

# COPELAND

## CAPITAL MANAGEMENT, LLC

### FORM ADV, PART 2A BROCHURE

March 31, 2012

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SEC File #801-68586

Form ADV, Part 2; our “Disclosure Brochure” or “Brochure”, as required by the Investment Advisers Act of 1940, is a very important document between Clients, Prospective Clients and Copeland Capital Management, LLC (“Copeland” or “CCM”). This Brochure provides information about Copeland’s qualifications and business practices.

*This brochure provides information about the qualifications and business practices of Copeland. If you have any questions about the contents of this brochure, please contact us at (484) 530-4300 or [contactus@copelandcapital.com](mailto:contactus@copelandcapital.com). 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 Copeland also is available at the SEC’s website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (click on the link, select “investment adviser firm” and type in Copeland Capital Management). Results will provide you both Part 1 and 2 of our Form ADV.*

We are a registered investment adviser with the SEC. Our registration as an Investment Adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, is information you use to evaluate us (and other advisers) which are factors in your decision to hire us or to continue to maintain a mutually beneficial relationship.

**Please retain a copy of this Brochure for your records.**

## Item 2: Material Changes

Material changes from our annual update filing in March 31, 2011 include:

- 1) the addition of sub-advised assets under management from The Colony Group;
- 2) an additional product offering - Katama Capital Fund, LP, a hedge fund who's General Partner is Katama GP, LLC of which Copeland is a co-Member (*Nothing in this ADV is intended to be construed as an offering or the solicitation of an offer to purchase an interest in any fund. Any such offer or solicitation will be made to qualified investors only by means of a final offering memorandum and only in those jurisdictions where permitted by law. An investment in the partnership is speculative and involves a high degree of risk.*);
- 3) the addition of Ethan T. Brown, Trader;
- 4) the change of address for our Massachusetts office to 40 Walnut Street from 60 Walnut Street;

This is our first “revision” filing of what we regard as “The New Part 2” of our Form ADV. This document was developed in response to new requirements adopted and imposed by the Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940 ("IA Act"). As a result, this “Brochure” should still be considered “new” although you will recognize most of the disclosures as similar or identical to what you have read in the past.

You may obtain a copy of this document on the SEC’s public disclosure website ("IAPD") at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

We may, at any time, update this Brochure and either send you a copy or offer to send you a copy (either by electronic means (email) or in hard copy form). We have also placed a copy of this Brochure on our website at [www.CopelandCapital.com](http://www.CopelandCapital.com).

### Item 3: Table of Contents

	<b><u>Description</u></b>	<b><u>Page #</u></b>
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	8
Item 6	Performance-Based Fees and Side-By-Side Management	11
Item 7	Types of Clients	12
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	15
Item 9	Disciplinary Information	17
Item 10	Other Financial Industry Activities and Affiliations	18
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	19
Item 12	Brokerage Practices	21
Item 13	Review of Accounts	26
Item 14	Client Referrals and Other Compensation	27
Item 15	Custody	30
Item 16	Investment Discretion	31
Item 17	Voting Client Securities	32
Item 18	Financial Information	34
ADV 2B	Brochure Supplements	35

#### **Item 4: Advisory Business**

Copeland Capital Management was founded as a Massachusetts limited liability company and registered as an investment adviser in July, 2005 by President and Chief Executive Officer, Eric Brown, with offices in Wellesley, Massachusetts. Inception of the *Dividend Growth* strategy was January 1, 2006. Some of the principals and many clients of Rorer Asset Management, previously a SEC registered investment advisor founded in 1978, joined Copeland in August, 2009, forming Copeland as a Delaware limited liability company and moving Copeland's primary office to Conshohocken, Pennsylvania. This team brought its equity and fixed income strategies to Copeland, together with associated long-term track records. Copeland is 100% employee-owned, shared broadly amongst employees. As of December 31, 2011, Copeland managed \$282.3 million on a discretionary basis and \$0 assets on a non-discretionary basis.

##### Principal Owner(s) - 25% or more

Eric C. Brown, CFA: Founder, President, Chief Executive Officer, Equity Portfolio Manager

##### Types of advisory services we offer

Copeland Capital Management, LLC ("Copeland") is an investment adviser providing investment management services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, state or municipal government entities, corporations and business entities, as well as others (please refer to Item 7). Copeland offers its services for a fee based upon assets under management. Prior to engaging Copeland to provide investment advisory services, the client will be required to enter into one or more written agreements with Copeland setting forth the terms and conditions under which Copeland shall render its services (collectively the "*Agreement*"). Individual client investment constraints, if any, shall be set forth by the client in the *Agreement*. Investment advisory services are provided to clients based on the needs and objectives of the client, as established at an initial meeting with Copeland or through written investment objectives submitted by the client. The relevant facts relating to management of the client's account(s) are examined and appropriate investment strategies are developed to obtain the client's desired goals. At any time, clients may impose restrictions on investing in certain securities or types of securities.

Conservative, disciplined investment philosophy and approach consistently implemented across all products:

##### **Dividend Growth Strategies**

**Dividend Growth** - 30-40 stocks with a market cap of \$250 million and above, restricted to companies that have increased their dividends for at least five consecutive years.

**Risk Managed Dividend Growth** - 30-40 stocks with a market cap of \$250 million and above, restricted to companies that have increased their dividends for at least five consecutive years. The strategy also employs a tactical sector weighting methodology where we have the ability to completely avoid certain sectors and raise cash based on quantitative signals. (See also 'Investment Adviser to Investment Company' below.)

**Mid Cap Dividend Growth** - 30-40 stocks with a market cap range of \$250 million to \$10 billion, focused on companies that have increased their dividends for at least five consecutive years.

## **Relative Value Strategies**

**Large Cap Equity** - 30-40 stocks with market cap of \$5 billion and above, restricted to companies trading at a discount to their historical average relative valuation.

**Concentrated All Cap Equity** - 25-30 stocks with a market cap of \$250 million and above, restricted to companies trading at a discount to their historical average relative valuation.

**Small Cap Equity** - 30-40 stocks with a market cap range of \$250 million to \$2 billion, restricted to companies trading at a discount to their historical average relative valuation.

## **Fixed Income / Balanced**

Approximately 15-20 issues of investment grade securities with an intermediate term focus. Balanced allocation flexible based on market activity and client objectives.

## **Investment Adviser to Investment Company**

Copeland acts as the investment adviser to Copeland Risk Managed Dividend Growth Fund (the "*Fund*"), a fund offered by Copeland Trust, an investment company registered with the SEC, and is responsible for management of the Fund's investment portfolio, including the selection of investments according to the Fund's investment objective, policies, and restrictions.

## **Sub-Adviser to Investment Advisor's Clients**

Copeland acts as the sub-adviser to clients at The Colony Group ("TCG") who's funds are managed in the Risk Managed Dividend Growth Strategy. Copeland has full discretionary management and is responsible for all investment ideas and trading; TCG is responsible for all client interaction. TCG's client assets under management are included in calculating Copeland's assets under management.

## **Investment Adviser to a Hedge Fund**

Copeland acts as the investment adviser to Katama Capital Fund, LP (the "*Hedge Fund*"), a hedge fund offered by Katama GP, LLC, the General Partner (of which Copeland is a co-Member). Copeland is responsible for management of the Hedge Fund's investment portfolio, including the selection of investments according to the Hedge Fund's investment objective, policies, and restrictions. *(This is not an offering or the solicitation of an offer to purchase an interest in any fund. Any such offer or solicitation will be made to qualified investors only by means of a final offering memorandum and only in those jurisdictions where permitted by law. An investment in the partnership is speculative and involves a high degree of risk.)*

## **Other Types of Investments**

Copeland may recommend that clients who are "accredited investors," as defined under Rule 501 of the Securities Act of 1933, as amended, invest in private placement securities, which may include debt, equity, and/or pooled investment vehicles when consistent with the client's investment objectives. When Copeland recommends that the client invest in private placement securities other than in the Katama Capital Fund, LP of which Copeland is the investment manager, Copeland shall receive no additional compensation, but shall continue to receive applicable investment advisory fees on the client's assets under management. In certain circumstances the aggregate portfolio value used to calculate Copeland's fee may include the value of the investment in the privately

placed security. If Katama Capital Fund is selected by the client, those fees charged by the hedge fund, to include investment advisory fees and potentially performance fees, would be received by Copeland through its co-membership in the General Partner, and Copeland would not separately charge additional investment advisory fees on those hedge fund assets.

Copeland may also provide advice about exchange traded funds (ETFs) and any type of investment held in a client's portfolio at the beginning of the advisory relationship.

Clients will receive written quarterly evaluations of their account(s) accompanied by an analysis of performance. Also, clients will receive the current issue of the Copeland Review, a publication examining the economy and the markets. Copeland is also available for periodic meetings at the request of the client.

Copeland's investment advisory services are currently limited to the discretionary management of investment portfolios in accordance with the investment objective(s) of the client. As part of the services, Copeland can and may provide estate planning services and limited financial planning services. In the event Copeland is engaged as an investment manager, Copeland shall charge an annual fee based upon a percentage of the market value of the assets being managed by Copeland, and client contact may be restricted. Some brokers will provide performance analysis in place of information provided by Copeland.

Individual client investment constraints, if any, shall be set forth by the client in the new account documentation. Investment advisory services are provided to clients based on the needs and objectives of the client, as established at an initial meeting with Copeland or through written investment objectives submitted by the client. The relevant facts relating to management of the client's account(s) are examined and appropriate investment strategies are developed to obtain the client's desired goals.

Copeland's clients are advised to promptly notify Copeland in writing (or by phone followed up in writing) if there are ever any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon Copeland's management services.

#### Brokerage Services

As further discussed in response to Brokerage Practices (Item 12 below), when requested, Copeland shall generally recommend that clients utilize the brokerage and clearing services of Fidelity Investments ("*Fidelity*"), Raymond James & Associates ("*Raymond James*"), TD AMERITRADE, Inc. ("*TD Ameritrade*") and/or Charles Schwab & Co., Inc. ("*Schwab*") for investment management accounts. Copeland may only implement its investment management recommendations after the client has arranged for and furnished Copeland with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions shall include, but are not limited to, *Fidelity*, *Raymond James*, *TD Ameritrade*, *Schwab*, any other broker-dealer recommended by Copeland, broker-dealers selected by the client, trust companies, banks etc. (collectively referred to herein as the "*Financial Institution(s)*").

#### Sponsored Advisory Accounts - Wrap Accounts

Copeland offers investment supervisory services on a discretionary basis to clients under a wrap fee program (the "*Program*"). The *Program* is offered as a "wrap account" which bundles advisory, administrative, and transaction charges into one asset-based fee. Copeland receives a portion of the wrap fee for our services. Participants in the *Program* may pay a higher aggregate

fee than if investment management and brokerage services are purchased separately. The complete schedule of *Program* fees is set forth in the *Program's* brochure which will be provided by the introducing broker to clients of the *Program* prior to or concurrent with their engagement in the *Program*. Generally, the client may terminate the contract at will, and Copeland may have a requirement to give thirty days written notice. Termination clauses vary, and clients are advised to read the *Program* brochure thoroughly prior to investing.

We offer investment supervisory services on the following wrap fee programs:

- 1) Capitol Securities
- 2) Lockwood Financial
- 3) Morgan Stanley Vision
- 4) Raymond James Financial Services - OSM Program
- 5) RBC Dain Rauscher
- 6) Smith Barney CES
- 7) UBS PaineWebber MAC
- 8) Wells Fargo

Aside from differences such as fees and the ability to select broker dealers to execute trades, the accounts are managed in the same manner as other accounts at Copeland. The sponsoring broker dealer is responsible for client interaction.

#### Unified Managed Accounts - UMAs

Copeland sends our model portfolios and any updates to UMA providers in exchange for a fee. The UMA providers may then utilize the model to invest their UMA client accounts. When there are no billable assets under management in the UMA program, the updated model is provided after trades have been performed on Copeland's client accounts. Once there are billable assets under management, the UMA program will be added into the Copeland trading rotation with Copeland's other clients. We do not offer any additional services to UMA accounts; the sponsoring investment advisor or broker dealer is responsible for all trading and client interaction. UMA assets under management are not considered Copeland assets under management and are therefore not included.

Current UMA providers utilizing our models:

- 1) Concord Wealth Management
- 2) Placemark Investments, Inc.
- 3) Envestnet Asset Management, Inc.

## ITEM 5: Fees and Compensation

### Fees - Percentage of Assets Under Management - Separately Managed Accounts

Copeland's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, custodian fees and other related costs and expenses which shall be incurred by the client. However, Copeland shall not receive any portion of these commissions, fees, and other costs.

Copeland's annual fee shall be prorated and billed quarterly based upon the market value of the assets on the last day of the previous quarter. The fee for the initial quarter of services shall be pro-rated and charged in arrears, while subsequent fees will be charged either in advance or in arrears as allowed by the investment agreement. The annual fee for Copeland Dividend Growth Portfolio Accounts shall vary between 0.50% and 1.50% and the annual fee for Copeland Relative Value Portfolio Accounts shall vary between .25% and 1.00%, depending upon the market value of the assets under management and the type of investment management services to be rendered. Fees are negotiable. After an account is established, fees on large deposits or withdrawals may be prorated, depending on the specific circumstances and at the sole discretion of Copeland. Copeland, in its sole discretion, may negotiate to charge a greater or lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, etc.). Either party may terminate the advisory relationship at any time by giving the other written notice of termination or as provided in the *Agreement*. Fees paid in advance will be pro-rated to the date of termination, and any unearned portion thereof will be promptly returned to the client.

Copeland's *Agreement* and/or the separate agreement with the *Financial Institution(s)* may authorize Copeland through the *Financial Institution(s)* to debit the client's account for the amount of Copeland's fee and to directly remit that management fee to Copeland in accordance with applicable custody rules. The *Financial Institution(s)* recommended by Copeland have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Copeland. Generally, the client cannot chose one method or the other, it is the type of client or program through which our services are provided that is the determining factor.

### Fees - Percentage of Assets Under Management - As Investment Adviser to the Fund

Pursuant to an advisory agreement between the Fund and Copeland, Copeland is entitled to receive an annual advisory fee equal to 1.00% of the Fund's average daily net assets, paid monthly. Copeland has contractually agreed to reduce its fees and/or absorb expenses of the Fund until at least March 31, 2013, to ensure that total annual fund operating expenses after fee deferral and/or reimbursement (exclusive of any taxes, leverage interest, borrowing interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, dividend expense on securities sold short, acquired fund fees and expenses or extraordinary expenses such as litigation) will not exceed 1.45% of the daily average net asset value of Class A shares and 2.20% of the daily average net asset value of Class C shares, subject to possible recoupment from the Fund in future years on a rolling three year basis.

There are additional fees associated with investing in the mutual fund such as sales charges and redemption fees (if sold within 30 days of purchase). The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). For example, a



higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. Please refer to the Prospectus for full details.

#### Compensation

Copeland's annual fee shall be calculated and paid monthly by the fund's administrator, Gemini Fund Services. Approvals are required by both Copeland and Gemini prior to payment being sent.

Clients may incur certain charges imposed by the *Financial Institution(s)* and other third parties such as custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur additional expenses such as brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to Copeland's fee. The client should carefully review the fees to be charged by all parties involved. Please refer to their custodian for their fees as well as Item 12 of this brochure for additional information.

#### Compensation - product sales

Chuck Barrett, Director of Sales and Marketing for Copeland, is paid additional income on a percentage of fees from new client accounts he generates for Copeland.

Paul Deeley, third party marketer, is paid on a percentage of fees from client accounts he brought in for Copeland.

Jim McShane, third party marketer, is paid on a percentage of fees from new client accounts he generates for Copeland, excluding the Risk Managed Dividend Growth Fund. Jim McShane also works for the BIC Group and markets the Risk Managed Dividend Growth Fund, and is paid by BIC on assets brought into the mutual fund.

BIC Group is a third party wholesaler on the Copeland Risk Managed Dividend Growth Fund. Copeland pays them a percentage fee based on new shareholder assets brought in to the mutual fund.

The payment structure may present a conflict of interest and may give an incentive to recommend investment products based on the compensation received rather than on a client's needs.

As noted above in Item 4, individual client investment constraints, if any, shall be set forth by the client in the *Agreement or in writing at a later date*. Investment advisory services are provided to clients based on the needs and objectives of the client, as established at an initial meeting with Copeland or through written investment objectives submitted by the client. The relevant facts relating to management of the client's account(s) are examined and appropriate investment strategies are developed to obtain the client's desired goals.

Clients may purchase investment products that Copeland recommends through other brokers or agents not affiliated with Copeland.

Clients also have the opportunity to purchase the mutual fund directly through the Transfer Agency at Gemini or through other broker dealers such as Schwab and TD Ameritrade among others. If Copeland's mutual fund is purchased directly or through a broker-dealer or other financial intermediary, and assets in the fund increase from that purchase, Copeland will receive income from the mutual fund for advisory fees which are calculated using the mutual fund's assets under management.

**Payments to Broker-Dealers and Other Financial Intermediaries:** If you purchase the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

## Item 6: Performance-Based Fees and Side-By-Side Management

Copeland does not offer any products that charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance-based fees), except with the Katama Capital Fund, LP ("hedge fund") further described below.

As compensation for the investment management of the Partnership, the Partnership will pay the General Partner, Katama GP, LLC (of which Copeland is a co-Member) monthly management fees in arrears equal to one-twelfth (1/12) of two percent (2%) of the net asset value of the Partnership attributable to the Limited Partners at the close of business on the last business day of each month. The Partnership will pay all of its own direct organizational, investment and operating expenses.

Special Incentive Allocations (Performance Based Fees): The General Partner will receive special incentive allocations based on the return to each Limited Partner's Capital Account. The special allocation charged to a Limited Partner as of each measurement date will equal twenty percent (20%) of the net realized and unrealized appreciation in the value of the Limited Partner's Capital Account, except for Founders Class Limited Partners (as defined in the Private Placement Memorandum), who will be charged ten percent (10%).

### Side-By-Side Management

Currently, as described in Item 12 below under Trade Aggregation and Allocation, trade allocation decisions are made by Copeland, among client accounts, on a fair and equitable rotational basis to ensure that no single relationship has a trading advantage. When two or more client accounts are simultaneously engaged in the purchase or sale of the same security, to the extent possible, the transactions may be bunched/block traded and these accounts will receive the security at an average price. For those client accounts where commission rates have been pre determined, they will receive those rates. The bunch/block trade will be allocated before the close of the trade day. The ability of a client account to participate with other client accounts of Copeland in bunched/blocked transactions may produce better executions for the individual client account. In some cases the broker-dealer designated by the client may not execute bunched or block trades.

For partial allocations, client accounts are typically allocated on a random basis or on a pro-rata basis with such method of allocation having been predetermined in advance of the allocation. In some instances, client accounts that maintain maximum/minimum cash restrictions may be allocated manually ahead of another client account within the same bunch/block trade so as to not violate the imposed restriction.

### *Rotational Procedures*

The Copeland Trading Department maintains a file for each trade per strategy and the method it was traded. Copeland rotates alphabetically by Broker Name switching the direction on each subsequent trade in the same strategy. The file contains the strategy trade group, the security traded, and the trade date. All trades within a broker are blocked, where possible. In cases where the Copeland profit sharing plan is the only account at a brokerage firm it will always be traded last. In cases where Copeland participates in a UMA, the updated model is provided after trades have been performed on Copeland's client accounts.

## Item 7: Types of Clients

We provide our services to a number of Clients:

- Individuals, including high net worth individuals
- Trusts, estates and charitable organizations
- Pension and profit sharing plans
- Corporations or other business entities
- Foundations & endowments
- Investment companies
- Taft-Hartley / Union Advisory accounts
- Governmental plans, municipalities
- Among others.

### **Conditions for Managing Accounts**

#### *Notification of Deposits*

Copeland requests the Client, broker and/or custodian of any Copeland account to notify Copeland of all investable cash in advance to receive timely investing. In situations where Copeland finds out about a deposit via the brokerage statement or in some other manner which is not timely, Copeland will consider the cash as unsupervised from the date the cash was actually deposited in the Copeland account until the date Copeland became aware of the investable cash via its reconciliation procedures or some other means.

#### *Notification of Withdrawals / Raising Cash*

Copeland requires notification from the Client, broker and/or custodian of all cash withdrawals from any Copeland account. Copeland will raise cash following receipt of the withdrawal notice and the cash will remain in the Copeland account as unsupervised until it is withdrawn by the Client. Copeland encourages the Client to withdraw the cash from the Copeland account in a timely manner.

#### *Investment Objective Changes*

Any requests to change the Copeland account's investment objective, other than sub-advisory accounts, must be received by Copeland in writing from the Client and require the Client's signature or the signature of an authorized party.

#### *Investment Restrictions*

***Equity restrictions*** - may include legal, tax, market capitalization, industry concentration, dividend yield, etc.

***Fixed Income restrictions*** - may include maturity length, yield, credit quality, instrument type, etc.

In the event that the restrictions cause Copeland to not be able to purchase a security, Copeland may purchase additional amounts of unrestricted security holdings. From time to time, this process will result in a security, industry and/or sector weighting that materially exceeds those of Copeland's unrestricted accounts, thus affecting the risk/return characteristics of the Copeland account. Copeland reserves the right to reject any Copeland account it deems overly restrictive.

#### **ACATing and Other Account Changes**

By request, or at its own discretion, Copeland may suspend trading in a Copeland account for temporary purposes for the following reasons or until Copeland receives proper notification to resume trading: account name and number changes, asset allocation changes, custodian changes (ACATs), and error research and corrections.

#### **Margin Accounts**

***Copeland accounts:*** It is Copeland's general policy not to accept any Copeland accounts on margin. If an existing Copeland account goes to margin status, the Copeland account may be terminated at Copeland's discretion.

***Copeland Sub-Advisory Accounts:*** The sponsored programs that Copeland participates in as a sub-adviser occasionally permit the use of margin in accounts. While Copeland discourages the use of margin, the ultimate decision rests with the adviser and the client, Copeland will continue to sub-advise the account so long as the margin status does not affect Copeland's ability to effectively manage the Copeland account. In the event that the margin status affects the management of the Copeland account, the Copeland account may be terminated at Copeland's discretion.

#### **Death or Disability**

The death, disability, or incompetency of an advisory client will not terminate or change the terms of the client's investment advisory agreement. However, in the event of an advisory client's death, permanent disability or incompetency, the client's executor, guardian, attorney-in-fact or other authorized representative, upon receipt of proof of status as such, may terminate the client's investment advisory agreement by giving written notice to Copeland, with such termination being effective upon Copeland's receipt of such notice.

#### **Account Minimums**

A minimum of \$250,000 of assets is generally required to open a Non-Sponsored Copeland strategy. The minimums, however, are negotiable and also may vary by sponsor.

For the mutual fund, the minimum initial investment in Class A and Class C shares is \$1,000 for regular accounts and \$250 for retirement plans, and the minimum subsequent investment is \$500 for regular accounts and \$50 for retirement plans. Use of the Fund's Automatic Investment Plan can lower these requirements. Refer to the Copeland Risk Managed Dividend Growth Fund Prospectus for additional information.

For the Katama Capital Fund, LP hedge fund, the minimum single investment is \$500,000, subject to waiver at the discretion of the General Partner. The General Partner has the right to accept or reject any subscription in whole or in part.

Accounts can be closed by Copeland if their account falls below the account minimums.

*Copeland reserves the right to accept or maintain accounts below the stated minimums. Copeland also reserves the right to waive and/or negotiate other conditions for managing accounts as detailed above.*

Copeland has brokerage discretion for some, but not all, of its clients. Limitations on the degree of such authority vary and are determined by the individual client.

## Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

### Methods of Analysis include:

- fundamental analysis may include, where relevant, a review of each company's competitive position (within its industry and relative to the market as a whole), an evaluation of its return on capital and/or cash flow generation & use, its valuation, any regulatory concerns surrounding the company or its industry, insider ownership, etc.
- quantitative analysis identifies the characteristics that are predictive of future price out-performance by sectors and stocks. These characteristics are then monitored to support decisions on the relative weighting of sectors and stocks within the portfolios. The characteristics researched may include, but are not limited to, various measures of valuation, business momentum, and the productivity of a company's operations.
- macro-economic analysis attempts to evaluate securities, industries and sectors with an emphasis on how they perform at different points in the business and/or interest rate cycle by looking at historical experience, as well as attempting to handicap the current environment for any meaningful differences relative to those prior period comparisons.
- technical analysis may include, but are not limited to, a review of price charts, relative price charts, trading activity including volume and changes therein.

Copeland uses the following sources of information for its analysis:

- financial newspapers and magazines;
- inspections of corporate activities;
- research materials prepared by others;
- corporate rating services;
- timing services;
- annual reports;
- prospectuses;
- filings with the SEC; and
- company press releases.

**Investment Strategies** - Copeland offers investment strategies that employ fundamental, quantitative, macro-economic and technical analysis. The philosophy that drives our investment strategies is based on the belief that cash flows drive security prices and that management must appropriately return capital to investors and/or redeploy capital into their business based on the relative attractiveness of available business opportunities. The investment team seeks to identify fairly valued companies with strong, cash generating business models that are supported by sustainable competitive advantages.

Currently Copeland's investment strategies emphasize securities purchases held for the long term (more than 12 months), however from time to time, due to rapid changes in either the market or a given security's fundamentals, it is possible that we may execute a short term (sold within one year) or trading (selling securities within 30 days) strategy. Moreover, outside of the hedge fund strategy, while we may at some point in the future utilize short sales, option writing, including covered and uncovered options and/or spreading strategies, we do not currently employ any of those strategies in any of our other product offerings.

**Risk of Loss:**

All investments carry the risk of loss and there is no guarantee that any investment strategy will meet its objective. Our investment approach constantly keeps the risk of loss in mind.

Depending on the type of securities that you invest in, your risk of loss includes (among other things) loss of principal (invested amount), a reduction in earnings (including interest, dividends and other distributions), loss of any profits that have not been realized (the securities were not sold to "lock in" the profit), and the loss of future earnings. These risks include but are not limited to market risk, interest rate risk, issuer risk and general economic risk. Each investor should be prepared to bear the risk of loss.

Although it is illegal and exceptionally rare, there is also a risk that company management of a security that we own may engage in fraudulent, deceptive or manipulative conduct, such as the market experienced with Enron and WorldCom last decade. In most cases, these practices are difficult to identify through traditional fundamental analysis, no matter how rigorous. Clients should be aware of this remote possibility and the associated risk of loss. Examples of fraudulent conduct include, but are not limited to, misrepresentations to stockholders or misappropriation of funds.

As you may know, stock and bond markets fluctuate substantially over time. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. We will do our very best in the management of your assets; however, we cannot guarantee any level of performance or that you will not experience a loss of your account assets.

Securities are:

- not FDIC insured;
- not a deposit;
- may lose value;
- not bank guaranteed; and
- not insured by any federal government entity.



## **Item 9: Disciplinary Information**

We do not have any legal, financial or other “disciplinary” item to report to you. We are obligated to disclose any disciplinary event that would be material to you when evaluating us to initiate a Client / Adviser relationship, or to continue a Client /Adviser relationship with us. This statement applies to Copeland, and every employee providing investment advice to Clients.

## **Item 10: Other Financial Industry Activities and Affiliations**

Chuck Barrett, Director of Sales and Marketing, is registered at Northern Lights Distributors (unaffiliated with Copeland), to enable him to solicit business for Copeland Trust and its mutual fund, Copeland Risk Managed Dividend Growth Fund.

Copeland is under common control with Copeland Trust, an investment company registered with the SEC.

Eric Brown, President and Chief Executive Officer of Copeland, has a five percent (5%) economic interest in Newfound Research, LLC, which receives compensation from Copeland for providing research and timing services to Copeland, among other entities. Eric Brown is not involved in the day-to-day activities of Newfound Research or the providing of research or timing services.

Copeland has contractual arrangements with Morton Wealth Advisors and Edgartown Advisors in regard to the Risk Managed Dividend Growth Product available in the mutual fund, separately managed accounts and unified managed accounts where fees, expenses and services are shared.

Copeland is a 50% Member of Katama GP, LLC which is the General Partner to the Katama Capital Fund, LP hedge fund. The other 50% Member of the General Partner is the Vineyard Group.

We do not recommend or select other investment advisers for our clients.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### *Code of Ethics.*

Copeland has adopted a Code of Ethics, the full text of which is available to you upon request.

Copeland has several goals in adopting this Code. First, Copeland desires to comply with all applicable laws and regulations governing its practice. In addition, the management of Copeland has determined to set forth guidelines for professional standards, under which all associated persons are to conduct themselves. Copeland has set high standards, the intention of which is to protect client interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith and fair dealing with clients. All associated persons are expected to strictly adhere to these guidelines, as well as the procedures for approval and reporting established in the Code. Copeland has instituted, as a deterrent, a policy of disciplinary actions to be taken with respect to any associated person who violates the Code.

Finally, Copeland has adopted specific policies and procedures designed to assist in the implementation of the guidelines outlined in the Code. Our procedures include specific steps taken with regard to the treatment of aggregated or bundled trading activities. This also includes policies and procedures relating to the required approval and reporting of the personal securities transactions of our personnel; required holdings reports for personnel; insider trading education and prohibitions; and client privacy protection. Limitations also exist on Copeland's employee participation in initial public offerings and private placements. All personnel are required to provide Copeland with duplicate copies of confirmations and statements with respect to their brokerage accounts. In addition, Copeland has adopted certain policies and procedures concerning the misuse of material non-public information that are designed to prevent insider trading by an officer or employee of Copeland. Such policies and procedures will serve to assist in reviewing the effectiveness of the implementation of the Code on an ongoing basis.

If you would like a copy of Copeland's Code of Ethics, please contact the Compliance Department at Eight Tower Bridge, 161 Washington Street, Suite 1650, Conshohocken, PA 19428, Attention: Compliance Department.

Copeland acts as the investment adviser to Copeland Risk Managed Dividend Growth Fund (the "*Fund*"), a series of the Copeland Trust, an investment company registered with the SEC, which may be recommended to clients to invest.

Copeland manages its employee profit sharing plan(s) similarly to its clients' discretionary accounts and may buy or sell securities for Copeland's plan that it also recommends to its clients. Any such transactions are consistent with recommendations being made to clients. All trades within a broker are blocked, where possible. In cases where the Copeland profit sharing plan is the only account at a brokerage firm, it will always be traded last. In addition, Copeland's employees are permitted to invest in securities (including those recommended to clients) for their own accounts, but only in accordance with Copeland's policies governing personal investing, as stipulated in Copeland's Code of Ethics. Copeland may recommend to their prospective clients that they buy or sell interests in the same investment products in which it or its related persons

may have some financial interest, including ownership, and Copeland may own, buy or sell for themselves the same securities that they may have recommended to clients. For example, from time to time Copeland may provide seed capital in connection with the launching of a new strategy or pooled product. Through this ownership, Copeland has a financial interest in the securities recommended to the strategy or pooled product. Vehicles containing seed capital will be managed along with other client accounts, and orders for these vehicles may be aggregated with orders for other client accounts for purposes of trade execution. Additionally, some Copeland employees and their family members have accounts that Copeland manages and receives advisory fees for investment services rendered. These accounts are managed along with other client accounts, and orders for these accounts may be aggregated with orders for other client accounts in the same strategy for purposes of trade execution.

Due to the nature of our clientele, Copeland may from time to time trade in securities issued by our clients. In all such cases, Copeland shall do so in the best interest of our clients trading in such securities.

## Item 12: Brokerage Practices

Brokerage commissions on client account portfolio transactions may be directed by Copeland to certain broker-dealers consistent with Section 28(e) of the Securities Exchange Act of 1934, as amended, in recognition of brokerage and research services provided by those broker-dealers and/or other third party providers. The research provided can be either proprietary (created and provided by the broker-dealer, including tangible research products as well as, for example, access to company management) or third party (created by third party but provided by the broker-dealer). We may also utilize brokers, such as Instinet for example, that do not necessarily provide research themselves or through a third party, but instead allow us to use soft dollars generated to pay non-affiliated companies and/or broker-dealers for their research services.

In the allocation of brokerage business, Copeland may give preference to those brokers that provide research products and services, either directly or indirectly, so long as Copeland believes that the selection of a particular broker is not inconsistent with Copeland's duty to seek best execution. To the extent that Copeland is able to obtain such products and services through the use of clients' commission dollars, it reduces the need to produce the same research internally or through outside providers for hard dollars and thus provides an economic benefit to Copeland.

Copeland may cause clients to pay a broker-dealer a commission rate higher than that which a broker-dealer would have charged for execution only. These soft dollar products and services may include advice, either directly or through publications or writings, as to the value of securities, the advisability of investing in, purchasing, or selling securities, and the availability of securities or purchasers or sellers of securities, and analyses and reports concerning issues, industries, securities, economic factors and trends, portfolio strategy, and quotation services among other things.

The research products and/or services provided by brokers through its soft dollar arrangements benefits Copeland's investment process for client accounts and may be used in formulating investment advice for any and all clients of the firm including accounts other than those that paid commissions to the brokers on a particular transaction. Also, not all research generated by a client's trade will benefit that particular client's account. In some instances, the other accounts benefited will include accounts that clients have directed a portion of their brokerage commissions to go to particular brokers other than those providing the research products and/or services. For example, transactions on behalf of Sponsored Advisory Accounts do not generate soft dollars but clients receive the benefit of any research obtained from other clients' commissions. Copeland does not attempt to allocate the relative costs or benefits of research among client accounts because it believes that, in the aggregate, the research it receives benefits clients and assists Copeland in fulfilling its overall duty to its clients.

Copeland soft dollar credits have been used to pay for various Section 28(e) approved research services and material during the last fiscal year. Specifically, soft dollar credits were used for research services, research materials and attendance at conferences provided by broker dealers, and to pay for independent third party research (i.e., ISI - International Strategy & Investment Research).

When requested, Copeland shall generally recommend that clients utilize the brokerage and clearing services of firms such as Fidelity Investments ("*Fidelity*"), Raymond James & Associates ("*Raymond James*"), TD AMERITRADE, Inc. ("*TD Ameritrade*") and/or Charles Schwab & Co., Inc. ("*Schwab*") for investment management accounts. Copeland may only implement its investment management recommendations after the client has arranged for and furnished Copeland with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions shall include, but are not limited to, *Fidelity*, *Raymond James*, *TD Ameritrade*, *Schwab*, any other broker-dealer recommended by Copeland, broker-dealers selected by the client, trust companies, banks etc. (collectively referred to herein as the "*Financial Institution(s)*").

Copeland utilizes the institutional service programs ("*Program(s)*") offered at some of the *Financial Institutions*, each a FINRA-registered broker-dealer. These service *Programs* are offered to independent investment advisers. As part of such a *Program*, Copeland receives some benefits. Copeland normally receives traditional benefits which may include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving adviser participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client accounts; access to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. These benefits are received solely through participation in the *Programs*, and do not necessarily depend upon the proportion of transactions directed to a particular *Financial Institution*.

Advisor participates in the institutional advisor program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("*TD Ameritrade*"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisers services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the Program. (Please see the disclosure under Item 14 below.)

TD AMERITRADE might refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD AMERITRADE and whose client accounts are profitable to TD AMERITRADE. Consequently, in order to obtain client referrals from TD AMERITRADE, Copeland may have an incentive to recommend to clients that the assets under management by Copeland be held in custody with TD AMERITRADE and to place transactions for client accounts with TD AMERITRADE. In addition, Copeland has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD AMERITRADE or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Copeland's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

Copeland may have certain accounts that were referred to the firm through the recommendation of third parties, including consultants that may also be broker-dealers, or may have certain pre-existing financial arrangements or relationships with a particular broker-dealer. Clients obtained from these third parties may instruct us to direct some or all of their brokerage transactions to the third party's broker-dealers, or Copeland may otherwise allocate brokerage to these or related

broker-dealers. In addition, Copeland may, from time to time, buy from such third parties certain services or products used in Copeland's investment advisory business (such as software or research publications) or pay registration or other fees toward or otherwise assist in sponsoring such third parties' industry forums, seminars, or conferences.

From time to time, Copeland may be a party to agreements with other parties (which in some cases are related persons or affiliates), pursuant to which Copeland pays the other party a fee for services rendered to Copeland to support Copeland's provision of investment advisory services to clients through certain investment programs or funds. In connection with such services, the other party may refer clients to Copeland. The other party typically would receive cash compensation from Copeland for any such referrals (which compensation may or may not be in addition to compensation received by the other party for its rendering of services to Copeland).

Over the last year, substantially all directed client transactions to a broker in return for client referrals have been established in the broker/client/Copeland agreement. As a result, almost all trades have been directed back to the brokerage firms that choose Copeland as the client's manager. Copeland retains the right, in most cases, to "trade away" from a contractually directed broker when that broker cannot provide or sell a security at reasonable price. Those cases have generally been limited to fixed income instruments. Accounts signing with Copeland without a directed brokerage agreement may be traded at firms offering soft dollar commissions where Copeland believes that factors, such as research and quality of execution, are in the client's best interest.

#### *Directed Brokerage*

In some cases, clients have directed Copeland to use a specified broker-dealer for portfolio transactions in their account. In these cases, Copeland is not obligated to, and will generally not solicit competitive bids for each transaction or seek the lowest commission rates for the client as the commission rates have typically been pre-negotiated between the client and the broker and Copeland is unable to supersede the terms of that agreement. As such, the client may pay higher commission costs, higher prices and transaction costs than it otherwise would have had it not directed Copeland to trade through a specific broker, since Copeland has not negotiated the rate and may not be able to obtain volume discounts. In addition, the client may be unable to obtain the most favorable price on transactions executed by Copeland as a result of Copeland's inability to aggregate/bunch the trades from this account with other client trades. Furthermore, the client may not be able to participate in the allocation of a security of limited availability (such as an IPO). As a result of the special instruction, clients directing commissions may not generate returns equal to clients that do not direct commissions. Due to these circumstances, there may be a disparity in commission rates charged to a client who directs Copeland to use a particular broker and client accounts may experience performance and other differences from other similarly managed accounts. Clients who direct brokerage should understand that similar brokerage services may be obtained from other broker-dealers at lower costs and possibly with more favorable execution.

In some instances, pre-negotiated rates have not been made by the client. In those cases, the client will be charged the broker's applicable commission rate. The arrangements that Copeland has with the *Financial Institutions* are designed to maximize efficiency and to be cost effective. By directing brokerage arrangements, the client acknowledges that these economies of scale and levels of efficiency are generally compromised when alternative broker-dealers are used.

In cases where a client's account is custodied at a broker-dealer, Copeland typically places the client's trades with that broker-dealer. The custodian broker-dealer may require this course of action or there may be cost savings in trading through that broker-dealer, such as smaller transaction fees or smaller custody fees. In light of these factors, Copeland considers a client's choice to custody its account at a specific broker-dealer as being direction to Copeland to direct transactions in that client account to that broker-dealer, unless the client notifies Copeland otherwise.

Investment decisions are generally applied to all accounts utilizing a particular strategy taking into consideration individual client restrictions, instructions, individual needs and cash balances. Due to these issues (and due to trade allocation issues such as those described below), there may be a disparity in securities purchased, price or commissions among clients in a particular strategy.

#### *Sponsored Advisory Accounts*

For accounts that are “wrap fee” accounts established by a client with a broker-dealer or other intermediary that has a relationship with a broker-dealer, clients are not charged separate commissions on each trade so long as the broker executes the trade, and a portion of the “wrap fee” is generally considered in lieu of commissions. In light of this feature, Copeland considers a client's choice to participate in a wrap fee program sponsored by a particular broker-dealer as being a direction to Copeland to direct transactions in that client account to that broker or dealer. In such cases, trades will typically be executed only with the introducing “wrap fee” broker or dealer. Other client accounts may pay a higher or lower commission rate than “wrap fee” accounts, depending on a variety of factors, including the broker-dealers commission rates and the level of trading activity. Copeland may affect securities transactions for client accounts through or with other brokers or dealers as Copeland reasonably believes, in good faith, are necessary to fulfill its duty to seek best execution, consistent with Section 28(e) of the Securities Exchange Act of 1934, as amended.

If Copeland is required to effect transactions with other brokers, the client would bear the cost of commissions in such transactions in addition to the fees paid by the client for such “wrap fee”. Accordingly, a client may wish to satisfy itself that the wrap program arrangement and brokerage firm they have chosen can provide the best execution. The client should also take into consideration the level of the fee charged by the wrap sponsor, the amount of portfolio activity in the client's account, the value of the custodial arrangement and the aggregate cost of these and other services if they were to be provided separately and if Copeland were free to seek best execution of transactions for the client's account.

#### *Trade Aggregation and Allocation*

Depending on the choice made by each client, with respect to those accounts that Copeland manages on a continuous basis, Copeland may have the authority to determine which securities are to be bought and sold, the amount of the securities to be bought and sold, and the timing of such transactions. In instances where Copeland has investment discretion, trade allocation decisions are made by Copeland, among client accounts, on a fair and equitable rotational basis to ensure that no single relationship has a trading advantage. When two or more client accounts are simultaneously engaged in the purchase or sale of the same security, to the extent possible, the transactions may be bunched/block traded and these accounts will receive the security at an



average price. For those client accounts where commission rates have been pre determined, they will receive those rates. The bunch/block trade will be allocated before the close of the trade day. The ability of a client account to participate with other client accounts of Copeland in bunched/blocked transactions may produce better executions for the individual client account. In some cases the broker-dealer designated by the client may not execute bunched or block trades.

For partial allocations, client accounts are typically allocated on a random basis or on a pro-rata basis with such method of allocation having been predetermined in advance of the allocation. In some instances, client accounts that maintain maximum/minimum cash restrictions may be allocated manually ahead of another client account within the same bunch/block trade so as to not violate the imposed restriction.

#### *Rotational Procedures*

The Copeland Trading Department maintains a file for each trade per strategy and the method it was traded. Copeland rotates alphabetically by Broker Name switching the direction on each subsequent trade in the same strategy. The file contains the strategy trade group, the security traded, and the trade date. All trades within a broker are blocked, where possible. In cases where the Copeland profit sharing plan is the only account at a brokerage firm it will always be traded last. In cases where Copeland participates in a UMA with no billable assets under management invested in the model, the updated model is provided after trades have been completed for Copeland's client accounts. Once there are billable assets under management, the UMA program will be added into Copeland's trading rotation with Copeland's other client accounts.

#### *Principal Trading*

Principal Trading, buying securities for ourselves from clients or selling securities we own to clients, is prohibited at Copeland.

#### *Cross Transactions – Agency Cross Transactions.*

Agency cross transactions are prohibited at Copeland. In the rare case where one client would benefit from the sale of a security and another Copeland client would benefit from owning the same security, the trading department would sell the security to a recognized broker/dealer allowing the broker/dealer to establish the market value. Copeland would then buy the security from the broker/dealer at the broker/dealers established price for the client in need of the security. This scenario is very rare and typically occurs in securities other than equities where there is limited liquidity. For example, fixed income securities with small original issue size.

### **Item 13: Review of Accounts**

#### *Copeland Dividend Growth Portfolio Accounts*

Copeland monitors the Copeland Directed Growth Portfolio Accounts as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by one of Copeland's investment adviser representatives and/or portfolio managers. All investment advisory clients with Copeland Dividend Growth Portfolio Accounts are encouraged to discuss their needs, goals, and objectives with Copeland and to keep Copeland informed of any changes thereto. Copeland shall contact ongoing investment advisory clients with Copeland Dividend Growth Portfolio Accounts at least annually to review the current investment portfolio and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

#### *Copeland Relative Value Portfolio Accounts*

For Copeland Relative Value Portfolio Institutional Accounts, Copeland's portfolio managers review, on a monthly or quarterly basis as mandated by the Copeland Relative Value Portfolio Account, individual accounts for cash, performance and compliance with client investment objectives. In conjunction with the preparation of these reports, Copeland's portfolio managers review account holdings, buys and sells, commissions, turnover, client restrictions and special client instructions / needs.

For Copeland Relative Value Portfolio Retail Accounts, including, but not limited to, wrap accounts, Copeland portfolio managers and/or traders evaluate each Copeland Relative Value Portfolio Account as to shares owned, percentage of holdings and restrictions each time an account requires rebalancing. Rebalancing of Copeland Relative Value Portfolio Accounts occur each time the composition of the portfolio changes as a result of client restrictions, buys and sells of securities, client deposits or withdrawals.

#### *Reports*

Unless otherwise agreed upon between the client and Copeland, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for their accounts.

#### *Copeland Dividend Growth Portfolio Accounts*

Those clients holding Copeland Dividend Growth Portfolio Accounts may also receive a report from Copeland from time-to-time that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance along with a quarterly publication entitled The Copeland Review.

#### *Copeland Relative Value Portfolio Accounts*

Copeland Relative Value Portfolio Accounts may receive a quarterly evaluation packet that lists securities owned, their cost, market value, and yield. Valuations are accompanied by a performance analysis and a quarterly publication entitled The Copeland Review. Copeland meets with clients holding Copeland Relative Value Portfolio Accounts periodically and encourages regular telephone contact to review investment objectives and strategies. Certain clients may receive additional reports as requested from time to time with respect to separately managed account program clients. The wrap program sponsors have primary responsibility for client contact and reporting.

## Item 14: Client Referrals and Other Compensation

### *Solicitation Arrangements*

Copeland's advisory services are marketed on a direct basis by Copeland and through client referrals. If a client is introduced to Copeland by either an unaffiliated or an affiliated solicitor, Copeland may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements. Any such referral fee shall be paid solely from Copeland's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to Copeland by a solicitor, the solicitor shall provide the client with a copy of Copeland's ADV Part II written disclosure statement which meets the requirements of Rule 204-3 of the Advisers Act and a copy of the solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement including compensation. Any affiliated solicitor of Copeland shall also disclose the nature of his/her relationship to prospective clients at the time of the solicitation. Copeland is aware and requires that any solicitors paid a referral fee for services provided to residents of certain states, including, but not limited to, Massachusetts, must be registered through the state securities commissions.

As disclosed under Item 12. above, Copeland participates in TD Ameritrade's institutional customer program and Copeland may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Copeland's participation in the program and the investment advice it gives to its clients, although Copeland receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits may include, for example, the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and possible discounts on compliance, marketing, research, technology, and practice management products or services provided to Copeland by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Copeland's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Copeland but may not benefit its client accounts. These products or services may assist Copeland in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Copeland manage and further develop its business enterprise. The benefits received by Copeland or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Copeland endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Copeland or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Copeland's choice of TD Ameritrade for custody and brokerage services.

Copeland may receive client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, Copeland may have been selected to participate in AdvisorDirect

based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of, and unaffiliated with, Copeland and there is no employee or agency relationship between them. TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise Copeland and has no responsibility for Copeland's management of client portfolios or Copeland's other advice or services. Copeland pays TD Ameritrade an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to Copeland ("Solicitation Fee"). Copeland will also pay TD Ameritrade the Solicitation Fee on any advisory fees received by Copeland from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hired Copeland on the recommendation of such referred client. Copeland will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients. For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to TD Ameritrade's AdvisorDirect Disclosure and Acknowledgement Form.

Copeland's participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain client referrals from TD Ameritrade, Copeland may have an incentive to recommend to clients that the assets under management by Copeland be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, Copeland has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Copeland's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

Copeland may have certain accounts that were referred to the firm through the recommendation of third parties, including consultants that may also be broker-dealers, or may have certain pre-existing financial arrangements or relationships with a particular broker-dealer. Clients obtained from these third parties may instruct us to direct some or all of their brokerage transactions to the third party's broker-dealers, or Copeland may otherwise allocate brokerage to these or related broker-dealers. In addition, Copeland may, from time to time, buy from such third parties certain services or products used in Copeland's investment advisory business (such as software or research publications) or pay registration or other fees toward or otherwise assist in sponsoring such third parties' industry forums, seminars, or conferences.

From time to time, Copeland may be a party to agreements with other parties (which in some cases are related persons or affiliates), pursuant to which Copeland pays the other party a fee for services rendered to Copeland to support Copeland's provision of investment advisory services to clients through certain investment programs or funds. In connection with such services, the other party may refer clients to Copeland. The other party typically would receive cash compensation from Copeland for any such referrals (which compensation may or may not be in addition to compensation received by the other party for its rendering of services to Copeland).

## OTHER CONFLICTS OF INTEREST

### *Relationship with Research Company*

Eric Brown, President and Chief Executive Officer of Copeland, has a five percent (5%) economic interest in Newfound Research, LLC, which receives compensation from Copeland for providing research and timing services to Copeland, among other entities. Eric Brown is not involved in the day-to-day activities of Newfound Research or the providing of research or timing services.

### *Pension Consultants*

Copeland may have certain accounts that were referred to Copeland through the recommendations of third parties, including consultants that may also be broker-dealers, or may have certain pre-existing financial agreements or relationships with a particular broker-dealer. In addition, Copeland may from time to time buy from such third parties certain services or products used in Copeland's investment advisory business (such as software or research publications) or pay registration or other fees toward or otherwise assist in sponsoring such third parties' industry forums, seminars or conferences. Copeland may also invite consultants to events or other entertainment hosted by the Firm.

## Item 15: Custody

Copeland's *Agreement* and/or the separate agreement with the *Financial Institution(s)* may authorize Copeland, through the *Financial Institution(s)*, to debit the client's account for the amount of Copeland's fee and to directly remit that management fee to Copeland in accordance with applicable custody rules. The *Financial Institution(s)* recommended by Copeland have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Copeland. Clients should carefully review these statements.

If clients also receive an account statement from Copeland, clients are urged to compare the two. Please note that the information provided from Copeland is based on trades entered as of the trade date and information provided from the custodian will likely be based on trades entered as of the settlement date. This will allow for some discrepancy between the two statements, for example, if a trade was placed on the last day of the month in which the statement was created, it will appear on the Copeland statement, but will likely not appear on the custodian's statement.

## **Item 16: Investment Discretion**

Copeland Capital Management, LLC (“Copeland”) is an investment adviser providing investment management services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, state or municipal government entities, corporations and business entities, as well as others (please refer to Item 7). Copeland offers its services for a fee based upon assets under management. Prior to engaging Copeland to provide any of the foregoing investment advisory services, the client will be required to enter into one or more written agreements with Copeland setting forth the terms and conditions under which Copeland shall render its services (collectively the “*Agreement*”). Individual client investment constraints, if any, shall be set forth by the client in the new account documentation. Investment advisory services are provided to clients based on the needs and objectives of the client, as established at an initial meeting with Copeland or through written investment objectives submitted by the client. The relevant facts relating to management of the client's account(s) are examined and appropriate investment strategies are developed to obtain the client's desired goals. At any time, clients may impose restrictions on investing in certain securities or types of securities.

Copeland's clients are advised to promptly notify Copeland in writing (or by phone followed up in writing) if there are ever any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon Copeland's management services.

### **Brokerage Services**

As further discussed in response to Brokerage Practices (Item 12), when requested, Copeland shall generally recommend that clients utilize the brokerage and clearing services of firms such as Fidelity Investments (“*Fidelity*”), Raymond James & Associates (“*Raymond James*”), TD AMERITRADE, Inc. (“*TD Ameritrade*”) and/or Charles Schwab & Co., Inc. (“*Schwab*”) for investment management accounts. Copeland may only implement its investment management recommendations after the client has arranged for and furnished Copeland with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions shall include, but are not limited to, *Fidelity*, *Raymond James*, *TD Ameritrade*, *Schwab*, any other broker-dealer recommended by Copeland, broker-dealers selected by the client, trust companies, banks etc. (collectively referred to herein as the “*Financial Institution(s)*”).

### **Non-Sponsored Advisory Accounts**

Among the non-sponsored advisory clients served by Copeland there are individuals, trusts, estates, corporations, state and municipal government entities, pension and profit sharing plans, charitable organizations, state or municipal government entities, corporations and business entities, as well as others (please refer to Item 7). Currently, all accounts are managed on a discretionary basis. Where Copeland has discretion, it has discretionary authority regarding the securities to be bought and sold and the timing of transactions. Discretion may extend to the selection of broker dealers to execute trades for the client's account. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, income, or growth and income). Assets may be allocated solely to equity and fixed income securities, with recommendations, selections and asset allocations tailored to the individual's overall investment objective. At any time, clients may impose restrictions on investing in certain securities or types of securities.

## Item 17: Voting Client Securities

### *Advisory Accounts*

When Copeland has the authority to vote, it will vote proxies solicited by, or with respect to, the issuers of securities in its clients' accounts. This function may be outsourced to a proxy voting service which will assist in voting, tracking and reporting proxy votes. However, neither Copeland or the outsourced proxy voting service will vote proxies for the following types of securities:

- Unsupervised securities;
- Securities in transition (e.g., securities held in an account that are in the process of being sold so the account can be aligned with the model portfolio);
- Model securities that have been sold. These represent securities that are no longer in the model come the time of the proxy vote;
- Voting for foreign securities in countries that require “shareblocking”;
- Client accounts with contracts where the authority to vote is retained by the Client.

### *Sub-Advisory Accounts*

Copeland will handle proxy voting consistent with the proxy voting authority stated in the Sub-Advisory Master Agreement between Copeland and the Sponsor/Advisor or in the Sponsor's client agreement.

### *Taft Hartley / Union Advisory Accounts*

For these selected accounts, Copeland will vote proxies according to the interests recommended by the AFL-CIO Proxy Voting Guidelines.

In all cases, clients may expressly retain the right to vote proxies or take any action relating to specified securities held in their account provided they provide timely, prior written notice to Copeland, releasing Copeland from any liability or responsibility with respect to the voting of proxies.

### *Proxy Voting for Copeland Trust*

As investment adviser to the Fund, Copeland will comply with applicable rules in the Investment Company Act of 1940 and all guidelines set forth in the Fund's compliance manual in handling proxy voting for the Fund. If the Board of Directors of the Fund delegates proxy voting to Copeland, Copeland's goals are to maximize the value of the Fund's investments, promote accountability of a company's management and board of directors to its shareholders, to align the interests of management and shareholders, and to increase the transparency of a company's business and operations.

### *Proxy/Shareblocking*

Copeland will generally decline to vote proxies if to do so would cause a restriction to be placed on Copeland's ability to trade securities held in client accounts in "share blocking" countries. Accordingly, Copeland may abstain from votes in a share blocking country in favor of preserving its ability to trade any particular security at any time.



If you have instructed Copeland to vote your proxies and would like to obtain information on how the proxies were voted, or if you would like a copy of Copeland's Proxy Voting Policies and Procedures, please contact the Operations Department at 484-530-4300, or write to: Copeland Capital Management, LLC, Attn: Operations, Eight Tower Bridge, 161 Washington Street, Suite 1650, Conshohocken, Pennsylvania 19428.

## **Item 18: Financial Information**

Copeland does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore is not required to include a balance sheet with this Brochure.

Copeland has no financial condition that would impair our ability to meet contractual and fiduciary commitments to our clients and has not been the subject of a bankruptcy proceeding.