes clients the highest level of trust and fair dealing. As part of our fiduciary duty, we place the interests of clients ahead of the interests of the firm and our personnel. We have adopted a Code of Ethics that emphasizes the high standards of conduct that Knightsbridge seeks to observe. Knightsbridge personnel are required to conduct themselves with integrity at all times and follow the principles and policies detailed in our Code of Ethics.

Knightsbridge’s Code of Ethics addresses specific conflicts of interest that could likely arise. Knightsbridge personnel are required to follow clear guidelines from the Code of Ethics in areas such as gifts and entertainment, other business activities, and adherence to applicable federal securities laws.

Knightsbridge will provide a complete copy of the Code of Ethics to any client or prospective client upon request.

Personal Trading Practices

Knightsbridge personnel are subject to personal trading policies governed by the Code of Ethics. Personnel may trade the same securities recommended to clients. Personal trading presents a potential conflict of interest as there is potential to favor our personal accounts over client accounts when allocating trades or trade ahead of clients.

Our policies to address these conflicts include the following:

1. We seek to always put the best interests of clients first and to never place our interests ahead of clients.
2. We prohibit trading in any manner that takes advantage of our knowledge of client transactions.
3. Knightsbridge personnel must request pre-clearance from our Chief Compliance Officer if they wish to purchase or sell a security that is commonly owned by clients, that is being considered for purchase or sale, IPOs, limited offerings, private placements or public or private offerings of interests in limited partnerships or any thinly traded securities. Direct obligations of the U.S. government, some short-term debt securities and CDs, money market funds and mutual funds do not need to be pre-cleared.
4. Knightsbridge employs a trade rotation policy. Trades of our personnel are always placed last in the rotation. We may however execute client and employee accounts together in the same custodial block. Trade execution prices received by personnel versus clients will vary depending upon timing of execution.
5. These policies are intended to protect the interests of clients. We may make exceptions where we feel clients would not be harmed, and in certain strategies due to overall liquidity and trading management.

Participation or Interest in Client Transactions

A client may need to sell a security that we think is a good fit for another client's account. In this case, we may internally cross the security from the selling client to the buying client's account, if in the best interests of both clients. Usually, this situation arises with fixed income securities where both clients benefit through better pricing by crossing the security instead of going into the open market to complete separate transactions.

All internal cross transactions will be priced at the independent current market price of the security. We will also consider any additional fees charged by the broker/custodian.

Cross trades are an exception to Knightsbridge's normal operating procedures and will only be affected when it is of conspicuous advantage to both accounts in the absence of appropriate and comparable alternatives.

Private Fund Interests

Knightsbridge is the investment manager to KWM Asymmetric Opportunities Fund, LP, a private fund (the "Fund"). KAO General Partner, LLC, a California limited liability company and related person of Knightsbridge, serves as the general partner (the "GP" or General Partner") of the Fund. Some of our advisory clients are also investors in the Fund. Because

Knightsbridge has an interest in the Fund, we benefit when we recommend that clients invest in the Fund. To address this conflict of interest, Knightsbridge only offers the Fund interests to clients who meet the requisite income and/or net worth requirements and where we believe that the investment is appropriate for the client based on the client's ability to accept the risk. Clients will receive the offering documents and full disclosure of known risks before investing.

Brokerage Practices

The Custodians We Use

Knightsbridge does not maintain custody of your assets, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account. Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank, and you open an account by entering into an account agreement directly with them. Certain privately offered securities may qualify for an exemption and are held directly with the fund sponsor rather than a qualified custodian. Knightsbridge may provide the names of certain custodians as options for a client to consider, typically Fidelity Investments ("Fidelity") and Charles Schwab & Co., Inc. ("Schwab") and may assist you in opening an account. Knightsbridge is independently owned and operated and is not affiliated with Fidelity or Schwab. These custodians hold your assets in a brokerage account and buy and sell securities at our instruction. Conflicts of interest associated with these arrangements are described below as well as in ***Client Referrals and Other Compensation***.

Factors Considered in Selecting Broker-Dealers for Client Transactions

When determining the terms that a custodian/broker provides are advantageous when compared with other available providers, we take into account a wide range of factors, including:

- Transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, electronic fund transfers, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds, etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, other fees, etc.)
- Reputation, financial strength, security and stability

- Prior service to us and our clients
- Availability of other products and services that benefit us, as discussed below

Fidelity and Schwab do not generally charge for custody services. They are compensated by other fees such as commissions or other fees on trades they execute or settle into your account, earned interest on the uninvested cash in your account, and “prime broker” or “trade away” fees for trades executed by a different broker-dealer and are settled into your account. To minimize your trading costs, we “trade away” only when we determine it is in your best interest.

Fidelity and Schwab may provide products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts and generally include investment research, software and other technology that provide access to client account data, trade execution and allocation, and pricing and market data. Fidelity and Schwab may also offer other services intended to help us manage and further develop our business enterprise, such as educational conferences and publications on practice management. These services can create a conflict of interest because they are an incentive for us to recommend Fidelity or Schwab. However, we believe such a recommendation is supported by the scope, quality, and price of services and therefore in the best interests of our clients.

Aggregation and Allocation of Transactions

Knightsbridge may aggregate orders for clients in the same securities in an effort to seek best execution, negotiate more favorable commission rates, and/or allocate differences in prices equitably among our clients.

Based on our management process and the investments we recommend, there may be times where we cannot or choose not to aggregate client trades or where trading opportunity for a particular security is limited. Knightsbridge may choose not to implement or aggregate a trade order across all accounts if, in our view, it would not be in the best interest of certain clients. For example, a trade might not be allocated to an account with client-imposed restrictions or which lacks adequate funds available for an investment. In all circumstances, Knightsbridge attempts in good faith to allocate trades and investment opportunities among clients in a manner that, over time, is equitable to all our clients.

When aggregating orders and placing trades, Knightsbridge will observe the following procedures:

1. We will only aggregate trades when consistent with our duty to seek best execution for our clients.
2. No client account will be favored over any other client account within a trading block.

3. Each account that participates in an aggregated transaction will participate at the average of the executed share price for that transaction.
4. Knightsbridge employs a trade rotation policy. Trades of our personnel are always placed last in the rotation. We may however execute client and employee accounts together in the same custodial block. Overall liquidity and trading management of certain strategies are an exception to this policy. Trade execution prices received by personnel versus clients will vary depending upon timing of execution.
5. Trades are allocated/created at the account level and then aggregated into a block before an order is transmitted to a broker for execution (Pre-Allocation Order). In rare circumstances where timing is critical and we determine it would be in clients' best interests to promptly begin trading, we may transact in a security without a Pre-Allocation Order. In such circumstances, allocations will be determined within four hours of beginning the trading exercise.
6. If the aggregated transaction is filled entirely, it will be allocated among the accounts listed on the Pre-Allocation Order. If the order is partially filled, we will typically allocate on a random basis. Overall liquidity and trading management of certain strategies are an exception to this policy and will be allocated proportionately.
7. In particular circumstances, we may allocate on a pro-rata basis according to the following methods:
 - a. When only a small percentage of the order is executed, with respect to purchase allocations, allocations may be given to accounts high in cash;
 - b. With respect to sale allocations, allocations may be given to accounts low in cash;
 - c. We may allocate shares to the account with the smallest order, or to the smallest position, or to an account that is out of line with respect to security or sector weightings, relative to other portfolios with similar mandates;
 - d. We may allocate to an account with investment guidelines prohibiting purchase of other securities;
 - e. If an account reaches an investment guideline limit and cannot participate in an allocation, we may reallocate shares to other accounts. For example, this may be due to unforeseen changes in an account's assets after an order is placed.

We will document the reasons for any deviation from a random allocation.

Review of Accounts

Account Reviews

Knightsbridge manages portfolios through a continuous review process (tactical allocation) plus a regular periodic review process (strategic allocation). These portfolio reviews are conducted by an officer of the firm.

The continuous review process consists of the daily monitoring of the stock and bond markets, our analysis of the economic climate and the signals provided by tactical decision models. Reviews may result in the increase or reduction of the clients' equity and/or fixed income allocation.

All accounts are reviewed on a timely basis to verify the accuracy of individual account transactions at the time a transaction is made. These transaction reviews are conducted by administrative personnel under the direct supervision of an officer of Knightsbridge.

Account Reporting

On a quarterly basis, clients typically receive a statement of account performance for their accounts under our management, along with written commentary discussing market environment and important shifts in sentiment, valuation and outlook. Additionally, the custodian of client assets will provide statements at least quarterly which detail account securities holdings and account cash flows. Transaction confirmations will be provided by the clearing broker at least quarterly.

Client Referrals and Other Compensation

Brokerage Support Products and Services

We receive an economic benefit from broker-dealers/custodians in the form of the support products and services they make available to us and other independent investment advisors whose clients maintain their accounts at the custodian. These products and services, how they benefit us, and the related conflicts of interest are described above (see **Brokerage Practices**). We do not base particular investment advice, such as buying particular securities for our clients, on the brokerage products and services available to us.

Referral Arrangements

If an unaffiliated promoter introduces a client to Knightsbridge, we may compensate that promoter through direct or indirect compensation in accordance with the requirements of Rule 206(4)-1 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Knightsbridge pays any referral fee to the promoter from our standard investment advisory fee.

The promoter will disclose at the time of the solicitation whether they are or are not a current client of the firm; whether they will receive any cash or non-cash compensation for

the referral; and a statement that the receipt of compensation for a referral creates a conflict of interest. In addition, the promoter will provide each prospective client with a copy of a written disclosure statement disclosing the terms and conditions of the arrangement between Knightsbridge and the promoter, including the compensation the promoter will receive from Knightsbridge and any material conflicts of interest on the part of the promoter as a result of the referral arrangement.

Financial Information

Registered investment advisers are required in this item to provide clients with certain financial information or disclosures about the firm's financial condition if the adviser requires the prepayment of more than \$1,200 in fees per client, six months or more in advance. Knightsbridge does not require such prepayment and does not foresee any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients; consequently, no additional financial disclosure is required.