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**I. THIS BROCHURE PROVIDES INFORMATION ABOUT THE QUALIFICATIONS AND BUSINESS PRACTICES OF BVB AND PARTNERS SA (“BVB&P”)**

If you have any questions about the contents of this Brochure, please contact us by telephone at + 41 22 318 20 00 or by e-mail at [info@bvbandpartners.ch](mailto:info@bvbandpartners.ch). 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.

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

This Brochure sets forth information that BVB&P is required to disclose by the SEC. The Brochure is not, and is not intended to be, a marketing brochure, and it does not provide detailed information about all aspects of BVB&P’s business.

Our registration as an investment adviser does not imply any approval by the SEC of us or our level of skill or training.

**II. MATERIAL CHANGES**

There have not been any material changes to this Brochure since the last time it was filed on March 22, 2023.

Generally, BVB&P will notify you of material changes to this Brochure on an annual basis. Additionally, we will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

You may request our Brochure by sending an e-mail at [info@bvbandpartners.ch](mailto:info@bvbandpartners.ch).



## III. TABLE OF CONTENTS

|        |  |    |
|--------|--|----|
| I.     | This Brochure provides information about the qualifications and business practices of BVB and Partners SA ("BVB&P")..... | 1  |
| II.    | Material Changes.....  | 1  |
| III.   | TABLE OF CONTENTS .....  | 2  |
| IV.    | Advisory Business.....   | 3  |
| V.     | Fees and compensation .....  | 5  |
| VI.    | Performance Based Fees and Side by Side Management .....   | 7  |
| VII.   | Types of Clients.....  | 7  |
| VIII.  | Methods of Analysis, Investment Strategies and Risk of Loss.....   | 8  |
| IX.    | Disciplinary Information.....  | 14 |
| X.     | Other Financial Industry Activities and Affiliations.....  | 14 |
| XI.    | Code of Ethics, Participant or Interest in Client Transaction and Personal Trading.....                                  | 15 |
| XII.   | Brokerage Practices .....  | 16 |
| XIII.  | Review of Accounts .....   | 20 |
| XIV.   | Client Referrals and Other Compensation.....   | 21 |
| XV.    | Custody .....  | 22 |
| XVI.   | Investment Discretion.....   | 23 |
| XVII.  | Voting Client Securities .....   | 23 |
| XVIII. | Financial Information.....   | 23 |

## IV. ADVISORY BUSINESS

### Who We Are

BVB and Partners S.A. (“BVB&P”) was founded on December 21, 2016 in Geneva. Our Board Members are Jean-Blaise Rivier, Nicolas Stepczynski and Adrian Vogel. Mr Vogel also serves as the Chief Executive Officer. We are a direct, wholly owned subsidiary of Berger Van Berchem & Cie SA, an asset management firm with its headquarters in Geneva. More information about Berger Van Berchem & Cie SA can be found on the website : [www.bvb-cie.ch](http://www.bvb-cie.ch).

### Types of Advisory Business

We offer discretionary and non-discretionary investment advisory services to high net worth individuals, trusts and family offices (together “Clients”) through separately managed accounts. Clients will be limited to U.S. residents of any nationality and U.S. citizens living outside the United States. We do not intend to offer our services to non-U.S. clients.

Each Client will enter into an investment management agreement with us, which will govern the Client’s relationship. We will manage the Client’s assets based on the Client’s investment profile. Subject to each Client’s investment objectives, we will direct or recommend investments in equity securities, debt securities, structured products, commodities and currencies, as well as pooled investment vehicles and, in certain cases, derivative instruments, such as options, warrants, forwards and financial futures.

### Discretionary Management

For each Client that engages us to provide discretionary management of the Client’s accounts, we will be authorized to manage the assets independently, at our discretion and without any specific Client approval, but in accordance with the Client’s investment profile,



and subject to any specific instructions from the Client. We will determine the type and the total amount of investments that are bought and sold for the account.

Clients may impose restrictions on the scope of our authority. For example, a Client may restrict or prohibit transactions in certain securities or types of securities.

We will not ordinarily make investments in securities and instruments that are speculative in nature or involve enhanced risks, unless such investments are authorized by the Client. Such investments might include transactions on standardized or non-standardized derivatives, speculative currency transactions, investments in so-called “emerging” markets, investments in hedge funds, offshore funds and others. BVB&P will direct trading in a Client’s account through the custodian or broker selected by the Client.

## **Nondiscretionary (i.e. Advisory) Management**

For Clients that engage us to provide non-discretionary management of their accounts, we will provide, upon request or on our own initiative, investment advice concerning specific investments. We will submit any proposed investment to the Client for the Client’s review and approval. We will make investment recommendations to the Client and the Client will make all investment decisions. In order to implement the Client’s decisions, the Client may authorize us to place orders for the execution of transactions in the Client’s account using the Client’s selected broker.

## **Custody and Brokerage**

Each Client will select the custodian for the Client’s account and the broker that will execute trades for the account. BVB&P will not select the custodian or the broker and does not negotiate the commission rates paid unless BVB&P determines that it can negotiate lower commission rates solely for the best interest of the Client. BVB&P will work with the

custodian and broker selected by the Client, which may or may not be registered as a broker-dealer with the SEC or a member of FINRA.

## **Provision of Information by Clients**

Each Client must inform BVB&P of the Client's investment objectives, the time horizon for the Client's investments, the Client's risk tolerance and any changes to these items. The Client must confirm to BVB&P that the Client understands and is able to bear the risks associated with the type of investments that the Client has authorized us to make.

BVB&P does not provide any other types of investment advisory services. BVB&P does not issue periodic publications concerning securities on a subscription basis, nor do we prepare for distribution special reports or analysis relating to securities. BVB&P does not issue any charts, graphs, formulas or other devices for use by Clients in evaluating securities, nor do we give advice to Clients on any matters not involving securities on other than an incidental basis.

BVB&P will not advise or act on behalf of any Client in any legal proceeding, including bankruptcies or securities shareholder class action litigation involving securities held or previously held in the Client's accounts. Furthermore, BVB&P is not responsible for responding to or forwarding to any Client any class action settlement offers relating to securities currently or previously held in the Client's accounts.

## **V. FEES AND COMPENSATION**

BVB&P's annual management fees are based on the applicable fee schedule for the type of investment management services selected by the Client and the amount of assets under management.

The annual management fees are calculated and invoiced on a quarterly basis in arrears on the basis of the average assets under management

during each calendar quarter. Average assets under management during a quarter are equal to the average of the market value of the account on the last business day of each month during the quarter. Market value will be determined in the reference currency chosen by the client.

If BVB&P's engagement begins or ends during the course of a quarter, the management fee will be prorated.

**Table 1: Annual Management Fees for Discretionary Management and Nondiscretionary Advisory Service.**

| <b>Assets under Management</b>            | <b>Asset Management Fee</b> |
|---|-----------------------------|
| Less than CHF 5'000'000                   | 0.90 % - 1.4 %              |
| Between CHF 5'000'001 and CHF 10'000'000  | 0.80 % - 1.3 %              |
| Between CHF 10'000'001 and CHF 15'000'000 | 0.70 % - 1.2 %              |
| Between CHF 15'000'001 and CHF 20'000'000 | 0.60 % - 1.1 %              |
| Above 20'000'001                          | 0.50 % - 1.0 %              |
| Minimum Annual Fee 15'000 CHF             |                             |

## **Other Fees and Expenses**

Clients will pay other fees and expenses to third parties in connection with our investment management services, including custodial fees (which includes any fees and other amounts charged by the custodian for exchanging foreign currencies or physical gold), fees for trade settlement, brokerage commissions, or any other fee imposed by the custodian bank or the broker. These additional fees and expenses are generally debited from the Client's account and not billed by the third parties to the Client unless otherwise agreed in advance. See Section X for additional information on custody and brokerage.

## **Negotiability of fees**

To ensure the equal treatment of all Clients, BVB&P generally does not negotiate fees, though the right to negotiate fees is reserved by BVB&P.

## Billing Process

Each Client will be required to authorize BVB&P to debit the Client's account for the amount of BVB&P's fees. When fees are payable, BVB&P will instruct the custodian to debit the account and credit the asset management or advisory fee for the applicable period.

When an account is first placed under BVB&P management, billing begins on the first day of the following month. For accounts opened or terminated in the middle of a calendar quarter, BVB&P will prorate the fee charged according to the number of days BVB&P managed the assets during the quarter.

## VI. PERFORMANCE BASED FEES AND SIDE BY SIDE MANAGEMENT

BVB&P currently does not manage accounts that are charged a performance-based fee. BVB&P may accept engagements that include performance-based fees in compliance with Rule 205-3 promulgated by the SEC under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Performance based fees will be negotiated in advance. These fees may be based on a share of capital gains on, or capital appreciation of, the assets of a Client, and may include a reduced asset-based fee.

## VII. TYPES OF CLIENTS

We offer discretionary and non-discretionary investment advisory services to high net worth individuals, trusts and family offices through separately managed accounts. Clients are primarily limited to U.S. residents of any nationality and U.S. citizens living outside the United States. Although BVB&P intends to primarily offer its services to U.S.



clients, it reserves the right to offer its services to non-U.S. clients at any time.

The minimum account size is CHF 3,000,000; however, we reserve the right to accept smaller accounts based on a Client's circumstances. Accounts that have a family, corporate or other relationship may be aggregated for purposes of establishing the minimum account size.

## VIII. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

### Methods of analysis and research

BVB&P combines the creative possibilities of an open architecture investment offering with a focus on capital preservation that seeks to generate long-term absolute returns. Long-term performance relies on strategic asset allocation and careful tactical maneuvering. With modern portfolio theory as our guide, we seek steady performance and low volatility in the core portfolios we develop. To properly manage the breadth of investment opportunities, we focus first on research – carefully analyzing the global economy, regional distinctions and industry sectors in crafting our overall investment strategy. Asset allocation at BVB&P is an ongoing, collaborative process – driven by top-down macroeconomic scrutiny supported by detailed market analysis on an asset class, sector and regional basis.

### Investment Strategies

BVB&P's discretionary management services are provided through various proprietary investment strategies. After discussion and analysis with each Client, an investment strategy is selected from the following:

- **Bond Strategy:** The Bond Strategy focuses on debt instruments at fixed and variable rates, convertible bonds and structured instruments with fixed principal amount. The objective of the Bond Strategy is to



generate regular income and to provide an active management of a multi-currency bond portfolio. For discretionary accounts, the Advisor will not invest in equities, equity funds and alternative funds or in any type of assets other than debt instruments or currency. The Advisor will invest in bonds of variable duration and “ratings” according to the conditions of the market and the limitations of the Strategy. The Advisor will not invest more than 15% in debt instruments which are below “Investment Grade” (Moody’s: Baa3 and above; S&P: BBB- and above), such as “Emerging Markets” or “High Yield” debt instruments.

- **Defensive Strategy:** The Defensive Strategy focuses on debt instruments with medium to long term maturities, together with a limited amount of equities and alternative funds. The objective of the Defensive Strategy is to generate regular income and capital gains and to provide an active management of a diversified portfolio. Under this Strategy, the Advisor will seek to invest between 0% and 40% in equities and alternative funds. The Advisor will not invest more than 15% in debt instruments which are below “Investment Grade”, such as “Emerging Markets” or “High Yield” debt instruments.
- **Balanced Strategy:** The Balanced Strategy focuses on a balanced combination of fixed income instruments and equities and alternative funds. The objective of the Balanced Strategy is a moderate level of capital growth, with only a reduced level of potential losses. Liquidity needs are not the primary objective of the Strategy. The investment time horizon is of approximately three years. Under this Strategy, the Advisor will seek to invest between 0% and 60% in equities and alternative funds. The Advisor will not invest more than 25% in debt instruments, which are below “Investment Grade”, such as “Emerging Markets” or “High Yield” debt instruments.
- **Growth Strategy:** The Growth Strategy focuses primarily on equities and alternative funds. The objective of the Growth Strategy is principally long-term capital gains. Under this Strategy, the Advisor will seek to invest between 0% and 80% in equities and alternative funds and between 0% and 25% in debt instruments with medium to long-term

maturities. The Advisor will not invest more than 25% in debt instruments which are below “Investment Grade”, such as “Emerging Markets” or “High Yield” debt instruments. For this Strategy, risks are taken over the long term. Losses can be significant. Liquidity is limited. The investment time horizon should be a minimum of 5 years.

- **Equities Strategy:** The Equities Strategy focuses primarily on equities. The objective of this Strategy is long-term capital growth. The investments in equities generally present greater risks than investments in bonds, but they offer the opportunity for higher rates of return. Under this Strategy, the Advisor may invest in equity funds, convertible bonds, funds and index-structured instruments and directly in equities of any stock market in the world, with active management of diversification, geographic, and sector exposition. For this Strategy, risks are taken over the long term. Losses can be significant. Liquidity is limited. The investment time horizon should be a minimum of 5 years.

Although BVB&P makes every reasonable effort to keep the allocation of the Client’s assets in line with the Client’s selected investment strategy, investments made on behalf of a specific Client may deviate from the general investment strategy of the portfolio investment objectives chosen for the Client where (i) there are unforeseen or drastic and rapid movements in the market, or (ii) where BVB&P determines it is in the best interest of the Client to do so.

The Advisor is not obligated to cause the Client’s Account to be fully invested under any of the Strategies and may, at its discretion, maintain any or all of the Client’s Account in cash.

## **Risk of Loss**

Investing in financial instruments involves a risk of loss that Clients should be prepared to bear. Risks related to investing in securities and other financial instruments include:

- **Market Risk**, which means prices of securities can go up or down, sometimes rapidly or unpredictably, and can cause Clients to lose up to their whole investment;
- **Liquidity risk**, which means some securities may become impossible to trade making it impossible to sell the investment for an acceptable price;
- **Counterparty Risk**, which means that the issuer of a fixed income security may default on its obligation to pay interest or principal which could lead the investor to realize a complete loss on the investment;
- **Emerging Markets Risk**, which means that foreign securities may involve the risk of loss due to political, economic and currency fluctuations. Investing in emerging markets is generally intended only for Clients who are able to assume the increased risk such securities represent; and
- **Currency Risk** which is a risk that comes from the change in price of one currency against another. Currency risks may not always be hedged and can result in significant losses to a Client's portfolio.

BVB&P makes every effort to reduce the above described risks as much as reasonably possible by proactively evaluating the global markets, economic conditions, regulatory environment, and industry concerns, along with analyzing changes to interest and currency rates, and adverse investor sentiment in general.

Nevertheless, Clients are advised to consider the above-described risks prior to investing in financial instruments.

## Types of Securities

BVB&P provides investment supervisory services related to the following types of securities and transactions: equity securities, debt

securities, structured products, commodities and currencies, as well as pooled investment vehicles and, in certain cases, derivative instruments, such as options, warrants, forwards and financial futures.

#### Unregistered and unregulated investments

For appropriate Client portfolios, the services offered by BVB&P include the evaluation, selection and monitoring of investments, including investments in private investment funds that are not registered with or regulated by the SEC.

#### Structured Products & Derivatives

In certain cases BVB&P may acquire structured products or derivatives within the context of its discretionary asset management mandate. In addition to the risks that apply to all investments in securities, investing and engaging in derivative instruments and transactions may involve different types of risk and possibly greater levels of risk. These risks include, but are not limited to the following:

- **Possible Leverage.** A derivative instrument or transaction may have the effect of disproportionately increasing an account's exposure to the market for the securities or other assets underlying the derivative position and the sensitivity of an account's portfolio to changes in market prices for those assets. Leverage will tend to magnify both the positive impact of successful investment decisions and the negative impact of unsuccessful investment decisions by BVB&P on an account's performance.
- **Counterparty Credit Risk.** An account's ability to profit from a derivative contract depends on the ability and willingness of the other party to the contract (a "counterparty") to perform its obligations under the contract. Although exchange-traded futures and options contracts are generally backed by a guarantee from a clearing corporation, an account could lose the benefit of a contract in the unlikely event that the clearing corporation becomes insolvent. Counterparty's obligations under a forward contract, over-the-counter

option, swap or other over-the-counter derivative contract are not guaranteed by a clearing corporation. If the counterparty to an over-the-counter contract fails to perform its obligations, an account may lose the benefit of the contract and may have difficulty reclaiming any collateral that an account may have deposited with the counterparty.

- **Lack of Correlation.** The market value of a derivative position may correlate imperfectly with the market price of the asset underlying the derivative position. To the extent that a derivative position is being used to hedge against changes in the value of assets in an account, a lack of price correlation between the derivative position and the hedged asset may result in an account's assets being incompletely hedged or not completely offsetting price changes in the derivative position.
- **Illiquidity.** Over-the-counter derivative contracts are usually subject to restrictions on transfer, and there is generally no liquid market for these contracts. Although it is often possible to negotiate the termination of an over-the-counter contract or enter into an offsetting contract, a counterparty may be unable or unwilling to terminate a contract with an account, especially during times of market instability or disruption. The markets for many exchange-traded futures, options and other instruments are quite liquid during normal market conditions, but this liquidity may disappear during times of market instability or disruption.
- **Less Accurate Valuation.** The absence of a liquid market for over-the-counter derivatives increases the likelihood that BVB&P will not be able to correctly value these interests.

BVB&P will rely on the accuracy of a Client's representations in making corresponding representations on behalf of the Client's account in connection with certain derivative and other transactions. BVB&P also requires notification by the Client if the Client's representations become inaccurate.

## **IX. DISCIPLINARY INFORMATION**

We are required to disclose certain legal and disciplinary events that are material to a Client's evaluation of our business and integrity. There are currently no material regulatory enforcement proceedings pending against BVB&P or its affiliates or personnel.

## **X. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

None of the management personnel of BVB&P are registered as a broker-dealer, registered representative of a broker-dealer, future commissions merchant, commodity pool operator, commodity trading advisor or associated persons of the foregoing entities, and none of them have an application pending to register as such.

### **Material Relationships with Related Persons**

BVB&P and/or our management persons have a material relationship with the following related person(s): BVB&P is a subsidiary of Berger Van Berchem & Cie SA, an independent asset manager that services non-US Clients. We maintain a policy of strict separation between the two advisory businesses in order to minimize any potential conflict of interest. The business relationship between BVB&P and Berger Van Berchem & Cie SA will be governed by a service agreement between the two entities, pursuant to which Berger Van Berchem & Cie SA will provide BVB&P with services such as human resources support and Swiss regulatory alerts.

BVB&P may enter into a referral arrangement with Berger Van Berchem & Cie SA pursuant to which Berger Van Berchem & Cie SA will refer Clients to BVB&P that may be candidates for investment advisory

services. However, BVB&P will not compensate or provide any economic benefit to Berger Van Berchem & Cie SA for the referral.

## **XI. CODE OF ETHICS, PARTICIPANT OR INTEREST IN CLIENT TRANSACTION AND PERSONAL TRADING**

BVB&P management is of the view that its fee-only advisory business model significantly reduces its potential for conflicts of interest between BVB&P and its Clients. BVB&P seeks to minimize such conflicts of interest and resolve those conflicts of interests in favour of the Client to the extent it determines reasonable and necessary in accordance with its Code of Ethics.

### **Code of Ethics**

BVB&P has adopted a Code of Ethics (the “Code”) and attendant policies and procedures governing securities transactions by BVB&P and its personnel. The Code provides guidance and instruction to BVB&P and its personnel on their ethical obligations in fulfilling their duties of loyalty, fairness and good faith towards the Clients. The overriding principle of BVB&P’s Code of Ethics is that all employees of BVB&P owe a fiduciary duty to Clients for whom BVB&P acts as investment adviser. Accordingly, employees of BVB&P are responsible for conducting personal trading activities in a manner that does not interfere with a Client’s portfolio transactions or take improper advantage of a relationship with any Client.

The Code contains provisions designed to: (i) prevent, among other things, improper trading by BVB&P’s employees; (ii) identify conflicts of interest; and (iii) provide a means to resolve any actual or potential conflicts of interest in favour of the Clients. The Code attempts to accomplish these objectives by, among other things, (i) requiring pre-clearance of specific trades, which includes documenting any exceptions to such pre-clearance requirement; (ii) restricting trading in certain securities that may cause a conflict of interest, and (iii) periodic reporting regarding transactions by holdings of employees.



The Code contains sections including, but not limited to, securities addressing the following key areas: (i) restrictions on personal investing activities; (ii) gifts and business entertainment; and (iii) outside business activities.

The Code also provides for BVB&P's execution of supervisory policies and procedures, and the review and enforcement processes for such policies and procedures. BVB&P has designated a Chief Compliance Officer responsible for maintaining, reviewing and enforcing the Code of Ethics and corresponding policies and procedures.

BVB&P will provide a copy of the Code to any Client upon request.

## Recommendations to Proprietary Strategies

When implementing its recommended asset allocation for a Client, BVB&P may select from a wide range of investment options available including proprietary and non-proprietary strategies and services to construct a suitable portfolio for a Client. BVB&P may recommend its proprietary strategies over other non-proprietary products in the same asset class. All accounts are formally reviewed on a continual basis to determine if the account's allocations are in line with the investment objectives established for the account and if the account is being managed in accordance with BVB&P's strategies and applicable policies and procedures.

## XII. BROKERAGE PRACTICES

Subject to any restriction imposed by a Client, BVB&P will determine which securities are to be purchased or sold on behalf of each Client and the total amount of securities that are to be purchased or sold.



BVB&P does not select the broker through which the securities are to be purchased or sold, and shall not determine the commission rates of third parties, if any, at which transactions are to be effected.

BVB&P does not have custody or possession of Client assets, except that clients may authorize their custodians to pay fees to BVB&P upon presentation of an invoice by BVB&P to the custodian.

Each Client will maintain custody of the Client's assets at one or more custodians (usually Swiss based banks) that are selected by the Client. The Client will also select the broker or brokers that will execute trades for the Client's account. Most custodians maintain relationships with designated brokers (which are sometime affiliates of the custodian). BVB&P transmits orders to the custodian or the broker selected by the Client.

BVB&P does not guarantee best execution or the best commissions because BVB&P does not control the selection of the broker or its commissions. Therefore, Clients should be aware of the following:

- BVB&P does not negotiate commission rates with brokers with whom orders are placed either directly or via the custodian because the custodian and broker are selected by the Client. The applicable commissions are agreed upon by the Client.
- Commission charges will vary among Clients.

BVB&P works with specific banks that are responsible for best execution and have accepted significantly reduced fees for BVB&P Clients. BVB&P will recommend Pictet Asset Services, an affiliate of Banque Pictet et Cie S.A., in Geneva, or EFG Bank SA, in Geneva to act as custodian to Clients assets managed by BVB&P. BVB&P will make every reasonable effort to negotiate custody and brokerage fees with the clients' selected custodian bank(s) to reduce the bank's fees in favor of each client. BVB&P has no other arrangements or agreements with specific banks beyond the negotiation of reduced fees for BVB&P Clients.

BVB&P and the specific banks will not exchange or share compensation in connection with the recommendation by BVB&P of the specific banks to BVB&P Clients as a provider of custody services. BVB&P has conducted a thorough study of the various custody services available to U.S. persons in Switzerland and has concluded that the specific banks offer the best services for BVB&P clients based upon best execution, balance sheet size, reliability, and technology. The specific banks offer pricing that is transparent and in line with common industry pricing for such services.

Because each Client selects the custodian and thereby the broker-dealer to be used for securities transactions involving a Client's account, a Client may pay an executing broker a higher commission for a securities transaction than might be charged by another broker for the same transaction or charged by the broker executing a similar transaction for another Client of BVB&P in the same proprietary investment strategy. It also is possible that the broker used for transactions may not be a registered broker-dealer under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), particularly when non-U.S. securities are involved.

In making the decision as to which securities are to be purchased or sold and the amounts thereof, BVB&P is guided by the general guidelines of each proprietary investment strategy, in addition to those guidelines established at the inception of the Client relationship in cooperation with the Client and a periodic review of asset allocation. These general guidelines cover such matters as the relative proportion of debt and equity securities to be held in the portfolio, the degree of risk that the Client wishes to assume and the types and amounts of securities to be held in the portfolio. The Adviser's authority may be further limited by specific instructions from the Client that may restrict or prohibit transactions in certain securities.

BVB&P may manage numerous accounts with similar or identical investment objectives or may manage accounts with different objectives that may trade in the same securities. Despite such similarities, portfolio decisions relating to Client investments and the performance resulting from such decisions may differ from Client to Client. BVB&P will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible Clients, particularly if different Clients have materially different amounts of capital under management with BVB&P or different amounts of investable cash available or have their assets in custody with different custodians. In certain instances such as purchases of less liquid publicly traded securities (as some small cap securities frequently are) or oversubscribed public offerings, it may not be possible or feasible to allocate a transaction pro-rata to all eligible Clients, especially if Clients have materially different sized portfolios and such portfolios are with different custodians. Therefore, not all Clients will necessarily participate in the same investment opportunities or participate on the same basis even if they are invested in the same proprietary investment strategy.

## Use of Soft Dollars

BVB&P does not presently have any arrangements pursuant to which it receives research or other products and benefits from a broker-dealer or third party in connection with Client securities transactions (“soft dollar benefits”). However, to the extent it may have them in the future, BVB&P will enter into such arrangements only in accordance with the conditions of the safe harbour provided by Section 28(e) of the Exchange Act. Section 28(e) provides a “safe harbour” that permits an investment manager to use commissions or “soft dollars” to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. BVB&P will limit the use of “soft dollars” to obtain research and brokerage services which constitute research and brokerage within the meaning of Section 28(e).

## Trade Errors

A trade error is an unintended action or omission in the course of trading. Once a trade error is recognized, the person responsible for the error, or spotting it, must immediately notify the Chief Executive Officer, as well as the Chief Compliance Officer. If it is possible to cancel the trade prior to settlement, the person responsible for placing the trade should attempt to do so, in a manner to minimize risk of financial loss. If it is not possible to cancel the trade, the transaction should be reversed as soon as possible. If it is not possible or not prudent in the best interests of the Client to reverse the trade immediately, the Chief Executive Officer will determine whether the reversal of the trade should be delayed and what other course of action to take. BVB&P will correct the trade error promptly and efficiently protecting the interests of the Client. In the event of a loss, BVB&P will compensate the Client for his loss. BVB&P does not compensate Clients for any lost market opportunities that may occur as the result of a trade error.

## Brokerage for Client Referrals

BVB&P does not receive any incentive from any broker-dealer or third party for Client referrals.

## Directed Brokerage

BVB&P does not select the broker used for executing securities transactions and does not negotiate the commission rates paid. BVB&P will place orders with the custodian bank or broker selected by the Client. Client directed brokerage may cost the Client higher transaction costs because BVB&P may not be able to aggregate orders to reduce these costs.

## XIII. REVIEW OF ACCOUNTS



As part of BVB&P's general investment process BVB&P will review all managed accounts on a continuous basis in an effort to ensure that they remain aligned with the Client's investment strategy and are positioned appropriately given current market conditions. The securities owned by BVB&P's Clients are reviewed whenever earnings or significant news is announced.

Significant changes in security prices will also trigger a review. The Chief Executive Officer as well as the Chief Compliance Officer of BVB&P will conduct periodic reviews of Client accounts.

Various other circumstances also result in review of accounts. When necessary, accounts may be rebalanced based on BVB&P's tactical asset allocations. When rebalancing accounts, BVB&P will consider potential tax implications.

BVB&P will review and provide comments to the Client on account statements provided by the Client's selected custodian on a regular basis. The frequency of such reviews will take place at least annually.

#### XIV. CLIENT REFERRALS AND OTHER COMPENSATION

BVB&P does not receive economic benefits from third parties for providing investment advice or other advisory services to its Clients. In addition, BVB&P does not compensate any person for making referrals or for endorsing or promoting BVB&P's investment advisory activities.

Nevertheless, BVB&P may agree at any time to enter into a written agreement to compensate a third party, either directly or indirectly, for Client referrals in accordance with Rule 206(4)-1 (the "Marketing Rule") of the Advisers Act.

Under the Marketing Rule, BVB&P will ensure that all potential conflicts of interest between BVB&P and the third-party promoter or solicitor are timely disclosed to each prospective client, including the potential

conflict of interest which may exist because of the compensation arrangement between BVB&P and the third-party solicitor.

## **XV. CUSTODY**

Clients will receive quarterly account statements directly from their selected custodian. Generally, these statements will include a listing of all asset valuations and a listing of all transactions occurring during the period along with information concerning the allocation of the assets in the Client's account among various asset classes and the investment performance of the Client's account during the quarter. Each custodian will also provide Clients with all required year-end tax information.

BVB&P may provide performance information to Clients about the performance of the Client's account, which may also include a reference to a relevant market index or benchmark.

BVB&P may provide reports analyzing the sources of each account's performance, including customary performance attribution and risk measurement statistics such as standard deviations, Sharpe ratios, deviations from benchmark returns, and investments that had the largest positive and negative impacts on performance.

Clients should carefully compare any reports provided by BVB&P with the account statements provided by their custodian.

## **XVI. INVESTMENT DISCRETION**



BVB&P accepts discretionary authority to manage Client accounts as described above. Clients may restrict the authority granted to BVB&P pursuant to a written instrument that is signed by both the Client and BVB&P.

Clients that engage BVB&P to provide discretionary investment management services will open a new account at their selected custodian or broker. Each Client will sign a limited power of attorney in favour of BVB&P having access to the account and the ability direct trading in the account. BVB&P will not be authorized to withdraw funds in any Client's account other than BVB&P's management fees.

## XVII. VOTING CLIENT SECURITIES

BVB&P does not have the authority to vote securities held by the Clients. Generally, Clients will receive their proxy materials directly from their selected custodian. If BVB&P inadvertently receives any proxy materials on behalf of a Client, BVB&P will promptly forward such materials to the Client.

## XVIII. FINANCIAL INFORMATION

BVB&P is not required to provide financial statements as part of this Brochure because it does not require or solicit prepayment of fees from any Client six months or more in advance.