

RAMIREZ ASSET MANAGEMENT, INC.

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FORM ADV – Part 2

This will provide information about Ramirez Asset Management, Inc. and the type of business it conducts. It is for the use of the Firm's clients and potential customers. This document has not been approved or verified by any government authority.

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Item 1 – Background/Services Provided

Ramirez Asset Management (hereafter “RAM”) was founded in 2002 and is dedicated to providing institutional fixed income and equity asset management and advisory services.

Our clients include State and Local government entities, corporations, Taft Hartley, endowments and foundations, and public and private pension plans. We work closely with our clients to develop customized portfolios which meet their objectives and risk tolerances and we strive to provide the highest level of customer service.

We apply the same care and diligence to all investment portfolios across the fixed income and equity spectrum. Our team averages 18 years experience and applies a disciplined, risk controlled investment process to each portfolio.

Item #2 – Investment Philosophy

Goal

To obtain consistent alpha relative to industry benchmarks over a market cycle using a disciplined, risk-controlled, team-oriented approach

Focus

Excess returns generated through term-structure positioning, sector allocation and security selection

Investment Classes

- U.S. Treasury Securities/Inflation Protected Securities
- GSE Debt
- Agency Mortgage Pass-Throughs
- “AAA” Structured Securities
- Corporate Bonds
- Taxable Municipal Bonds
- Tax-exempt Municipal Bonds
- Treasury Inflation-Protected Securities (TIPS)
- Equities – Stocks, ETFs, and Mutual Funds

Item #3 – Investment Management Strategies Used

Each client portfolio at RAM is managed on a separate account basis. Our team has a long and successful history in managing bond and equity portfolios across a spectrum of strategies, including Core Fixed Income, Intermediate Fixed Income, Short Duration Fixed Income, Enhanced Cash Management, Cash, and Balanced. Regardless of the specific mandate, our managers employ a uniform risk controlled approach to all aspects of portfolio construction and utilize fundamental and quantitative measures in their analysis.

Core Fixed Income

Description:

- Total rate of return strategy

Benchmark:

Barclays Capital U.S. Aggregate Bond Index

Portfolio Characteristics:

Duration +/- 10% relative to benchmark

Maximum Maturity – 30 years

Quality - Must be rated investment grade by two of the three primary rating agencies

Core Plus

Description

- Total Rate of Return Strategy

Benchmark:

Barclays Capital U.S. Aggregate Bond Index

Portfolio Characteristics

Duration +/- 25% relative to benchmark

Maximum Maturity – 30 years

Quality – Must be rated investment grade by two of the three primary rating agencies

Intermediate Fixed Income

Description:

- Total rate of return strategy
- U.S. fixed income portfolio with benchmark focused mandate
- Clients can choose to have a portfolio with exposure to the credit and securitized sectors or a government guaranteed only portfolio

Benchmarks:

Barclays Capital Intermediate Government/Credit Bond Index

Barclays Capital Intermediate Government Bond Index

Portfolio Characteristics

Duration +/- 5% relative to benchmark

Yield Curve +/- 15% relative to benchmark

Maximum Maturity – 10 years

Quality - Must be rated investment grade by two of the three primary rating agencies

Intermediate Plus

Description

- Total Rate of Return Strategy

Benchmark:

Barclays Capital Intermediate Government Bond Index

Portfolio Characteristics

Duration +/- 25% relative to benchmark

Maximum Maturity – 10 years

Quality – Must be rated investment grade by two of the three primary rating agencies

Short Duration Fixed Income

Description:

- Total rate of return strategy
- Provide high levels of liquidity, current income, and safety of principal.
- Clients can choose to have a portfolio with exposure to the credit and securitized sectors or a government guaranteed only portfolio

Benchmarks:

Merrill Lynch One to Five Year Government/Credit Index

Merrill Lynch One to Five Year Government Index

Merrill Lynch One to Three Year Treasury Index

Portfolio Characteristics:

Duration +/- 5% relative to benchmark

Yield Curve +/- 15% relative to benchmark

Maximum Maturity – 3 to 5 years depending on mandate

Quality - Must be rated investment grade by two of the three primary rating agencies

Enhanced Cash Management

Description:

- Appropriate for clients requiring a high level of liquidity
- Maximize current income and safety of principal
- Clients can choose to have a portfolio with exposure to the credit and securitized sectors or a government guaranteed only portfolio either with maturity constraints

Benchmarks:

91 Day U.S. Treasury Bills

Portfolio Characteristics:

Average Maturity – Ranges from overnight to one year

Maximum Maturity – 2 years or less depending on client objective

Quality - Must be rated investment grade by two of the three primary rating agencies or A1P1 for commercial paper

Cash

Description:

- Appropriate for clients requiring a high level of liquidity
- Maximize current income and safety of principal
- Clients can choose to have a portfolio with exposure to the credit and securitized sectors or a government guaranteed only portfolio either with maturity constraints

Benchmarks:

91 Day U.S. Treasury Bills

Portfolio Characteristics:

Average Maturity – Ranges from overnight to 6 months

Maximum Maturity – 1 year or less depending on client objective

Quality – Must be rated investment grade by two of the three primary rating agencies or A1P1 for commercial paper

Balanced Strategy

Description

- Total Rate of Return Strategy

Benchmark:

Customized

Portfolio Characteristics

A fully customized investment program. Provides an asset allocation approach with exposure to both investment grade fixed income holdings as well as equities. Equity exposure is obtained through fundamental stock and ETF selection.

Item #4 – Investment Management Fees

Standard Fee Schedule:

The fees described below represent RAM's standard fee schedule. Under certain circumstances both the schedule and the minimum can be negotiated. Clients are invoiced quarterly in arrears based upon the average market value of the assets under management for the period based upon the beginning and ending values for the billing period.

Core Fixed Income:

25 basis points on the first \$50 million

20 basis points on the next \$50 million

15 basis points on the balance

Minimum annual fee \$10,000

Core Plus

30 basis points on the first \$50 million

25 basis points on the next \$50 million

20 basis points on the balance
Minimum annual fee \$10,000

Intermediate Fixed Income

25 basis points on the first \$50 million
20 basis points on the next \$50 million
15 basis points on the balance
Minimum annual fee \$10,000

Intermediate Plus

30 basis points on the first \$50 million
25 basis points on the next \$50 million
20 basis points on the balance
Minimum annual fee \$10,000

Short Duration Fixed Income

20 basis points on the first \$50 million
15 basis points on the next \$50 million
10 basis points on the balance
Minimum annual fee \$10,000

Enhanced Cash Management

15 basis points on the first \$25 million
12 basis points on the next \$25 million
8 basis point on the balance
Minimum annual fee \$10,000

Cash

15 basis points on the first \$25 million
12 basis points on the next \$25 million
8 basis points on the balance
Minimum annual fee \$10,000

Balanced Portfolio – Fixed Income/Equity

50 basis points on the balance
Minimum annual fee \$10,000

Item #5 – Investment Advisory Services

RAM provides institutional advisory services on a discretionary and non-discretionary basis.

Bond Proceeds Management

Our Bond Proceeds Management Program provides institutional clients with full service solutions. Since January 2002, Ramirez has managed investment restructurings for municipal clients. In short, our program offers:

- **Higher returns** than traditional investment products (i.e., GICs and FPAs) in today's market
- **Lower fees** than historically paid on reinvestment products
- **More transparency** and control as compared to funds held by in comingled funds
- **Execution expertise** compliant with tax law restrictions and guidance
- **A team of experienced professionals** dedicated to the efficient management of funds
- **Tax rebate expertise** provided by a nationally recognized bond counsel firm

Our services include:

- Analysis of existing investments
- Development of restructuring/investment strategy
- Competitive sale/purchase of securities maintaining compliance with federal tax regulations and safe harbor guidance
- Preparation of cash flow, mark-to-market and sufficiency reports
- On-going management of investment portfolios

Item #6 – Enhanced Reporting To Clients

In addition to the monthly or quarterly statements and confirmations of transactions that investment management or investment advisory clients receive from their respective Custodians, RAM will provide quarterly performance reports to these clients as well as monthly or quarterly statements. The primary accounting and reporting system utilized by RAM is Clearwater Analytics. They provide global accounting, compliance, performance, and risk reporting analytics. In order to provide complete transparency to our clients RAM offers them the ability to monitor their portfolios via direct on-line access through the RAM website. Portfolio data on the Clearwater system is up dated daily. This service is provided at no additional cost and account demonstration and system training is available to our clients as necessary.

Item #7 – Brokerage Discretion

Unless otherwise agreed, RAM has discretion to determine, without obtaining specific client consent, the securities to be bought or sold, the amount of securities to be bought or sold , and the broker or dealer to be used.

RAM works with a wide array of brokers including primary dealers and secondary or regional investment banks. RAM also conducts fixed income trading with minority owned institutions. RAM conducts a due diligence on individual broker/dealers. We scrutinize the financial stability of our trading counter parties on behalf of our clients which includes a review of their financials, leverage used in their business models, and their lines of business. This also involves quantifying the value added by each broker and performing an analysis of which market sectors a particular broker has added the most value (Agencies, Commercial Paper, U.S. Treasuries, etc.). This allows us to identify trading volumes by broker and utilize specific brokers who have

shown a consistent ability to provide the best bid/offer levels in a given market segment. RAM always requests multiple bids and offers the broker/dealer community and retains the appropriate documentation. RAM seeks to continually diversify and deepen its broker dealer relationships with the goal of increasing investment choices and best execution for our clients.

Item #8 – Other Financial Industry Affiliations

RAM is owned by SAR Holding Company, Inc. In addition, this firm owns San Juan Capital Partners LLC, an investment advisory company, and Samuel A. Ramirez & Company, Inc., a broker/dealer. RAM does not trade with or share information with any of our affiliates and all entities maintain separate office and trading locations.

Item #9 – Code of Ethics

The Code of Ethics (the “Code”) that has been adopted by RAM in compliance with SEC (“Securities and Exchange Commission”) Rule 204A-1 to set forth the standard of business conduct required of its supervised persons in maintaining the client’s best interest, avoiding conflicts of interest and deterring wrongdoing by promoting honest and ethical conduct. The Code requires employees to comply with all applicable federal securities laws. All “access persons” (defined as supervised persons who have access to nonpublic information regarding clients’ purchase or sale of securities, are involved in making securities recommendations to clients or who have access to such recommendations that are nonpublic) are required to report personal securities transactions and holdings, avoid potential conflicts of interest and prevent the misuse of material nonpublic information.

This Code is available to any current or prospective client upon request.

Item #10 – Conflicts of Interest

Conflicts of interest occur when an employee’s private interest interferes with the interests of or his/her positions with RAM. Employees of RAM have the duty of care, loyalty, honesty, and good faith to act in the best interests of its clients; therefore it is also their duty to avoid potential conflicts of interest and to fully disclose all material facts concerning any conflict that does arise with respect to any client.

RAM Employees will:

- not favor the interest of a client over another client;
- be prohibited from using knowledge about customers transactions to benefit personally, directly or indirectly, from the execution of any such transactions;
- be prohibited from accepting any nominal or non-nominal gifts in excess of \$100;
- be prohibited from giving or offering any gift of more than \$100 to existing clients, prospective clients, or any entity that does business with or on behalf of the adviser without pre-approval by the Chief Compliance Officer;
- be prohibited from borrowing money from suppliers or clients;
- be prohibited from accepting any entertainment from any company with which RAM has current or prospective business dealings unless such entertainment is business-related, reasonable in cost, appropriate as to time and place, and not so frequent as to raise any questions of impropriety.

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FORM ADV – Part 2B

This brochure supplement provides information about the Investment Management Team of Ramirez Asset Management, Inc. You should have received a copy of the Firm's brochure. Please contact Samuel A. Ramirez, Jr. if you did not receive a copy of the brochure or if you have any questions about the contents of this supplement.

Samuel A. Ramirez Jr.

President and CEO

Ramirez Asset Management and San Juan Capital Partners

Director

Samuel A. Ramirez & Company, Inc.

Mr. Samuel A. Ramirez Jr. joined Ramirez & Co. in July 1992 as a managing director after several years in the Financial Industry in which he specialized in fixed income. Since joining the firm, Mr. Ramirez has spearheaded the growth of many key divisions of the firm, with a particular focus on the Retail and Institutional Sales and leading the overall marketing effort of the products and services at Ramirez. For the past 19 years he has also overseen portfolio investments in fixed income and equities. Mr. Ramirez currently heads the Wealth Management Group at Samuel A. Ramirez & Company and is also President and CEO of San Juan Capital Partners. He earned a bachelor's degree from the University of Vermont and holds his Series 7, 24, 65 and 63 licenses from the Financial Industry Regulatory Authority (FINRA). Mr. Ramirez is actively involved in business and civic organizations. He is involved with the Municipal Bond Club and Municipal Forum, both of New York. He is a committee member of the Museum of the City of New York and an active member of the Catholic Big Brother and Sister's.

Louis A. Sarno*Managing Director, Portfolio Manager*

Ramirez Asset Management and San Juan Capital Partners

Mr. Sarno is a Managing Director and Portfolio Manager leading the investment specialists in fixed income strategies. Mr. Sarno joined Ramirez with over 20 years of institutional fixed income experience. Previously, he worked at Amalgamated Bank as Chief Investment Officer and as Director of Fixed Income investments. While at the Bank, Mr. Sarno oversaw institutional client assets in excess of \$11 billion. Prior to Amalgamated Bank, Mr. Sarno served as a fixed income analyst at Bankers Trust Company. Mr. Sarno is a graduate of Fordham University with a B.A. in Economics and History.

Helen Yee, CFA*Senior Vice President, Portfolio Manager*

Ramirez Asset Management and San Juan Capital Partners

Ms. Yee joined Ramirez as a Senior Vice President and Portfolio Manager after twelve years managing fixed income portfolios at Amalgamated Bank. In 2007, she was promoted to Director of Fixed Income, overseeing strategy, day to day portfolio management, and risk analysis. Previously Ms. Yee was a fixed income portfolio analyst at Fiduciary Trust and J. & W. Seligman. Ms. Yee obtained an M.B.A. in finance from the New York University Stern School of Business and a B.A. in Economics from Oberlin College. A member of the CFA Institute, Ms. Yee is a CFA charter holder.

Bryan Oesterreicher*Vice President, Senior Credit Analyst*

Ramirez Asset Management, San Juan Capital Partners, and Ramirez & Co.

Mr. Oesterreicher has been working for Ramirez & Co. as an Analyst since September 2001. He began his career with Merrill Lynch in 1995 as a Financial Consultant managing portfolios for high net worth clients but then moved into research to be an Analyst working with Merrill Lynch Asset Management. In 2001 he then moved to head the research and portfolio management group at Marquette de Barry and eventually joined Ramirez to perform equity, mutual fund and hedge fund research for the Retail Sales Group. Bryan currently is an Analyst for the Investment Committee performing risk management and investment strategy allocation analysis.

Ira I. Isaguirre*Vice President, Quantitative Analyst*

Ramirez Asset Management

Mr. Isaguirre is head quantitative analyst of Ramirez Asset Management Portfolio Management Group and has over five years of industry experience. Prior to joining RAM, he was an Assistant Vice President at Amalgamated Bank responsible for the analytical and statistical review of

clients' cash flow sufficiency, investment performance, attribution and risk management for the bank's equity and fixed income products. He reviewed various investment products for Global Investment Performance Standards (GIPS®) compliance. Mr. Isaguirre graduated magna cum laude from the City College of New York with a BA and MA in Economics.