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ITEM 1 | Cover

# Part 2A of Form ADV Firm Brochure

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This brochure provides information about the qualifications and business practices of Currency Management ("MFIM Currency"), a division of Mesirow Financial Investment Management, Inc. If you have any questions about the contents of this brochure, please contact Joseph Hoffman at 312.595.7019 or [joseph.hoffman@mesirow.com](mailto:joseph.hoffman@mesirow.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority. Additional information about Mesirow Financial Investment Management, Inc. ("MFIM") also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. MFIM's CRD number is 111135.

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## ITEM 2 | Material Changes

Mesirow Financial Investment Management, Inc. (“MFIM”) Form ADV Part 2A, currently dated March 25, 2024, as amended from time to time, is MFIM’s client disclosure document prepared based on the Securities and Exchange Commission’s regulatory requirements. MFIM is required to update this document at least annually, or when an event occurs that may be deemed to have a material impact on MFIM’s Currency Management and related investment management business and/or on its clients.

There have been no material or disciplinary events to report or disclose since MFIM’s last update.

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## ITEM 4 | Advisory Business

MFIM, an Illinois corporation formed in 1986, is an investment advisor registered with the SEC with its principal place of business located in Illinois. MFIM does not provide tax or legal advice. Clients should consult with an expert on matters pertaining to tax or legal matters.

MFIM's principal shareholder is Mesirow Financial Services, Inc., which is a wholly-owned subsidiary of Mesirow Financial Holdings, Inc. ("MFHI" or "Firm").

MFIM Currency offers Currency Advisory and other exposure management services solely for eligible contract participants ("ECP"), as defined by the Commodities Exchange Act, through separately managed accounts and funds.

MFIM Currency also provides Collateral Management Support Services to existing Currency Advisory Services clients.

### CURRENCY ADVISORY SERVICE

MFIM Currency provides three types of risk management overlay services for ECPs with portfolios that are exposed to currency exchange rate exposures. These services are called active, passive, and passive-plus. These services isolate the currency component from the underlying asset base and manages the associated risks independently. The goal of currency overlay is to reduce volatility and risk within the portfolio, while enhancing the overall return.

In addition to the risk management overlay services, MFIM Currency offers currency return strategies. These strategies are called Intelligent Currency Factor Strategy, Emerging Markets Currency Alpha, Asian Markets Currency Alpha, Extended Markets Alpha and Systematic Macro. The Intelligent Currency Factor Strategy aims to capture currency returns via three distinct risk premia existing in the currency markets (i.e. carry, value, and momentum). Emerging Markets Currency Alpha, Asian Markets Currency Alpha, and Extended Markets Alpha are primarily systematic investment processes with a discretionary risk overlay. The Systematic Macro is a purely systematic investment process with no discretionary risk overlay.

MFIM Currency provides currency services to an affiliated business unit. MFIM also serves as a subadvisor to Registered Investment Companies.

MFIM's other business units also serve as general partner to a number of private investment vehicles structured as limited partnerships. As of March 31, 2023, MFIM Currency manages approximately \$135.7 billion<sup>1</sup> in client assets on a discretionary basis and no client assets on a non-discretionary basis.

### FIDUCIARY EXECUTION

In addition to the currency overlay services described above, MFIM Currency offers a non-discretionary investment management service focused on high quality execution called Fiduciary Execution. Fiduciary Execution is a full-service execution service where MFIM Currency executes trades on clients' behalf as an agent. In connection with the execution service MFIM Currency may also evaluate and make recommendations to clients, on a non-discretionary basis, with respect to the type, structure, time horizon and size of instruments to be traded in order to provide efficient hedging and risk mitigation strategies.

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<sup>1</sup> Currency assets under management includes AUM associated with (i) active and passive currency risk management products \$134.91 billion, (ii) non-fx overlay strategies such as equitization and beta overlays \$730.90 million, and (iii) alpha strategies \$32,888,890. In all such cases, AUM is calculated based on notional value of currency investments. Additionally, AUM for alpha strategies is adjusted because clients can select a volatility target (generally between 2% and 12% annualized), which is normalized to 2% in order to create a consistent depiction of alpha strategy AUM. This results in a "scaled" AUM, which is higher than the actual aggregate notional value of all alpha strategy portfolios if clients have selected a volatility target higher than 2%. As of 03.31.23, the "unscaled" AUM for alpha strategies was \$5,390,048.

## COLLATERAL MANAGEMENT SUPPORT SERVICE

MFIM Currency provides a Collateral Management Support Service for certain clients of its Currency Advisory Service. The Collateral Management Support Service manages and effectuates the calculation and exchange of collateral between clients and counterparty banks. The Collateral Management Support Service is typically performed in connection with satisfying regulatory margin requirements; however, clients can utilize the service for purposes other than satisfying regulatory requirements.

## EXPOSURE MANAGEMENT

MFIM offers a rules-based overlay investment advisory service using securities and other instruments solely for eligible contract participants ("ECP"), as defined by the Commodities Exchange Act, through separately managed accounts and non-sponsored funds. These services include cash overlays, policy implementation, and other custom hedges.

## ITEM 5 | Fees and Compensation

All advisory fee schedules are negotiable and vary by investment strategy, product type, account size, customization requirements and required service levels. The standard annual fee ranges are as follows:

- MFIM's annual fee for passive overlay currency can range up to 10 basis points per annum for the average market value of the client's portfolio.
- MFIM's annual fee for active overlay currency can range up to 40 basis points per annum for the average market value of the client's portfolio
- MFIM's annual fee for passive-plus overlay currency can range up to 25 basis points per annum for the average market value of the client's portfolio
- MFIM's annual fee for the currency for return strategies can range up to 200 basis points per annum for the average market value of the client's portfolio plus a performance fee.
- MFIM's annual fee for exposure management can range up to 10 basis points per annum for the average market value of the client's portfolio

The upper range of these fees are based on small accounts that are offered a minimum flat fee. In certain instances, the index used as a client's performance benchmark carries additional fees for individual client use. These fees are passed on to individual clients. These fees are charged on a percentage of client portfolio AUM or a flat fee depending on the index or indexes chosen. Additional fees may also be charged for other bespoke services.

The management fee is typically payable in arrears on the 30th business day after the end of each quarter. Because the management fee is paid in arrears, refunds for fees paid are not given.

In the event an account terminates, fees will be prorated for the number of days the account was under management. Fees are typically billed to the client or client's custodian.

MFIM Currency charges a volume-based fee for its Fiduciary Execution service. These fees can range up to 10 basis points on the volume executed for a client. The fee for this service can be either embedded in the price of each trade or invoiced at the client's discretion. If the fees are invoiced, the client will typically be invoiced on a quarterly basis. For fees that are embedded in the price, the bank counterparty or liquidity provider will collect the fees and remit them to MFIM Currency periodically.

### **Limited Negotiability of Advisory Fees**

Although MFIM Currency has established the aforementioned fee schedule(s), it retains the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These facts, circumstances and needs include, among other factors, the complexity of the client; assets to be placed under management; anticipated future additional assets; related accounts; portfolio style; account composition; and reporting requirements. The specific annual fee schedule will be identified in the contract between the advisor and each client.

### **Termination of the Advisory Relationship**

Clients that invest in separately managed accounts are typically able to terminate their investment management agreement upon providing 30 days prior written notice. Certain fees could be paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees are generally refunded. In calculating a client's reimbursement of fees, MFIM Currency can prorate the reimbursement according to the number of days remaining in the billing period. In certain situations, other terms are made available to clients. No penalty will be charged for any termination. Fees due for the final period of the agreement will be adjusted proportionally to the number of days in the period and will be due and payable no later than 30 days after the date of termination.

### **Additional Fees and Expenses**

In addition to MFIM Currency's advisory fees, clients are also responsible for the fees and expenses charged by custodians, including, but not limited to, any transaction charges imposed such as commissions, electronic platform fees and prime brokerage fees. Custodian fees are not reflected or segregated on MFIM Currency's invoices.

There may be instances where MFIM Currency refers its clients to affiliated entities, which may perform other services. In those instances, MFIM Currency and/or its employees receive referral compensation in exchange for such referral. Similarly, MFIM and/or their employees can refer clients to MFIM Currency for which MFIM Currency pays referral compensation to such affiliates and/or their employees. MFHI, a Delaware corporation, is the owner of Mesirow Financial Services, Inc. ("MFS"), the parent of MFIM. MFIM is affiliated with numerous MFS and MFHI subsidiaries, which constitute or are registered as one or more of the following: an investment advisor, a broker/dealer, an insurance agency, and/or entities creating or packaging private investment vehicles. MFIM does not currently have any material arrangements with any of these entities other than as described in Item 10.

### **Grandfathering of Minimum Account Requirements**

Pre-existing advisory clients are subject to MFIM Currency's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, minimum account requirements may differ among clients.

### **ERISA Accounts**

In certain circumstances MFIM is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act of 1974 ("ERISA"). As such, MFIM is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation.

### **Commissions or Markups**

With the exception of the Fiduciary Execution service, in the event that MFIM receives commissions or markups, advisory fees will be reduced to offset the commissions or markups.

## **Advisory Fees in General**

Clients should note that similar advisory services could be available from other registered (or unregistered) investment advisors for similar or lower fees.

## **Limited Prepayment of Fees**

Under no circumstances does MFIM require or solicit payment of fees in excess of \$1200 six months or more in advance of services rendered.

## **Educational Events**

MFIM employees benefit from educational events sponsored by service providers to MFIM, such as law firms, audit firms and other professional service firms.

## **ITEM 6 | Performance-Based Fees and Side-By-Side Management**

MFIM Currency can accept a performance-based fee from the client. Such a performance-based fee is calculated based on gains of the portfolio of the client. Pursuant to the Investment Advisers Act of 1940 Rule 205-3, to qualify for a performance-based fee arrangement, a client (or Fund investor, as applicable) must either demonstrate a net worth of more than \$2,000,000 or must have at least \$1,000,000 under management with MFIM at the time of entering into a management agreement with MFIM Currency.

Clients should be aware that a performance-based fee arrangement creates an incentive to recommend investments that could be riskier or more speculative than those that might be recommended under a different fee arrangement.

Furthermore, MFIM Currency has clients who do not pay performance-based fees, MFIM Currency has an incentive to favor accounts that do pay such fees because compensation received from these clients is more directly tied to the performance of their accounts.

## **ITEM 7 | Types of Clients**

MFIM Currency provides advisory and collateral management services to Eligible Contract Participants (ECPs), which may include:

- Investment companies and private funds
- Pension and profit-sharing plans
- Charitable organizations
- Corporations or other businesses

## **ITEM 8 | Methods of Analysis, Investment Strategies and Risk of Loss**

### **METHODS OF ANALYSIS**

#### **Passive Currency Overlay**

For each client portfolio, MFIM Currency tailors passive management programs to meet specific currency exposures and other objectives and applies global best practices in passive management to ensure fair value execution, provide optimal program efficiency and offer comprehensive risk management controls and policies.

## Active Currency Overlay

MFIM Currency's investment philosophy maintains that currency movements are driven by the impact of numerous factors (i.e. market news, capital flows, trade deficits and central bank reserve policies) and these drivers can impact currency valuations over specific time horizons. In addition, the factors that drive the markets change over time and the duration and direction of the impact also varies. MFIM Currency believes that it is much more important to understand the impact of the market drivers on currency prices, regardless of what they are, rather than forecasting the drivers themselves. MFIM Currency's quantitative investment process attempts to measure the statistical impact of market drivers over various timeframes, and across directional and mean reverting market environments. Despite a changing array of factors, the process is adaptive in nature in that it works to identify the impact of these factors on currency prices to capitalize on both mean reverting and directional environments, across various time periods.

Due to each client's unique set of underlying exposures and objectives, MFIM Currency applies a custom solution for each client portfolio utilizing MFIM Currency's core investment philosophy. Specific models, investment decisions, trade execution and positions may vary across client portfolios to reflect these differences in exposures, custom benchmarks and portfolio objectives. In select regions where MFIM Currency partners with local experts (such as Perreard Partners Investment SA in Switzerland) MFIM Currency will also utilize the local expertise and market analysis of its partnerships to make investment decisions. If MFIM Currency determines that it is in the best interests of clients, MFIM Currency will use its fundamental decision-making authority to override its quantitative approach. In some cases, MFIM Currency will operate purely on a discretionary basis.

## Passive Plus Currency Overlay

Passive plus management is a hybrid of MFIM Currency's passive and active strategies. MFIM Currency primarily incorporates valuation metrics in assessing significant movements for a client's passive plus framework. Valuation metrics are supplemented with signals from MFIM Currency's long-term trend and momentum views to identify longer-term movements and seek to provide downside protection by increasing hedges in this environment. The objective of the passive plus application is to efficiently hedge significant, long-term currency movements and to insulate the portfolio from a portion of this risk. MFIM Currency partners with clients and their consultants to evaluate the respective international portfolios and design a custom passive plus application to best fit their objectives by applying the program's core philosophies.

## Exposure Management

Exposure Management is set of overlay strategies designed to achieve investment objectives through adherence to the investment management guidelines. The program objectives typically include increasing expected portfolio returns, improving fund liquidity, limiting the performance cost caused by holding cash in a portfolio and reducing performance risk relative to policy benchmarks.

Leverage is not employed unless desired by the client. Clients can use Exposure Management for cash securitization, rebalancing, and other exposure management as needed based on client objectives. Policy Implementation utilizes exchange-traded instruments, including futures, over-the-counter (OTC) instruments, and other financial products to achieve its objective. Some exposure strategies which are intended to mitigate cash drag and/or increase or decrease the beta of a portfolio use financial instruments designed to track specific benchmarks. Since the strategies use futures, rather than cash instruments, the strategy will not be correlated to the reference benchmark in certain market situations.

## Currency for Return

- Mesirow Intelligent Factor Strategy: This strategy aims to capture currency returns via three distinct risk premia existing in the currency markets (i.e. carry, value, and momentum).



- Emerging Markets Currency Alpha, Asian Markets Currency Alpha, and Extended Markets Currency Alpha: These strategies aim to profit from short and medium term moves in currency pairs. The programs are primarily systematic with a discretionary risk overlay.
- Systematic Macro: This is a purely systematic managed account structure that invests in the systematic components of the three Alpha Programs: Extended, Asia, and Emerging.

### **Fiduciary Execution**

Fiduciary Execution is a full-service execution service where MFIM Currency executes trades on clients' behalf as an agent. This service is designed to help clients manage and minimize their transaction costs. MFIM Currency always acts as an agent within a market that has historically been traded on a principal basis. In connection with the execution service, MFIM Currency may also evaluate and make recommendations to clients, on a non-discretionary basis, with respect to the type, structure, time horizon and size of instruments to be traded in order to provide efficient hedging and risk mitigation strategies.

### **Risks For All Forms of Analysis**

MFIM Currency's analysis depends on publicly-available sources of data relating to foreign exchange and transactions, providing accurate and unbiased data. While MFIM Currency is alert to indications that data may be incorrect, there is always a risk that MFIM Currency's analysis can be compromised by limited, inaccurate or misleading information. Strategies with a discretionary component bear additional risk that individuals exercising discretion will not analyze data in an accurate manner.

### **RISK OF LOSS**

Investments are not guaranteed and clients may lose all invested funds. Clients may implement loss limits to mitigate losses.

### **ITEM 9 | Disciplinary Information**

On July 22, 2022, MFIM entered into a settlement with the SEC, the details of which are available here: <https://www.sec.gov/litigation/admin.htm>. As described in more detail in the Order, the settlement was related primarily to insufficient disclosure related to purchases of non-affiliated mutual fund shares (No Transaction Fee or NTF funds). Specifically, prior to June 2019, the disclosure outlined in MFIM's Form ADV allegedly did not adequately disclose the receipt of NTF revenue sharing by Mesirow Financial, Inc. (MFI), MFIM's affiliated broker-dealer, or the conflicts this created for MFIM. MFIM engaged in a firm-wide conversion to move its advisory clients into lower-cost share classes in late 2018 and revised its disclosures in June 2019. Without admitting or denying the underlying findings, MFIM agreed to pay affected investors disgorgement of \$487,862 prejudgment interest of \$94,972; and pay a civil penalty of \$170,000. MFIM subsequently notified affected investors of the settlement terms.

### **ITEM 10 | Other Financial Industry Activities and Affiliations**

Certain employees of MFIM are separately licensed as registered representatives of Mesirow Financial, Inc. ("MFI"). These individuals, in their separate capacity, can effect securities transactions for which they will receive separate, yet customary compensation.

While MFIM and these individuals endeavor at all times to fulfill their fiduciary responsibilities to clients, clients should be aware that the receipt of additional compensation itself creates a conflict of interest and can affect the judgment of these individuals when making recommendations.

As part of its services, MFIM Currency may utilize spot, forward or futures contracts, swaps, ETFs, and options. In addition, non-deliverable forwards can be used only at the explicit request of the client.

MFIM and its affiliates are not restricted from forming additional investment funds, entering into other investment advisory relationships or engaging in other business activities, even though such activities can be in competition with the funds. Potentially, such activities could be viewed as creating a conflict of interest in that the time and effort of MFIM management personnel and employees will not be devoted exclusively to the business of the funds, but could be allocated between the business of the funds and other business activities.

As noted in Item 4 and 5, MFIM's other business units can act as a general partner or sponsor of various private investment vehicles that MFIM may recommend or sell to its advisory clients. Prior to the sale of any such investments, MFIM will have disclosed any potential conflicts of interest and will recommend the investment only if it appears suitable for the client. Clients should be aware that the receipt of additional compensation by MFIM and its management persons or employees creates a conflict of interest that can impair the objectivity of MFIM and these individuals when making advisory recommendations. MFIM endeavors at all times to put the interests of its clients first as part of its fiduciary duty as a registered investment advisor. MFIM typically takes the following steps to address any potential conflicts:

- MFIM discloses to clients the existence of all material conflicts of interest;
- MFIM collects, maintains and documents accurate, complete and relevant client background information, including the client's investment mandates, financial goals, objectives and risk tolerance;
- MFIM's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable for the client's needs and circumstances;
- MFIM requires that its employees seek prior approval of any outside employment activity to ensure that any conflicts of interests in such activities are properly addressed;
- MFIM periodically monitors outside employment activities of its employees to verify that any conflicts of interest continue to be properly addressed; and
- MFIM educates its employees regarding the responsibilities of a fiduciary, including the need to have a reasonable and independent basis for the investment advice provided to clients.

## ITEM 11 | Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

MFIM has adopted a Code of Ethics, which sets forth the ethical standards of business conduct that MFIM requires of its employees, including compliance with applicable federal securities laws.

MFIM and its personnel owe a duty of loyalty, fairness and good faith towards clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code of Ethics. MFIM's Code of Ethics includes policies and procedures for the review of securities transactions as well as initial and annual securities holdings reports that must be submitted by MFIM's access persons. MFIM also has additional policies and procedures relating to the preclearance of all employee trades (other than securities deemed exempt from this obligation). MFIM's Code of Ethics also provides for oversight, enforcement and recordkeeping provisions.

MFIM's Code of Ethics further includes policies and procedures governing gifts and entertainment, outside business activities, confidentiality of information and information barriers, and charitable and political contributions. The Code of Ethics also prohibits the misuse of material non-public information and emphasizes the avoidance of conflicts of interest

with investors. Each employee must acknowledge the terms of the Code of Ethics on an annual basis. Any employee who violates the Code of Ethics may be subject to possible actions, which may include enhanced supervision, censure, suspension or termination.

A copy of MFIM's Code of Ethics is available to its advisory clients and prospective clients. You may request a copy by email sent to [maryjo.hayes@mesirow.com](mailto:maryjo.hayes@mesirow.com), or by calling us at 312.595.6512.

MFIM is part of a group of affiliated financial services companies that perform a number of different services for a client. MFIM is mindful of the conflicts or potential conflicts that such relationships create.

Consequently, MFIM has adopted a Code of Conduct, which prescribes standards of conduct required of all employees, regardless of their position or affiliation in the group. The Code prohibits self-dealing and other improper activities, the misuse of material non-public information, and it emphasizes the avoidance of conflicts of interest with clients. Some specific areas of potential conflict are discussed below.

MFIM and/or individuals associated with it may buy or sell for their personal accounts securities identical to or different from those recommended to its clients. In addition, any related person(s) can have an interest or position in certain securities, which can also be recommended to a client. However, it is the expressed policy no personal securities transactions will be cleared if the corresponding entity (1) has a conflicting order pending or (2) is actively considering a purchase or sale of the same security. A conflicting order is any order for the same security, or an option on that order, which has not been fully executed by the particular division.

Employees of other divisions of MFIM can sell interests in investment companies which the MFIM Currency division subadvises. Those employees can be compensated separately.

MFIM does not aggregate employee trades with client transactions

MFIM, through MFI, can direct the purchase or sale in securities on a principal basis in accordance with Section 206 (3) under the Investment Advisers Act of 1940, as amended.

As these situations represent actual or potential conflicts of interest to clients, MFIM has established the following policies and procedures for implementing its Code of Ethics, to ensure the firm complies with its regulatory obligations and provides clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of MFIM can put his or her own interest above the interest of an advisory client.
2. No principal or employee of MFIM can buy or sell securities, foreign exchange forward or a related derivative, for their personal portfolio(s) where their decision is because of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account by the particular division for which they are employed.
4. MFIM requires prior approval for any IPO or private placement investments.
5. MFIM maintains a list of all reportable securities holdings for the firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by the appropriate designated supervisor.

6. MFIM has established procedures for the maintenance of all required books and records.
7. For accounts custodied at National Financial Services (“NFS”), with which MFIM's broker/dealer affiliate has a clearing arrangement, clients are fully informed that related persons can receive separate commission compensation when effecting transactions during the implementation process.
8. Clients can decline to implement any advice rendered, except in situations where MFIM is granted discretionary authority.
9. All of MFIM's principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
10. MFIM requires delivery and acknowledgement of the Code of Ethics by each access person.
11. MFIM has established policies requiring the reporting of Code of Ethics violations to senior management.

Any individual who violates any of the above restrictions may be subject to possible actions, which may include enhanced supervision, censure, suspension or termination.

#### **Other Participation or Interest in Client Transactions**

Due to the fact that MFIM is compensated based on AUM, MFIM employees are incentivized to have clients open accounts and to add to assets to new and existing accounts.

### **ITEM 12 | Brokerage Practices**

MFIM Currency will endeavor to select those banks and counterparties that will provide the best services at the best rates possible. MFIM Currency's decision as to which bank or counterparty to trade with is based on various factors including, but not limited to the counterparties' stability, reputation, creditworthiness, ability to provide professional services, and access to relevant markets.

### **ITEM 13 | Review of Accounts**

#### **INVESTMENT SUPERVISORY SERVICES PORTFOLIO MANAGEMENT**

**Reviews** While the underlying holdings within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews can be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by Portfolio Management or another designated person.

Reports in addition to the monthly statements and confirmations of transactions that clients receive from their custodians and/or broker/dealer, MFIM Currency regularly provides reports summarizing account performance, balances and holdings. MFIM Currency urges clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

## ITEM 14 | Client Referrals and Other Compensation

### CLIENT REFERRALS

MFIM periodically enters into solicitor's arrangements with unrelated third parties ("Solicitors") where MFIM agrees to pay a portion of the fees derived from an account to the individual or entity that referred the account. Unless otherwise disclosed, the client is not charged any amount in addition to the customary advisory fee charged by MFIM. There is no differential between the amount of or level of advisory fee charged by MFIM to the client, attributable to the existence of any Solicitor's arrangement and that charged to other clients of MFIM. MFIM pays referral compensation to its affiliates and/or its employees.

Whenever MFIM pays a referral fee, it requires the Solicitor to provide the prospective U.S. client with a copy of this document (Firm Brochure) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with MFIM;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- whether the fee paid to MFIM by the client will be increased above its normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to MFIM by clients referred by solicitors, or by affiliates of MFIM and/or their employees, are not increased as a result of any referral fee.

MFIM Currency acts as a sub-advisor or provide other services to other investment advisors or mutual funds and as such will be paid a fee based on a percentage of the assets of the fund. MFIM, or an affiliate, may also sell the fund to its clients and will receive compensation from the investment advisor or fund family.

It is MFIM's policy not to accept or allow its related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services it provides to clients.

MFIM compensates affiliate personnel that work in other business units for referrals.

## ITEM 15 | Custody

As part of the billing process, the client is invoiced for the amount of the fee. Clients typically hold funds at banks or other custodians and fund accounts on an as needed basis. Generally, MFIM does not custody client assets. In limited instances, MFIM is deemed to have custody of client assets under the SEC's Custody Rule, 206(4)-2, due to the fact that a related person, as defined by the rule, serves as the general partner for certain private funds.

In addition to the periodic performance statements that clients receive directly from their banks or custodians, MFIM Currency also sends account statements directly to its clients on a monthly basis. As noted above, MFIM Currency urges clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

## ITEM 16 | Investment Discretion

Clients can engage MFIM to provide discretionary and non-discretionary asset management services. Clients can in certain circumstances limit such authority by giving MFIM written instructions. Clients give MFIM discretionary authority when they sign an investment management agreement with MFIM or complete the subscription documents for a fund.

## ITEM 17 | Voting Client Securities

### PROXY VOTING POLICIES AND PROCEDURES:

Proxies are voted solely in the best interests of Mesirow clients; namely, the Mesirow mutual funds, separate account clients, and where employee benefit plan assets are involved, in the interests of the plan participants and beneficiaries (collectively, "Advisory Clients") that have properly delegated such responsibility to Mesirow. Voting proxies on behalf of our clients is established by Mesirow advisory contracts or comparable documents, and our proxy voting guidelines have been tailored to reflect these specific contractual obligations. Except as otherwise agreed to in writing with a client, Mesirow has no authority or obligation to take any action or render any advice with respect to the voting of proxies on behalf of a client.

Mesirow has designated its Senior Managing Director of Operations as responsible for administering and overseeing the proxy voting process. Mesirow utilizes Institutional Shareholder Services ("ISS") an independent third-party proxy voting service. There are three (3) separate sets of guidelines that are utilized by MFIM which are established by ISS, utilizing its expertise and standing within the financial services industry, as well as our own. In general, MFIM has instructed ISS to vote Taft-Hartley and other union related accounts in accordance with the Taft-Hartley proxy voting guidelines and Public Fund accounts in accordance with the Public Fund proxy voting guidelines, each as established by ISS to be responsive to their particular concerns. All other accounts are generally instructed to be voted in accordance with the standard proxy voting guidelines established by ISS.

Directors and employees of Mesirow are sensitive to the possibility that their interests may conflict with the interests of Advisory Clients. Even while a proxy may involve an entity with which a relationship exists, generally the matters put to vote do not cause a conflict of interest between Mesirow and the client. There may be some instances when Mesirow believes its client's best interest is served by abstaining or not voting certain proxies.

Additional information is provided in the procedures. Clients may obtain a copy of our procedures by contacting us at [proxyoperations@mesirow.com](mailto:proxyoperations@mesirow.com). In the event that a client of Mesirow requests information as to how a particular proxy had been voted on that client's behalf, Mesirow will provide said information to the client in a timely manner. Under no circumstance will Mesirow disclose to a third party how a proxy had been voted on behalf of a client without that client's expressed, written consent.

## ITEM 18 | Financial Information

MFIM has no additional financial circumstances to report. MFIM has not been the subject of a bankruptcy petition at any time during the past ten years.