

## Item 1 Cover Page

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### **Metropolis Capital Ltd**

**Amersham Court,  
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HP6 5DW, United Kingdom**

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### **Form ADV Part 2A Brochure**

December 2017

This brochure provides information about the qualifications and business practices of Metropolis Capital Ltd (“Metropolis” or the “Firm”). Questions about the contents of this brochure should be directed to Metropolis’s Chief Operating Officer, Jonathan Sharkey, on +44 1494 911155 or via email to [js@metropoliscapital.co.uk](mailto:js@metropoliscapital.co.uk). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”), any other state or federal regulatory authority, any foreign regulatory authority or any self-regulatory body.

Additional information about the Firm is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and Metropolis’s website at [www.metropoliscapital.co.uk](http://www.metropoliscapital.co.uk).

Metropolis Capital Ltd is an SEC registered Investment Adviser. Any reference to or use of the terms “registered investment adviser” or “registered,” does not imply that Metropolis or any person associated with Metropolis has achieved a certain level of skill or training. Any clients (“Clients”) and prospective investors should rely only on the information contained in this document or in documents that Metropolis has specifically provided.

## Item 2. Material Changes

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Not Applicable. This is Metropolis' initial Form ADV Part 2A brochure.

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## Item 4. Advisory Business

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### History and Firm Structure

Metropolis was founded by Jonathan Mills and Simon Denison-Smith on 5th May 2010. Metropolis is a private limited company registered in England and Wales (No. 7244251). The firm's principal office is: Amersham Court, 154 Station Road, Amersham, Buckinghamshire, HP6 5DW, United Kingdom.

Metropolis was authorised by the U.K. Financial Conduct Authority ("FCA") on 22nd June 2010 (No. 507685). Following FCA authorisation, in 2011 Metropolis launched the MI Metropolis Valuefund (the "Fund"), an FCA authorised Open-Ended Investment Company.

Metropolis serves as Investment Advisor to Maitland Institutional Services Limited, the Investment Manager and Authorised Corporate Director (“ACD”) to the Fund who also provides the Administration, Fund Accounting, and Transfer Agency functions.

Currently, the Fund is the Firm’s sole investment advisory client. However, in the future Metropolis may advise additional funds and/or separately managed accounts which may include clients domiciled in the United States. Metropolis may serve as investment advisor to one or more accounts that are subject to the requirements of the U.S. Employee Retirement Income Security Act (“ERISA”).

Metropolis is owned and controlled 100% by the two Founders and Fund Managers, Simon Denison-Smith and Jonathan Mills (together, the “Fund Managers”). The Metropolis Board consists of the Fund Managers and the Chief Operating Officer (“COO”). The day to day business is overseen by several subcommittees which include Investments, Operations and Compliance. Such committees meet regularly and are comprised of at least one Metropolis Director and certain members of staff.

Assets under Management: as of 30/11/2017, Metropolis managed \$149,727,800, solely the assets of the Fund.

### **Types of Services that Metropolis Provides to Clients**

Metropolis provides discretionary investment management services which are offered to clients either by way of separate accounts or through pooled investment vehicles.

All investment services are based on a single strategy which invests long-only in publicly-traded equity securities. The Fund Managers (supported by analysts) undertake detailed research to value each investee company. Portfolio allocation decisions are supported by a model which is managed by the Fund Managers.

The investment recommendations and any decisions of Metropolis with respect to each account and any pooled investment vehicles are subject to various market, currency, economic, political and business risks, and will not necessarily be profitable. The Firm cannot guarantee the future performance of any strategy or account, promise any specific level of performance, or promise that the Firm’s investment decisions or overall management of any strategy or account will be successful. Any asset withdrawals or any client investment restrictions may impair achievement of investment objectives. The Firm may manage investments for a number of clients, and may give advice or take actions for some clients that is different than the advice provided or actions taken for others. Neither the Firm nor its employees make any representations or warranties, express or implied, that any level of performance or investment results will be achieved for any account or pooled investment vehicle, or that any strategy or account will perform comparably with any standard or index, including any other strategies or clients of the Firm, and including clients whose accounts may be invested in the same strategy as other clients.

The Firm is generally not expected to consider and diversify a client’s account based on any other assets the client might hold, and the Firm’s only responsibility with respect to

diversification is to invest the assets held in the account in accordance with the investment strategy set forth in the investment management agreement entered into with the client.

Each investment management agreement will also identify any investment restrictions that the client may impose with respect to the account. The Firm will not enter into any investment management agreement if a prospective client seeks to impose unduly restrictive investment restrictions.

## **Item 5. Fees and Compensation**

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Fees paid to Metropolis for investment advisory services are generally dependent on the nature of the services being provided. In addition to management fees, which cover only the Firm's advisory services, clients bear other costs that are necessary or incidental to the advisory service. These expenses may vary from client to client, although all clients will be subject to certain types of incidental expenses, including costs associated with buying, selling, or holding investments, such as custody fees and charges, and expenses associated with transactions such as taxes, duties and commissions, commission equivalents and other brokerage expenses.

The Firm's fees and any incidental expenses will reduce the assets held in, and the returns in client accounts and Private Funds.

### **MI Metropolis Valuefund (a Pooled Investment Vehicle)**

The annual management charge ("AMC") from Metropolis to the MI Metropolis Valuefund ranges from 0.65% to 1.00% of fund assets under management, depending upon the particular share class invested into and is paid monthly in arrears. Expenses are charged to the Fund in addition to the AMC; these include fund accounting, administration, the fees of the Custodian, Depository and Authorised Corporate Director ("ADC"), regulatory filings, transfer agency and audit fees. Transaction fees to support the investment activities are also charged to the Fund, the amounts of which will vary based on the frequency of trading and execution venues being used by the Firm.

### **Managed Accounts**

Managed account clients pay their own direct trading expenses, clearing fees, and other exchange fees and charges. Separate account clients directly bear trading expenses including brokerage commissions, "bid-ask" spreads and other foreign exchange spreads, mark-ups, clearing fees, stock loan expenses (if applicable), registration and transfer fees, regulatory and governmental charges and duties, and other transactional fees and expenses relating to their investments. Clients using managed accounts are obligated to pay all income, dividend withholding, capital gains and other taxes related to their underlying investments. In addition, managed account clients may be required to reimburse Metropolis for extraordinary legal expenses not otherwise borne by Metropolis, including expenses incurred to protect or promote the investment rights or obligations of the managed account clients and legal or accounting expenses incurred in connection with

reclaiming foreign withholding taxes or reducing liability in relation to foreign capital gains taxes. Clients using managed accounts are responsible for paying their own legal, audit and accounting fees as well as annual audit fees and tax return expenses (if any). Clients using managed accounts pay any fees payable to their separately appointed custodians, trustees, fund administrators, managers, managing members, auditors, tax advisors and other similar service providers.

## **Item 6. Performance-Based Fees and Side by Side Management**

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Metropolis does not currently charge performance based fees to any Fund unitholders or any separate account clients. As a result, all fees are normally charged on an ad valorem basis.

Metropolis employees and related parties have invested in the Funds. These employees and related parties invest in the Fund on the same terms and pay the same fees as unaffiliated unitholders in the Fund.

Metropolis seeks to treat all accounts fairly and equitably over time, however, such portfolios may not necessarily be managed the same at all times. Specifically, there may be restrictions imposed on certain managed accounts which result in different portfolio compositions. In general, investment decisions for each client account may be made independently from those of other client accounts, and will be made with specific reference to the individual objectives of each client account. Furthermore, different client guidelines and/or restrictions, operational issues such as custody facilities and availability of cash, may lead to the use of different investment practices for portfolios within a similar investment strategy. As a result, although the Firm may manage several portfolios with similar or identical investment objectives, or may manage accounts with different objectives that trade in the same securities, the portfolio decisions relating to the accounts, and the performance resulting from such decisions, may differ from portfolio to portfolio.

## **Item 7. Types of Clients**

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Metropolis provides its portfolio management services to institutional clients primarily including: corporate pension schemes, local authorities, charitable institutions, foundations, government entities, sovereign funds, US domiciled funds and non-U.S. domiciled funds such as UCITs and AIFs.

The Firm will generally set account minimums for segregated contractually managed accounts. The Firm's Fund has account minimums as set out in the Fund prospectus. These minimums may be waived by the managing entity of the Fund in its sole discretion.

In no event should this Brochure be considered to be an offer of interest in the Fund or any other pooled investment vehicle which is sub-advised by Metropolis or relied upon in determining to invest. This Brochure is not an offer of, or agreement to provide, advisory services directly to any recipient. Rather, it is intended to provide information about Metropolis for the purpose of its compliance with certain obligations under the Investment

Advisers Act 1940, as amended (the “Advisers Act”) and, as such, responds to relevant regulatory requirements thereunder.

The Fund, and not the underlying Unitholders therein, is considered a Client pursuant to Rule 203(b) (3)-1 of the Advisers Act. Metropolis makes investments on behalf of the Fund for the benefit of the underlying Unitholders in the Fund.

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

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### **Investment Strategy and Analysis**

Metropolis provides discretionary investment management services to Clients according to an enumerated investment strategy. The investment objective is to generate long term capital gains by investing in a portfolio of globally listed companies, which are judged by the fund managers to have met certain quality criteria, and to be undervalued in relation to their future cash generation capability. With the help of analysts, the Fund Managers undertake bottom-up fundamental research to build this portfolio.

To the extent Metropolis, in the future, advises any ERISA account, Metropolis will manage such account in accordance with all pertinent requirements of ERISA.

### **Types of Investments**

Metropolis invests primarily in established markets, however, Metropolis may also invest a portion of Clients’ assets in emerging market securities and currencies. Metropolis is permitted to utilize a wide range of equity instruments in attempting to achieve its objective, including both common and preferred stocks, listed and unlisted securities, securities traded over the counter, warrants, private placements, convertible bonds, special classes of shares available only to foreign persons in markets which restrict the ownership of certain classes of equity to nationals or residents of the country and depository receipts.

Subject to each Client’s Investment Guidelines as set out in the relevant Investment Management Agreement, Metropolis may invest in (i) non-exchange traded securities, including private placements and securities subject to transfer restrictions under Rule 144A or Regulation S of the Securities Act of 1933, and (ii) unregistered and bearer securities. Metropolis does not invest in futures or options on futures. Metropolis may, however, invest in, hold, and purchase, or otherwise acquire rights, stock options, stock coupons, warrants, and other similar investments issued, sold, or distributed by an issuer as part of a corporate action or other similar transaction. Metropolis may purchase or make a forward commitment to purchase the securities of issuers during an initial public or secondary offering of securities.

### **Strategy Risks:**

There are a number of material risks associated with investing in publicly-traded global equities. These include, but are not limited to, the following matters. Information on

investment risks is disclosed in the Fund's Prospectus and will be set out in an Investment Management Agreement ("IMA") for each separate account client.

**Prospective clients are recommended to seek professional advice prior to making any investment.**

### **Investment and Market Risk**

The underlying investments are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in the value of investments will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount they invest. There is no certainty that the investment objective of the Fund or IMA will actually be achieved, and no warranty or representation is given to this effect. The level of any yield from these investments may be subject to fluctuations and is not guaranteed.

The entire market of a particular asset class or geographical sector may fall, having a more pronounced effect on funds heavily invested in that asset class or region.

### **Historical Performance**

Past performance is not a reliable indicator of future performance.

### **Future Regulatory Change is Impossible to Predict**

The securities market is subject to comprehensive statutes, regulations and margin requirements. In addition, certain country regulators and the exchanges are authorized to take extraordinary actions in the event of a market emergency, including, for example, the retroactive implementation of speculative position limits or higher margin requirements, the establishment of daily price limits and the suspension of trading. The regulation of securities and commodity interests is a rapidly changing area of law and is subject to modification by government and judicial action. The effect of any future regulatory change is impossible to predict, but could be substantial and adverse.

### **Risks Associated with Liquidity**

Investors may suffer a reduction in the value of their holding in the Fund or their managed account due to dealing costs incurred when buying and selling investments. For investors in the Fund, there is additional risk of a dilution levy which may be deducted from the redemption proceeds for an investor selling Units. Information regarding the effects of dilution and circumstances in which a dilution levy may be imposed is set out in the Prospectus.

For Investors in the Fund, in certain circumstances, their right to redeem Units (including a redemption by way of switching) may be suspended. Information regarding the procedure that will be followed in the event of a suspension is set out in the Prospectus.

In extreme market conditions it may be difficult for Metropolis to realise an investment at short notice without suffering a discount to market value. In such circumstances a client may suffer a delay in realising its investment or may incur a dilution levy.

Depending on the types of assets in the portfolio at any one time, there may be occasions where there is an increased risk that a position cannot be liquidated in a timely manner at a reasonable price.

### **Risks Associated with Non-Diversification/Concentration**

Managed accounts that are non-diversified or more concentrated may have larger positions in fewer companies than would a diversified portfolio. A concentrated portfolio is more likely to experience significant fluctuations in value, exposing an investor to a greater risk of loss in any given period than a diversified portfolio.

### **Currency Exchange Rates**

Overseas stocks are subject to fluctuations in currency movements and there is a risk that the Fund or managed accounts might experience currency and foreign exchange rate fluctuations that may adversely affect the value of investments in the portfolio.

### **Inflation and Interest Rates**

The real value of any returns that an investor may receive could be affected by interest rates and inflation over time.

### **Tax**

Tax laws currently in place may change in the future, which could affect the value of an investor's investments.

### **Custody**

Where the assets of the Fund or managed account are held in custody, there may be a risk of loss that could result from negligence or fraudulent action of a custodian or sub-custodian.

### **Counterparty Risk Including Settlement Risk**

The portfolio will be subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes.

It should be noted that transactions may not always be settled by delivery versus payment and this may expose the portfolio to greater counterparty risk and potentially to loss in excess of the counterparty's obligations to the Fund or managed account.

### **Emerging Markets Risk**

Investment in emerging markets may involve a higher than average degree of risk. Some emerging markets may have relatively unstable governments, less well developed regulatory systems, and less stringent disclosure standards than those of developed



markets. The risks of expropriation, nationalisation and social, political and economic instability are greater in emerging markets than in more developed markets.

Investors should consider whether or not investments which may have exposure to emerging markets are suitable and whether they should constitute a substantial part of the investors' portfolio.

Certain risks associated with emerging markets are summarised below. Companies in emerging markets may not be subject:

- to accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets;
- to the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets.

### **Risks Associated with Leverage**

While the use of leverage may increase the returns of an investment, it may also involve a high degree of risk. Leverage will create an opportunity for greater yield and total return but it will also increase investors' exposure to capital risk and interest costs and may result in significant losses.

### **Depository Receipts**

Metropolis may invest in depository receipts if issues of these depository receipts are available that are consistent with Metropolis's investment objective. Depository receipts generally evidence an ownership interest in a corresponding foreign security on deposit with a financial institution. Transactions in depository receipts usually do not settle in the same currency in which the underlying securities are denominated or traded. Generally, American Depository Receipts, in registered form, are designed for use in the U.S. securities markets and European Depository Receipts, in bearer form, are designed for use in European securities markets. Global Depository Receipts may be traded in any public or private securities markets and may represent securities held by institutions located anywhere in the world.

Metropolis may invest in depository receipts through "sponsored" or "unsponsored" facilities if issues of such depository receipts are available and are consistent with Metropolis's investment objective. A sponsored facility is established jointly by the issuer of the underlying security and a depository, whereas a depository may establish an unsponsored facility without participation by the issuer of the deposited security. Holders of unsponsored depository receipts generally bear all the costs of such facilities and the depository of an unsponsored facility frequently is under no obligation to distribute shareholder communications received from the issuer of the deposited security or to pass through voting rights to the holders of such receipts in respect of the deposited securities. In addition, local practices in foreign markets (such as a requirement to be physically present in order to vote, a need for foreign language translation of voting materials or

complex share registration procedures) may make exercising voting rights more difficult for holders of depository receipts.

Investments in non-U.S. issuers through depository receipts and similar instruments may involve certain risks not applicable to investing in U.S. issuers, including: (i) changes in currency rates; (ii) the application of local tax laws; (iii) changes in governmental administration or economic or monetary policy; (iv) changing circumstances in dealings between countries; or (v) the expropriation or nationalization of assets.

### **Investment in Initial Public Offerings, Secondary Offerings and New Issues**

To the extent permitted by law and each Client's investment mandate, Metropolis may purchase the securities of issues during an initial public or secondary offering of securities as well as new issues. Issuers involved in initial public or secondary offerings of securities typically have short operating and trading histories and generally are less established. The prices of securities issued as part of initial public or secondary offerings traditionally have been quite volatile. Metropolis also may be required to agree to certain transferability restrictions as a precondition for participating in these types of security offerings.

### **Transactions on Non-U.S. Exchanges**

Metropolis engages in trading for Clients on global markets. Transactions on non-U.S. exchanges are not regulated by U.S. governmental agencies. Some non-U.S. exchanges may be "principals markets" in which responsibility for performance is only that of the principal with whom a trader has entered into a transaction and not of an exchange or clearing corporation. In some cases, a broker with whom Metropolis may enter into a transaction may, in effect, take the opposite side of trades. Because some non-U.S. exchanges lack a clearinghouse system, market disruptions may be more likely to occur and, in extreme circumstances such as the failure of a broker or other counterparty, the settlement of security trades may be delayed or cancelled. To minimize the risk of broker or counterparty default and subsequent loss to Clients, Metropolis will ordinarily arrange for security purchases and sales to be settled on a "delivery versus payment" basis.

### **Credit Risk**

Clients are subject to the risk that the brokers and counterparties with which, and the exchanges on which, Metropolis executes transactions or carries positions on behalf of Clients, may default. The default by an exchange, clearinghouse or counterparty could result in material losses. Certain markets require all securities to be held in a central securities depository and, in certain cases, the depository may be owned by a foreign government or government body and not be supported by a national network of well capitalized financial institutions. The default of such government or depository, or the failure of such depository to maintain suitable and sufficient procedures to mitigate against theft or loss, could result in material losses to Clients. To minimize transaction and foreign exchange dealing costs, Metropolis may request that a broker "warehouses" smaller security trades. In these situations, the executed trade remains the property of the broker

until such time as the trade is allocated to a specific Client. If the broker or counterparty defaults or declares bankruptcy, the Client could suffer losses.

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**Item 9. Disciplinary Information**

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Metropolis has no legal or disciplinary events to report that would be material to a client's or prospective client's evaluation of the Firm's advisory business or the integrity of its management.

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**Item 10. Other Financial Industry Activities and Affiliations**

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Metropolis is not affiliated with any banks, broker dealers and/or custodians. Metropolis is an independent limited company which is owned and controlled by its members.

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**Item 11. Code of Ethics; Participation or Interest in Client Transactions and Personal Trading**

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Metropolis has adopted a Code of Ethics that sets forth standards of ethical and business conduct expected of the Firm's supervised persons and addresses conflicts that may arise from personal trading by Metropolis's supervised persons. The Code of Ethics, among other things, requires compliance with the U.S. federal securities laws, reflects Metropolis's fiduciary responsibilities and those of its advisory personnel, prohibits certain personal securities transactions and requires Metropolis's supervised persons to periodically report and/or preclear certain personal securities transactions.

Any request (which will not be withheld) for the Code of Ethics should be addressed to the Firm by writing, emailing, or telephoning using the following contact information:

Investor Services  
Metropolis Capital  
Amersham Court, 154 Station Road,  
Amersham,  
Buckinghamshire, HP6 5DW,  
United Kingdom.

Email: [investorservices@metropoliscapital.co.uk](mailto:investorservices@metropoliscapital.co.uk)

Telephone: +44 1494 911155

**Personal Trading**

All directors and employees must provide the Firm with a listing of their securities holdings, as well as copies of trade confirmations and details of their brokerage accounts. These requirements of the Code apply to all accounts over which employees have investment discretion, or in which they have a direct or indirect beneficial ownership interest.

In order to reduce certain conflicts of interest that may arise between client accounts and the personal trading activities of Metropolis's supervised persons, Metropolis has adopted a personal trading policy (contained in the Code of Ethics). The personal trading policy, among other things, requires preclearance of certain transactions and reporting of all transactions in and holdings of "reportable securities".

**Participation or Interest in Client Transactions**

Employees and directors of the Firm may invest in the Fund managed or other funds managed by the Firm. The Firm requires that any such personal transactions must be pre-approved by the Chief Compliance Officer and/or a Director.

Metropolis does not buy or sell securities for its own account; it may invest excess cash in one of the funds for which Metropolis is the manager or advisor. Metropolis does not engage in principal trades with its Clients.

**Insider Trading/Material Non-Public Information**

The Firm's Code of Ethics also includes policies and procedures prohibiting the use of material non-public information ("MNPI") that are designed to prevent insider trading by any director or employee of the Firm. In accordance with these policies, any matter which may involve MNPI is required to be brought to the attention of the Chief Compliance Officer prior to any trading activity. In addition, to prevent trading of public securities based on MNPI, the Firm maintains a "restricted list" that identifies any securities that cannot be purchased for personal or client accounts because MNPI may have been received by a director or employee of the Firm.

**Item 12. Brokerage Practices (Including Best Execution)**

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Metropolis maintains policies and procedures to meet its obligation to seek to obtain "Best Execution" on behalf of its Clients when executing securities transactions on their behalf. Best execution means that the net proceeds to a client are the most favourable under the circumstances. Best execution does not mean that the client always must obtain the lowest possible commission cost. The objective to deliver these obligations ties in with Metropolis's fiduciary duties or contractual obligations that Metropolis owes its Clients. Metropolis ensures that when transmitting or placing orders with other entities for execution, it will seek to establish that those entities comply with Metropolis's best execution requirement.

Metropolis reviews and records findings on its own internal order execution arrangements, including any applicable third party best execution arrangements periodically.

Notwithstanding the above, Metropolis is unable to guarantee that "best execution" will occur in respect of every order, however as part of its obligation, Metropolis will seek to provide the best possible result on a consistent basis. Nonetheless, at times, Client instructions may take precedence over this policy, and such instructions are communicated and subsequently recorded by Metropolis.

**Internal Order Execution Arrangements**

It is Metropolis's intention to only manage one investment strategy through pooled vehicles such as the Fund structure and separate accounts. However, it is possible that the Firm will agree to manage a portfolio which is a subset of the portfolio in the Fund to avoid investments in companies which the Client would like to specifically avoid.

Metropolis may follow different arrangements when specifically instructed by a Client to do so either for a whole order, or for a part of an order. Clients should take note that where Metropolis follows specific instructions, there may be circumstances, due to no fault of its own, where it is impossible to take all reasonable steps to meet its obligations.

**Selection of Best Execution Factors**

Metropolis will consider the following factors when considering best execution:

- Price and related execution costs;
- Speed of execution;
- Size of the order; and
- Settlement efficiency.

Additionally, Metropolis relies on "other" factors when selecting best execution factors such as expertise, trading insights, and market knowledge when placing an order.

**Trade Allocation Policy and Procedures Policy**

Metropolis' policy is to allocate investment opportunities fairly and equitably among its clients, where applicable, to the extent possible over a period of time. Investment opportunities generally will be allocated among those accounts for which participation in the respective opportunity is considered appropriate pro rata based on available capital, target acquisition size or target sale size, and such other factors as Metropolis determines to be appropriate, including, among other factors, any guidelines or restrictions set forth in the pertinent offering and/or governing agreements, and regulatory or contractual restrictions or consequences. Partial fills are allocated pro-rata unless they are so small that this is uneconomic to the portfolio. Holdings of client portfolios are reviewed on a regular basis by the relevant members of the investment team.

When an allocation is made on any other basis other than pro rata, then the reasons are documented.

**Trade Error Policy**

A trade error is investigated and rectified as soon as possible in trading hours. Any trade error is documented and is subject to formal review and report by the Chief Operating Officer to the Chief Compliance Officer, the Metropolis board, and the Client.

Any financial impact of a trade error will be resolved as follows:

- If the resolution results in a gain, then this will be retained on behalf of the fund holders or Client.
- If the resolution is negative for the fund holders or Client, then Metropolis will make good the financial cost.

Metropolis would report a trade error to the Fund ACD or Board of Directors of the Fund. A similar reporting process would be put in place for any fund or managed account which was impacted by a trade error.

### **Soft Dollar Arrangements**

Metropolis does not have any soft dollar arrangements.

### **Item 13. Review of Accounts**

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The Fund is monitored regularly based on the investment objective and investment guidelines, the Firm's investment policies, and compliance with statutory and regulatory requirements by the Fund Managers and COO and CCO. The portfolio is monitored on a pre- and post-trade basis.

The Fund Managers meet at least weekly to review the portfolio. At least one of the two Fund Managers monitors the Fund on a frequent basis, usually at least once per day.

Clients may receive different levels of service from the Firm, or have varying access to the Firm's investment and other personnel. The Firm makes decisions about the level of service offered to any client or group of clients based on a review of client needs and firm business considerations. Clients may receive monthly factsheets and a quarterly letter. The factsheets and letter include information on account performance and allocations.

### **Item 14. Client and Unitholder Referrals and Other Compensation**

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Metropolis does not receive any compensation or other economic benefit from any persons or firms for providing investment management services beyond the investment management fee described above.

Metropolis currently retains a market research firm which provides the firm with qualified potential client details in jurisdictions in which Metropolis is authorised to market its services. Metropolis may in the future engage other third parties to support the distribution of its services.

### **Item 15. Custody Considerations**

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Metropolis currently does not have custody, as defined in Rule 206(4)-2 under the Advisers Act, of any client assets. If Metropolis in the future has custody under Rule 206(4)-2, it will comply with the pertinent provisions of that Rule.

## **Item 16. Investment Discretion**

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Metropolis accepts discretionary authority to manage securities accounts on behalf of its Clients, as provided in the subscription agreements it enters into with shareholders in respect of the Fund and investment management agreements it enters with managed account Clients. Other than as specified by the Fund prospectus or pursuant to the terms of an investment management agreement, Metropolis has sole authority to determine, without obtaining consent from relevant shareholders or the managed account Client, the specific securities and the quantity of those securities to be bought and sold for each.

In exercising its judgment in managing client accounts, Metropolis takes into account the individual objectives, restrictions and guidelines of each Client, as communicated by the Client, and other factors deemed relevant by the client and disclosed to the Firm. Generally, to the extent that a Client wishes to impose limitations on the management of its managed account, the Firm will review any such limitations or guidelines provided by a Client prior to the inception thereof. To the extent that any such guidelines or limitations are not acceptable, Metropolis will work with the Client to make appropriate revisions to the managed account documentation in a manner that is mutually acceptable to both parties.

Managed accounts are generally managed similarly with a goal that each such Client would have the same percentage of the portfolio invested in the same securities (subject to differences arising from a variety of factors, including, but not limited to, client restrictions and liquidity of underlying securities, when the portfolio was opened and cash flows into and out of the portfolio). Investment opportunities are generally allocated to those accounts, which the Firm determines, in its sole discretion, to have an investment mandate and profile consistent with the type of security and which the Firm determines, in its sole discretion, should be included in the portfolio. All such allocation decisions are subject to client guidelines and restrictions. Other factors considered by the Firm include but are not limited to, the availability of alternative investments, the extent to which the allocation would represent a meaningful position for the account, the liquidity of the security and the availability of cash to settle the transaction.

## **Item 17. Voting Client Securities**

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To the extent Metropolis has proxy voting authority with respect to client securities, Metropolis will be guided by general fiduciary principles in voting client securities and will vote in the manner it believes is consistent with efforts to achieve a client's stated investment objectives. In certain instances, Metropolis may determine that not voting is in the best interests of a client (for example, where Metropolis determines that the cost of voting exceeds the expected benefit to the client).

Metropolis follows procedures designed to identify conflicts or potential conflicts that could arise between its own interests and those of its clients. If it is determined that any such conflict or potential conflict is not material, Metropolis may vote proxies notwithstanding the existence of the conflict. If it is determined, however, that a conflict of interest or potential conflict of interest is material, one or more methods will be used to resolve the

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conflict, including, for example, (i) engaging a third party to recommend a vote with respect to the proxy, (ii) disclosing the conflict to the client and obtaining its consent before voting or (iii) convening a proxy voting committee to review the conflict.

Metropolis will maintain a written record of each of its proxy votes. Clients may request a copy of Metropolis's proxy voting policy, as well as applicable proxy voting records, by contacting Metropolis.

### **Item 18. Financial Information**

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Metropolis does not have any financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and it has not been the subject of a bankruptcy proceeding.