

**Item 1. Cover Page**

**Brochure of  
Oakmont Corporation  
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(213)-891-6300  
  
April 29, 2020**

This brochure provides information about the qualifications and business practices of Oakmont Corporation (“Oakmont”). If you have any questions about the contents of this brochure, please contact us at (213) 891-6300. 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 Oakmont also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2. Material Changes**

Since the previous Form ADV Filed on March 29, 2019, Robert Day and Andrew Katz became Oakmont’s co-portfolio managers. There have been no other material changes to this brochure.

**Item 3. Table of Contents**

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#### **Item 4. Advisory Business**

Oakmont is a California corporation that was formed in August 1980. Oakmont considers itself a family office that provides investment advice, financial planning and various administrative services to members of a family and several individuals who have long-standing relationships with one or more family members. These services are provided to the family members and other individuals and to certain entities that they control or with which they are affiliated, including trusts, foundations, corporations, limited liability companies and partnerships. Oakmont is also the general partner or manager of several pooled investment vehicles (each, a “Fund” and collectively the “Funds”).

Oakmont’s owner is Robert Day, as trustee of the Robert A. Day Trust dated March 22, 2000, as amended (the “Trust”). Mr. Day is also Oakmont’s Chairman, and through Oakmont and as trustee of the Trust, is the principal owner of The Cypress Funds LLC (“Cypress”), which is also an SEC-registered investment adviser to investment funds. Mr. Day and Andrew Katz are Oakmont’s co-portfolio managers.

Oakmont shares office space with Cypress and certain Oakmont employees provide services to Cypress. Mr. Day and Mr. Katz are also co-portfolio managers of Cypress.

Oakmont invests on a discretionary basis for its clients principally, but not solely, in equity and equity-related securities that are traded publicly in U.S. markets. It also provides advice regarding debt securities, partnerships investing in venture capital, private equity, real estate and leveraged buyout funds. Oakmont’s clients may also invest directly in real estate and privately held companies.

Oakmont generally tailors its services to the individual needs of each client. Clients also generally may impose restrictions on investing in certain securities or types of securities. Investors in some of the Funds, however, have no opportunity to select or evaluate any Fund investments or strategies. Oakmont selects those Funds’ investments and strategies.

As of December 31, 2019, Oakmont had total discretionary assets under management of \$1,330,141,092 and \$9,024,650 of non-discretionary assets under management at year-end.

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

Oakmont generally does not have a fixed fee schedule. For most clients, its compensation varies and may be negotiated or waived as required by law or at its discretion. Fees paid by separately managed client accounts typically are a fixed annual fee that is negotiated with each client based on the level and types of services provided to that client. These fees are typically payable in quarterly installments in advance or in arrears, depending on the terms of each client’s investment management agreement.

The compensation that each Fund pays Oakmont is different and is disclosed to investors in that Fund’s governing documents. Such compensation typically includes either or both of (a) a management fee based on the net asset value of investors’ capital accounts on the date the fee accrues and becomes payable or based on investors’ capital contributions and (b) a performance allocation or carried interest distribution as described below. The Funds that pay management fees pay them in accordance with those Funds’ governing documents.

Performance allocations typically are equal to a specified percentage of net profits (including both realized and unrealized gains and losses) otherwise allocable to investors in a Fund. The amount of such performance allocation depends on the Fund's terms. Performance allocations are assessed in arrears annually and are only applied to the profits that exceed the cumulative losses previously allocated to such investor.

Carried interest distributions typically are made after investors receive a return of their invested capital and in some cases, a preferred return. The amount of each Fund's carried interest distribution and preferred return depends on the Fund's terms. Each Fund pays any carried interest distribution within a specified period after it receives the proceeds of the sale or other disposition of its portfolio securities to which the carried interest distribution relates.

Clients that invest in mutual funds, venture capital funds or other investment funds also pay, indirectly, investment advisory fees and/or performance-based compensation to the managers of those funds and the other expenses of those funds, including brokerage commissions. The expenses that a mutual fund pays are available in its prospectus. The expenses that a private fund pays are available in its offering documents.

Oakmont may also charge a one-time or annual fixed, or an asset-based, administrative fee to limited liability companies to which Oakmont serves as administrator. Each of these companies is formed for a particular investment in which Oakmont clients have invested.

Oakmont typically deducts its compensation directly from client accounts, but may bill a client for such amounts on request.

Most clients may terminate their relationship with Oakmont based on the agreed upon terms in their investment advisory agreements. Oakmont's relationship with each Fund is terminable on expiration of the Fund's term, dissolution or on Oakmont's withdrawal as general partner or manager. Each investor in a Fund may withdraw only as provided in that Fund's governing documents. The investors in some Funds generally may not withdraw until the Fund is dissolved.

In all cases, expenses and the pro rata portion of any management fee, performance allocation or carried interest distribution through the date of termination are charged to the account. All prepaid but unearned advisory fees are refunded on termination of a client's account. If a Fund pays Oakmont a management fee in advance, however, an investor that withdraws from the Fund before the end of the period covered by that management fee does not receive a refund of the amount previously paid.

Each client account is responsible for its own costs and expenses, including trading costs and expenses (such as brokerage commissions and clearing and settlement charges) and ongoing legal, tax, accounting and bookkeeping fees and expenses. Please see the discussion in Item 12 regarding Oakmont's brokerage practices. Each client is also responsible for its proportionate share of the cost of any surprise examination required by applicable custody rules. Not all investment advisers charge this expense to clients.

Oakmont believes that its fees are competitive with fees charged by other investment advisers for comparable services. Comparable services may be available, however, from other sources for lower fees.

The disclosure in this Item 5, together with the disclosure in Item 12, allow a plan that is subject to the Employee Retirement Income Security Act of 1974 and that invests in a Fund to use the “alternative reporting option” to report Oakmont’s compensation as “eligible indirect compensation” on the Schedule C of the plan’s Form 5500 Annual Return/Report of Employee Benefit Plan.

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

As members of Cypress, Mr. Day and Mr. Katz receive part of the compensation that the funds that Cypress manages pay Cypress, including performance-based compensation. Certain Funds also pay or allocate to Oakmont performance-based compensation. These arrangements create incentives for Mr. Day, Mr. Katz or Oakmont to cause clients to invest in a fund managed by Cypress or an Oakmont-managed Fund that is charged performance-based compensation instead of a third-party investment adviser that might be more appropriate or an individually managed account at Oakmont because the performance compensation might be greater than the fees Oakmont earns from such an account.

Oakmont and Cypress have addressed the conflicts of interest discussed in this Item 6 by disclosing them to clients and investors and by implementing policies and procedures governing allocation of investment opportunities and regularly reviewing such policies and procedures and such allocations.

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

Oakmont provides investment advice to high-net-worth individuals, trusts, corporations, foundations, partnerships and limited liability companies. Oakmont’s clients and other investors may also be members or partners of entities to which Oakmont provides administrative services. Oakmont typically does not require a minimum account opening balance for separately managed accounts or to invest in a Fund.

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

##### Investment Strategy

Oakmont’s clients typically have long-term investment horizons. Therefore, its primary goal for clients is long-term capital appreciation and its primary risk concern is permanent capital loss, not volatility. Oakmont’s clients typically have concentrated portfolios with equity orientations. Oakmont seeks to accomplish these objectives by using bottom-up, fundamental research and analysis in its investment decision-making process. The goal is to invest in companies with sound businesses at attractive valuations and hold them for the long term. Oakmont believes that investment performance depends more on individual investment selection than on market timing.

Oakmont also makes recommendations to clients about outsourcing capital to funds and other investments not managed by Oakmont when Oakmont believes that exposure to such investments is appropriate for the clients but Oakmont lacks the applicable expertise.

This investment strategy summary represents Oakmont’s current intentions, is general in nature and is not exhaustive. There are no limits on the types of investments in which Oakmont may take positions on behalf of its clients, the types of positions that it may take, the concentration of its

investments or the amount of leverage that it may use. Oakmont may use any trading or investment techniques, whether or not contemplated by the expected investment strategies described above. In addition, there are limitations on describing any investment strategy due to its complexity, confidentiality and indefinite nature. Depending on conditions and trends in securities markets and the economy generally, Oakmont may pursue any objectives or use any techniques that it considers appropriate and in its clients' interests.

### Risk Factors

Investing in securities involves risk of loss. Below are some of the risks that investors should consider before investing with Oakmont. Any of these risks could materially and adversely affect investment performance, the value of any account or any security held in an account, and could cause investors to lose substantial amounts of money. The list below is only a brief summary of some of the risks to clients and investors. Each potential client or investor should review all materials from Oakmont carefully, consult with its professional advisers and discuss with Oakmont's representatives any questions that such person may have before investing with Oakmont.

### Market and Counterparty Risks

- Investor sentiment on the market, an industry or an individual security is not predictable and can adversely affect an account's investments.
- An account may hold stocks that disappoint earnings expectations and decline, and may short stocks that beat earnings expectations and rise.
- Some of an account's positions may be or become illiquid, in which case Oakmont may not be able to sell such positions.
- Changes in economic conditions can adversely affect investment performance.
- Counterparties such as brokers, dealers and custodians may default on their obligations. For example, a client may lose its assets on deposit with a broker if the broker, its clearing broker or an exchange clearing house becomes bankrupt.
- Oakmont may not be successful in fending off cybersecurity attacks from viruses, malware, computer hackers or other malicious corruption of its information technology systems. Cybersecurity breaches may cause disruptions to Oakmont's business operations, cause losses due to theft or other reasons, interfere with net asset value calculations, impede trading, or lead to violations of applicable privacy and other laws, regulatory fines and penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs.

### Risks of an Account Managed by Oakmont

- Clients may not achieve their investment objectives. A strategy may not be successful and clients and investors may lose some or all of their investment.

- Oakmont may not be able to obtain complete or accurate information about an investment and may misinterpret the information that it does receive. Oakmont also may receive material, non-public information about an issuer that prevents it from trading that issuer's securities for a client when the client could make a profit or avoid losses.
- Oakmont may take positions in securities of small, unseasoned companies that are less actively traded and more volatile than those of larger companies.
- An account may have higher portfolio turnover and transaction costs than a similar account managed by another investment adviser. These costs reduce investments and potential profit or increase loss.
- Client accounts may borrow on margin, which increases volatility and risk of loss.
  - Oakmont may acquire for a client a large position in an issuer's securities but the client nevertheless is unlikely to have any control over the issuer's management. In addition, if Oakmont's clients hold a large position in an issuer's securities, a client's subsequent sales of those securities could depress the market for them.
  - An account's investments may not be diversified. Therefore, a loss in any one position, industry or sector in which an account has invested may cause significant losses.
- Oakmont may cause clients to invest in securities of non-U.S. private and government issuers. The risks of these investments include political risks; economic conditions of the country in which the issuer is located; limitations on foreign investment; currency exchange risks; withholding taxes; limited information about the issuer; limited liquidity; and limited regulatory oversight.
- Oakmont's activities could cause adverse tax consequences to clients and investors, including liability for interest and penalties.
- Oakmont's activities could cause an account that is subject to the Employee Retirement Income Security Act of 1974 to engage in a prohibited transaction under that Act.

#### Risks Related to Particular Types of Investments

- Oakmont's clients may make private equity investments, which involve an extraordinarily high degree of risk and can result in complete losses. These companies may be operating at a loss or with substantial variations in operating results from period to period and may need substantial additional capital to achieve or maintain competitive positions. They may face intense competition from companies with much greater financial resources, much more extensive development, production, marketing and service capabilities, and a much larger number of qualified managerial and technical personnel.
- Oakmont clients invest in real estate, directly or through a pooled investment vehicle or other fund structure. Any such investment could suffer losses as a result of the following general risks relating to investing in real estate:

- Adverse changes in economic and market conditions, supply of, or demand for, similar or competing properties, changes in taxes or interest rates and the availability of mortgage funds, all of which could depress the prices of real estate and make sales difficult.
- Uninsurable events such as earthquakes, floods, hurricanes, and wars.
- Stringent environmental regulation. A real estate owner is liable for cleanup costs or damages caused by hazardous materials or toxic substances even if they were on the property before the current owner acquired it or were released by owners of nearby properties. An investor or a fund in which the investor invests might be required to pay such cleanup costs and might not be able to sell a property that has environmental problems.
- Material title defects, which can render a property worthless.
- Delays in construction work and unsatisfactory performance by contractors, which could cause real estate improvements to cost more and take longer than expected.
- Competing for tenants and maintaining rental rates and occupancy levels in a highly competitive market, which may cause rental income to be insufficient to meet a property's operating expenses.
- Non-compliance with building codes, which would cause properties to be subject to remedial actions or other legal recourse by government agencies, fines or other monetary remedies.
- Liability to customers, tenants and guests.
- An account may invest in restricted securities that are subject to long holding periods or that are not traded in public markets. These securities are difficult or impossible to sell at prices comparable to the market prices of similar publicly-traded securities and may never become publicly traded.

#### Conflicts of Interest

- Oakmont determines the value of securities held in client portfolios, whether or not a public market exists for those instruments. If Oakmont's valuation is inaccurate and it charges a client an asset- or performance-based fee, it might receive more compensation from that client than it should, a new investor in a Fund might receive an interest that is worth less than the investor paid and an investor that is withdrawing assets might receive more than the amount to which the investor is entitled, to the detriment of other investors.
- In some cases, the client and not Oakmont is responsible for any trade errors that Oakmont makes in an account, even when the error negatively impacts the client.
- Oakmont and its affiliates and employees generally are not responsible to any client or investor for losses incurred in an account unless the conduct resulting in the loss breached Oakmont's fiduciary duty to the client or investor.



- Oakmont may provide certain investors or clients more frequent or detailed services, reports, special compensation arrangements and withdrawal rights that it does not provide to other investors or clients.

### Risks of Investing in Private Funds

- There is not and will not be an active market for Fund interests or for other limited liability company and partnership interests that Oakmont clients may purchase. It may be impossible to transfer any such interests or withdraw from a Fund or other investment vehicle, should liquidity be immediately necessary.
- The Funds and the other investment funds in which Oakmont clients invest typically do not make distributions, but instead reinvest substantially all income and gain. Therefore, a Fund investor or client may have taxable income from a partnership without a cash distribution to pay the related taxes.
- A Fund may not be able to generate cash necessary to satisfy investor withdrawals and redemptions. Substantial withdrawals and redemptions in a short period could force Oakmont to sell the Fund's portfolio positions too rapidly, and so reduce the size of the Fund that it cannot generate returns or reduce losses. Further, a Fund may limit or suspend withdrawals or redemptions of an investor's assets.
- A Fund may dissolve or expel any investor at any time, even if such actions adversely affect one or more investors.
- A Fund may establish a reserve for contingencies if Oakmont considers it appropriate. Investors may not withdraw or redeem assets covered by that reserve until it is lifted.
- If a Fund becomes insolvent, investors may be required to return with interest any distributions and forfeit any undistributed profits.
- Oakmont is not a registered broker-dealer, Fund interests are not registered under the Securities Act of 1933, and the Funds are not registered investment companies under the Investment Company Act of 1940. Oakmont believes that none of these registrations is required because exemptions are available under applicable law. If a regulatory authority deems that any of these registrations is required, Oakmont and the Funds could be subject to expensive legal action and potential termination. In addition, investors in the Funds do not have certain regulatory protection that they would have if these registrations were in place.

### **Item 9. Disciplinary Information**

Not applicable.

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

As discussed above, Mr. Day (as trustee of the Trust and through Oakmont) and Mr. Katz are members of Cypress, the general partner and investment adviser of funds in which certain of

Oakmont's clients are investors. Mr. Day and Mr. Katz are also the co-portfolio managers of Cypress.

Oakmont solicits certain of its clients to invest in the funds managed by Cypress. As members of Cypress, Mr. Day and Mr. Katz receive part of the compensation that the funds pay to Cypress, including performance-based compensation. The conflicts of interest created by these arrangements are discussed in Item 6. Mr. Day and Mr. Katz's roles with Oakmont and Cypress also result in them investing in the same opportunities and having conflicting interests in allocating those opportunities.

Oakmont shares office space with Cypress and certain Oakmont employees provide services to Cypress. Those employees have conflicts of interest over the amount of time they spend on Oakmont's activities and the activities of Cypress.

Oakmont also serves as the administrator of companies, each of which was formed for a particular investment in which Oakmont clients have invested. At its discretion and depending on the size of the investment opportunity, Oakmont may permit its employees, affiliates and sometimes others to participate in these investments.

Oakmont and Cypress have addressed the conflicts of interest discussed in this Item 10 by disclosing them and by implementing policies and procedures governing the allocation of investment opportunities, and regularly reviewing such policies and procedures and allocations.

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

Oakmont has adopted a Code of Ethics in compliance with Rule 204A-1 under the Investment Advisers Act of 1940, that establishes standards of conduct for its supervised persons. The Code of Ethics includes general requirements that Oakmont's supervised persons comply with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. It requires supervised persons to comply with the personal trading restrictions described below and to report their personal securities transactions and holdings to Oakmont's CCO, and requires the CCO, or his designee, to review those reports. It also requires supervised persons to report any violations of the Code of Ethics promptly to the CCO. Each supervised person receives a copy of the Code of Ethics and any amendments to it and must acknowledge in writing having received those materials. Annually, each supervised person must certify that he or she complied with the Code of Ethics during the preceding year. Clients and prospective clients may obtain a copy of Oakmont's Code of Ethics by contacting Oakmont.

Oakmont and Cypress have adopted policies and procedures prohibiting their supervised persons from purchasing publicly traded securities for their own accounts, other than open- and closed-end mutual funds, exchange-traded funds, U.S. government securities, money market instruments and shares of money market funds. However, they may continue to own securities they held when they became employees or when such policies and procedures were adopted, as the case may be, but they may not personally purchase any new publicly traded securities. Employees also may sell those legacy securities and participate in private investments with the written pre-approval of the CCO. In addition, certain Oakmont employees have accounts managed by investment advisers unaffiliated with Oakmont and Cypress. No such employee has control over the securities

purchased and sold for any such account. Oakmont receives and reviews copies of the statements for these accounts as part of its compliance program, but those advisers are not required to pre-clear those accounts' trades with Oakmont's CCO and could trade for those accounts in the same securities as Oakmont's clients. For the reasons described above, Oakmont's and Cypress' supervised persons could personally own the same securities that Oakmont purchases and sells for clients and could use knowledge about actual or proposed securities transactions and recommendations for a client account to profit personally by the market effect of such transactions and recommendations. However, as discussed above, Oakmont and Cypress have adopted policies and procedures to address these potential conflicts.

Cypress may buy or sell for its clients securities that Oakmont does not believe appropriate to buy or sell for its clients. Oakmont is not obligated to acquire for any Oakmont client any security that Cypress acquires for its clients.

Because Oakmont manages more than one account, there is a conflict of interest over its time devoted to managing any one account and allocating investment opportunities among all accounts that it manages. For example, Oakmont selects investments for each client based solely on that client's investment considerations. Different clients may have differing investment strategies and expected levels of trading. Oakmont may buy or sell a security for one type of client but not for another, or may buy (or sell) a security for one type of client while simultaneously selling (or buying) the same security for another type of client. Oakmont may give advice to, and take action on behalf of, any client that differs from the advice that it gives or the timing or nature of action that it takes on behalf of any other client. Oakmont is not obligated to acquire for any account any security that Oakmont may acquire for any other client.

## **Item 12. Brokerage Practices**

Oakmont has complete discretion in selecting the brokers that it uses for client transactions and the commission rates that clients pay such brokers. In selecting a broker for any transaction or series of transactions, Oakmont considers a number of factors, including, for example:

- net price, clearance, settlement and reputation;
- financial strength and stability;
- confidentiality;
- efficiency of execution and error resolution;
- block trading and block positioning capabilities;
- willingness to execute related or unrelated difficult transactions in the future;
- willingness to commit capital;
- knowledge of market participants;
- order of call;
- special execution capabilities;
- offering to Oakmont on-line access to computerized data regarding clients' accounts;
- computerized trading systems; and
- the availability of stocks to borrow for short trades.

Oakmont may also purchase from a broker or allow a broker to pay for the following (each a “soft dollar” relationship):

- research reports, services and conferences, including third-party research fees such as surveys and custom industry and company research;
- economic and market information;
- portfolio strategy advice;
- industry and company comments;
- technical data;
- periodical subscription fees;
- performance measurement data;
- on-line pricing;
- news wire and data processing charges;
- software;
- quotation services and equipment (including software related thereto, such as that provided by Bloomberg, Reuters or similar providers;
- custody, recordkeeping and similar services;
- general business or operational consulting;
- proxy voting services;
- portfolio and risk management systems; and
- computer hardware and software.

Oakmont receives soft dollar credits based on principal, as well as agency, securities transactions or direct a broker that executes transactions to share some of its commissions with a broker that provides soft dollar benefits to Oakmont.

Section 28(e) of the Securities Exchange Act of 1934 provides a “safe harbor” to investment advisers who use commission dollars of their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the adviser in performing investment decision-making responsibilities. Conduct outside of the safe harbor of section 28(e) is subject to the traditional standards of fiduciary duty under state and federal law. If Oakmont uses commission dollars to pay for products or services that provide administrative or other non-research assistance to itself or its affiliates, such payments may not fall within the section 28(e) safe harbor. Oakmont intends to comply with section 28(e) in all material respects, however.

Oakmont may pay to a broker commissions and mark-ups that exceed those that another broker might charge for effecting the same transaction because of the value of the brokerage, research, other services and soft dollar relationships that such broker provides. Oakmont determines in good faith that such compensation is reasonable in relation to the value of such brokerage, research, other services and soft dollar relationships, in terms of either the specific transaction or Oakmont’s overall fiduciary duty to its clients. An account may, however, pay higher commissions and mark-ups than are otherwise available or may pay more commissions or mark-ups based on account trading activity.

Oakmont generally considers the amount and nature of the research, execution and other services provided by brokers as well as the extent to which its clients rely on such services, and attempts to

allocate brokerage transactions on that basis. Oakmont believes that allocating brokerage transactions in this manner helps it obtain research and execution capabilities that benefit its clients.

Oakmont's relationships with brokers that provide soft dollar services influence its judgment and create conflicts of interest in allocating brokerage business between firms that provide soft dollar services and firms that do not. Oakmont has an incentive to select or recommend a broker based on its interest in receiving soft dollar services rather than clients' interest in receiving the most favorable execution. These conflicts of interest are particularly influential to the extent that Oakmont uses soft dollars to pay expenses it would otherwise be required to pay itself.

Oakmont addresses these conflicts of interest by periodically evaluating the trade execution services that it receives from the brokers that it uses. Such evaluation includes comparing those services to the services available from other brokers. It considers, among other things:

- alternative market makers and market centers;
- the quality of execution services;
- the desirability of continuing with various soft dollar services;
- adding brokers to, or removing them from, the approved list that it uses; and
- increasing or decreasing targets for each broker and the appropriate level of commission rates.

Oakmont typically aggregates securities sale and purchase orders for a client with similar orders being made contemporaneously for other client accounts or the funds managed by Cypress. In such event, Oakmont charges or credits a client the average transaction price of all securities purchased or sold in such transactions. As a result, the price may be less favorable to the client than it would be if Oakmont were not executing similar transactions concurrently for other accounts. Oakmont may also cause a client to buy or sell securities directly from or to another client, if such a cross-transaction is in the interests of both clients.

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

Oakmont's co-portfolio managers regularly review the publicly-traded securities held in each account that Oakmont manages. Oakmont's President periodically reviews the other investments in a client's portfolio. Those reviews consider investment objectives, company and market prospects and the client's liquidity needs. Reports are made to clients at the frequency clients request.

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

Not applicable.

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

Clients' cash and publicly traded securities are maintained at a qualified custodian. Unless the client is a limited partnership or limited liability company that is subject to an annual audit as described in the next paragraph, the qualified custodian sends a statement at least quarterly to such client (and each limited partner and member of a client that is a limited partnership or limited

liability company). Each such client should carefully review those statements and compare them with any statements or other reports that such client receives directly from Oakmont.

Under the SEC's custody rule applicable to investment advisers, Oakmont is deemed to have custody of the Funds' assets. A qualified custodian is not required to deliver quarterly account statements to any Fund or its investors as long as (i) the Fund is audited by an independent public accountant that is registered with, and subject to inspection by, the Public Company Accounting Oversight Board, (ii) the Fund's audited financial statements are prepared in accordance with U.S. generally accepted accounting principles, and (iii) Oakmont delivers such annual audited financial statements to investors within 120 days after the end of each Fund's fiscal year, or 180 days of fiscal year end for fund of funds.

#### **Item 16. Investment Discretion**

Oakmont has discretionary authority to manage investment accounts on behalf of certain clients pursuant to a grant of authority in those clients' advisory agreements with Oakmont. Such discretionary authority is limited by the requirement that clients advise Oakmont of:

- the investment objectives of the account;
- any changes or modifications to those objectives; and
- any specific investment restrictions relating to the account.

A client must promptly notify Oakmont in writing if the client considers any investments recommended or made for the account to violate such objectives or restrictions. A client may at any time direct Oakmont to sell any securities or take such other lawful actions as the client may specify to cause the account to comply with the client's investment objectives. A client may also notify Oakmont at any time not to invest any funds in the client's account in specific securities or specific categories of securities.

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

Oakmont has engaged Institutional Shareholders Services Inc. ("ISS") to assist with managing, tracking, reconciling and reporting Oakmont's proxy voting, maintaining its proxy voting records and making informed proxy voting decisions. Proxies of client accounts over which Oakmont has voting authority are voted on behalf of each such account based on Oakmont's or ISS's determination of such account's best interests. ISS makes recommendations as to how to vote proxies and votes them on Oakmont's behalf unless Oakmont provides alternative instructions, in which case ISS votes proxies according to those instructions. In determining whether a proposal serves an account's best interests, Oakmont and/or ISS considers a number of factors, including:

- the proposal's economic effect on shareholder value;
- the threat that the proposal poses to existing rights of shareholders;
- the dilution of existing shares that would result from the proposal;
- the effect of the proposal on management or director accountability to shareholders; and
- if the proposal is a shareholder initiative, whether it wastes time and resources of the company or reflects the grievance of one individual.

Oakmont or ISS abstains from voting proxies when it believes that it is appropriate to do so.

If a material conflict of interest over proxy voting arises between Oakmont and a client, Oakmont will request that ISS determine how the proxy should be voted.

A client or investor can obtain a copy of Oakmont's proxy voting policy and a record of votes cast by Oakmont on behalf of that client or the Funds in which that investor has invested, as applicable, by contacting Oakmont.

## **Item 18. Financial Information**

Oakmont has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and Oakmont has not been the subject of a bankruptcy proceeding.

## **Privacy Policy**

Oakmont and the Funds:

- collect non-public personal information about their clients and investors from the following sources:
  - information received from clients or investors on applications or other forms, and
  - information about clients' or investors' transactions with Oakmont, its affiliates or others;
- do not disclose any non-public personal information about their current and former clients or investors to anyone, except to service providers that perform services and functions for them and as permitted by law;
- restrict access to non-public personal information about their clients and investors to their employees who need to know that information to provide services to clients and investors; and
- maintain physical, electronic and procedural safeguards that comply with federal standards to guard clients' and investors' personal information.