

Part 2A of Form ADV: Firm Brochure

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This brochure provides information about the qualifications and business practices of BondHouse Advisers, LLC (hereinafter “*BondHouse*” or “*firm*” or “*we*”). If you have any questions about the contents of this brochure, please contact us at (305) 906-1419. 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 BondHouse is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2. Material Changes

Not applicable.

Item 3. Table of Contents

<u>Item</u>	<u>Section</u>	<u>Page</u>
Item 1	Cover Page.....	1
Item 2	Material Changes.....	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	7
Item 6	Performance-Based Fees and Side-By-Side Management.....	9
Item 7	Types of Clients	10
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss.....	10
Item 9	Disciplinary Information	16
Item 10	Other Financial Industry Activities and Affiliations.....	16
Item 11	Code of Ethics, Participation in Client Transactions and Personal Trading	16
Item 12	Brokerage Practices.....	17
Item 13	Review of Accounts.....	17
Item 14	Client Referrals and Other Compensation.....	18
Item 15	Custody	18
Item 16	Investment Discretion.....	19
Item 17	Voting Client Securities.....	19
Item 18	Financial Information.....	19

Item 4. Advisory Business

BondHouse is a SEC-registered investment adviser. We have been in business as a Delaware limited liability company since April 2019. BondHouse Inc., a Delaware corporation ("*Parent*"), is our sole direct owner.

As of the date of this brochure, we do not have any discretionary or non-discretionary assets under management or supervision.

The firm may provide (1) unit investment trust ("*UIT*") supervision and valuation services, (2) UIT model portfolio investment recommendations, (3) separately managed accounts, (4) construction of asset allocation strategies and model portfolios and (5) mutual fund sponsorship and advisory services.

Services in General

Our investment recommendations are not limited to any specific product or service and will primarily include advice regarding the following instruments:

- Open-end and closed-end management investment companies;
- UITs;
- Fixed-income securities;
- Exchange listed, NASDAQ and OTC equity securities
- Exchange listed and OTC derivative contracts; and
- Futures and commodities.

Our investment recommendations will be tailored to the individual needs of each client. Information will be gathered by the Internet, electronic on-boarding forms, telephone, e-mail and in-person discussions with the clients as well as investment managers and trustees and/or sponsors of UITs and mutual funds.

Mutual Funds

BondHouse is engaged in the business of advising or sub-advising certain affiliated pooled investment vehicles, such as mutual funds, registered under the Investment Company Act of 1940, as amended (the "*1940 Act*"). BondHouse may provide both investment advisory services and administrative services to mutual funds and other registered investment companies such as UITs, exchange traded funds ("*ETFs*") and closed-end funds ("*CEFs*") (the "*Registered Investment Companies*"). Our investment advisory services include the selection of securities and the placement of orders for the purchase and sale of securities. Each Registered Investment Company, is managed in accordance with its investment guidelines and restrictions and generally is not tailored to the individualized needs of any particular individual. Complete information concerning each Registered Investment Company that we advise, including the applicable fees, is disclosed in the prospectus and statement of additional information for each Registered Investment Company.

Unit Investment Trusts

Our affiliates may sponsor one or more series of UITs registered under the 1940 Act. We will provide supervision and valuation services to the trustees and/or sponsors of these UITs. A UIT is an SEC-registered investment company that is composed of an unmanaged portfolio in which the investor has an undivided ownership of underlying securities. The terms and conditions, along with the risks, of each UIT will be set forth in their offering and governing documents.

Our firm will act as a supervisor to the UITs and will continuously monitor each UIT's portfolio to ensure the portfolio maintains its sound investment character. Once a portfolio is selected, it remains mostly fixed until the termination of the UIT. However, the offering and governing documents of the UIT will set forth a limited number of circumstances in which the trust may buy or sell securities, such as a security having significant credit issues. We will monitor the UIT portfolio for financial viability of an issuer or the security's creditworthiness.

As the evaluator to the UITs, we will also determine the valuation of each security in each UIT's portfolio on a daily basis, which allows the trustee to calculate the UIT's daily net asset value. We may use certain independent pricing services in the course of providing evaluation services to the UITs.

In addition to providing services to UITs sponsored by our affiliates, the firm may also act as a portfolio consultant and engage in a small number of wholesale arrangements where it provides model portfolio investment recommendations without brokerage execution or additional services. The fees for these services will be negotiated on a case-by-case basis. This type of client account will not be managed by BondHouse and the client may be notified of changes to model portfolio after the discretionary client accounts have traded. The client may or may not use the information received from us in making investment decisions.

Separately Managed Accounts

BondHouse offers discretionary investment management services to institutional and individual clients. Our targeted institutional clients may include open and closed-end mutual funds, UITs and other pooled investment vehicles. Investment management services are offered to individual clients through separate managed accounts ("SMAs"), either directly or through "wrap fee" programs sponsored by unaffiliated investment advisers. We may use numerous types of securities to manage client portfolios including, but not limited to: (a) domestic and foreign fixed income securities (both investment grade and non-investment grade), U.S. government securities, foreign sovereign fixed income securities, senior loans and municipal securities ("*Fixed Income Securities*"); (b) preferred securities; (c) asset-backed and mortgage-backed securities; (d) real estate investment trusts ("*REITs*"); (e) master limited partnerships ("*MLPs*"); (f) ETFs; (g) CEFs; (h) UITs; (i) mutual funds; (j) limited liability companies holding asset-backed loans; and (k) domestic and foreign equity securities.

Our investment management services to individuals and certain institutional clients through SMAs are governed by a contract. In some cases, the contract is between us and the client directly, whereas in other cases the contract is between us and a wrap fee program sponsor. In this case, generally, a client selects one or more strategies from a menu of our investment strategies in concert with his or her financial advisor, which involves a review of the investor's financial situation, goals, experience, and risk tolerance, among other factors. Each account in a particular strategy will be managed in a similar manner; however, we may accept reasonable client-imposed

restrictions on investing in certain securities or types of securities. Such restrictions may affect the performance of an account. If we are unwilling to accept such restrictions, or if the restrictions are unreasonable, we will withdraw from managing such an account.

Private Funds

BondHouse may provide services through the management of certain strategy funds (collectively, the “*Private Funds*”). The Private Funds to which we will provide services will be exempt from registration under the 1940 Act, and interests in such Private Funds are not registered under the Securities Act. The Private Funds are offered on private placement basis, exclusively to investors who meet the specific requirements set forth in the offering documents for each Private Fund. The Private Funds will be managed in accordance with the terms of the applicable investment management agreements, organizational documents or offering documents and may invest in pooled investment vehicles such as mutual funds, exchange traded funds and other private or hedge funds that are organized, controlled, advised and/or managed by investment managers. Investment managers may or may not be affiliates of BondHouse. Certain Private Funds may also invest in and directly hold financial instruments. We may have discretionary authority with respect to the Private Funds’ investment allocations to the investment managers; however, investment managers generally have discretion with respect to investing and trading activities related to that allocation.

Model Strategies

We will construct asset allocation strategies and model portfolios where it selects the underlying investments for such model portfolios (“*Model Strategies*”) for a variety of investors. Model Strategies are created to fulfill a particular investment objective and may be executed at different levels of customization for investors. We will provide access to the Model Strategies and provides services to such Model Strategies in accordance with the terms of the applicable investment management agreements, service agreements, organizational documents or offering documents. Model Strategies may be executed through and maintained by an independent investment adviser and those Model Strategies will not be modified for individual investors and may include allocations to Registered Investment Companies, and, in certain cases, SMAs that are organized, controlled, advised and/or managed by investment managers (including affiliates of BondHouse). Model Strategies also may be completely customized for investors that are our clients and may include an allocation of assets to any appropriate investment strategy or product based on the client’s investment objective. Model Strategies generally are made available to investors on a non-discretionary basis.

Cash Management Services

BondHouse provides investment advice with the purpose of helping our clients create and maintain a disciplined approach to investing funds prudently and effectively. Cash management clients utilize primarily the following Fixed Income Securities: U.S. treasuries and government securities; government agencies; highly rated corporate and municipal securities; certificates of deposit that are either with a highly-rated bank or are fully insured; and AAA-rated money market mutual funds. We develop an understanding of the client’s cash flow needs with respect to the money being invested. Once investment types have been agreed upon with the client and we have an understanding of expected cash flows, we then look to the yield curve to determine the appropriate strategy. Most cash management clients will require maturities of less than two years, but may invest greater than two years but less than five years under certain conditions. Once we

have this information, there are several buy-and-hold strategies that we generally recommend to our cash management clients:

Traditional Laddered Approach. We use this approach when the yield curve is normal. Here, we recommend matching securities with the expected cash flow schedule keeping in mind liquidity needs. In this approach, investments will mature in amounts greater than the cash flow estimates to reduce the need to sell a security before it matures.

Modified Laddered Approach. This approach is used when the yield curve is inverted (downward sloping) or humped. In the case of an inverted yield curve, our approach would be to recommend investing larger maturities in the short end of the yield curve. In the case of a humped yield curve, our approach would be to recommend matching maturity amounts to cash flows for the part of the yield curve that is upward sloping, and then invest larger amounts at the top of the yield curve.

Core Balance Approach. This approach is used for clients with core operating fund balances that can be invested two years or longer. We initially recommend structuring investments to mature at regular intervals up to two years or longer. As investments mature, the proceeds are reinvested in longer term investments, with the goal of eventually having all investments effectively earning longer term interest rates, while also providing liquidity with regular maturities.

Item 5. Fees and Compensation

Fees in General

The amount and method of payment of fees will be specified in the offering and governing documents of each corresponding Registered Investment Company or other pooled investment vehicle, and will generally not be negotiable. Advisory fees will be paid by the Registered Investment Companies and invoiced monthly, quarterly, semi-annually, or annually, in advance or in arrears, as specifically stated in each Registered Investment Company or other pooled investment vehicle offering and governing documents or advisory services agreement.

In the event that a client invests through an SMA advised by the firm that includes affiliated Registered Investment Company products (the “*Affiliated Products*”), no additional advisory fees will be charged by BondHouse on the assets under management invested in the Affiliated Products. Our compensation will be earned at the product-level as disclosed in the prospectus and statement of additional information for each Affiliated Product. However, third-party costs incurred in connection with the operation of the SMA and fees for advice in non-Affiliated Products will be charged to the client as set forth below.

Supervisory and Evaluation Fees

BondHouse’s fees for UIT portfolio supervisory and evaluation services for Affiliated Products will be generally assessed as a fixed amount per unit.

Portfolio Consultant and Licensing Fees

For providing model portfolio investment recommendations to UITs not sponsored by BondHouse’s affiliates, we will be paid a fee based upon a percentage of the average net assets of the UIT.

Separate Managed Accounts

Fees charged to SMA clients are based upon factors that include, but are not limited to: (a) the amount and/or composition of the assets in the client's account; (b) the number of accounts and/or total amount of assets that the client or its financial advisor has with BondHouse; (c) the range and extent of services provided to the client; (d) the amount of assets invested in Affiliated Products; and (e) whether the client is an employee of BondHouse or an affiliate. Moreover, fees, minimum account sizes and other account requirements vary as a result of policies and the date an account opened, or if account assets are custodied at firms other than those recommended by BondHouse.

Our fees for investment management services to SMAs are assessed on a quarterly basis, generally in advance. Fees are assessed at the rate in effect at the time of the billing. Any rate change which occurs during the quarter will be reflected in next billing period. Generally, one-quarter of our annual fee is assessed each quarter based on the value of the account at the beginning of the quarter, which may or may not include accrued interest and dividends. Any deposits or withdrawals during the quarter are billed, or credited as the case may be, on a pro-rata basis at the end of the quarter. If an account is closed before the end of a quarter, generally a prorated amount of the fee will be refunded to the client.

BondHouse's standard annual fee is between 0.10% and 1.50% of assets under management (other than assets invested in Affiliated Products) depending upon the asset class, but we may negotiate fees with clients on a case by case basis.

In addition to the fees described above, SMA clients bear certain other costs associated with investments or accounts including but not limited to: (i) custodial charges, brokerage fees, commissions and related costs; (ii) interest expenses; (iii) taxes, duties and other governmental charges; (iv) transfer and registration fees or similar expenses; (v) costs associated with foreign exchange transactions; (vi) other portfolio expenses, including but not limited to index licensing fees; and (vii) costs, expenses and fees (including investment advisory and other fees charged by the investment advisers of Registered Investment Companies in which the client's account invest) associated with products or services that are necessary or incidental to such investments or accounts.

Private Funds

The management fee for Private Funds managed or advised by BondHouse is based on a percentage of the investor's net assets under management at fixed annual rates, that range from 0.50% to 2.00% per year. The management fee charged by any Private Fund may be subject to negotiation for certain investors. Management fees may be charged monthly or quarterly, generally in arrears, and are pro-rated for partial periods.

Private Funds also generally bear their own organizational, operating and other expenses including, but not limited to, in addition to those listed above: (a) sales expenses; (b) legal, compliance and other professional expenses; (c) expenses incurred in connection with complying with provisions in any side letter agreements; (d) internal and external accounting, audit, custody, administration and tax preparation expenses; (e) the out-of-pocket costs of any insurance, indemnification or extraordinary expense or liability relating to the affairs of Private Funds; (f) expenses of the limited partner advisory boards for certain Private Funds and meetings of the limited partners; and (g) expenses of liquidating and dissolving the Private Funds.

We currently do not charge performance-based fees to the Private Funds, although it may do so in the future. Investment managers may charge performance-based fees to a Private Fund or other hedge or private fund in which a Private Fund may invest. Such performance fees generally will be equal to a percentage of the net realized and unrealized profits earned by a client for each year, although it may be assessed more frequently. Performance fees will be charged in accordance with Section 205 of the Advisers Act and the conditions of SEC Rule 205-3 thereunder. All Private Fund offering documents disclose where performance fees may be charged by an investment manager to the Private Fund.

Model Strategies

Our Model Strategies will be executed through and maintained by an independent investment adviser and we are typically paid a fee based on the investor's assets under management at fixed annual rates that range from 0.10% to 2.00% to provide investment model allocations. This fee is paid quarterly in arrears and is pro-rated for partial periods.

Cash Management Services

The management fee for cash management services typically will range from 0.10% to 2.00% of assets under management depending on the elected asset class, size of the account and restrictions placed upon BondHouse by the cash management clients.

Item 6. Performance-Based Fees and Side-By-Side Management

We currently do not charge any performance-based fees.

BondHouse manages different types of accounts having different fee arrangements. Side-by-side management by BondHouse of Registered Investment Companies, institutional accounts, SMAs and Private Funds raises potential conflicts of interest. Registered Investment Companies and SMAs, for example, generally pay management fees based on a fixed percentage of assets under management, whereas institutional accounts and Private Funds may have more varied fee structures, including a combination of asset- and performance-based compensation. In certain cases, an affiliate of BondHouse also may have a financial interest in a Private Fund. BondHouse may have incentive to favor certain accounts over others that are less lucrative where: (i) the actions taken on behalf of one account potentially impact other similar or different accounts (e.g., because such accounts have the same or similar investment styles or otherwise compete for investment opportunities, have potentially conflicting investments or investment styles, or have differing abilities to engage in short sales and economically similar transactions); and (ii) BondHouse and its affiliates have differential interests in such accounts (i.e., expose BondHouse or its affiliates to differing potential for gain or loss through differential ownership interests or compensation structures, including circumstances where some accounts pay only asset-based fees while others are subject to performance or incentive fees or allocations). To help mitigate such potential conflicts of interest, (a) BondHouse will not charge a separate advisory fee with respect to Affiliated Products included in SMA assets under management and (b) BondHouse's policies and procedures state that investment decisions are to be made in accordance with the fiduciary duties owed to each such account and without consideration of BondHouse's or an affiliates' (or their respective personnel's) pecuniary, investment or other financial interests.

As a result of certain regulations governing the ability of accounts investing side-by-side, it is possible that different account types are not permitted to participate in an investment opportunity at the same time. The decision as to which accounts participate will take into account the suitability and the strategy of the applicable accounts. It is possible that an account is prevented from participating due to such investment opportunity being more appropriate within the primary strategy or secondary of another account.

Item 7. Types of Clients

We generally provide services to Registered Investment Companies, other pooled investment vehicles, institutional investors, public and private companies and investment advisers. We also may provide services to individual investors. There is no minimum asset base required for clients, but we will evaluate each individual client on a case by case basis prior to entering into an agreement to provide advisory services. We provide investment advice to the Private Funds, interests in which are offered to qualified investors on a private placement basis. Investor qualification requirements are set forth in the offering and governing documents for each Private Fund.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Unit Investment Trust Services

For affiliate-sponsored UITs, we will not select the portfolio and, therefore, will not use a method of analysis or investment strategy for providing investment advice or managing assets. However, as the supervisor of these UITs, we will provide some monitoring services. In particular, we may determine that a condition may exist in which it is necessary for the UIT to sell some of its holdings in order to maintain the sound investment character of the UIT, even though UITs are not managed and generally do not change their portfolios. Such limited conditions to protect the UIT will be specified in the UIT's governing documents and generally include, but are not limited to, situations when: there has been a default in the payment of dividends, the price of a security has declined to such an extent or other such credit factors exist so that the retention of such securities would be detrimental to the UIT and to the interest of the unitholders, a sale is required to fund redemptions, a sale would maintain the UIT's tax status, and the UIT must comply with federal and/or state securities laws, regulations and/or regulatory actions and interpretations.

Discretionary Investment Management Services

As noted in Item 4, BondHouse provides discretionary investment management services to a variety of institutional and individual clients, including Registered Investment Companies and SMAs. The following discussion summarizes our investment strategies in general and discusses certain risks of investing in various types of securities. Investors in Registered Investment Companies should also read the applicable funds' prospectuses, annual and semi-annual reports, and other fund specific materials for a complete description of each fund's investment strategies and risks. All investing involves the risk of loss which clients should be prepared to bear.

Our SMA accounts principally involve one or more fixed income or other income generating securities or balanced strategies involving investments in primarily Fixed Income Securities. We may offer strategies investing principally in Registered Investment Companies which involve all of the risks of investing in the fixed income asset class, as well as risks specific to the particular

type of Registered Investment Company. Following is a general description of our approach to investing in various asset classes and certain risk factors applicable to each.

Risks

Investing in securities in all asset classes involves a risk of loss that the client should be prepared to bear. Our securities analysis method relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. There are no assurances that any model portfolios for clients will succeed. We cannot give any guarantee that a client's investment objectives will be achieved or that a client will receive a return on their investment. Other potentially material risks may include:

Fixed Income Securities. BondHouse utilizes fixed income strategies that are actively managed or model or index based. Actively managed fixed income mandates generally employ an active investment style that emphasizes rotation among different types of debt on a relative value basis, specific security selection, quantitative analysis of each security and the portfolio as a whole and intensive credit analysis and review. Model-based strategies typically invest across a broad spectrum of Fixed Income Securities, as well as currencies, futures and swaps. A risk-controlled, systematic process is utilized for model-based portfolio construction

Typically, the Fixed Income Securities portion of balanced SMA accounts is achieved through the use of fixed income Registered Investment Companies and may include exposure to additional fixed income asset classes; these additional asset classes are discussed below.

The primary risk of investing in fixed income securities is that they may decline in value for a variety of reasons, including a broad market downturn, a rising interest rate environment, unfavorable developments affecting an entire industry, and specific events affecting a single company. The following is a partial list of the risks associated with investing in various types of Fixed Income Securities:

- All bonds are subject to various risks including higher interest rates as fixed income securities typically decline in value as interest rates rise), economic recession, possible rating downgrades by one or more rating agencies, and possible defaults of interest and/or principal payments by the issuer.
- High-yield or "junk" bonds are rated below investment grade and are subject to a higher risk of rating downgrade and issuer default than investment-grade bonds, and are more affected by an economic recession. The prices of high-yield bonds tend to fluctuate more than those of investment grade bonds.
- U.S. government securities are guaranteed only as to the timely payment of interest and the payment of principal when held to maturity. Accordingly, the current market values for these securities will fluctuate with changes in interest rates. Securities issued or guaranteed by U.S. government agencies and instrumentalities are supported by varying degrees of credit but generally are not backed by the full faith and credit of the U.S. government. No assurance can be given that the U.S. government will provide financial support to its agencies and instrumentalities if it is not obligated by law to do so.

- Fixed Income Securities issued by foreign issuers are subject to additional risks including foreign currency fluctuations, foreign political risks, foreign tax withholding, possible lack of adequate financial information and possible exchange control restrictions. Additionally, these risks may be more pronounced in emerging markets where the securities markets are substantially smaller, less liquid, less regulated, and more volatile than developed foreign markets.
- Senior loan securities are typically high-yield, floating rate corporate debt securities which are senior in a company's capital structure to unsecured debt securities. Like all high-yield securities, such securities carry a heightened risk of a rating downgrade or issuer default than investment grade securities.
- Municipal bonds are issued by states, counties or other municipal authorities and are subject to additional risks, including deterioration in the financial condition of the municipal issuer and potential changes in tax laws affecting the tax-free status of municipal bonds. Adverse conditions in an industry significant to a local economy could have a correspondingly adverse effect on the financial condition of local issuers. The amount of public information available about municipal bonds is generally less than for certain corporate equities or bonds, meaning that the investment performance may be more dependent on the analytical abilities of BondHouse than investing in corporate investments.
- Preferred securities generally are subordinated to bonds and other debt instruments in a company's capital structure and therefore will be subject to greater credit risk than those debt instruments. In addition, preferred securities are subject to other risks, such as having no or limited voting rights, being subject to special redemption rights, having distributions deferred or skipped, having floating interest rates or dividends, which may result in a decline in value in a falling interest rate environment, having limited liquidity, changing or unfavorable tax treatments and possibly being issued by companies in heavily regulated industries.
- Asset- and mortgage-backed securities may be more sensitive to changes in interest rates than traditional Fixed Income Securities as rising rates tend to extend the duration of such securities. In addition, these securities are subject to prepayment risk, since borrowers may pay off their debt sooner than anticipated, particularly during a period of declining interest rates. Subprime asset and mortgage-backed securities are subject to a higher risk of rating downgrade or defaults than higher rated securities.
- The value of a REIT can be hurt by economic downturns or by changes in real estate values, rents, property taxes, interest rates, tax treatment, regulations, or the legal structure of the REIT. By investing in REITs, clients bear their proportionate share of the expenses of the REITs.
- Investments in common units of MLPs involve risks that differ from investments in common stock, including risks related to limited control and limited rights to vote. An investment in an MLP also exposes the investor to the legal and tax risks associated with investing in partnerships. MLPs may have limited financial resources, their securities may be relatively illiquid, and they may be subject to more erratic price movements because of the underlying assets they hold.

Illiquid Credit Strategy. Illiquid credit refers to income producing assets that do not have an active secondary market in which they can be traded. Illiquid credit assets can be long-term, such as 25-year leases on commercial property, or short- or medium-term credits, such as corporate loans made by non-bank entities and trade receivables. Although investing in these types of Fixed Income Securities could provide an investor with an income stream in excess of that from readily marketable corporate bonds through exposure to credits that are not available in public bond markets, the possibility of enhanced returns is derived from the inherent complexity and illiquidity of the assets. Illiquid credit are private debt investments that do not typically offer trading volumes, public credit ratings or public pricing information. Therefore, clients will be reliant on BondHouse to perform due diligence and analysis of the individual credits, maintain strong relationships with the market participants and monitor the performance of each investment for an illiquid credit strategy to succeed.

While illiquid credit has much in common with public bond market investing, these assets lie outside the mainstream of Fixed Income Securities. The illiquidity of these assets may make it difficult to sell the assets if the need arises. If a client needs to sell all or a portion of a portfolio over a short period of time, the client may realize significantly less value than the value at which it had previously recorded those assets. There can be no assurance that clients will be able to generate enhanced returns for their investment or that the returns will be commensurate with the risks of investing in illiquid credit.

CEFs, ETFs, UITs and other Investment Companies. Certain SMA accounts invest all or a portion of clients' portfolios in Registered Investment Companies. The underlying Registered Investment Companies may invest in a wide variety of Fixed Income Securities and other asset classes. Our approach to the selection of Registered Investment Companies involves a variety of fundamental and performance-related criteria and involves both quantitative and qualitative analysis of the applicable sector. A portion of an SMA portfolio may be reserved for a tactical overweighting or underweighting of various Fixed Income Securities or other asset classes based on our current outlook for things such as specific asset classes, industries or global geographic regions. As Registered Investment Companies invest in a variety of Fixed Income Securities and other asset classes and thus are subject to the applicable risks previously identified above. Additionally, Registered Investment Companies are each unique securities in their own right and are subject to additional risks that are discussed below:

- Registered Investment Companies are subject to the funds' managements' abilities to manage the underlying portfolios to meet the funds' stated investment objectives.
- Investing in other investment companies is subject to risks affecting the Investment Company, including the possibility that the value of the underlying securities held by the investment company could decrease. Moreover, such an investment will incur its pro rata share of the expenses of the underlying Registered Investment Companies' expenses.
- CEFs, unlike open-end funds which trade at prices based on a current determination of a fund's net asset value, frequently trade at a discount to their net asset value in the secondary market. Additionally, many CEFs employ leverage to achieve greater returns. A leverage strategy often increases the volatility of such CEFs.
- ETFs also may trade at a discount to their net asset value in the secondary market. The structure of an ETF is such that most ETFs' market prices tend to track the funds'

respective net asset value closely, but this may not always be the case, particularly during periods of extreme market volatility.

- Most ETFs are designed to track a specified market index; however, in some cases an ETF's return may deviate from the specified index. Certain ETFs are actively managed ETFs and are subject to management risk. Furthermore, unlike open-end funds, investors are generally not able to purchase ETF shares directly from the fund sponsor nor redeem ETF shares with the fund sponsor. Rather, only specified large blocks of ETF shares called "creation units" can be purchased from, or redeemed with, the fund.
- UITs unlike mutual funds and ETFs, hold a fixed portfolio of securities that is unmanaged and altered only in rare circumstances. In the event an investor elects to dispose of a UIT prior to its stated termination date, it can do so through a secondary market transaction with the UIT sponsor or through redemption at the current net asset value of the UIT, which may have decreased since the initial date of deposit.

Equity Securities. Our investment management process utilizes both quantitative and qualitative analysis to assess a company's ability to generate cash flow and its current valuation relative to intrinsic value. We believe the disciplined, systematic application of its proprietary process will lead to long-term value creation. The primary risk of investing in equity securities is that they may decline in value for a variety of reasons, including a broad market downturn, unfavorable developments affecting an entire industry, and specific events affecting a single company. The following is a partial list of the risks associated with investing in various types of equity securities:

- An investment in equity securities should be made with an understanding of the risks involved with owning common stocks, such as an economic recession and the possible deterioration of either the financial condition of the issuers of the equity securities or the general condition of the stock market.
- An investment in foreign stocks is subject to additional risks, including foreign currency fluctuations, foreign political risks, foreign withholding, possible lack of adequate financial information, and possible exchange control restrictions impacting foreign issuers. These risks may be more pronounced in emerging markets where the securities markets are substantially smaller, less liquid, less regulated and more volatile than developed foreign markets.
- An investment in small-capitalization or mid-capitalization companies may be more volatile than investments in larger, more established companies, and securities of small and mid- size companies typically have more limited trading volumes.
- A portfolio may be concentrated in a particular industry or sector which involves more risk than a broadly diversified portfolio.

Commodities-Linked Investments. The performance of commodity-linked investments, including derivatives, may depend on the performance of the overall commodities markets and on other factors that affect the value of commodities, including weather, political, tax, and other regulatory and market developments. Commodity-linked notes may be leveraged. Commodity-linked investments may be hybrid instruments that can have substantial risk of loss with respect to both principal and interest. Commodity-linked investments may be more volatile and less liquid than

the underlying commodity, instruments, or measures and are subject to the credit risks associated with the issuer, and their values may decline substantially if the issuer's creditworthiness deteriorates. As a result, returns of commodity-linked investments may deviate significantly from the return of the underlying commodity, instruments, or measures. Legal and regulatory changes also can affect the value of these investments.

Derivatives. The value of derivatives, including options, futures and options on futures also may be adversely affected if the market for derivatives is reduced or becomes illiquid. No assurance can be given that a liquid market will exist when BondHouse seeks to close out a position. Reasons for the absence of a liquid secondary market on an exchange include the following: (i) there may be insufficient trading interest in certain derivatives; (ii) restrictions may be imposed by an exchange on opening transactions or closing transactions or both; (iii) trading halts, suspensions or other restrictions may be imposed with respect to particular classes or series of derivatives; (iv) unusual or unforeseen circumstances may interrupt normal operations on an exchange; (v) the facilities of an exchange or the Options Clearing Corporation may not at all times be adequate to handle the then-current trading volume; or (vi) one or more exchanges could, for economic or other reasons, decide or be compelled at some future date to discontinue the trading of derivatives (or a particular class or series of derivatives). If trading were discontinued, the secondary market on that exchange (or in that class or series of derivatives) would cease to exist. However, outstanding options on that exchange that had been issued by the Options Clearing Corporation as a result of trades on that exchange would continue to be exercisable in accordance with their terms.

In addition, transactions in exchange-traded derivatives will be subject to limitations established by each of the exchanges, boards of trade or other trading facilities on which the derivatives are traded. These limitations govern the maximum number of derivatives in each class which may be written by a single investor or group of investors acting in concert, regardless of whether the derivatives are written on the same or different exchanges, boards of trade or other trading facilities or are written in one or more accounts or through one or more brokers. An exchange, board of trade or other trading facility may order the liquidation of positions found to be in excess of these limits, and it may impose other sanctions.

The use of derivatives may create leveraging risk. Leveraging may cause an account to be more volatile than if it had not been leveraged. Leverage can also arise through the use of borrowing for investment purposes. To the extent that clients purchase securities while having outstanding borrowings, the client is using leverage (i.e., using borrowed funds for investment) and the leveraging will increase the effect of any increase or decrease in the market value of a client's SMA. Money borrowed for leveraging will be subject to interest costs that may or may not be recovered by appreciation of the SMA.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in a particular investment strategy. Prospective and existing clients are encouraged to consult their own financial, legal and tax professionals in connection with the selection of and investment in a particular strategy or product. In addition, due to the dynamic nature of investments and markets, strategies may be subject to additional and different risk factors not discussed herein.

Item 9. Disciplinary Information

Neither BondHouse nor its management persons have any legal or disciplinary events in the past ten years that would be material to a client's evaluation of our business or the integrity of our management.

Item 10. Other Financial Industry Activities and Affiliations

BondHouse has financial industry activity relationships and arrangements which are material to its advisory business. As noted in Item 4 above, we will provide advisory services and have material business arrangements with affiliates and non-affiliates that sponsor Registered Investment Companies, including UITs.

Certain of BondHouse's officers and managers are anticipated to be the officers or managers of BondHouse Securities, LLC ("*BondHouse Securities*"), an affiliate which is applying for registration as a broker-dealer with the SEC and member of the Financial Industry Regulatory Authority ("*FINRA*"). Once BondHouse Securities FINRA membership is approved, this brochure will be amended to describe such affiliations. Currently there are no other material relationships.

Item 11. Code of Ethics, Participation in Client Transactions and Personal Trading

We have adopted a Code of Ethics which sets forth the ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Our Code of Ethics provides for oversight, enforcement and recordkeeping provisions. A copy of our Code of Ethics is available to our advisory clients and prospective clients upon written request to Chief Compliance Officer, at the firm's principal office address.

Our firm or individuals associated with our firm may buy or sell securities identical to those recommended to or purchased for clients for their personal accounts. In addition, any related person may have an interest or position in a certain security, which may also be recommended to a client. This practice results in a potential conflict of interest, as we may have an incentive to manipulate the timing of such purchases to obtain a better price or more favorable allocation in rare cases of limited availability.

To mitigate these potential conflicts of interest and ensure the fulfillment of our fiduciary responsibilities, we have, among other things, established the following restrictions:

1. No employee of BondHouse may purchase, directly or indirectly for any account in which he or she has beneficial ownership, any security in an initial public offering. This requirement also does apply to transactions in an initial public offering in an account over which an employee has granted full discretionary authority to a third party.
2. No employee of BondHouse may purchase, directly or indirectly for any account in which he or she has beneficial ownership, or outside such an account, any security in a limited offering (i.e., private placement) without prior written approval.

3. No employee of BondHouse may purchase or sell, directly or indirectly for any account in which he or she has beneficial ownership, any security that to his or her actual knowledge is being purchased or sold, or is actively being considered for purchase or sale, by a client of BondHouse. This restriction, however, does not apply when the purchase or sale by the client account is a maintenance trade or an unsupervised trade.
4. Except with prior written approval of the Chief Compliance Officer, no investment person of BondHouse may purchase or sell, directly or indirectly for any account in which he or she has beneficial ownership, any security eligible for purchase or sale by a client account for which such investment person has responsibility. Investment persons of BondHouse include portfolios managers, portfolio assistants, securities analysts and traders employed by BondHouse, or any other persons designated as such by BondHouse.
5. In the event that a client account purchases or sells a security within seven days preceding or following the purchase, or purchases or sells a security within seven days preceding or following the sale, of the same security by an investment person who has responsibility for the client account, the investment person may be required to dispose of the security and/or disgorge any profits associated with his or her transaction. Such disposal and/or disgorgement may be required notwithstanding any prior written approval, unless the purchase or sale by the client account is a maintenance trade or unsupervised trade.
6. No employee of BondHouse may purchase or sell, directly or indirectly for any account in which he or she has beneficial ownership, any common or preferred shares of a closed-end or exchange-listed Affiliated Product without prior written approval of the Chief Compliance Officer.
7. All of our principals, associated persons and employees must act in accordance with all applicable Federal and state regulations governing registered investment advisory practices.

Any individual not in observance of the above may be subject to disciplinary action, including fine, suspension or termination.

Item 12. Brokerage Practices

BondHouse will typically recommend Apex Clearing Corporation to serve as the custodian of client assets and broker-dealer for client transactions but we do not determine the reasonableness of such broker-dealer's compensation. As described in Item 4, we will provide advisory services to affiliates and non-affiliates that sponsor UITs and mutual funds. Those sponsors will be broker-dealers responsible for the securities transactions. We do not anticipate BondHouse Securities will execute our client trades in the event its SEC-registration and FINRA membership are approved.

Item 13. Review of Accounts

Each Registered Investment Company and SMA is managed by one or more of our portfolio managers. The portfolio managers review the accounts on a continuous basis and are

responsible for the day-to-day operations of the Registered Investment Company and SMA, including sector weightings, cash positions, buy and sell decisions, performance and overall adherence with the investment philosophy and specific requirements of the account. A more formal review of investment policy, strategy, asset allocation and other matters will be conducted at least quarterly and more often as circumstances warrant.

Shareholders of Registered Investment Companies are provided with annual audited financial reports as well as semiannual unaudited reports, each of which is available through the SEC's EDGAR database at www.sec.gov. In addition, on a quarterly basis, BondHouse generally meets with, and provides a comprehensive report of the performance of each Fund to, the Fund's board of directors or trustees, as applicable. This report includes a comparison of each portfolio's performance measured against the performance of its applicable benchmark, market sector and/or a mutual fund peer with a similar investment objective. Special reports and materials are also provided to the directors or trustees, as applicable, from time to time or as requested.

Although UIT portfolios are intended to be fixed and not actively managed or traded, we will continuously monitor all underlying portfolio investments and periodically review portfolios as required by the related prospectus and indenture of each UIT for matters that may be cause for concern, such as a ratings downgrade, an issue being placed on credit watch by a rating agency, significant negative financial news, etc.

Each UIT trustee or sponsor will receive monthly/quarterly statements from the respective custodian. Investors in an affiliate-sponsored UITs will receive the Trustee's Annual Report which includes a listing of holdings in each trust and a summary of transaction activity in the trust during the year. Our firm may provide additional reports as specifically required in each UIT prospectus.

BondHouse monitors all managed accounts on a regular basis for consistency with each client's stated investment objective and the specific investment strategy selected. Portfolios managed for Registered Investment Companies are reviewed at least monthly. The nature of these reviews principally involves monitoring each fund's portfolios for consistency with the applicable prospectus guidelines. SMA accounts are also reviewed at least monthly. These reviews involve a comparison of accounts within the applicable strategy for unusual deviations from other accounts within the same strategy.

SMA clients receive reports on at least a quarterly basis from their designated custodian. These reports include a listing of holdings in the account, performance statistics and a detail of securities sold during the quarter. In addition, investors in Registered Investment Companies receive an annual report and semi-annual report as required by applicable regulations. These reports contain a listing of holdings in the portfolios, financial statements for each fund, performance information, management's discussion, and other information.

Item 14. Client Referrals and Other Compensation

BondHouse does not receive any additional compensation from third parties for providing investment advice to its clients and does not compensate anyone for client referrals.

Item 15. Custody

BondHouse does not have custody of client funds or securities. Each client's assets are held by a qualified custodian. However, we urge all of our clients to carefully review their quarterly reviews

of account holdings and/or performance results received from their custodian. Should a client notice any discrepancies or inconsistencies, please notify the custodian as soon as possible.

Item 16. Investment Discretion

As described in Item 4, BondHouse provides discretionary investment management services to a variety of institutional and individual clients. Every account managed by us is governed by a written contract between us and the client in which the client grants us discretionary authority to manage the account. For Registered Investment Companies, our investment discretion will be governed by the provisions of the applicable prospectus and our contract with the applicable fund, which may impose restrictions on us regarding investing in certain securities or types of securities. In the case of the Registered Investment Companies, certain of the portfolios are sub-advised by the other investment advisors who are responsible for the management of the funds' portfolios and who are subject to our oversight. For Private Funds, we will manage the fund in accordance with the fund's stated investment objectives and contractual parameters contained in the organizational documents.

SMA clients provide us with discretionary investment authority through the investment advisory contract. Generally, a client selects one or more strategies from a menu of investment strategies offered by us. Typically, the investor works with his/her financial adviser as an integral part of this process, which involves a review of the investor's financial situation, goals, experience, and risk tolerance, among other factors. Each account in a particular strategy will be managed in a similar manner. In the event there are client-imposed restrictions on investing in certain securities or types of securities, such restrictions may affect the performance of an account.

We will have limited authority to authorize the sale of securities held by a UIT pursuant to the terms of such UIT's governing documents.

Item 17. Voting Client Securities

We do not intend have discretion to vote proxies for our clients. However, in the event that BondHouse is to vote a proxy, we will obtain a proxy analysis report from a reputable advisory service and will vote in accordance with the recommendation of the advisory service unless the recommendation would cause a violation of BondHouse policies.

Item 18. Financial Information

We have discretionary authority over clients' SMAs and therefore are required to disclose to clients any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to our clients. Clients are advised that we have no such financial condition to disclose. BondHouse has not been the subject of a bankruptcy petition at any time during the past ten years.