



***Rondure Global Advisors, LLC  
Form ADV Part 2 – Disclosure Brochure  
November 16, 2018***

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**This brochure provides information about the qualifications and business practices of Rondure Global Advisors, LLC (“Rondure”). If you have any questions about the contents of this brochure, please contact us at 801.736-8550 or email [ehuefner@gpgfunds.com](mailto:ehuefner@gpgfunds.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.**

**Additional information about Rondure is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s website also provides information about people affiliated with Rondure who are registered as investment adviser representatives of Rondure.**

Rondure is an investment advisor registered with the SEC. Registration of an investment advisor does not imply any particular level of skill or training.

## **Item 2: Material Changes**

In this section, we discuss only material changes since the last update to the brochure on June 1, 2018. Rondure has begun managing separately managed accounts for accredited investors. As result, updates have been made to many sections of the Brochure, including sections 4, 5, 6, 7, 12, 13 & 17.

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## Item 4 – Advisory Business

**Our Firm:** Rondure Global Advisors, LLC (“Rondure”) was founded on October 31, 2016 by Laura Geritz and Grandeur Peak Global Advisors, LLC (“Grandeur Peak”). Rondure is headquartered in Salt Lake City, Utah. It is a privately held limited liability company, with Ms. Geritz owning 51% of the firms’ equity and Grandeur Peak owning the remaining 49%. Rondure is registered as an investment adviser with the SEC.

**Our Advisory Services:** Rondure provides discretionary investment management services to the Rondure Funds, a family of no-load mutual funds that are part of the Financial Investors Trust (“FIT”), a series trust. There are currently two funds in the Rondure mutual fund family (together the “Rondure Funds” or “Funds”):

- Rondure Overseas Fund
- Rondure New World Fund

Rondure also offers similar investment management services in strategies similar to the Overseas and New World Funds to accredited investors through separately managed accounts (together the “Rondure SMAs” or “SMAs”).

The Rondure Funds and the Rondure SMAs are together referred to as the “Portfolios.” Item #8 provides more information about our investment approach.

Rondure does not provide financial planning services, nor does Rondure advise clients in the selection of other investments not managed by Rondure.

**Tailoring Our Services:** Rondure does not tailor its services to the individual needs of clients in the Rondure Funds. All shareholders in the Rondure Funds are shareholders in a common mutual fund and as such cannot impose restrictions on investing in certain securities.

The Rondure SMAs are managed in a similar style to their respective Rondure Fund, although variations may exist. The principal variations result from specific guidelines and restrictions placed on separate account portfolios by clients. Restrictions on the management of the account must be mutually agreed upon by Rondure and the client. Clients who place restrictions, including restrictions as to types of securities, concentrations, countries, cash balances, brokers to be used or not used, etc. should recognize that the performance of their account(s) may not be consistent with the performance of other accounts managed in the same or similar strategy.

**Assets Under Management:** As of September 30, 2018 Rondure had \$147 million in assets under management. All of these assets were discretionary assets.

## Item 5 – Fees and Compensation

**Mutual Funds:** Rondure receives fees from the Rondure Funds based on the average daily net assets under management in each Fund as follows:

Fund Name	Annual Fee Rate
Overseas Fund	0.70%
New World Fund	0.85%

The fees received by Rondure as a service provider to the Rondure Funds, as well as fees paid to other service providers by the Rondure Funds (e.g. custody, administration, transfer agent, accounting, legal, etc.), are described in detail in the registration statement and/or financial filings of those funds. The fees are accrued on a daily basis and deducted directly from the Rondure Funds. Extraordinary expenses, if any, are also borne by Rondure Funds shareholders.

The Rondure Funds have two share classes, an Investor class and an Institutional class. Shareholders in the Investor class pay a 12b-1 fee at an annual rate of 0.25% of average daily net assets. There is no 12b-1 fee on the Institutional class of shares. The 12b-1 fee is paid by Investor class shareholders to the Rondure Funds' distributor, ALPS Distributors, Inc. ("ALPS"). ALPS uses these monies to pay for distribution and shareholder services, such as compensation to broker-dealers selling Fund shares.

The Rondure Funds incur brokerage, foreign exchange, custodial, and administrative expenses separate from the fees described. Item 12 provides additional detail of our brokerage practices. Individual shareholders of the Rondure Funds may also be charged wire fees, returned check fees, short-term redemption fees, and other shareholder fees.

**Separately Managed Accounts ("SMAs"):** Rondure offers SMAs in the Overseas and New World strategies. The management fee is paid quarterly by the client based on assets under management, and is pro-rated for partial quarters. Depending on the agreement between Rondure and its client, the fee may be deducted directly from the client's account or paid independently by the client.

The management fee for the Overseas strategy is at an annual rate of 0.60%. Fee discounts are available to clients who meet either, or both, of the following requirements: a) five basis points (0.05%) fee reduction for being the initial SMA client in a specific strategy, or investing within six months of the initial SMA client in a specific strategy, and b) five basis points (0.05%) fee reduction for accounts with a net capital contribution above \$250M.

The management fee for the New World strategy is at an annual rate of 0.75%. Fee discounts are available to clients who meet either, or both, of the following requirements: a) five basis points (0.05%) fee reduction for being the initial SMA client in a specific strategy, or investing

within six months of the initial SMA client in a specific strategy, and b) five basis points (0.05%) fee reduction for accounts with a net capital contribution above \$250M.

This fee covers only the Rondure investment advisory services. The Rondure SMAs incur brokerage, foreign exchange, custodial, and other expenses separate from the fees described. Item 12 provides additional detail of our brokerage practices.

Rondure also offers portfolios in these strategies as sub-advisor to other investment managers. The fee charged for sub-advised portfolios is subject to negotiation. Therefore, some of Rondure's clients may be paying different fees than those shown above, and some clients may pay more or less than other clients receiving the same services.

**Affiliated Broker-Dealer:** Rondure does not have an affiliated broker-dealer and does not receive a commission attributable to the sale of a security or other investment product, including shares of the Rondure Funds.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Rondure does not charge performance-based fees.

Rondure manages side-by-side accounts in the Overseas strategy, and may do so in the New World strategy in the future. The net fee received by Rondure from the mutual funds and SMAs in a common strategy are comparable to each other, but vary based on expenses, assets under management, and other factors.

There is a potential conflict of interest when Rondure receives a higher fee from one of the clients in the same strategy, in which case Rondure may be incentivized to direct better investments to the client with the higher fee. To manage this potential conflict, Rondure manages and trades portfolios within the same strategy as similarly as possible given restrictions in place, and allocates partially filled trades consistent with Rondure's Trade Allocation Policy, which has been specifically designed to be unbiased across portfolios. These policies are described in more detail in Item 12.

## **Item 7 – Types of Clients**

Rondure provides investment management services to registered investment companies (the Rondure Funds) and accredited investors (the Rondure SMAs). Investors within these investment vehicles may now, or in the future, include individuals, trusts, financial advisers, corporations, charitable institutions, foundations, endowments, municipalities, registered investment companies, private investment funds, and other entities. Clients also include other managers for whom Rondure is acting as a sub-advisor.

The Rondure Funds have two share classes, an Investor Class and an Institutional Class. Both share classes have a minimum investment of \$2,000 (\$100 for UTMA accounts). The minimums may be waived by Rondure under certain circumstances.

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

***Investing in securities involves risk of loss that clients should understand and be prepared to bear. Please read offering documents carefully before investing.***

We use a process of quantitative screening of the financial trends and health of individual companies followed by fundamental analysis to identify high-quality companies domiciled throughout the world which we believe can provide sustainable returns over market cycles. Our team travels extensively to visit companies and talk with management. We do not use allocation models to restrict investments to certain regions, countries, or industries. We may significantly shift assets between asset classes, sectors, and geographic regions based on where we believe the best opportunities and valuations currently exist.

Our primary focus is on publically traded companies of all sizes, with a particular emphasis on balance sheet quality. The Portfolios are invested in companies domiciled in developed, emerging, and frontier markets. The Portfolios may also invest in early stage companies, private investments in public equities (PIPEs), 144A offerings, initial public offerings (IPOs), and other forms of securities relevant to the investment objectives of each strategy. At times the Portfolios may also invest in corporate or government bonds, foreign exchange futures, and currency forwards. For risk management purposes, the Portfolios may occasionally invest in gold bullion or equity securities of issuers principally engaged in the gold industry. The Portfolios do not currently use leverage.

The investment strategies summarized above represent our current intentions, are general in nature and are not exhaustive. We have broad flexibility in the types of securities we may purchase on behalf of the Portfolios, the size of positions that we may take, the concentration of the Portfolios' investments and/or the amount of leverage that they may use. We may use other trading or investment techniques, whether or not contemplated by the expected investment strategies described above. In addition, there are limitations in describing any investment strategy due to its complexity, confidentiality and indefinite nature. Depending on conditions and trends in securities and commodities markets and the economy generally, we may pursue other objectives or use other techniques that we consider appropriate and in clients' interest.

### **Risks:**

Investing in securities involves risk of loss that clients should be prepared to bear. Below are some of the risks that investors should consider before investing in any portfolio that we manage. Any or all of such risks could materially and adversely affect investment performance, the value of any portfolio or any security held in any portfolio, and could cause investors to lose substantial amounts of money. Below is only a brief summary of some of the risks that an investor may encounter. **Potential investors should review offering materials carefully and in their entirety, and consult with their professional advisers before deciding whether to invest.**

*Credit Risk.* The companies in which the Portfolio may invest may have their credit rating downgraded, fail financially or be unwilling or unable to make timely payments of interest or principal, thereby reducing the value of the Portfolio's portfolio and its income.

*Currency Risk.* The U.S. dollar value of the Portfolio's assets will be affected by foreign currency exchange rates and may be affected by exchange control regulations. A change in the value of any foreign currency will change the U.S. dollar value of the Portfolio's assets that are denominated or traded in that country. In addition, the Portfolio may incur costs in connection with conversions between various currencies. A risk of not hedging currencies is that if the U.S. dollar strengthens, returns from foreign markets will be less when converted into U.S. dollars.

*Derivatives Risk.* Some of the Portfolios may invest in derivatives, which involves risks different from, or greater than, the risks associated with investing in more traditional investments. Derivatives may not perform as anticipated, may not be closed out at a favorable time or price, may increase volatility in the portfolio, may create investment leverage, may be difficult to value, may be highly illiquid, and there may be risk that the other party in the derivative contract will fail to make required payments or comply with the terms.

*Early Stage Companies Risk.* Early stage companies may never obtain necessary financing, may rely on untested business plans, may not be successful in developing markets for their products or services, and may remain an insignificant part of their industry, and as such may never be profitable. Stocks of early stage companies may be less liquid, privately traded, and more volatile and speculative than the securities of larger companies.

*Emerging and Frontier Markets Risk.* Many of the companies in which the Portfolio invests are susceptible to emerging and frontier markets risk. In addition to the risks of investing in foreign securities in general, the risks of investing in the securities of companies located in or with exposure to emerging and frontier market countries include increased political or social instability, economies based on only a few industries, unstable currencies, runaway inflation, highly volatile securities markets, unpredictable shifts in policies relating to foreign investments, lack of protection for investors against parties who fail to complete transactions, less developed legal, regulatory, tax, and accounting systems, and the potential for government seizure of assets or nationalization of companies. Securities of issuers actually located in emerging or frontier markets may be susceptible to greater custodial and operational risks and may be substantially less liquid.

*Fixed Income Securities Risk.* A rise in interest rates typically causes bond prices to fall. The longer the duration of the bonds held in a Portfolio, the more sensitive it will likely be to interest rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. If debt obligations held by the Portfolio are downgraded by rating agencies or go into default, or if management action, legislation or other government action reduces the ability of issuers to pay principal and interest when due, the value of those debt obligations may decline and the Portfolio's share value and any dividends paid by the Portfolio may be reduced.



*Foreign Securities and Foreign Markets Risk.* Foreign securities are generally more volatile and less liquid than U.S. securities. Further, foreign securities may be subject to additional risks not associated with investment in U.S. securities due to differences in the economic and political environment, the amount of available public information, the degree of market regulation, and financial reporting, accounting and auditing standards, and, in the case of foreign currency-denominated securities, fluctuations in currency exchange rates. Certain foreign markets may require payment for securities before delivery and delays may be encountered in settling securities transactions.

In some foreign markets, there may not be protection against failure by other parties to complete transactions. There may be limited legal recourse against an issuer in the event of a default on a debt instrument.

*Foreign Tax Risk.* The Portfolio's income from foreign issuers may be subject to non-U.S. withholding taxes. A Portfolio may also be subject to taxes on trading profits or on transfers of securities in some countries. To the extent foreign income taxes are paid by the Portfolio, shareholders may not be entitled to a credit or deduction for U.S. tax purposes.

*Futures and forward contracts risk.* A Portfolio that uses futures contracts is subject to the risk of loss caused by unanticipated market movements. In addition, there may at times be an imperfect correlation between the movement in the prices of futures contracts and the value of their underlying instruments or indexes and there may at times not be a liquid secondary market for certain futures contracts.

Forward currency contracts are contractual agreements to purchase or sell a specified currency at a specified future date (or within a specified time period) at a price set at the time of the contract. The Portfolio may not fully benefit from, or may lose money on, forward foreign currency transactions if changes in currency exchange rates do not occur as anticipated or do not correspond accurately to changes in the value of the Portfolio's holdings. Both futures contracts and forward contracts are complex instruments which are subject to the risk that the counterparty to a transaction may not fulfill its contractual obligations and are also subject to risks associated with improper valuation.

*Gold and Gold-Related Issuers Risk.* The Portfolio may hold investments in gold bullion and/or securities of issuers principally engaged in the gold industry. Holdings of physical gold may entail higher custody and transaction costs relative to holdings of securities. Gold held in physical form (even in a segregated account) involves the risk of delay in obtaining the assets in the case of bankruptcy or insolvency of the custodian. The price of gold operating companies is strongly affected by the price of gold, as well as by certain costs and business and operational risks directly associated with their operations. These prices may be volatile, fluctuating substantially over short periods of time.

*Growth Stock Risk.* Growth stock prices may be more sensitive to changes in current or expected earnings than the prices of other stocks, and they may fall or not appreciate in step with the broader securities markets.

*Initial Public Offerings (IPO) Risk.* IPOs involve a higher degree of risk because companies involved in IPOs generally have limited operating histories and their prospects for future profitability are uncertain. Prices of IPOs may also be unstable due to the absence of a prior public market, the small number of shares available for trading and limited investor information.

*Interest Rate Risk.* The fixed-income securities in which the Portfolio may invest may be of any quality or duration. Duration is a weighted measure of the length of time a bond will pay out and takes into account interest payments that occur throughout the course of holding the bond. In general, the longer the bond's duration, the more its price will drop as interest rates go up. The value of the Portfolio's investments in fixed-income securities will generally decrease when interest rates rise, which means the Portfolio's NAV will likewise decrease.

*Large-Cap Company Stock Risk.* Large-capitalization companies may go in and out of favor based on market and economic conditions. Large companies may be unable to respond quickly to new competitive challenges, such as changes in technology, and also may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion. Although the securities of largest companies may be less volatile than those of companies with smaller market capitalizations, returns on investments in securities of large capitalization companies could trail the returns on investments in securities of smaller companies.

*Liquidity Risk.* Liquidity risk exists when particular investments of the Portfolio would be difficult to purchase or sell, possibly preventing the Portfolio from selling less liquid securities at an advantageous time or price, or possibly requiring the Portfolio to dispose of the investment, or other investments, at unfavorable times or prices in order to satisfy its obligations.

*Managed Portfolio Risk.* The Adviser's investment strategies or choice of specific securities may be unsuccessful and may cause the Portfolio to incur losses.

*Micro-Cap Company Stock Risk.* Micro-cap stocks involve substantially greater risks of loss and price fluctuations because micro-cap companies' earnings and revenues tend to be less predictable (and some companies may be experiencing significant losses). Micro-cap stocks tend to be less liquid than stocks of companies with larger market capitalizations. Micro-cap companies may be newly formed or in the early stages of development, with limited product lines, markets or financial resources and may lack management depth. In addition, there may be less public information available about these companies. The shares of micro-cap companies tend to trade less frequently than those of larger, more established companies, which generally increases liquidity risk and pricing risk for these securities.

*Mid-Cap Company Stock Risk.* Generally, mid-cap companies may have more potential for growth than large-cap companies. Investing in mid-cap companies, however, may involve greater risk than investing in large-cap companies. Mid-cap companies may not have the management experience, financial resources, product diversification and competitive strengths of large-cap companies and, therefore, their securities may be more volatile than the securities of larger, more established companies, making them less liquid than other securities. Mid-cap company stocks may also be bought and sold less often and in smaller amounts than larger company stocks.

*Non-Diversification Risk.* Because the Portfolio is non-diversified and may invest a greater percentage of its assets in securities of a single issuer and in a relatively small number of issuers, it is more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio. Some of those issuers may also present substantial credit or other risks.

*Participatory Notes Risk.* Participatory notes (or “P-notes”) represent interests in securities listed on certain foreign exchanges, and thus present similar risks to investing directly in such securities. P-notes also expose investors to counterparty risk, which is the risk that the entity issuing the note may not be able to honor its financial commitments. The purchaser of a P-note must rely on the credit worthiness of the bank or broker who issues the P-note, and these notes do not have the same rights as a shareholder of the underlying foreign security.

*Political and Economic Risk.* Foreign investments may be subject to heightened political and economic risks, particularly in countries with emerging economies and securities markets, which may have relatively unstable governments and economies based on only a few industries. In some countries, there is the risk that the government could seize or nationalize companies, impose additional withholding taxes on dividends or interest income payable on securities, impose exchange controls or adopt other restrictions that could affect the Portfolio’s investments.

*Region Risk.* Social, political and economic conditions and changes in regulatory, tax or economic policy in a country or region could significantly affect the market in that country or region. In addition, global economies and financial markets are becoming increasingly interconnected, which increases the possibility that conditions in one country or region might adversely impact the issuers of securities in a different country or region. From time to time, a small number of companies and industries may represent a large portion of the market in a particular country or region, and these companies and industries can be sensitive to adverse social, political, economic or regulatory developments.

*Regulatory Risk.* Foreign companies not publicly traded in the United States are not subject to accounting and financial reporting standards and requirements comparable to those U.S. companies must meet. In addition, there may be less information publicly available about such companies.

*Sector Concentration Risk.* At times, the Portfolio may have a significant portion of its assets invested in securities of companies conducting business in a broadly related group of industries within an economic sector. Companies in the same economic sector may be similarly affected by economic or market events, making the Portfolio more vulnerable to unfavorable developments in that economic sector than strategies that invest more broadly. The more the Portfolio diversifies its investments, the more it spreads risk and potentially reduces the risks of loss and volatility.

*Sector Weightings Risk.* Market conditions, interest rates, and economic, regulatory or financial developments could significantly affect all the securities in a single sector. If the Portfolio invests in a few sectors, it may have increased relative exposure to the price movements of those sectors.

*Small-Cap Company Stock Risk.* Investments in securities of small companies may involve greater risks than investing in large capitalization companies because small companies generally have a limited track record and their shares tend to trade infrequently or in limited volumes.

*Stock Market Risk.* The Portfolio's investments may decline due to movements in the overall stock market.

*Stock Selection Risk.* The Portfolio's investments may decline in value even when the overall stock market is not in a general decline.

*Transaction Costs.* The costs of buying and selling foreign securities including brokerage, tax and custody costs are generally higher than those for domestic transactions.

*Value Investing Risk.* Value investing attempts to identify strong companies whose stocks are selling at a discount from their perceived true worth, and is subject to the risk that the stocks' intrinsic values may never be fully recognized or realized by the market, their prices may go down, or that stocks judged to be undervalued may actually be appropriately priced.

## **Item 9 – Disciplinary Information**

As a registered investment adviser, we are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Rondure or the integrity of Rondure's management.

Rondure has no such events to report.

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

Rondure is not registered as a broker-dealer, nor is it affiliated with a broker-dealer. The Rondure Funds are distributed by ALPS Distributors Inc. ("ADI"), a registered broker-dealer.

Certain employees of Rondure are registered representatives of ADI. Eric Huefner, is the Chief Compliance Officer of Rondure and is a registered representative of ADI.

Grandeur Peak has a controlling, non-majority, ownership interest in Rondure Global Advisors, LLC. Grandeur Peak is a SEC registered investment advisor co-located with Rondure in Salt Lake City, UT.

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

**Code of Ethics:** Rondure expects its managers and employees (together “Employees”) to act in the best interest of our clients, and to place the interests of our clients ahead of our own. Rondure has adopted a Code of Ethics (the “Code”) which sets forth the standard of business conduct expected from each member of our team.

The Code restricts trading in any security for which we believe we may be privy to material non-public information. It also restricts personal trading activities to prevent immediate conflicts of interest between personal trading and client trading. The Code limits gifts and entertainment, be they received or given, to avoid material conflicts of interests. The Code requires all outside business activities of our team members be disclosed so that potential conflicts can be recognized and addressed. The Code restricts political contributions of our Employees to avoid potential conflicts. Finally, the Code offers a Whistleblower Policy for all employees. All Rondure Employees must accept in writing the terms of the Code upon employment and at least annually thereafter.

Rondure will provide a copy of the Code to any client or prospective investor upon request by contacting the firm’s Chief Compliance Officer, Eric Huefner, at [ehuefner@gpgfunds.com](mailto:ehuefner@gpgfunds.com).

Rondure may invest client assets in companies whose officers, directors, or employees have investments in a Rondure product.

Rondure may at times invest for its own account in the Rondure Funds or in funds/products of other investment advisers. Such investments may create a potential conflict of interest for Rondure to favor one strategy or product over another. Rondure has a Trade Allocation Policy, specifically designed to be unbiased across the Portfolios, to help mitigate such risk.

**Personal Trades:** Rondure Employees are generally not allowed to purchase public equities in their personal accounts, although they are allowed, with restrictions, to purchase other securities which might also be purchased for clients. The Code is designed to prevent any such transaction from taking place when it might advantage an access person and disadvantage a client. Nonetheless, since the Code does allow Employees and clients to potentially hold the same security, there is a possibility that Employees might benefit from market activity by a client in a security held by a Rondure manager or employee.

To help reduce the likelihood of inappropriate employee benefit from personal trades, the Code requires certain trades to be pre-approved and carefully executed in a manner to mitigate client conflict. The Code also requires that Rondure Employees obtain approval before investing in a limited offering, including private funds. The Code prohibits employees from investing in IPOs. The Code requires periodic reporting of personal securities transactions and holdings to Compliance.

**Participation in Client Transactions:** Rondure does not buy or sell securities directly to or from its clients. Rondure solicits investors to invest in the Rondure Funds, which we manage and for which we receive a fee. Rondure does not have discretion over client accounts to make the decision to invest in a Rondure Fund, but once a client has decided to invest in a Rondure Fund, then Rondure has investment discretion over the client assets invested in that Rondure Fund.

## **Item 12 – Brokerage Practices**

**Brokerage Selection & Best Execution:** SMA clients have the ability to grant Rondure brokerage discretion or direct Rondure to execute transactions for the client with a specific broker. Currently, Rondure has discretion to select the brokers to execute transactions for the Portfolios, and to negotiate and determine the commissions to be paid for such transactions. Rondure may consider a number of factors when selecting a broker or dealer for a transaction, including the broker's execution capability, the broker's responsiveness to Rondure, the broker's reputation and access to the global market for the security being traded, the efficiency with which the trade will be executed, the broker's integrity (ability to maintain confidentiality), the broker's knowledge of global regulatory practices, commission rates and the value of the research products and services that a broker lawfully may provide to assist Rondure in the exercise of its investment decision-making responsibilities, the availability of soft dollar accrual, the broker's technology infrastructure and operations capabilities, and the expected market impact of the trade. The determining factor is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution for our clients. Rondure has no affiliated broker-dealer.

**Research & Other Soft Dollar Benefits:** As an adviser, Rondure has a fiduciary obligation to seek best execution for client trades and not to use client assets for its own benefit at the expense of its clients. Congress, recognizing the value of research in managing client accounts, enacted Section 28(e) of the Securities Exchange Act of 1934 to allow advisers to use client commissions to acquire research and brokerage services in good faith that the amount of commission was reasonable in relation to the value of the research and brokerage services received.

On all, or nearly all, executed trades, the Portfolios pay brokerage commissions that are higher than the lowest available rate available from an "execution only" broker, and Rondure receives research products and services in return. The "additional" commission paid for this research is commonly referred to as "soft dollars." There are two types of soft dollars, a) those used to

acquire proprietary research products and services from the broker executing the trade (“bundled”), and b) those used to acquire research products and services from third parties (“unbundled”). Rondure utilizes both types of soft dollars.

Rondure benefits from the use of client commissions to purchase research products and services because Rondure does not have to produce or pay for these research products or services. This creates a conflict of interest for Rondure because:

- A. Rondure has an incentive to trade with brokers providing research products or services, which may or may not be the broker providing the lowest price execution.
- B. Rondure has an incentive to trade more frequently in order to accrue additional soft dollars.

Rondure client accounts generate soft dollars in varying forms and amounts. Soft dollars are aggregated together and collectively used to pay for research products and services benefitting all accounts. Soft dollar benefits may not be received in proportion to the soft dollars generated by each account. The types of research services acquired with soft dollars typically benefit the Rondure research process on a broad basis, and as such is difficult to separately measure the benefit received by each individual account. In addition, the volume and nature of trading activities by account are not uniform, and so the amount of soft dollars generated by each account varies. Certain clients (e.g. clients using directed brokerage or restricting brokerage practices in other ways) may generate significantly fewer soft dollars. These clients benefit from the research services provided to Rondure through soft dollars generated by other Rondure clients.

Rondure has a Trade Compliance Committee (TCC) that oversees Best Execution and Soft Dollars, among other things. The TCC reports to the Managing Partners and also shares quarterly reports and meeting minutes with the Rondure Funds CCO, thus providing additional, independent oversight of trading practices and use of soft dollars.

Proprietary Research Products and Services: Rondure uses “bundled” soft dollars to obtain proprietary research products and services from most of the brokers we utilize. These brokers bundle trade execution and research services into the total trade commission cost. The types of proprietary products and services that Rondure receives directly from these brokers include: 1) coordinating meetings or calls with management teams of companies of interest to Rondure, 2) coordinating trips for Rondure research analysts to visit companies and talk with management, most frequently outside of the U.S., 3) providing attendance at broker-sponsored conferences where Rondure research analysts hear company presentations and meet with company management, 4) access to research analysts at the broker, and reports generated by such analysts, and 5) access to allocations in limited offerings, such as IPOs. These products and services are not generally available for sale otherwise and can typically only be obtained by paying the broker via trade commissions.

Third Party Research: Rondure uses “unbundled” soft dollars accrued through trade commissions to obtain third party research products and services. On many Rondure trades,

the trade commission paid includes both a commission paid to the broker for their services as well as an additional commission that is used to pay for “unbundled” research products and services offered by third parties. These “unbundled” soft dollar commissions may be accrued on trades executed through execution-only brokers as well as through brokers also receiving “bundled” soft dollars.

“Unbundled” soft dollars allow Rondure to select research products and services it feels are the most valuable to its research process and in turn most beneficial to its clients. Third party research products and services may include, among other things, data services, publications, databases, reports, and software. To date, the only expense for third-party research services used by Rondure and paid for with “unbundled” soft dollars is Bloomberg Professional Service. Bloomberg is an interactive financial information network that integrates data, news, analytics, multimedia reports, and portfolio holdings on a single platform. Bloomberg analytics provide real-time tools that can retrieve company, financial, and economic data. The Rondure research process relies on Bloomberg as an important research tool. Other third party research products and services may also be purchased using “unbundled” soft dollars.

On occasion, a product or service furnished to Rondure may have both research and non-research functionality. Under such circumstances, Rondure will make a reasonable allocation as to the portion of the product or service that provides assistance in the research process and can appropriately be paid for with soft dollars. The non-research portion of the product or service will be paid for by Rondure.

**Brokerage for Client Referral:** Client referral is not a consideration in selecting broker-dealers to execute securities transactions for the Portfolios. We do not compensate broker-dealers for distributing the Rondure Funds or products by directing brokerage transactions to them.

**Directed Brokerage:** Rondure has discretion to select the brokers used for trades in the Rondure Funds. SMA clients may, at their discretion, direct trades to a particular broker-dealer. Transactions for these clients will generally be executed following the execution of portfolio transactions in other client accounts where Rondure has full discretion to execute trades. In the event that we accommodate a directed brokerage relationship, we may place the trade with an executing broker on our approved list and “step out” the trade to the directed broker. In this case, the directed brokerage client may incur additional charges or pay extra commissions. Clients who request or require directed trades may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, and may also receive less favorable prices and trade execution.

Directed brokerage account trades will typically be executed after all discretionary trades in the same security have been completed. As a result, the price of a particular security may move away from the desired execution price prior to completing directed brokerage account trades, which may cause directed brokerage accounts to not receive the same portfolio weighting or price in a security as other client accounts where Rondure has full discretion to execute trades.



The more client assets we manage and directed brokerage relationships we accommodate, the greater the potential cost to directed brokerage client portfolios.

**Trade Aggregation & Allocation:** If Rondure believes the purchase or sale of a security is in the best interest of more than one of the portfolios it manages, Rondure may aggregate the securities to be purchased or sold into a single order (a “block trade”). Rondure will allocate securities purchased or sold in a block trade, as well as the expenses incurred in the transaction, on a pro-rata basis or in another manner that it considers equitable and consistent with its fiduciary obligation to clients. Each portfolio may not receive a pro-rata allocation of a block trade in instances where the trade is only partially filled. Rondure has a Trade Allocation Policy for such instances in order to maintain economically sound and equitable treatment of the Portfolios. For example, one portfolio may randomly receive the entire executed trade if the pro-rata division of the trade would make the trades for each portfolio uneconomical. Rondure will seek to be fair and equitable in its allocation of trades, but there can be no assurance that the net result will be equal across portfolios. Rondure will follow the same Trade Allocation Policy when allocating IPO’s among its suitable and eligible portfolios within the relevant investment style/product.

When Rondure and Grandeur Peak seek to purchase or sell the same security in one or more of each firm’s portfolios by utilizing the Grandeur Peak trading desk, there could be a conflict of interest in determining the order in which to execute the trades. To mitigate this conflict, Grandeur Peak may similarly aggregate and allocate such trades across both firms following the same Trade Allocation Policy.

**Cross Trades:** In the course of providing advisory services, Rondure may simultaneously recommend the sale of a particular security for one account and the purchase of the same security for another account if such recommendations are consistent with each client’s investment objectives and guidelines. Therefore, opportunities may arise for Rondure to effect “cross” transactions between client accounts. If Rondure determines that it is more cost effective and in the best interests of clients to cross securities between client accounts, Rondure, acting as investment advisor and fiduciary to both buyer(s) and seller(s), may effect cross trades between client accounts consistent with its policies and procedures. Rondure receives no compensation from cross-trades.

ERISA accounts are not permitted to participate in cross trades. Trades for ERISA accounts may be placed after cross trades for a particular security have been made on behalf of non-ERISA accounts. Accordingly, trades for accounts that do not participate in cross transactions may be subject to price movements, particularly in volatile markets, and may receive a price that is less favorable than the price obtained in a cross transaction.

**Foreign Currency Transactions:** Rondure engages in foreign currency transactions to facilitate trading in or settlement of trades in foreign securities. It is Rondure’s policy to seek best execution on behalf of our clients. In situations where it is market convention or operationally efficient, or where a client limits Rondure to trading foreign exchange with certain

counterparties or requires Rondure to trade solely with the client's custodian bank, such limitations may impact our ability to obtain best execution for the client.

**Other Brokerage Practices:** In the event a trade error occurs, Rondure will seek to identify and correct the error as promptly as possible consistent with its Trade Error Policy and Procedures.

Rondure may invest the Portfolios' assets in companies that provide research products or services to Rondure, including those paid for with soft dollars. Rondure may also invest the Portfolios' assets in broker-dealers, including those used to execute client transactions.

The brokerage practices above apply generally to the Portfolios, but potential investors should review carefully the offering materials for the specific brokerage practices applicable to their investment and consult with their professional advisers before deciding whether to invest.

### **Item 13 – Review of Accounts**

The portfolio manager(s) review the Portfolios on a regular basis and/or as trades are considered. The Portfolios are monitored on a pre-trade and post-trade basis to ensure the Portfolios are adhering to their quantifiable investment strategies.

The Portfolios are monitored for compliance with investment guidelines and regulations using a software program, Bloomberg Compliance Manager. When the software rejects a proposed order due to a restriction, the portfolio is reviewed promptly by Compliance, Trading and/or the Portfolio Manager to determine the issue and whether alternate instructions are appropriate. Similarly, the Portfolios are reviewed in real time if there are significant inflows or outflows of assets.

Rondure Funds shareholders receive account statements on a quarterly basis, and generally have access to account information daily. Rondure SMAs have daily access to their account through their custodian and receive at least quarterly performance statements from Rondure.

### **Item 14 – Client Referrals and Other Compensation**

Rondure receives no economic benefit for providing investment advice to clients other than as outlined in Item 5.

### **Item 15 – Custody**

Rondure does not directly provide qualified custodial services to its clients. Client assets are held with banks, registered broker-dealers or other "qualified custodians."

Clients do not receive account statements from Rondure. Clients receive account statement directly from their qualified custodian. Clients and Investors should review their statements carefully.

Rondure generally takes steps to avoid having custody of client assets. Rondure does not have custody of assets for the Rondure Funds or Rondure SMAs.

## **Item 16 – Investment Discretion**

Rondure has discretionary authority to manage the assets in the Portfolios. We observe investment limitations and restrictions that are outlined in each client’s investment management agreement or offering materials.

## **Item 17 – Voting Client Securities**

Clients may choose to direct Rondure to vote proxies on their behalf or retain the authority to vote such proxies themselves. Rondure has a Proxy Voting Committee to oversee the firm’s proxy voting activities. Rondure’s policy is to vote securities in the manner we believe will best maximize long-term shareholder value. Rondure has adopted and implemented a Proxy Voting Policy, including guidelines and procedures to assist research analysts in making voting decisions. Rondure invests in companies that we believe have high quality management teams, and consequently, Rondure generally supports the recommendations of the company’s board of directors when voting proxies. However, we ultimately vote for or against recommendations based on what we believe is in our clients’ best interest.

Rondure has retained an independent service provider, Institutional Shareholder Services (“ISS”) to assist in reconciling and processing proxy ballots and providing record-keeping and vote disclosure services, as well as research on proxy issues. In the event that Rondure identifies a material conflict of interest in any proposal that is subject of a proxy to be voted for a client account, Rondure will instruct ISS to vote the proposal in accordance with ISS’ published recommendation.

Clients or potential investors may obtain a copy of Rondure’s Proxy Voting Policy and Procedures upon request by sending a request to [ehuefner@gpgfunds.com](mailto:ehuefner@gpgfunds.com). Clients may also obtain information about how Rondure voted any proxies on behalf of the portfolio(s) in which they are invested. The Rondure Funds’ proxy voting record is publically available on the SEC’s website at [www.sec.gov](http://www.sec.gov) no later than August 31<sup>st</sup> for the prior twelve months ending June 30<sup>th</sup>.

## **Item 18 – Financial Information**

In certain circumstances, registered investment advisers are required to provide you with financial information or disclosures about their financial condition. Rondure has no financial

commitment that impairs our ability to meet contractual and fiduciary commitments to clients. Rondure has also never been the subject of a bankruptcy proceeding.