

Cadence Capital Management LLC

Part 2A of Form ADV

The Brochure

265 Franklin Street, 11th Floor
Boston, MA 02110
www.cadencecapital.com

Updated: March 2011

This brochure provides information about the qualifications and business practices of Cadence Capital Management LLC (“Cadence”). If you have any questions about the contents of this brochure, please contact us at 617-624-3500. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Cadence is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Material Changes

Cadence's most recent update to Part 2 of Form ADV was made in March of 2010. Cadence's business activities have not changed materially since the time of that update. However, in 2010 the SEC required significant changes to the content and format of Part 2 of Form ADV. This brochure, which reflects those changes, is materially different from brochures used by Cadence in prior years.

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Advisory Business

Cadence Capital Management LLC ("Cadence") is a Boston, Massachusetts based investment management company. Cadence provides investment advisory and supervisory services to institutions, mutual funds, individuals and private pooled investment vehicles through its offices in Boston, Massachusetts and Newport Beach, California. Cadence furnishes "investment supervisory services" to all of its investment advisory clients. The primary elements of such services are the following:

- (a) Working together with the client to formulate appropriate investment objectives and restrictions;

- (b) Application of a stock screening process that assists in identifying individual stocks from a universe of stocks agreed upon with a client;
- (c) Client portfolios are constructed using a combination of a stock's rank using certain quantitative factors and a qualitative analysis by our investment team;
- (d) Implementation of the investment strategy by execution of portfolio transactions as needed;
- (e) Monitoring the client's account for the purpose of reviewing its performance and making sure that the investment strategy client objectives are being followed; and
- (f) Furnishing reports to the client concerning account activity, strategy and performance.

Registered Investment Company Accounts

Cadence serves as a sub-adviser to registered investment companies. Cadence serves as a sub-adviser to four mutual funds of the Managers Funds. All of these funds may be offered with several classes of shares. Some classes are designed for retail investors and some for institutional investors. The four Managers Funds are Managers Cadence Capital Appreciation Fund, Managers Cadence Mid-Cap Fund, Managers Cadence Emerging Companies Fund and Managers Cadence Focused Growth Fund.

Managed Account Programs

Certain individuals and entities may become clients of Cadence through their participation in programs (each, a "Managed Account Program") sponsored by multi-service financial institutions that are not affiliated with Cadence (each, a "Managed Account Sponsor"). A client of the Managed Account Program (the "Managed Account Client"), with the advice of the Managed Account Sponsor, chooses to receive the investment advisory services of Cadence. The Managed Account Client may also receive certain other services provided by the Managed Account Sponsor and/or entities affiliated with the Managed Account Sponsor (such as trading execution, custodial services and, in some cases, advisory services), for a single fee (the "Managed Account Fee"). In some cases, the contract between Cadence and the Managed Account Sponsor (each a "Master Contract") may require Cadence to provide trading execution to the Managed Account Clients. The Managed Account Client pays the Managed Account Sponsor a Managed Account Fee based upon the client's assets under the Managed Account Sponsor's management, and the Managed Account Sponsor pays Cadence a portion of such Managed Account Fee for advisory services rendered by Cadence to the Client. In connection with Managed Account Programs, Cadence considers itself to be a sub-adviser to the Managed Account Sponsor. Although the types of services provided by Cadence to its Managed Account Clients are generally the same as the types of services provided by Cadence to its regular clients, certain differences do exist, including that (a) pursuant to the Managed Account Program arrangements, Cadence is not generally permitted to communicate directly with its Managed Account Clients (including communications with respect to changes in the Managed Account Client's investment objectives or restrictions), and all

such communications must be directed through the Managed Account Sponsor, and (b) Cadence does not provide overall investment supervisory services to its Managed Account Clients. The fees received by Cadence from each Managed Account Sponsor are generally equal to a percentage of the total assets in the Managed Account Sponsor's Managed Account Program accounts for which Cadence provides advisory services. Each Managed Account Sponsor generally pays Cadence on a quarterly basis, in arrears, as provided in the Master Contract.

Cadence is not generally informed of the specific fee arrangement negotiated between each Managed Account Client and the Managed Account Sponsor. Certain Managed Account Sponsors charge a minimum annual Managed Account Fee to each of their Managed Account Clients. Generally, the portion of the Managed Account Fee received by Cadence may be negotiated between Cadence and the Managed Account Sponsor, but may not be negotiated between Cadence and any Managed Account Client. With respect to each Managed Account Program in which Cadence participates, the standard fees received by Cadence from each Managed Account Sponsor may vary depending on the investment style selected and other factors. Services similar or comparable to those provided to a Managed Account Client may be available to the client at a higher or lower aggregate cost elsewhere on an unbundled basis. In addition, while Cadence's compensation pursuant to a Managed Account Program may be the same as or lower than Cadence's standard fee schedule, the overall cost to a Managed Account Client may be higher than the client might otherwise experience by paying Cadence's standard fee and negotiating transaction charges with a broker-dealer payable on a per-transaction basis, depending on the extent to which securities transactions are initiated by Cadence for the client during the period covered by the Managed Account Program.

It should be recognized that the advisory and other services provided to a Managed Account Client might not be available to the client other than through a Managed Account Program. Cadence has no ongoing responsibility to assess for a Managed Account Client the value of services provided by the Managed Account Sponsor.

In cases where Cadence executes transactions for Managed Account Clients through the Managed Account Sponsor, the Managed Account Client may pay more for transactions placed through the Managed Account Sponsor than clients of Cadence whose trades are not executed through the Managed Account Sponsor. A Managed Account Client may terminate its use of Cadence's services upon written notice to the Managed Account Sponsor as provided in the contract between the Managed Account Sponsor and the Managed Account Client (each a "Client Contract"). In addition, Cadence may cease to provide services to a Managed Account Client as set forth in the Client Contract and/or the Master Contract. Finally, either Cadence or a Managed Account Sponsor may terminate their Master Contract as provided in that document, in which case Cadence will cease to provide advisory services to all Managed Account Clients of the Managed Account Sponsor as provided in the Master Contract.

Private Pooled Investment Vehicles

Cadence serves as an investment adviser to the Integrity Boston Fund, LP (the "Hedge Fund") and the Integrity Boston SmidCap Growth Stock Fund, LP (the "Growth Stock Fund"), each a Delaware limited partnership (collectively, the "Integrity Funds"). A wholly owned subsidiary,

Cadence Integrity Partners, LLC, serves as the general partner (“General Partner”). The investment objective of the funds is to achieve above-market growth in partners’ capital, principally through investment in equity securities in small and mid-capitalization companies while seeking to control risk. The Hedge Fund may use leverage in pursuit of additional return and hold short positions as a hedge and source of potential additional return.

Cadence manages the assets of each Integrity Fund in accordance with the terms of the governing documents applicable to each Integrity Fund. Investment advice is provided directly to each Integrity Fund and not individually to the investors in the Integrity Funds. Nothing herein constitutes or shall be deemed to constitute an offer to sell or the solicitation of an offer to purchase Integrity Fund interests. Such an offer may be made only by means of the private placement memorandum (or other similar documentation) and only to the person to whom such memorandum is actually delivered.

Cadence was founded in 1988. Cadence’s employees own a majority of Cadence’s outstanding equity.

As of December 31, 2010 Cadence managed \$4,984,756,727 billion on a discretionary basis and \$610,567,772.00 million on a non-discretionary basis on behalf of approximately 91 clients.

Fees and Compensation

Separate Accounts

The fees charged by Cadence for such services for new, separate accounts are a percentage of assets under management. The basic fee schedules are as follows:

Large-Cap:

0.7% - first \$25,000,000
0.5% - next \$25,000,000
0.3% - next \$50,000,000
0.2% - excess over \$100,000,000

Mid-Cap:

0.7% - first \$25,000,000
0.5% - next 25,000,000
0.3% - excess over \$50,000,000

Small-Cap:

1.00% - first \$100,000,000
0.5% - excess over \$100,000,000

Emerging Companies:

1.25% - on all assets

Focused Growth:

0.7% - first \$25,000,000
0.5% - next \$25,000,000
0.3% - next \$50,000,000
0.2% - excess over \$100,000,000

Focused Mid-Cap:

0.7% - first \$25,000,000
0.5% - next 25,000,000
0.3% - excess over \$50,000,000

Cadence's fees are usually payable quarterly in arrears.

In some cases, fees may be negotiated. In addition, Cadence may enter into performance fee arrangements with clients pursuant to individualized negotiations with the client. Any performance fee arrangements will be in compliance with Rule 205-3 under the Investment Advisers Act of 1940.

Unless otherwise provided in the Investment Management Agreement, a client may terminate Cadence's authority to manage its account at any time by giving notice to Cadence however Cadence's ordinary fees are earned and payable for thirty (30) days following such notice. In addition, Cadence's clients have the right to terminate Cadence's services without penalty within five (5) days of execution of the Investment Management Agreement by giving written notice to Cadence within such five (5) day period. Upon termination, clients are responsible for the payment of the pro rata portion of fees through the termination date. Cadence has the right to terminate an investment advisory contract at the end of any month by giving 30 days prior written notice. Either Cadence or client may terminate such contracts for any reason.

Fees for Registered Investment Companies

For the Managers Cadence Capital Appreciation Fund, Managers Cadence Mid-Cap Fund and Managers Cadence Focused Growth Fund, Cadence is paid a fee at an annual rate of .35% of the average daily net assets of each fund. For the Managers Cadence Emerging Companies Fund, Cadence is contractually entitled to an annual fee of 1.15% of the average daily net assets, but is paid an annual fee of 1.05% as the fund is currently subject to a fee waiver. Cadence receives from Managers Investment Group LLC, the investment advisor to the funds, additional fees equal to 0.10% the average net assets attributable to the Institutional and Administrative Class shares of the Funds, subject to an agreed upon cap, and additional fees with respect to certain institutional accounts equal to 0.075% per annum of the assets of such accounts.

Fees for investment advice to the Integrity Funds

Management Fee

Cadence receives a quarterly management fee calculated at an annual rate of 1.5% of each limited partner's capital account (the "Management Fee"). The Management Fee is paid quarterly in advance, based on the value of each limited partner's capital account, as of the beginning of each quarter. The Management Fee will be prorated for any period that is less than a full quarter and will be adjusted for contributions made during the quarter.

Profit Allocation

The General Partner is entitled to receive an amount ranging up to 20% of the net realized and unrealized profits of any fiscal year a limited partner has net profit, subject to a "loss carryforward" provision ("Profit Allocation"). Under a loss carryforward provision, no Profit Allocation will be made from the capital account of the limited partner until any net loss previously allocated to the capital account of the limited partner has been offset by subsequent net profits. All compensation arrangements where the general Partner receives a fee based on a share of capital gains or capital appreciation will comply with the requirements of Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act").

Other Fees

In addition to Cadence's fees, limited partners bear indirectly the fees and expenses charged to the Integrity Fund. Those fees vary, but typically include but are not limited to: legal/compliance; audit and accounting fees; and administrative fees and custodial and transaction costs paid to custodians, brokers and other third parties. Investors should review all fees charged by Cadence, custodians and brokers and other third parties to fully understand the total amount of fees to be paid by the Integrity Funds.

Investors should refer to the relevant Integrity Fund's offering memoranda, subscription documents and other offering documents for additional or supplementary information regarding the Integrity Fund as well as the fees paid by the Integrity Fund.

Withdrawals

Subject to the "lock-up" provisions of the subscription agreement, a limited partner may, upon giving 30 days' written notice, withdraw all or any part of his capital account as of the last business day of each fiscal quarter. In the case of a withdrawal of 90% or more of a partner's capital account from the Partnership, at least 90% of the estimated value of the limited partner's capital account will be paid within 15 days after the retirement date, and the balance, if any, promptly after the independent public accountants have completed their examination of the Partnership's financial statements.

Performance Based Fees and Side-by-Side Management

As stated in the Fees and Compensation section above, Cadence may charge performance based fees which are fees based on a share of capital gains on or capital appreciation of the client's assets.

The fact that the Cadence is compensated based on the trading profits may create an incentive for Cadence to make investments on behalf of clients that are riskier or more speculative than would be the case in the absence of such compensation. In addition, the performance based fee received by Cadence is based primarily on realized and unrealized gains and losses. As a result, the performance based fee earned could be based on unrealized gains that clients may never realize.

Types of Clients

Cadence provides investment advisory and supervisory services to institutions, mutual funds, private pooled investment vehicles and individuals through its offices in Boston, Massachusetts and Newport Beach, California. Cadence also provides services to Foundations and Endowments.

For new accounts Cadence generally requires a minimum account size of \$10 million.

With respect to the Integrity Funds, the details concerning applicable investor suitability criteria are set forth in each Integrity Fund's offering documents and subscription materials. Although the General Partner has the authority to accept subscriptions for lesser amounts, the minimum investment in the Hedge Fund is \$1 million and \$500,000 in the Stock Growth Fund. Each investor is required to meet certain suitability qualifications, such as being an "accredited investor" under Rule 501 of Regulation D of the Securities Act of 1933, as amended.

Methods of Analysis, Investment Strategies and Risk of Loss

Client portfolios are constructed using a combination of a stock's rank using certain quantitative factors and a qualitative analysis by our investment team. A specific self-discipline is in place.

CADENCE CAPITAL APPRECIATION FUND

The Capital Appreciation Fund seeks growth of capital. To achieve this objective, the fund invests primarily in common stocks of companies that have improving fundamentals and whose stock is reasonably valued by the market. The stocks will be chosen primarily from companies within the Russell 1000 Index.

CADENCE MID-CAP FUND

The Mid-Cap Fund seeks growth of capital. To achieve this objective, the fund invests primarily in common stocks of middle capitalization companies that have improving fundamentals and whose stock is reasonably valued by the market. Stocks for the fund are selected primarily from companies within the Russell Mid-Cap Index.

CADENCE EMERGING COMPANIES FUND

The Emerging Companies Fund seeks long-term growth of capital. To achieve this objective, the fund invests primarily in common stocks of companies that have improving fundamentals and whose stock is reasonably valued by the market. Stocks for the fund are selected primarily from companies within the Russell 2000 Index and Russell Microcap Index.

CADENCE FOCUSED GROWTH FUND

The Focused Growth Fund seeks long term growth of capital. To achieve this objective, the fund invests primarily in common stocks of companies with improving fundamentals and whose stock is reasonably valued by the market. Stocks for the fund are selected primarily from companies within the Russell 1000 Growth Index.

THE INTEGRITY FUNDS

With respect to the Integrity Funds, the portfolio manager will generally use a fundamental, research intensive approach seeking to exploit valuation anomalies by identifying stocks that are materially underpriced or overpriced. The core of this strategy is analyzing three key principles for selecting securities: managements that can execute their stated business goals, exhibit strong consistent earnings growth, and trade at an attractive underlying valuation. The portfolio manager will draw on investment experience and its network of contacts to implement this strategy.

The portfolio manager of the Integrity Funds utilizes a research intensive approach, which typically includes direct contact with senior management of the companies whose securities are being considered as potential investments. The portfolio manager believes that top management can make a material difference in the success of a company and thereby the underlying security price, particularly in smaller, less seasoned companies. Therefore the portfolio manager is of the opinion that a thorough understanding of the strategy and vision of a company's management team is an essential criteria in selecting securities for purchase and potentially for short sales.

The Integrity Funds expect to invest in companies in a variety of industries; however, a significant portion of each fund's assets may be invested in higher growth industries such as technology, healthcare/biotech and consumer. The Integrity Funds will invest in companies having market capitalizations from \$100 million to \$10 billion because of each fund's focus on above average growth companies. The Integrity Funds do not have strict fixed guidelines for diversification and may concentrate investments in specific industries or companies if the portfolio manager believes that such concentration will offer optimal opportunity for risk-adjusted capital appreciation.

Acquiring interest in either Integrity Fund involves a number of risks. An investment in either Integrity Fund may be deemed a speculative investment and is not intended as a complete investment program. It is designed for sophisticated investors who fully understand and are capable of bearing the risk of an investment in the Integrity Funds. No guarantee or representation is made that either Integrity Fund will achieve its investment objective or that limited partners will receive a return of their capital.

All investing involves a risk of loss and the investment strategy offered by Cadence could lose money over short or even long periods. The description contained below is a brief overview of different market risks related to the portfolio manager's investment strategy:

General Business and Management Risk - Investments in securities subject the investor to the general risks associated with the underlying businesses, including market conditions, changes in regulatory requirements, reliance on management at the company level, interest rate and currency fluctuations, general economic downturns, domestic and foreign political situations and other factors. With respect to management at the company level, many companies rely on the services of a limited number of key individuals, the loss of any one of whom could significantly adversely affect the company's performance.

Focus on Small and Mid-Capitalization Companies - The stocks of companies followed by the portfolio manager can be more volatile than larger capitalization companies and more susceptible to general market changes. The Integrity Funds' investment program entails substantial risks and because of its emphasis on a particular type of investment is not a suitable vehicle for an overall investment program.

Use of Leverage - the use of leverage, the act of borrowing capital to make investments, exposes the investor to additional levels of risks, including (i) greater losses from investments than otherwise would have been the case, (ii) margin calls that could force the investor to liquidate investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the cost of borrowing the capital in the first place. Also, should there be a sharp decline in the value of investments held by the investor. The portfolio manager may not be able to liquidate the investments quick enough further increasing its losses.

Short Sales - short selling, or the sale of securities not owned by the investor, involves certain additional risks. Such transactions expose the investor to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by the investor would need to be returned to the lender on short notice. Such a request could require Apex to purchase the securities in the open market at prices that are significantly higher than the proceeds from the initial sale of the securities.

Portfolio Turnover – The portfolio manager's investment strategy may require the Integrity Funds to actively trade the investments held by the investor resulting in turnover and increased brokerage commission expenses to the investor.

Disciplinary Information

Cadence and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

Other Financial Industry Activities and Affiliations

Cadence and its employees do not have any relationships or arrangements with other financial services companies that pose material conflicts of interest.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Cadence employees and persons associated with Cadence are required to follow the Cadence Capital Management LLC Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Cadence and its affiliates may trade for their own accounts in securities that are recommended to and/or purchased for Cadence clients. The Code of Ethics is designed to ensure that the personal securities transactions, activities and interests of the employees of Cadence will not interfere with (i) making decisions in the best interest of advisory clients or (ii) implementing such decisions while, at the same time, allow employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt securities and certain classes of transactions have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of Cadence clients. In some circumstances, whereby an employee is permitted to invest in the same securities as clients, there is a possibility that employees may benefit from market activity within a client account. Employee trading is continually monitored for adherence to the Code of Ethics in order to ensure employees comply, with its provisions and to ensure that the Code of Ethics reasonably prevents conflicts of interest between Cadence and its clients. Cadence will provide a copy of its Code of Ethics to any client or prospective client upon request.

Cadence may be subject to restrictions based upon the type of account. For instance accounts that are subject to the provisions of ERISA have numerous restrictions with respect to the securities that may be purchased and who they may be purchased through. Cadence may delegate investment management responsibilities to its affiliates.

Brokerage Practices

Discretionary Authority

Cadence usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

The Integrity Funds are also subject to investment policies, limitations and restrictions that must be observed when selecting securities and determining amounts. For its mutual fund clients, Cadence's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investment and favor the holding of investments once made.

In the absence of any client direction to utilize a particular broker or dealer for the execution of transactions in any client accounts, Cadence's overriding objective in effecting portfolio transactions is to obtain the best combination of price and execution. Cadence seeks to effect each

transaction at a price and commission that provides the most favorable total cost or proceeds reasonably attainable under the circumstances. Cadence may consider various factors when selecting a broker or dealer, including, but not limited to, the nature of the portfolio transaction, the size of the transaction, the execution, clearing and settlement capabilities of the broker or dealer; the desired timing of the transactions; confidentiality, and under appropriate circumstances, the availability of research and research-related services provided through such broker or dealer. Research services may be provided in the form of written reports, telephonic communications, economic and market data, credit analyses, news services, electronic information, analytic software, analyst earnings revisions, etc., and may contain information concerning securities markets, the economy, individual companies pricing information and services, performance studies and other information providing assistance in the performance of Cadence's investment decision-making responsibilities.

Cadence may cause its clients to pay a broker-dealer that provides brokerage and research services to Cadence a higher commission rate than another broker-dealer would have charged for effecting that transaction. In placing orders for the purchase and sale of securities for its clients, Cadence seeks quality execution at favorable prices through responsible broker-dealers. In selecting broker-dealers to execute transactions, Cadence considers such factors as the broker's reliability, the quality of its execution services, its financial condition, its commission rates on agency transactions, and the general brokerage and research services that it provides.

Although it is not possible to assign an exact dollar value to these services, they may, if and to the extent used, tend to reduce the expenses of Cadence. The fees paid to Cadence are not reduced because it receives such services. Research services furnished by brokers and dealers with whom Cadence and its affiliates effect transactions may be beneficial to certain of the accounts advised by Cadence. It is recognized that a particular account may be charged a commission paid to a firm who supplied research services not utilized by such account. However, Cadence expects that each account will be benefited overall by such practice because each is receiving the benefit of research services and the execution of such transactions not otherwise available to it without the allocation of transactions based upon the recognition of the value to such research services. On a routine basis, Cadence assesses its commission policies, rates and allocations. This review also considers the contributions and value of research services received from broker-dealers.

To the extent a client directs Cadence to use a particular broker-dealer, Cadence will aggregate directed and non-directed trades, and send the entire order to its broker of choice, with a request that the broker step out a portion of the trade to the directed broker in order to satisfy the firm's directed brokerage obligation. If for some reason directed and non-directed trades cannot be aggregated then Cadence will place orders for directed trades after orders for non-directed trades have been executed. If a client decides to direct where its brokerage is placed by Cadence, the client should consider: (i) Cadence's brokerage placement practices; (ii) that a client who directs Cadence to use a specific broker may pay higher commissions on some transactions than might be attainable by Cadence, or may receive less favorable execution of some transactions, or both; (iii) a client who directs Cadence may forego any benefit from savings on execution costs that Cadence could obtain for its clients through negotiating volume discounts on batched transactions; (iv) a client who directs Cadence may not be able to participate in an allocation of shares of a new issue if those new issue shares are provided by another broker; (v) a client who directs Cadence

may restrict Cadence from receiving research-related products and services available from other brokers; and (vi) clients directing commissions may not generate returns equal to clients which do not direct commissions.

Cadence may aggregate purchase and sales orders of securities held in a client's account with similar orders being made simultaneously for other accounts managed by Cadence or with accounts of affiliates of Cadence, if in Cadence's reasonable judgment, such aggregation shall result in an overall economic benefit to client's account taking into consideration the advantageous purchase or selling price, brokerage commission and other expenses.

Trade Rotation Procedures

Trade orders for Cadence's discretionary clients and Managed Account Clients for whom the Managed Account Sponsor provides execution services will be placed on a rotation basis that is fair and equitable to all clients.

Trade Allocations

Cadence's trade allocation policy is designed to ensure fair and equitable allocation of investment opportunities among accounts over time. Accounts are to be treated in a non-preferential manner, such that allocations are not based upon account performance, fee structure or Portfolio Manager preference.

Cadence's trading desk will prioritize incoming orders of similar purchases and sales of securities for its client accounts. Transactions for client accounts may be independent of one another or when possible, client orders for the same security are combined or "batched" to facilitate best execution and to reduce brokerage commissions or other costs. Cadence effects batched transactions in a manner designed to ensure that no participating client is favored over any other client. Specifically, each client that participates in a batched transaction will participate at the average share price for all of the transactions in that batched order. Securities that are purchased or sold in a batched transaction are allocated on a pro-rata basis, when possible, to the participating client accounts in proportion to the size of the order placed for each account. Cadence may, however, increase or decrease the amount of shares allocated to each account if necessary, to avoid holding odd-lot or small numbers of shares for particular clients. Additionally, if Cadence is unable to fully execute a batched transaction and therefore determines that it would be impractical to allocate a small number of securities among the accounts participating in the transaction on a pro-rata basis, Cadence may allocate such securities in a manner determined in good faith to be a fair allocation.

Cadence or its affiliates may participate in initial and secondary public offerings of securities. Allocations of new issues and secondary offerings, if partially filled, are based proportionately upon total assets of each portfolio manager's investment strategy as calculated at the time of the investment. Accounts may participate in offerings consistent with pre-determined objectives/strategies and other investment guidelines of the account. Portfolio managers may exclude eligible accounts from the allocation in accordance with pre-determined liquidity and

position guidelines. Priority is given to accounts whose portfolio managers have done the necessary due diligence on the offerings and intend to establish a long-term position in the after-market. Portfolios with special objectives will also be given priority in offerings that are consistent with such objectives. Allocations may be adjusted for round lots. Investments of new issues may have a magnified performance impact on an account with a small asset base. Generally, new issues will have less of an impact as an account's asset base increases.

With respect to the Integrity Funds, each Integrity Fund may, to the extent permitted by the Rules of the Financial Industry Regulatory Authority, as may be amended from time to time (the "Rules"), purchase equity securities that are part of an initial public offering (sometimes referred to as "IPOs" or "new issues"). Under the Rules, brokers may not sell such securities to a private investment fund, if the fund has investors who are "Restricted Persons", which category includes persons employed by or affiliated with a broker and portfolio managers of hedge funds and other registered and unregistered investment advisory firms, unless the fund has a mechanism in place that excludes such Restricted Persons from receiving allocations of profits from new issues. The profits and losses with respect to new issues will generally be allocated to investors in each Integrity Fund that are Unrestricted Persons. Each Integrity Fund may, however, avail itself of a "de minimis" exemption pursuant to which a portion of any new issue profits and losses may be allocated to Restricted Persons

Review of Accounts

All investment advisory accounts of Cadence are reviewed once each calendar quarter. The persons performing the review are members of Cadence's Investment Strategy Group. As part of such review, an analysis is made of the account's investment strategy, performance and other factors. A determination is made as to whether the strategy requires alteration in light of the investment objectives and restrictions.

In addition, the assigned Account Manager monitors the accounts assigned to him on an on-going basis. Reviews of accounts will occur when investment strategies and objectives are changed by the investment advisory client or Cadence and when significant events occur which are expected to impact the value of account.

Cadence furnishes clients with a quarterly summary as well as reports concerning the client's investment advisory accounts. Such reports consist of detailed inventory of all holdings and a performance summary. Additionally monthly and/or quarterly reports are provided at a client's request. These reports may include: cash activity reports, transaction reports, detailed performance reports, portfolio evaluation reports, account review by percent value or by percent gain/ loss.

Limited partners in the Integrity Funds will be provided with a summary of the operations of the applicable Integrity Fund after the end of each fiscal quarter. The books and records of each Integrity Fund will be audited after the end of each fiscal year by a firm of certified public accountants selected by the General Partner, and the limited partners will be furnished with audited year-end financial statements, including a statement of profit or loss for such fiscal year and of the status of such partners' capital accounts at such time.

Client Referrals and Other Compensation

Cadence has entered into a marketing arrangement with Rafferty Capital Markets, LLC (“RCM”), a registered broker-dealer, whereby Cadence has agreed to compensate RCM a portion of the Management Fee and Profit Allocation for introducing new investors that commit capital to the Integrity Funds. Cadence also uses RCM to handle securities transactions on behalf of its clients which will generate commission for RCM. Various conflicts of interest are presented by such arrangements. Specifically, Cadence may be incentivized to use the services of RCM over those provided by other broker-dealers due to the arrangement that Cadence has with RCM. While the arrangement may present the appearance of a conflict of interest, the introduction of new investors to Cadence is not contingent upon Cadence committing to RCM any specific amount of commission.

Custody

All client assets are held in custody by unaffiliated broker/dealers or banks; however Cadence may have access to client accounts since a related person serves as the General Partner of the Integrity Funds. Limited partners of the Integrity Funds will not receive statements from the custodian. Instead the Integrity Funds are subject to an annual audit and the audited financial statements are distributed to each limited partner. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 120 days of the partnership’s fiscal year end.

Investment Discretion

Discretionary Authority

Cadence usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

Voting Client Securities

Description of Proxy Voting Policy and Procedures

Cadence typically votes proxies as part of its discretionary authority to manage accounts, unless the client has explicitly reserved the authority for itself. When voting proxies, Cadence’s primary objective is to make voting decisions solely in the best economic interests of its clients. Cadence will act in a manner that it deems prudent and diligent and which is intended to enhance the economic value of the underlying portfolio securities held in its clients’ accounts.

Cadence has adopted the written Proxy Voting Policies and Procedures (the “Proxy Guidelines”) of its proxy voting service, Broadridge Investor Communication Solutions, Inc. and its proxy research subcontractor, Glass Lewis & Co. (“Broadridge”). The Proxy Guidelines are reasonably designed to ensure that Cadence is voting in the best interest of its clients. The Proxy Guidelines reflect Cadence’s general voting positions on specific corporate governance issues and corporate actions. Some issues may require a case by case analysis prior to voting and may result in a vote being cast that will deviate from the Proxy Guideline. Upon receipt of a client’s request, Cadence may also vote proxies for that client’s account in a particular manner that may differ from the Proxy Guideline. Deviation from the Proxy Guidelines will be documented and maintained in accordance with Rule 204-2 under the Investment Advisers Act of 1940.

In accordance with Cadence’s Proxy Voting Policy and Procedures, Cadence may review additional criteria associated with voting proxies and evaluate the expected benefit to its clients when making an overall determination on how or whether to vote the proxy. Cadence may vote proxies individually for an account or aggregate and record votes across a group of accounts, strategy or product. In addition, Cadence may refrain from voting a proxy on behalf of its clients’ accounts due to de-minimis holdings, impact on the portfolio, items relating to foreign issuers, timing issues related to the opening/closing of accounts, contractual arrangements with clients and/or their authorized delegate, failures by ADP or a client’s custodian to forward proxies in a timely manner and inability to vote proxies due to securities lending arrangements. For example, Cadence may refrain from voting a proxy of a foreign issuer due to logistical considerations that may have a detrimental effect on Cadence’s ability to vote the proxy. These issues may include, but are not limited to: (i) proxy statements and ballots being written in a foreign language, (ii) untimely notice of a shareholder meeting, (iii) requirements to vote proxies in person, (iv) restrictions on foreigner’s ability to exercise votes, (v) restrictions on the sale of securities for a period of time in proximity to the shareholder meeting, or (vi) requirements to provide local agents with power of attorney to facilitate the voting instructions. Such proxies are voted on a best-efforts basis.

To assist in the proxy voting process, Cadence has retained an independent third party service provider, Broadridge, to assist in providing research, analysis and voting recommendations on corporate governance issues and corporate actions as well as assist in the administrative process.

The services provided offer a variety of proxy-related services to assist in Cadence’s handling of proxy voting responsibilities.

Conflicts of Interest

Cadence may have conflicts of interest that can affect how it votes its clients’ proxies. For example, Cadence or an affiliate may manage a pension plan whose management is sponsoring a proxy proposal. The Proxy Guidelines are designed to prevent material conflicts of interest from affecting the manner in which Cadence votes its clients’ proxies. In order to ensure that all material conflicts of interest are addressed appropriately while carrying out its obligation to vote proxies, Cadence’s Chief Compliance Officer is responsible for addressing how Cadence resolves such material conflicts of interest with its clients.

To obtain a copy of the Policy Guidelines or to obtain information on how your account's securities were voted, please contact your account representative.

Financial Information

Cadence has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.

Privacy Policy

Cadence considers customer privacy to be a fundamental aspect of its relationship with clients. Cadence is committed to maintaining the confidentiality, integrity, and security of its current, prospective and former clients' personal information. Cadence has developed policies designed to protect this confidentiality, while allowing client needs to be served.

In the course of providing clients with products and services, Cadence may obtain non-public personal information about the client. This information may come from sources such as account applications and other forms, from other written, electronic or verbal correspondence, from its clients' transactions, from its clients' brokerage or financial advisory firm, financial adviser or consultant, and/or from information captured on our internet web sites.

Cadence does not disclose any personal or account information provided by the client or gathered by it to non-affiliated third parties, except as required or permitted by law or as otherwise described in this Form ADV. Cadence may delegate investment management responsibilities to other of its investment management affiliates and share information with them to the extent necessary to accomplish these limited purposes. As is common in the industry, non-affiliated companies may from time to time be used to provide certain services, such as preparing and mailing prospectuses, reports, account statements and other information, conducting research on client satisfaction, conducting performance analyses and gathering and voting shareholder proxies. Cadence may also retain non-affiliated companies to market our products and enter in joint marketing agreements with other companies. These companies may have access to clients' personal and account information, but are permitted to use the information solely to provide the specific service or as otherwise permitted by law. Cadence may also provide its clients' personal and account information to the clients' brokerage or financial advisory firm and/or financial adviser or consultant.

Cadence reserves the right to disclose or report personal information to non-affiliated third parties in limited circumstances where it believes in good faith that disclosure is required under law, to cooperate with regulators or law enforcement authorities, to protect our rights or property, or upon reasonable request by any mutual fund in which the client has chosen to invest. In addition, Cadence may disclose information about the client or its accounts to a non-affiliated third party at the client's request or with the client's consent.

Violation of Law and Fraud Escalation Procedure

General Policy

Cadence encourages employees, contractors, subcontractors or agents (“Reporting Persons”) of Cadence to report concerns regarding a potential violation of any rule or regulation of the Securities and Exchange Commission or any provision of federal law relating to illegal activities including fraud against shareholders (a “Violation” means any action or failure to act by an employee, contractor, subcontractor or agent of Cadence which may result in a violation of any rule or regulation of the Securities and Exchange Commission or any provision of federal law relating to fraud against shareholders).

Procedure

Any Reporting Person believing a Violation is occurring or has occurred is encouraged to report that information to Cadence’s Chief Compliance Officer. Except as may be required by applicable law, the Chief Compliance Officer shall keep the name of the Reporting Person confidential.

Upon receiving information about a suspected Violation, the Chief Compliance Officer shall undertake a preliminary investigation to determine if the information can be substantiated. Reporting Persons will be kept informed of the status of the investigation by the Chief Compliance Officer. The Chief Compliance Officer will report details of the Violation to the persons under investigation, appropriate management, and as necessary, other appropriate U.S. federal and state regulatory and law enforcement authorities.

In order to monitor whether the Reporting Person is being subjected to reprisals or retaliation, the Chief Compliance Officer shall from time to time contact the Reporting Person to determine whether any changes in the Reporting Person’s work situation has occurred as a result of providing such information. If the Chief Compliance Officer determines that any reprisal or retaliation has occurred, a report of this shall be made to appropriate management, with agreement of the Reporting Person.

Any Reporting Person who feels he or she has been the subject of reprisal or retaliation because of his or her providing information should immediately notify the Chief Compliance Officer.

Any employee who is dissatisfied with the results of any internal investigation initiated because of their report retains their right to report any good faith Violation to appropriate U.S. federal and state regulatory and law enforcement authorities.

Freedom to Report (no retaliation)

Cadence and any officer, employee, contractor, subcontractor, or agent of Cadence, is prohibited from discharging, demoting, suspending, threatening, harassing, or in any other manner discriminating against Reporting Persons in the terms and conditions of employment because of any lawful act done by Reporting Persons to provide information, cause information to be provided, or otherwise assist in an investigation regarding any conduct which the Reporting Persons reasonably believes constitutes a Violation. It is the policy of Cadence to encourage

Reporting Persons to disclose a Violation. Reporting Persons have the option, and are encouraged to report any violation to the Chief Compliance Officer with confidentiality. The policy is intended to create an environment where employees can act without fear of reprisal or retaliation.

Cadence Capital Management LLC

Part 2B of Form ADV

The Brochure Supplement

265 Franklin Street, 11th Floor,
Boston, MA 02110
www.cadencecapital.com

Updated: March 2011

This brochure supplement provides information about William Bannick, Robert Fitzpatrick, Heather Mellem, Bart O'Connor, and Michael Skillman. It supplements Cadence's accompanying Form ADV brochure. Please contact Cadence's Chief Compliance Officer at 617-624-3500 if you have any questions about the Form ADV brochure or this supplement, or if you would like to request additional or updated copies of either document.

Education and Business Background for Preceding Five Years of Executive Officers of Cadence and those with similar status or performing similar functions. (the asterisk "*" by the names of individuals listed below indicates they are members of Cadence's Investment Strategy Group.)

William Bannick's Biographical Information

Educational Background and Business Experience

WILLIAM B. BANNICK *

Year of Birth: 1947

Education: University of Massachusetts, (B.S. in Physics, 1970); Boston University, Boston, Massachusetts (M.B.A. in Finance, 1975), Chartered Financial Analyst (CFA) 1989.

Business Background: Chief Investment Officer (1/2004-Present) and Managing Director (11/1994-Present), Senior Portfolio Manager (11/1994-12/2003), Cadence Capital Management LLC;

Disciplinary Information

Mr. Bannick has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Bannick or of Cadence.

Other Business Activities

Mr. Bannick is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Cadence.

Additional Compensation

Mr. Bannick does not receive economic benefits from any person or entity other than Cadence in connection with the provision of investment advice to clients.

Supervision

Mr. Bannick's activities are also overseen by the Chief Compliance Officer, Heather Mellem. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

Robert Fitzpatrick's Biographical Information

Educational Background and Business Experience

ROBERT L. FITZPATRICK *

Year of Birth: 1966

Education: Dartmouth College, (B.A. in Psychology/Government, 1988); The Wharton School, (M.B.A. in Finance, 1993), Chartered Financial Analyst (CFA), 2000.

Business Background: Managing Director (01/06 to Present), Portfolio Manager (01/2004 to Present), Senior Analyst (9/1999-12/2003), Cadence Capital Management LLC; Senior Analyst (9/1999), Research Analyst (1998-1999), Husic Capital Management.

Disciplinary Information

Mr. Fitzpatrick has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Fitzpatrick or of Cadence.

Other Business Activities

Mr. Fitzpatrick is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Cadence.

Additional Compensation

Mr. Fitzpatrick does not receive economic benefits from any person or entity other than Cadence in connection with the provision of investment advice to clients.

Supervision

Mr. Fitzpatrick's activities are also overseen by the Chief Compliance Officer, Heather Mellem. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

Michael Skillman's Biographical Information

Educational Background and Business Experience

MICHAEL J. SKILLMAN *

Year of Birth: 1963

Education: California State University, Chico (B.S. Business Administration 1986)

Business Background: Chief Executive Officer (1/2004-Present), Managing Director (01/1999 to Present), Director, Account Management (11/1994-12/1998), Cadence Capital Management LLC.

Disciplinary Information

Mr. Skillman has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Skillman or of Cadence.

Other Business Activities

Mr. Skillman is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Cadence.

Additional Compensation

Mr. Skillman does not receive economic benefits from any person or entity other than Cadence in connection with the provision of investment advice to clients.

Supervision

Mr. Skillman's activities are also overseen by the Chief Compliance Officer, Heather Mellem. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.

Stephen C. Demirjian's Biographical Information

Education and Business Background

Year of Birth: 1961

STEPHEN C. DEMIRJIAN

Education: Tufts University - B.A. Economics 1983. Babson College - M.B.A 1991

Business Background: Portfolio Manager (11/2010-Present), Cadence Integrity Partners LLC; Senior Vice President (09/2009 to 11/2010), Columbia Management; Founder and Chief

Executive Officer (08/1999 to 09/2009), Integrity Capital Management; Co-President (04/1996-08/2003), Westfield Capital; Senior Vice President & Partner (05/1984 to 04/1996), Essex Investment Management.

Disciplinary Information

Mr. Demirjian has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Demirjian or of Cadence.

Other Business Activities

Mr. Demirjian is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Cadence.

Additional Compensation

Mr. Demirjian does not receive economic benefits from any person or entity other than Cadence in connection with the provision of investment advice to clients.

Supervision

Mr. Demirjian's activities are also overseen by the Chief Compliance Officer, Heather Mellem. Any of these individuals can be reached directly by calling the telephone number on the cover of this brochure supplement.