



Form ADV, Part 2A Firm Brochure

[Item 1 – Cover Page](#)

**RAMPART INVESTMENT MANAGEMENT COMPANY, LLC**

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**March 31, 2020**

This brochure provides information about the qualifications and business practices of Rampart Investment Management Company, LLC (“Rampart”). If you have any questions about the contents of this brochure, please contact us at 617-342-6900 or [james.sena@virtus.com](mailto:james.sena@virtus.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) nor by any state securities authority.

Rampart is registered as an investment adviser with the SEC. Registration as an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information you may use to determine whether to hire or retain such adviser.

Additional information about Rampart, LLC also is available on the SEC’s website at <https://www.adviserinfo.sec.gov>. You can search this site by Rampart’s CRD number which is 165089. The SEC’s web site also provides information about any persons affiliated with Rampart who are registered, or are required to be registered, as investment adviser representatives of Rampart.

## Item 2 - Material Changes

This Form ADV Part 2A brochure dated March 31, 2020 has been prepared according to the requirements and rules promulgated by the SEC. Pursuant to SEC Rules, we are required to prepare a summary of any material changes to our brochure within 120 days of the close of our fiscal year, which is 12/31. We may also elect to include a summary of material changes to our brochure as part of other-than annual amendments filed by Rampart.

We will provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

You can request our Brochure by contacting James Sena at 860.503.1130 or [james.sena@virtus.com](mailto:james.sena@virtus.com). Our Brochure is available on our website, [www.rampart-im.com](http://www.rampart-im.com), and is also free of charge upon request.

This Brochure contains the following changes from our last annual update, dated January 30, 2019:

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

- Updated the descriptions of the principal risks related to our client portfolios, including adding Market Volatility Risk, which includes, but is not limited to, risks related to the economic impact of the global pandemic known as COVID-19.

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

- Updated our description of other financial industry activities and affiliates to include additions to, or eliminations of, such activities and affiliates.

### Item 14 - Client Referrals and Other Compensation

- Enhanced disclosure regarding Client Referrals and Other Compensation related to Rampart and its affiliates.

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## Item 4 - Advisory Business

Rampart is an indirect, wholly-owned subsidiary of a publicly traded company, Virtus Partners, Inc. ("Virtus") since 2012. Rampart Investment Management Company, LLC is an SEC-registered investment adviser with its principal office in Hartford, Connecticut with portfolio management teams located in New York and Massachusetts. Rampart is also a registered Commodities Trading Advisor (CTA).

Rampart provides investment advisory services for accounts either (i) established directly with the client or (ii) introduced through financial advisors or consultants, such as broker-dealers, registered investment advisers, and other intermediaries.

Founded in 1983, Rampart provides systematic, disciplined and rules-based solutions for their clients. The products and strategies strive to solve investment challenges and strengthen portfolio returns, all while addressing market volatility. By implementing hedged equity strategies that complement existing investment programs and equity exposures, Rampart's goal is to assist institutions and individuals in managing their assets effectively. Rampart also provides portfolio management services as sub-adviser to affiliated, registered investment companies. Rampart's management of client portfolios is generally on a fully discretionary basis. Rampart does not consider the above services "financial planning" or any similar term.

### **Types of Investments**

Rampart may offer investment advice on the following types of investments:

- Mutual Funds
- Closed-end Funds
- Options
- Futures
- Exchange Traded Funds (ETF's)
- Equity Securities

### **Investment Strategies**

Rampart invests and manages client portfolios with an investment strategy selected by the client. The strategy employed will also be in accordance with the clients' overall investment objectives and risk parameters. The client's objectives, time horizons, risk tolerance, and liquidity needs are taken in consideration for the applicability of the appropriate Rampart Strategy.

Due to some types of investments that involve certain additional degrees of risk, they will only be implemented when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

### **PORTABLE YIELD STRATEGY (PYS)**

***The Rampart Portable Yield Strategy (PYS)*** seeks to provide a steady level of incremental income (option premium) through the systematic selling of index-based call and put spreads. PYS provides investors the potential to increase the productivity of their assets with a minimal increase in the risk profile of their asset allocation. The strategy is disciplined, rules-based, and mathematical. Rampart can implement PYS as a standalone strategy tailored to a specific need or as an overlay on any marginable asset.

The approach consists of writing short-maturity (typically two-week) out-of-the-money (OTM) put and call spreads on the S&P 500® Index.

- Writing a call spread involves the sale of a call option (a short position) and the simultaneous purchase (a long position) of a protective call option with the same expiration but with a higher strike price (i.e., farther OTM).
- Similarly, writing a put spread involves the sale of a put option (short position) and the simultaneous purchase of a put option (long position) with the same expiration but with a lower strike price.
- A spread is an instrument with a known or defined maximum risk/maximum reward based on the difference between the long and short strike prices (assuming same expiration).
- The use of spreads has an objective of a predefined maximum risk budget of 4% on outstanding positions at the time the option is written unless specified otherwise.

Rampart's dynamic style of spread writing seeks to produce a constant yield, and to maintain the strike prices of the long and short Index calls and Index puts to ensure a specific amount of risk. During periods of higher volatility, Rampart positions the spreads farther away from the spot level of the market (farther OTM) so that there is less risk that the option will be exercised and the incremental income decreased.

The profit for the strategy is defined as the net premium received less the commissions paid. The maximum profit potential is when the price of the Index at expiration is between the strike prices of the short call and the short put –when this occurs, all premium generated is retained.

The Portable Yield Strategy (PYS) uses in-house, rules-based metrics to evaluate the index Call and Put spread writing in conjunction with the notional value of the underlying portfolio.

PYS Strategy Risk Considerations:

- If the S&P 500® Index becomes more volatile causing more of the short calls and puts to settle in-the-money, there may be a negative impact on performance.
- If liquidity and pricing transparency in the weekly expirations diminish on the out-of-the money strike prices, there may be a negative impact on performance.
- Transaction costs may be significant in multi-leg options strategies, including spreads, as they involve multiple commission charges.
- If the underlying portfolio is either highly positively correlated or highly negatively correlated with PYS, there may be times when the losses experienced in the underlying portfolio are exacerbated by the PYS overlay.
- If the S&P 500® Index listed options become unavailable to trade, Rampart may be unable to implement the strategy.

**CONCENTRATED STOCK OVERLAY STRATEGY (CSO)**

***The Rampart Concentrated Stock Overlay*** is a dynamic option strategy that seeks to help an investor increase the productivity of a concentrated equity position by generating a new income stream (option premium) from writing call options on the underlying equity position. As a tradeoff, the investor must be willing to forego potential upside appreciation (the opportunity risk).



The firm's proprietary Rampart Options Management System (ROMS®) information technology platform drives the CSO strategy, which is based on two guiding principles.

- A call writing strategy has the potential to generate additional cash returns (option premium) on an underlying stock.
- Option positions are based on the number of shares owned of the underlying stock and the investor's selected "target price," which is the price level for a specific stock included in the CSO strategy above which the investor must be willing to forego potential for upside appreciation. The target price determines the amount of income the investor can seek and drives the inputs to ROMS®.

Selling equity call options against the underlying position has the potential to generate premium income in addition to any dividends received on that equity holding. Rampart's process gives clients the flexibility to set parameters that match their risk/reward objectives.

#### CSO Strategy Risk Considerations:

- An investor must be willing to forego potential upside appreciation beyond the target price in exchange for the benefits of added incremental income.
- Investors implementing the CSO strategy should be willing to liquidate (sell) some or all of the concentrated stock under certain circumstances. The sale of stock will produce tax consequences for U.S. taxable accounts.
- The estimated annual cash target yield or target price is not guaranteed. Early termination of the program may require a cash outlay greater than cash generated to close out the outstanding option position.
- The CSO strategy is an option income strategy designed to continue for at least one year and therefore may not be suitable for clients with shorter investment horizons.
- If the stock price appreciates beyond the price where the stock is fully written, the cost to buy back the short call options will increase. Once this occurs, it may become difficult to obtain the desired yield objective.
- There is no assurance that Rampart Investment Management will be successful in implementing the CSO strategy (e.g., identifying or exploiting option pricing inefficiencies).

#### ENHANCED CORE EQUITY

***The Enhanced Core Equity Strategy*** seeks to achieve its investment objective by investing in securities and/or ETFs representing the S&P 500® Index. Allocations are based on a proprietary rules-based model that seeks to overweight those segments of the market that are more attractive. An options strategy is employed for the purpose of seeking to generate excess returns. The strategy utilizes index-based, out-of-the-money put and call credit spreads. The strategy is driven by the relationship between implied volatility, as measured by the CBOE Volatility Index® (VIX®), and the realized volatility of the S&P 500® Index. The strategy seeks to exploit pricing inefficiencies in the S&P 500® Index options market.

#### Enhanced Core Strategy Risk Considerations:

- Equity Securities: The market price of equity securities may be adversely affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small or medium-sized companies may enhance that risk.

- **Call/Put Spreads:** Buying and selling call and put option spreads on the SPX Index risks the loss of the premium when buying, can limit upside participation and increase downside losses.
- **Portfolio Turnover:** The fund's principal investments strategies will result in a consistently high portfolio turnover rate. A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account.
- **Industry/Sector Concentration:** A fund that focuses its investments in a particular industry or sector will be more sensitive to conditions that affect that industry or sector than a non-concentrated fund.
- **Fund of Funds:** Because the fund can invest in other funds, it indirectly bears its proportionate share of the operating expenses and management fees of the underlying fund(s).

#### **TREND FUND STRATEGIES:**

***The Equity Trend strategy*** utilizes a rules based investment process and may invest in securities representing the approximately 130 sub-sectors of the primary sectors of the S&P 500® Index and/or cash equivalents (high-quality short-term securities). Allocations to each sub-sector are based on quantitative models. The strategy has the flexibility to invest in any combination of the sub-sectors and high-quality short-term securities, or 100% in high-quality short-term securities. A relative strength momentum model is utilized to rank each sub-sector of the equity market. The strategy will allocate to those sub-sectors that the model determines are more likely to outperform the broad market. A market risk indicator model is also used to determine whether the market is in a lower or higher level of risk based on price trends in the overall market. When the market is determined to be in a higher level of risk, a defensive cash equivalent position may be built by allocating from those sub-sectors of the market that are not exhibiting absolute positive momentum, up to 100% of a portfolio's assets.

***The Multi-Asset Trend strategy*** utilizes a rules based investment process and may invest in securities representing the approximately 130 sub-sectors of the primary sectors of the S&P 500® Index, international equities, fixed income, alternatives, and/or cash equivalents (high-quality short-term securities). Allocations to each asset class are based on quantitative models. The strategy has the flexibility to invest in any combination of the sub-sectors, international equities, fixed income, alternatives, and high-quality short-term securities. A relative strength momentum model is utilized to rank each sub-sector, international equity component, fixed income component, and alternative asset component. The strategy will allocate to those components that the model determines are more likely to outperform the broad market. A market risk indicator model is also used to determine whether the market is in a lower or higher level of risk based on price trends in the overall equity market. When the equity market is determined to be in a higher level of risk, a defensive cash equivalent position may be built by allocating from those equity sub-sectors and international equities of the market that are not exhibiting absolute positive momentum. The strategy may invest in a basket of securities or ETFs to represent its positions.

***The Sector Trend strategy*** utilizes a rules based investment process and may invest in securities representing the primary sectors of the S&P 500® Index and/or cash equivalents (high-quality short-term securities). Allocations to each sector are based on quantitative models. The strategy has the flexibility



to invest in any combination of the sectors and high-quality short-term securities, or 100% in high-quality short-term securities. A relative strength momentum model is utilized to rank each sector of the equity market. The strategy will allocate to those sectors that the model determines are more likely to outperform the broad market and possess positive absolute momentum. When a sector does not possess positive absolute momentum, a defensive cash equivalent position may be built by allocating from those sectors of the market that are not exhibiting absolute positive momentum, up to 100% of a portfolio's assets.

A third party provides Rampart with data analytics for the Trend strategies as warranted. Rampart monitors the fund's allocations to the underlying securities and is responsible for rebalancing assets to maintain target allocations among the underlying sub-sectors, while taking into account any other factors the subadviser may deem relevant, such as cash flow and/or timing considerations.

The principal risks of investing in these strategies may include:

*Commodity and Commodity-linked Instruments Risk:* The risk that investments in commodities or commodity-linked notes will subject the underlying fund's portfolio (or client's portfolio) to greater volatility than investments in traditional securities, or that commodity-linked instruments will experience returns different from the commodities they attempt to track.

*Credit Risk:* The risk that the issuer of a security will fail to pay interest or principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of the security to decline.

*Derivatives Risk:* The risk that the client will incur a loss greater than the client's investment in, or will experience greater share price volatility as a result of investing in, a derivative contract. Derivatives may include, among other things, futures, options, forwards and swap agreements and may be used in order to hedge portfolio risks, create leverage, or to attempt to increase yield.

*Emerging Market Investing Risk:* The risk that prices of emerging markets securities will be more volatile, or will be more greatly affected by negative conditions, than those of their counterparts in more established foreign markets.

*Equity Real Estate Investment Trust (REIT) Securities Risk:* The risk that, in addition to the risks associated with investing in the real estate industry, the value of the fund's shares will be negatively affected by factors specific to investing through a pooled vehicle, such as through poor management of a REIT or REIT-like entity, concentration risk, or other risks typically associated with investing in small or medium market capitalization companies.

*Equity Securities Risk:* The risk that events negatively affecting issuers, industries or financial markets in which the strategy invests, will impact the value of the stocks held by the client and thus, the value of the client's shares over short or extended periods. Investments in a particular style or in small or medium-sized companies may enhance that risk.

*Exchange-Traded Funds (ETFs) Risk:* The risk that the value of an ETF will be more volatile than the underlying portfolio of securities the ETF is designed to track, or that the costs to the client of owning shares of the ETF will exceed those the client would incur by investing in such securities directly.

Rampart may invest in a basket of securities to represent a sector if it is determined that investment in the ETF for that sector is not feasible or otherwise not in the best interest of a client. Rampart utilizes



brokers that have knowledge and access to the basket of securities representing the sector, and Rampart is aware of its fiduciary obligation to seek the “best execution” of client transactions.

*Foreign Investing Risk:* The risk that the prices of foreign securities in the underlying fund’s portfolio (or client’s portfolio) will be more volatile than those of domestic securities, or will be negatively affected by currency fluctuations or economic, political or other developments.

*Fund of Funds Risk:* The risk that the underlying funds in which the strategy invests will expose the strategy to negative performance and additional expenses associated with investment in such funds, and increased volatility.

*High-Yield/High-Risk Fixed Income Securities (Junk Bonds) Risk:* The risk that the issuers of high yield-high risk securities in the underlying fund’s portfolio (or client’s portfolio) will default, that the prices of such securities will be volatile, and that the securities will not be liquid.

*Interest Rate Risk:* The risk that when interest rates rise, the values of debt securities, especially those with longer maturities, will fall.

*Leverage Risk:* The risk that the value of the client’s shares will be more volatile or that the client will incur a loss greater than the client’s investment in a given security when leverage is used.

*Market Volatility Risk:* The risk that the value of the securities in which the strategy invests may go up or down in response to the prospects of individual companies and/or general economic conditions. Price changes may be temporary or may last for extended periods.

*Portfolio Turnover Risk:* The risk that the strategy will result in a consistently high portfolio turnover rate.

*Quantitative Model Risk:* The risk that investments selected using quantitative models may perform differently from the market as a whole or from their expected performance. There can be no assurance that use of a quantitative model will enable the fund to achieve positive returns or outperform the market.

*Real Estate Investment Risk:* The risk that the value of the client’s shares will be negatively affected by factors specific to the real estate market, including interest rate risk, leverage risk, property risk and management risk.

*Sector Focused Investing Risk:* The risk that events negatively affecting a particular industry or market sector in which the strategy focuses its investments will cause the value of the client’s shares to decrease, perhaps significantly.

*U.S. Government Securities Risk:* The risk that U.S. Government securities in the underlying fund’s portfolio (or client’s portfolio) will be subject to price fluctuations, or that an agency or instrumentality will default on an obligation not backed by the full faith and credit of the United States.

#### **SYSTEMATIC RELATIVE STRENGTH STRATEGY (SRS)**

***The Systematic Relative Strength Strategy*** is designed to outperform a Benchmark Index over the long term and generate attractive risk adjusted returns. The strategy was designed utilizing Relative Strength to enhance the returns on the underlying portfolio as compared to a passive investment in a Benchmark Index. SRS is based on the presumption that better performing assets, as compared to another asset,



will continue to maintain that relative outperformance, and it is beneficial to concentrate your investments on these assets.

SRS is designed to:

- enhance the returns on a passive benchmark index investment while maintaining a high correlation to the index
- have well defined entry and exit points
- maximize exposure to assets with better relative performance thus outperforming the benchmark over the long term

The Systematic Relative Strength (SRS) strategy uses an internal rules-based model to identify changes in market leadership and invest in sector/market segments that are outperforming.

SRS Strategy Risk Considerations:

- This strategy may underperform in market environments that lack clear trends;
- The strategy may underperform in market environments where sector leadership shifts quickly;
- If the technical-based triggers used to determine the weight applied to the benchmark and individual sectors do not identify shifts in leadership, the strategy will underperform;

**BENCHMARK BUY-WRITE STRATEGIES**

***Rampart's Benchmark Buy-Write Strategies*** are passive strategies that seek to replicate the performance of a CBOE®(Chicago Board Options Exchange) BuyWrite index (BXM, BXY, and PUT) and outperform a long-only index such as the S&P 500® Index. The CBOE designed its BuyWrite indices to track the performance of a hypothetical buy-write strategy on the S&P 500® Index.

A buy-write strategy involves writing call options on an underlying position (portfolio) to generate options premium. The option position is “covered” by the underlying position, which helps to dampen downside risk. The strategy closes out old calls and writes new calls on a monthly basis...

- The BXM strategy is based on owning an S&P 500®Index portfolio and writing near-month, at-the-money S&P 500®Index calls.
- The BXY strategy writes 2% out-of-the-money call options, which is more attractive in a rising market but has slightly higher risk.
- The PUT strategy is built around the concept of cash-secured-put-writing. Instead of owning the S&P 500®Index, the portfolio's assets are invested in short-term Treasury Bills.

The long-term potential benefits of the benchmark strategies are equity-like (S&P 500® Index) returns with approximately two-thirds the risk of equities, as defined by standard deviation.

These strategies tend to outperform the S&P 500® Index in down, flat, and moderately up markets. They tend to underperform in strong, rising markets.

Rampart Benchmark Strategies use in-house metrics to evaluate the index writing in conjunction with the portfolio notional value.

Benchmark Strategy Risk Considerations

- Like many passive benchmarks, the Indexes do not take into account significant factors such as transaction costs and taxes.



- Transaction costs and taxes for strategies such as the Indexes could be significantly higher than transaction costs for a passive strategy of buying-and-holding stocks.
- Underperforms equities in strong markets.
- Potential tracking error if portfolio is not the benchmark index (e.g., S&P 500® Index).
- Cash overlay may be needed on accounts using these strategies as an overlay on other portfolios.

## **ASSETS UNDER MANAGEMENT**

As of December 31, 2019, Rampart's assets under management totaled \$1,239,878,294.

### **Item 5 - Fees and Compensation**

**Limited Negotiability of Advisory Fees:** Although Rampart Investment Management Company, LLC has established fee schedule(s) for each of its strategies, we retain the discretion to negotiate alternative fees or minimum account size on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

Rampart, at its discretion, may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

**Fees Billed in Advance or Arrears:** Rampart's separately managed account advisory fees will be charged in one of two ways as agreed upon with the client:

- In advance: Advisory fees are billed in advance at the beginning of each calendar quarter based upon the asset value (market or fair market value in the absence of market value) of the client's account at the end of the previous quarter.
- In arrears: Advisory fees are billed in arrears at the end of each calendar quarter based upon the asset value (market or fair market value in the absence of market value), of the client's account at quarter-end.

Clients will be billed on a quarterly basis in accordance with the terms set forth in the Investment Management Agreement.

Following are basic annual fees for advisory products.

#### **PORTABLE YIELD STRATEGY (PYS)**

Fee Schedule Range: 35 bps to 60 bps

Minimum Account Size:

\$20 million for Institutional Clients

\$5 million for RIA/Family Office Clients

\$3 million for Sub-Advisory/Strategic Partner Clients\*

\*Fees are negotiated with Adviser

**SYSTEMATIC RELATIVE STRENGTH STRATEGY**

Fee Schedule Range: 35 bps to 85 bps

Minimum Account Sizes:

\$20 million for Institutional Clients

\$20 million for RIA/Family Office Clients

\$20 million for Sub-Advisory/Strategic Partner Clients\*

\*Fees are negotiated with Adviser

**CONCENTRATED STOCK OVERLAY STRATEGY**

Fee Schedule Range: 22.5 bps to 50 bps

Minimum Account Sizes:

\$20 million for Institutional Clients

\$5 million for RIA/Family Office Clients

\$1 million for Sub-Advisory/Strategic Partner Clients\*

\*Fees are negotiated with Adviser

**RAMPART BENCHMARK STRATEGIES**

Fee Schedule Range: 35 bps to 60 bps

Minimum Account Sizes:

\$20 million for Institutional Clients

\$5 million for RIA/Family Office Clients

\$3 million for Sub-Advisory/Strategic Partner Clients\*

\*Fees are negotiated with Adviser

**BENCHMARK BUY-WRITE STRATEGIES**

Fee Schedule Range: 15 bps to 40 bps

Minimum Account Sizes:

\$20 million for Institutional Clients

\$5 million for RIA/Family Office Clients

\$3 million for Sub-Advisory/Strategic Partner Clients\*

\*Fees are negotiated with Adviser



### **Advisory Fees – Mutual Funds**

Rampart generally receives an annual management fee ranging from 30 bps to 60 bps of the market value under management for sub-advising affiliated mutual funds.

### **GENERAL INFORMATION**

**Termination of the Advisory Relationship:** A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account prior to quarter-end, client will receive a prorated refund of unearned fees. For accounts billed in arrears, if services are terminated prior to quarter-end, we will charge fees based on the portion of the quarter in which we rendered services. We bill clients directly, or they may authorize their custodian to debit fees from their account and remit payment to us.

### **Wrap Fee Programs and Separately Managed Account Fees:**

Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

**Referral fees:** Where a particular broker-dealer refers clients to Rampart, Rampart may be directed to execute securities transactions to that broker-dealer.

**Additional Fees and Expenses:** Our fees are exclusive of broker commissions, transaction fees, and other related costs. In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians, broker dealers and third parties, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Such fees may include custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and security transactions. Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

**IF APPLICABLE: Grandfathering of Minimum Account Requirements:** Pre-existing advisory clients are subject to Rampart Investment Management Company, LLC's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, Rampart's minimum account requirements will differ among clients.

**IF APPLICABLE: ERISA Accounts:** Rampart Investment Management Company, LLC is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"). As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited



transactions, Rampart Investment Management Company, LLC may only charge fees for investment advice about products for which our firm and/ or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b- 1 fees, however, only when such fees are used to offset Rampart Investment Management Company, LLC's advisory fees.

**Advisory Fees in General:** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

**Limited Prepayment of Fees:** Under no circumstances does Rampart require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

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

Rampart does not currently charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). In all cases where we, or our affiliates, charge a performance-based fee, we will comply with Section 205(b) of the Investment Advisers Act of 1940, as amended (the Advisers Act), and all applicable laws and regulations.

These types of fee arrangements can give us or an affiliate an incentive to make riskier or more speculative investments. In addition, we or an affiliate would receive additional compensation for unrealized appreciation and realized gains in client accounts. Performance fee arrangements can also create an incentive to favor higher fee-paying accounts over others in the allocation of investment opportunities. Rampart has written compliance policies and procedures designed to mitigate or manage these conflicts of interest, including policies and procedures regarding the equitable allocation of investment opportunities.

### **Side-by-Side Management**

“Side-by-side management” refers to the simultaneous management of multiple types of client accounts/investment products. Rampart manages numerous accounts, including the accounts described previously in this Item, with a variety of strategies, which may present conflicts of interest. In addition, Rampart’s traders and portfolio managers serve as traders and portfolio managers for certain affiliates of Rampart, which may present conflicts of interest. Rampart has written compliance policies and procedures designed to mitigate or manage these conflicts of interest.

## **Item 7 - Types of Clients**

Rampart Investment Management Company, LLC provides advisory services to the following types of clients:

- Individuals
- High net worth individuals
- Tax exempt institutions
- Pension and profit sharing plans(other than plan participants)
- Corporations or other businesses not listed above
- Mutual funds

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

### **METHODS OF ANALYSIS**

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

**Technical Analysis** — is a methodology for forecasting the direction of stock or market prices through the analysis of past market data. That evaluation is then applied to the present in an attempt to recognize recurring patterns of investor behavior to potentially predict a likelihood of future price movement.

The risks in using technical indicators are:

- May underperform in market environments that lack clear performance trends
- May underperform in market environments where the sector leadership that Rampart is using shifts quickly
- Can be skewed by large price spikes
- Signals utilized will operate with some delay in signaling in market trends
- Levels that define signal points can change over time

**Rules Based Analysis** — we use mathematical models in an attempt to obtain more accurate measurements of a company's data, such as the value of a share price or earnings per share, and predict changes to that data. A risk in using rules based analysis is that the models used may be based on assumptions that prove to be incorrect.

### **INVESTMENT STRATEGIES**

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

**Long-term Equity & ETF (Exchange Traded Funds):** We purchase these securities with the idea of holding them in the client's account for a year or longer as part of our benchmark strategies or trend strategies data analytics for the Trend Funds.

**Short-term Equity & ETF (Exchange Traded Funds) purchases:** We purchase securities that are actively traded due to signal changes in our systematic relative strength strategy or trend strategies data analytics for the Trend Funds.

**Option Writing:** We use options as an integral part of our investment strategies. We employ option writing to include covered options. Spreading strategies (using puts and calls) with spreads.

We will also use options to "hedge" the ownership of the underlying security; "covered calls", in which we sell an option on security you own and a "spreading strategy", in which we execute two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security.



**Short Futures:** We use short futures positions to create inverse (short) exposure to large and mid-capitalization U.S. equities to outperform -100% of the total return of the S&P 500.

Derivatives carry significant risks. These can include loss of principal or more than the initial investment. The primary risks associated with derivatives are:

- Market risk, the risk that the market value of the investment will decline
- Credit risk, the risk that the counter-party to the transaction will default on its obligations
- Liquidity risk, the risk that the instrument will not be readily marketable, and
- Valuation risk, the risk that, because the instrument is thinly traded, it may have only one pricing source

## **RISK OF LOSS**

Clients should understand that all investments made pursuant to such strategies involve risk of loss, including the potential loss of the entire investment in the client accounts, which clients should be prepared to bear. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a client's investment will fluctuate due to market conditions and other factors. The investment decision made and the actions taken for client accounts will be subject to various market, liquidity, currency, economic, political and other risks, and will not necessarily be profitable and may lose value. Past performance of client accounts is not indicative of future performance. The strategies described also are subject to the risks summarized within this document. However, the list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment strategy. Prospective clients are encouraged to consult their own financial advisors and legal and tax professionals on an initial and continuous basis in connection with selecting and engaging the services of Rampart for a particular strategy.

**Market Volatility Risk.** The Fund could lose money over short periods due to short-term market movements and over longer periods during more prolonged market downturns. The value of a security or other instrument may decline due to changes in general market conditions, economic trends or events that are not specifically related to the issuer of the security or other instrument, or factors that affect a particular issuer or issuers, country, group of countries, region, market, industry, group of industries, sector or asset class. During a general market downturn, multiple asset classes may be negatively affected. Changes in market conditions and interest

rates generally do not have the same impact on all types of securities and instruments. An outbreak of infectious respiratory illness caused by a novel coronavirus known as COVID-19 was first detected in China in December 2019 and has now been detected globally. This coronavirus has resulted in travel restrictions, closed international borders, enhanced health screenings at ports of entry and elsewhere, disruption of and delays in healthcare service preparation and delivery, prolonged quarantines, cancellations, supply chain disruptions, and

lower consumer demand, as well as general concern and uncertainty. The impact of COVID-19, and other infectious illness outbreaks that may arise in the future, could adversely affect the economies of many nations or the entire global economy, individual issuers and capital markets in ways that cannot



necessarily be foreseen. In addition, the impact of infectious illnesses in emerging market countries may be greater due to generally less established healthcare systems. Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The duration of the COVID-19 outbreak and its effects cannot be determined with certainty.

### Item 9 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events material to the evaluation of them or the integrity of their management. Rampart Investment Management Co., LLC has no disciplinary information to report.

### Item 10 - Other Financial Industry Activities and Affiliations

Rampart is directly and wholly owned by Virtus Partners, Inc. ("VP"). Virtus Partners, Inc. is directly and wholly owned by Virtus Investment Partners, Inc. ("Virtus") a publicly traded multi-manager asset management business, as of December 31, 2008 (NASDAQ: VRTS).

The following investment advisers are all subsidiaries of Virtus Partners, Inc. and affiliates of Rampart:

- Ceredex Value Advisors LLC
- Duff & Phelps Investment Management Co.
- Kayne Anderson Rudnick Investment Management, LLC
- Newfleet Asset Management, LLC
- Seix CLO Management LLC
- Seix Investment Advisors LLC
- Silvant Capital Management LLC
- Sustainable Growth Advisers, LP
- Virtus Alternative Investment Advisers, Inc.
- Virtus ETF Advisers LLC
- Virtus Fund Advisers, LLC
- Virtus Investment Advisers, Inc.
- VP Distributors, LLC

VP Distributors, LLC, an affiliate of Rampart is a registered broker-dealer which serves as the underwriter and distributor of various registered investment companies for which Rampart acts as sub-adviser. VP Distributors, LLC does not have trading activity nor retains trading operations. Some personnel of Rampart, including management persons, are FINRA registered representatives under VP Distributors.

Virtus Fund Services LLC, an affiliate of Rampart, serves as the administrator and transfer agent to certain funds for which Rampart acts as the sub-adviser.

The investment management services of Rampart are offered by Virtus under its multi-adviser asset management platform. Distribution of investment products and services offered in conjunction with this platform may involve Rampart, its affiliates, and other entities in support of these activities. There



may exist certain potential or actual conflicts of interests within these interrelationships, which may or may not be readily apparent to an investor.

In a variety of instances, Rampart utilizes the personnel and/or services of one or more of our affiliates in the performance of our business including, without limitation, investment advice and portfolio management, trading, back office processing, accounting, reporting and client servicing. These arrangements will take a variety of forms including dual employee or delegation arrangements, formal sub-advisory or servicing agreements, or other formal and informal arrangements among Rampart and its affiliates. When we utilize the personnel and services of our affiliates, we remain responsible for the account within the framework of the Advisers Act and/or other applicable regulatory frameworks and the relevant investment management agreement, and no additional fees are charged to the client for the affiliates' services except as set forth in the investment management agreement.

Additionally, Virtus and its affiliates may enter into marketing or sponsorship arrangements with third parties, sub-advisers and brokerage firms to promote the distribution of proprietary investment products including, but not limited to, mutual funds, closed-end funds, managed accounts or the general enhancement of the Virtus marketing image. Such third parties, sub-advisers and brokerage firms may concurrently have advisory, distribution or other relationships with Rampart. These arrangements may or may not necessarily result in additional assets under management by Rampart or inure to the direct or indirect benefit of clients of Rampart.

Some officers and directors of Virtus serve as our officers or directors. Some Rampart and Virtus officers and directors also serve as officers or directors of affiliated registered investment companies.

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

To fully protect the interests of our clients, Rampart has adopted the Virtus Code of Conduct and Code of Ethics for personal trading, which are designed to prevent and detect possible conflicts of interest with client trades. Compliance with these codes is a condition of employment. All of Rampart's supervised persons must acknowledge their terms annually, or as amended.

Any employee found to have engaged in improper or unlawful activity faces appropriate administrative and legal action. It is the responsibility of each associate to ensure that they and those they manage are conducting business professionally and are complying with the procedures and policies governing Rampart's collective responsibility.

Any employee becoming aware of others engaged in wrongdoing or improper conduct must immediately report such activity to their supervisor and compliance officer. Failure to do so may result in additional action being taken against that individual. Virtus has established formal reporting procedures and a confidential 24-hour "hotline" for the purpose of employees requesting assistance concern of, reporting violations of the Code of Conduct or other related policies.

Rampart or a related person may recommend that clients buy or sell securities or investment products in which Rampart or a related person has some financial interest. Likewise, Rampart or a related person may buy or sell securities that Rampart also recommends to clients.



The following highlights some of the provisions of the Virtus Code of Conduct:

#### Virtus Code of Conduct

##### Commitment to Shareholders

- Conflicts of interest
- Insider trading and personal trading
- Market timing

##### Commitment to Customers

- Safeguarding assets
- Other market conduct
- Privacy

##### Commitment to Corporate Citizenship

- Complying with the legal and regulatory requirements
- Anti-money laundering
- Lobbying and political contributions

##### Commitment to Employees

- Equal opportunities
- Sexual harassment
- Workplace safety

##### Commitment to Ethics and Compliance

- Ethical decision-making
- Monitoring Code compliance
- Whistleblower protection

A complete copy of the Virtus Code of Conduct is available upon request.

#### Code of Ethics

The following highlights some of the provisions of the Code of Ethics:

- Pre-clearance is required for all non-exempt transactions with respect to which an employee is beneficial owner in order to prevent the employee from buying or selling at the same time as the firm.
- 30 day holding period for covered securities.
- Brokerage provision of duplicate copies of brokerage statements and confirmations to Rampart's Compliance Department, or the electronic equivalent.
- Employee provision of Initial Holdings Reports, Quarterly Transaction Reports, and Annual Certification and Holdings Reports, which Rampart's Compliance Department reviews for trading activity.
- Requirement that personal transactions be consistent with the Code of Ethics in a manner that avoids any actual or potential conflict of interest.
- Any covered employee not in observance of the above may be subject to discipline.



Rampart does not purchase or sell securities for its own account. Rampart's directors, officers, and employees may buy, hold, or sell the same investments for their own accounts as are held or to be held or sold for a client account.

None of Rampart's directors, officers, or advisory persons may buy or sell any security or any option to buy or sell such security, such that they hold or acquire any direct or indirect beneficial ownership as a result of the transaction and that they know at the time of such transaction that is being bought, sold, or considered for purchase or sale for a client account, unless:

- they have no influence or control over the transaction from which they will acquire a beneficial interest
- the transaction is non-volitional on their part or the client's
- the transaction is a purchase under an automatic dividend reinvestment plan or pursuant to the exercise of rights issues, pro-rata to them and other holders of the same class of the issuer's securities, or
- they have obtained, in advance, approval from someone authorized to grant such approval when circumstances indicate no reasonable likelihood of harm to the client or violation of applicable laws and regulations

Rampart's officers and employees are encouraged to invest in shares of Virtus Mutual Funds.

Rampart has adopted the Insider Trading Policy and Procedures designed to mitigate the risks of Rampart and its employees misusing and misappropriating any material non-public information that they may become aware of, either on behalf of Rampart's clients or for their own benefit. The policy applies to every person of Rampart and extends to activities both within and outside their duties to Rampart, including for an employee's personal account.

Rampart endeavors to ensure that the investment management and overall business of the firm complies with both Rampart and Virtus policies and applicable U.S. federal and state securities laws and regulations.

A complete copy of Rampart's current Code of Ethics is available by sending a written request to Rampart Investment Management Company, LLC, Attn: James Sena, Chief Compliance Officer, One Financial Plaza, 26th floor, Hartford, CT 06103.

E-mail requests may be sent to [James.Sena@virtus.com](mailto:James.Sena@virtus.com)

## Item 12 - Brokerage Practices

### **Brokerage Selection and Allocation of Trade Volume**

Rampart's Traders are responsible for ensuring that all trades comply with the Brokerage and Trading Practices Policies and Procedures. In addition, the Rampart Brokerage Review Committee, as further described below, shall provide oversight and govern trading activities.

With respect to any mutual fund or institutional client's assets directly managed by Rampart (not delegated to a sub adviser), including those assets for which Rampart serves as a sub adviser for another



Registered Investment Adviser, the selection of broker-dealers and allocation of client trades to such must be consistent and comply with the following:

1. Any client direction such as directed brokerage or mandated policy such as is the case of the Funds; and all federal and state regulations.
2. Rampart Portfolio Managers, working with the Rampart Brokerage Review Committee, ensure that the selection of all broker-dealers and alternative trading platforms, along with resulting trade volume sent thereto, and comply with these standards.
3. In cases when there is a request that Rampart approve a broker that has already been approved by an affiliate, Rampart may expedite the procedure outlined in 4), below, by utilizing the affiliate's approval form.
4. Rampart's Portfolio Managers in coordination with the investment teams, exercise discretion in recommending to the Brokerage Review Committee new broker-dealers, alternative trading systems or programs to affect trades. In making such recommendations, the traders generally consider their execution capability, financial status, credit research, and usefulness of market research provided to the investment teams. The recommendation is generally made through the use of the Rampart Request for Approval of Broker-Dealer Form ("Brokerage Approval Form"), which will be presented to the Rampart Brokerage Review Committee, who shall approve or disapprove such requests. Should the need to approve a particular trader arise between meetings of the Brokerage Review Committee, a member of the Brokerage Review Committee, typically the CCO, can provide provisional approval by signing the Brokerage Approval Form should the need to trade arise between meetings. The brokerage arrangement will be further reviewed and ratified at the next Rampart Brokerage Review Committee Meeting.
5. All discretionary trading is placed with the goal of seeking best execution for each transaction. In seeking best execution, the Portfolio Manager considers the nature of the marketplace, size of the trade, trading characteristics of the security, and the quality and reliability of brokerage services. All accounts will be treated in a fair and equitable manner with investment opportunities being reasonably allocated among accounts.
6. In addition to executing trades through traditional brokerage firms, traders and portfolio managers may choose to use alternative trading systems or effect program trades to minimize the market impact and attain efficiencies. Rampart's Portfolio Managers exercise reasonable care to maintain appropriate safeguards and security when trading electronically or through the Internet.

### **Portfolio Managers**

Rampart will only accept and execute trade orders for Rampart managed accounts. No transactions for employees, directors of Rampart or orders for non-clients are ever accepted.

Rampart in its sole discretion, unless otherwise provided, directs the execution of all securities transactions through broker-dealer firms of its own choosing.

In some instances clients may direct Rampart to place orders for execution whenever practicable with a specifically identified broker-dealer. If a client elects to direct securities transactions to a particular broker-dealer, Rampart may not be able to obtain best execution and may not have the flexibility to negotiate commissions, which may result in increased commissions for that client.



Where a particular broker-dealer refers clients to Rampart, Rampart may have an interest in directing securities transactions to that broker-dealer so as to obtain additional client referrals from that broker-dealer. Step out trades can be used upon the discretion of the Portfolio Manager.

### **Best Execution**

As a fiduciary to its advisory clients, Rampart has an obligation to use its best efforts to obtain the best available price and most favorable execution with respect to all portfolio transactions Rampart executes on behalf of their respective clients. Best execution refers to seeking the best overall terms for a client when affecting a trade. In assessing the best overall terms available, Rampart considers factors it deems relevant, including the breadth of the market in the security, price of the security, execution capability, and experience in dealing with brokers and dealers. Electronic trading networks will be used when possible to minimize trading costs or improve quality of execution.

Each Rampart Portfolio Manager is primarily responsible for seeking “best execution” when effecting transactions for client accounts.

Rampart’s Portfolio Managers monitor trade executions as they are reported filled. It is important to note a good faith determination is made by using real time pricing sources as to where the best possible price can be achieved for a particular order at that particular time, taking into account all other elements of “best execution”, as described above.

Rampart utilizes a third party vendor to analyze their transactions on a quarterly basis and these are reviewed with the Brokerage Review Committee.

### **Soft Dollars**

Rampart Investment Management Company, LLC does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

### **Trade Allocation**

Rampart Investment Management Company, LLC will “block” (aggregate) trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow Rampart to execute trades in a timelier, more equitable manner, at an average share price. Rampart Investment Management Company, LLC will typically aggregate trades among clients whose accounts can be traded at a given broker.

## **Item 13 - Review of Accounts**

A record-keeping account is established and maintained in Rampart’s order management system and the appropriate portfolio accounting system. Rampart portfolio management team regularly reviews client accounts to assess consistency with the relevant investment strategy and applicable account restrictions. While the underlying securities including derivative positions within the accounts are continually monitored, there are various reconciliations performed by Operations and Fund Administration that occur daily, monthly and/or quarterly depending on the type of account. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent



reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

#### Item 14 - Client Referrals and Other Compensation

Rampart generally does not receive an economic benefit from anyone other than its clients for providing investment advice to its clients. However, as discussed in Item 10, Rampart and its personnel may provide services to Rampart's affiliates, and Rampart may receive services from its affiliates. Such services may include investment advice for which the providing entity may be compensated directly or indirectly by the receiving entity.

As discussed in Item 10, above, Rampart has arrangements with VPD and Virtus International whereby Rampart compensates those entities for referrals in certain circumstances. Such arrangements are commonly referred to as "solicitation arrangements" and the persons or entities providing the solicitation services are commonly known as "solicitors." The Investment Advisers Act of 1940, as amended, requires that when an affiliate acts as a solicitor for Rampart such affiliate discloses to the potential client that the solicitor is affiliated with Rampart. The compensation paid by Rampart to VPD and Virtus International for these solicitation arrangements generally is structured as being all or a portion of any variable compensation paid by VPD or Virtus International to its employee(s) relating to assets under management by Rampart that were referred by such employee(s), and in some cases the compensation also includes a percentage of VPD's or Virtus International's costs with respect to employment of the individual(s).

While Rampart currently does not compensate any unaffiliated third parties for client referrals, Rampart may have relationships with certain consulting firms and other intermediaries. For example, Rampart may, from time to time, purchase products or services, such as investment manager performance data, from consulting firms. In compliance with applicable law and regulation, Rampart or an affiliate from time to time may also pay event attendance or participation or other fees; underwrite educational, charitable or industry events; or provide gifts of value to, or at the request of, an organization or individual (including Rampart affiliates) that, among other things: (i) offers or includes products or services of Rampart or an affiliate in a particular program; (ii) permits Rampart or an affiliate access to their financial advisers, brokers, employees, or other affiliated persons to provide training, marketing support, and educational presentations on products or services affiliated with Rampart; and/or (iii) refers or has referred a client to Rampart. Rampart may obtain products and/or services from consulting firms separate and apart from any recommendations made to clients for Rampart's investment services, and also may provide cash or non-cash support for educational, training, marketing and other events sponsored by consulting firms and other intermediaries, subject to internal policies and regulatory restrictions. Additionally, certain affiliated or third party institutions provide financial support on a voluntary basis for marketing, educational, and sales meetings of Rampart or affiliates. Rampart also may, from time to time, pay a fee for inclusion of information about the firm in databases maintained by certain unaffiliated third-party data providers that in turn make such information available to their investment consultant clients. The payments and benefits described in this paragraph could give the firms receiving them and their personnel an incentive to favor Rampart's investment advisory services over those of firms that do not provide the same payments and benefits.



Additionally, Rampart or any of its affiliates may enter into arrangements with, and/or make payments from their own assets to, certain intermediaries to enable access to Virtus Funds on platforms made available by such intermediaries or to assist such intermediaries to upgrade existing technology systems or implement new technology systems or programs in order to improve the methods through which the intermediary provides services to Rampart and its affiliates and/or their clients. Such arrangements or payments may establish contractual obligations on the part of such intermediary to provide Rampart's or an affiliate's fund clients with certain exclusive or preferred access to the use of the subject technology or programs or preferable placement on platforms operated by such intermediary. The services, arrangements and payments described in this paragraph present conflicts of interest because they provide incentives for intermediaries, customers or clients of intermediaries, or such customers' or clients' service providers to recommend, or otherwise make available, Rampart's or its affiliates' strategies or Virtus Funds to their clients in order to receive or continue to benefit from these arrangements from Rampart or its affiliates. The provision of these services, arrangements and payments described above by Rampart or its affiliates is only to the extent permitted by applicable law and guidance and is not dependent on the amount of Virtus Funds or strategies sold or recommended by such intermediaries, customers or clients of intermediaries, or such customers' or clients' service providers.

### Item 15 - Custody

Rampart does not have custody of client assets.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains their investment assets. Rampart also sends account statements directly to certain clients on a quarterly basis. We urge clients to carefully review these statements and compare the official custodian records to the account statements that we may provide.

### Item 16 - Investment Discretion

Our investment advisory contract gives us full discretion to buy and sell securities without prior client approval. We exercise that investment discretion consistent with investment philosophy and any investment guidelines or restrictions the client has adopted and we have accepted. Neither we nor our affiliates maintain actual custody of any client assets.

Clients give Rampart discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

### **Class Action Litigation**

Advisory clients are sometimes entitled to participate in securities class action litigation brought by one or more Plaintiffs against the issuer(s) of certain securities. Various sources may provide notification of these class actions.

Each class action involves certain legal rights that the owner/beneficiary of the security should consider before becoming a member of the class. We do not instruct or give advice to non-investment company clients on whether or not to participate as a member of the class.



For our affiliated investment company clients, a third-party service provider gathers the necessary information from outside sources, determines whether the various funds are eligible to file based on the trading activity, files the claim on behalf of the funds when appropriate, and monitors the class action throughout the process, which may be many years. The vendor will maintain records.

For our institutional separate accounts and other non-investment company clients, we may, if specifically requested to do so, provide information to assist clients with the claim process. We generally rely on the client's custody agent to notify clients of pending matters and to gather all necessary information for filing of a claim. It is the responsibility of the client to determine whether they are eligible to file and to pursue the class action recoveries on their own behalf.

### Item 17 - Voting Client Securities

Rampart generally has responsibility to vote proxies on behalf of its clients. Proxies will be voted in a manner designed to accrue to the benefit of the underlying participants and beneficiaries, while using the care, skill and diligence that a prudent person acting in a like capacity and familiar with such matters would use under the circumstances then prevailing. Unless directed otherwise by a client, Rampart will delegate, to a non-affiliated third party vendor, the responsibility to review proxy proposals and make voting recommendations on its behalf. Additionally, Rampart may vote a proxy contrary to the guidelines if it determines that such action is in the best interests of the client.

Conflicts of interests relating to proxy proposals will be handled in various ways depending on the type and materiality. Generally, where the guidelines outline Rampart's voting position, as either "for" or "against" such proxy proposal, voting will be in accordance with the guidelines. Where the guidelines outline the voting position to be determined on a "case by case" basis for such proxy proposal, or such proposal is not listed in the guidelines, then Rampart will choose either to vote the proxy in accordance with the voting recommendation of the non-affiliated third party vendor, or vote the proxy pursuant to client direction. The method selected by Rampart will depend upon the facts and circumstances of each situation and the requirements of applicable law.

Rampart may choose not to vote proxies in certain situations, such as: 1) where the cost of voting is deemed to exceed any anticipated benefit to the client, 2) where a proxy is received for a client account that has been terminated, 3) where a proxy is received for a security no longer managed within the account (i.e. the entire position had previously been sold), and/or 4) where the exercise of voting rights could restrict the ability of the portfolio manager to freely trade the security.

A complete copy of Rampart's current Proxy Voting Policies, Procedures and Guidelines may be obtained by sending a written request to Compliance Department, Rampart Advisors LLC, 100 Pearl Street, Hartford, CT 06103.

### Item 18 - Financial Information

Registered investment advisers are required in this Item to provide certain financial information or disclosures about their financial condition. Rampart has no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients and have not been the subject of a bankruptcy proceeding. Rampart does not require or solicit prepayment of advisory fees six months or more in advance. Rampart will not act as custodian for any client account.

## Glossary of Terms

**Call** — an option contract that gives the buyer the right to purchase the specified shares of the underlying stock or index at the given strike price. This places the seller with an obligation to sell.

**Historical Volatility** — the actual fluctuation of an underlying security's price either up or down.

**Implied Volatility** — the estimated volatility of a security's price which is used by option traders to price an option, based on a particular option-pricing model.

**In-The-Money** — for a call option, when the strike price is below the market price of the underlying asset. For a put option, when the strike price is above the market price of an underlying asset.

**Long Contract** — a position in options in which you have purchased a contract.

**Market Cycle** — period of time during which stock market evolves from a bull market (rising prices), to a bear market (falling prices), then back to a bull market.

**Nominal Value** — an economic value expressed in monetary terms (units of currency) and includes the effects of inflation over time.

**Notional** — the value of an asset expressed in dollars used to construct derivative transactions.

**Option Drag** — the drag on performance for an underlying asset attributed to the presence of an option position.

**Option Spreads** — an option position that is constructed of equal number of options of same class (calls or puts) and underlying but differ in either strike price or expiration.

**Out-Of-The-Money** — for a call option, when the strike price is above the market price of the underlying asset. For a put option, when the strike price is below the market price of an underlying asset.

**Premium** — the amount of money the buyer pays and the seller receives to engage in an option transaction.

**Put** — an option contract that gives the buyer the right to sell the specified shares of the underlying stock or index at the given strike price. This places the seller with an obligation to purchase.

**SPX** — ticker symbol for the S&P 500® Index

**Short Contract** — a position in options in which you have written (sold) a contract.

**Strike (Exercise) Price** — the stated price per share for which and underlying stock may be purchased (call) or sold (put) by the long option holder.

**VIX** — ticker symbol for the CBOE Market Volatility Index which is a popular measure of the implied volatility of the S&P 500® Index.

**Volatility** — the tendency of the underlying security's market price to fluctuate up or down.

**Volatility Derivative** — a type of derivative security where the payoff to the investor is explicitly tied to some measure of the volatility of an underlying asset.



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March 2020

Item 1 – Cover Page

**Warun Kumar**

Senior Managing Director and Chief Investment Officer

RAMPART INVESTMENT MANAGEMENT CO., LLC

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New York, NY 10036  
212-395-9471  
[www.rampart-im.com](http://www.rampart-im.com)

**This Brochure Supplement provides information about Warun Kumar that supplements the Rampart Investment Management Co., LLC ("Rampart") brochure. Please contact James Sena, CCO, at 860-503-1130 if you have any questions about the contents of this supplement.**

Item 2 – Educational Background and Business Experience

- Business experience: Senior managing director at Virtus Investment Partners, responsible for quantitative investment strategies, including portfolio management for several Virtus affiliates. Previous experience: Mr. Kumar was a founding partner at Varick Asset Management, an alternative investment firm, where he developed derivative-based active and passive investment strategies. Prior to forming Varick in 2010, he was the head of the Americas division of Barclays Capital Fund Solutions, which managed derivative-based strategies for institutional clients and third-party funds.
- Education: BS, Columbia University

Item 3 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There is no disciplinary information to report.

Item 4 – Other Business Activities

Mr. Kumar has been a portfolio manager of Rampart's affiliated mutual funds since 2015.

Item 5 – Additional Compensation

Client retention and growth in assets under management may also be considered as part of the performance evaluation.

Item 6 – Supervision Mr. Kumar attends regular meetings with his direct supervisor and senior management and is required to follow all policies and procedures of the firm and its parent. Mr. Kumar's supervisor is George Aylward, President and Chief Executive Officer of Virtus Investment Partners.



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Item 1 – Cover Page

**Brendan R. Finneran**

Portfolio Manager and Trader

RAMPART INVESTMENT MANAGEMENT CO., LLC

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New York, NY 10036  
212-395-9474  
[www.rampart-im.com](http://www.rampart-im.com)

**This Brochure Supplement provides information about Brendan R. Finneran that supplements the Rampart Investment Management Co., LLC ("Rampart") brochure. Please contact James Sena, CCO, at 860-503-1130 if you have any questions about the contents of this supplement.**

Item 2 – Educational Background and Business Experience

- Business experience: Managing director at Virtus Investment Advisers and Portfolio Manager at Rampart. Responsibilities include portfolio management for the firm's high-net-worth and institutional clients, position monitoring, and trade execution. Previous experience: Mr. Finneran was a trader and operations manager at Andover Capital Advisors, where he was responsible for operational account management (processing and settlement) for all equity, option, bond, bank debt, CDS, and swap trades.
- Education: B.A. Organizational Behavior and Management, Brown University

Item 3 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There is no disciplinary information to report.

Item 4 – Other Business Activities

Mr. Finneran joined Rampart in 2008 as a portfolio manager to the PYS and CSO strategies. He has been a portfolio manager of Rampart's affiliated mutual funds since 2016.

Item 5 – Additional Compensation

Client retention and growth in assets under management may also be considered as part of the performance evaluation.

Item 6 – Supervision

Mr. Finneran attends regular meetings with his direct supervisor and is required to follow all policies and procedures of the firm and its parent. Mr. Finneran's supervisor is Warun Kumar, Senior Managing Director and Chief Investment Officer of Rampart Investment Management Co., LLC.



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Item 1 – Cover Page

**Robert F. Hofeman**

Portfolio Manager and Trader

RAMPART INVESTMENT MANAGEMENT CO., LLC

1540 Broadway  
New York, NY 10036  
212-395-9472  
[www.rampart-im.com](http://www.rampart-im.com)

**This Brochure Supplement provides information about Robert F. Hofeman that supplements the Rampart Investment Management Co., LLC ("Rampart") brochure. Please contact James Sena, CCO, at 860-503-1130 if you have any questions about the contents of this supplement.**

Item 2 – Educational Background and Business Experience

- Business experience: Managing director at Virtus Investment Advisers and Portfolio Manager at Rampart. Responsibilities include portfolio management and new product development, investment strategy, and trade execution. Previous experience: Mr. Hofeman was an equity trading consultant for Linedata, director and senior equity trader at Evergreen Investments, and equity trader at Ironwood Investment Management, LLC
- Education: B.S. in Computer Science, Boston College and an M.B.A. from Emory University

Item 3 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There is no disciplinary information to report.

Item 4 – Other Business Activities

Mr. Hofeman joined Rampart in 2012 as a portfolio manager of PYS and CSO strategies. He has been a portfolio manager of Rampart's affiliated mutual funds since 2016.

Item 5 – Additional Compensation

Client retention and growth in assets under management may also be considered as part of the performance evaluation.

Item 6 – Supervision

Mr. Hofeman attends regular meetings with his direct supervisor and is required to follow all policies and procedures of the firm and its parent. Mr. Hofeman's supervisor is Warun Kumar, Senior Managing Director and Chief Investment Officer of Rampart Investment Management Co., LLC.



Form ADV, Part 2B Brochure Supplement  
March 2020

Item 1 – Cover Page

**Michael Davis**

Portfolio Manager and Trader

RAMPART INVESTMENT MANAGEMENT CO., LLC

1540 Broadway  
New York, NY 10036  
212-395-9473  
[www.rampart-im.com](http://www.rampart-im.com)

**This Brochure Supplement provides information about Michael Davis that supplements the Rampart Investment Management Co., LLC ("Rampart") brochure. Please contact James Sena, CCO, at 860-503-1130 if you have any questions about the contents of this supplement.**

Item 2 – Educational Background and Business Experience

- Business experience: Managing director at Virtus Investment Advisers and Portfolio Manager at Rampart. Responsibilities include investment strategy, product development and portfolio management. Previous experience: Mr. Davis was a founding partner at Varick Asset Management, an alternative investment firm, where he developed derivative-based active and passive investment strategies. Prior to forming Varick in 2010, he worked in the institutional asset management division of Barclay Capital, focused on quantitative and derivative-based investment strategies. Prior to Barclays, Mr. Davis worked in the derivative structuring group at Lehman Brothers.
- Education: B.A. in Psychology from Georgetown University. M.B.A from the Johnson Graduate School of Management at Cornell University.

Item 3 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There is no disciplinary information to report.

Item 4 – Other Business Activities

Mr. Davis has been a portfolio manager of Rampart's affiliated mutual funds since 2016.

Item 5 – Additional Compensation

Client retention and growth in assets under management may also be considered as part of the performance evaluation.

Item 6 – Supervision Mr. Davis attends regular meetings with his direct supervisor and is required to follow all policies and procedures of the firm and its parent. Mr. Davis's supervisor is Warun Kumar, Senior Managing Director and Chief Investment Officer of Rampart Investment Management Co., LLC.

## FACTS

### WHAT DOES RAMPART DO WITH YOUR PERSONAL INFORMATION?

#### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

#### What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- > Social Security Number and Account Balances
- > Transaction History
- > Assets
- > Risk Tolerance
- > Investment Experience

When you are *no longer* our customer, we continue to share your information as described in this notice.

#### How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Rampart chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Rampart share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	<b>Yes</b>	<b>No</b>
<b>For our marketing purposes—</b> to offer our products and services to you	<b>No</b>	<b>We don't share</b>
<b>For joint marketing with other financial companies</b>	<b>No</b>	<b>We don't share</b>
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	<b>Yes</b>	<b>No</b>
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	<b>No</b>	<b>We don't share</b>
<b>For nonaffiliates to market to you</b>	<b>No</b>	<b>We don't share</b>

#### Questions?

Call 800-248-7971 or visit to [Virtus.com](http://Virtus.com)

Who we are	
<b>Who is providing this notice?</b>	Rampart Investment Management Company, LLC.
What we do	
<b>How does Rampart protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
<b>How does Rampart collect my personal information?</b>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>&gt; open an account or give us your contact information</li> <li>&gt; seek advice about your investments</li> <li>&gt; enter into an investment advisory contract</li> <li>&gt; tell us about your investment portfolio</li> </ul>
<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> <li>&gt; sharing for affiliates' everyday business purposes — information about your creditworthiness</li> <li>&gt; affiliates from using your information to market to you</li> <li>&gt; sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>&gt; Our affiliates include financial companies such as Virtus Investment Partners, Inc., Ceredex Value Advisors LLC; Duff &amp; Phelps Investment Management Co.; Kayne Anderson Rudnick Investment Management, LLC; Newfleet Asset Management, LLC; Seix Investment Advisors LLC; Silvant Capital Management LLC; Sustainable Growth Advisers, LP; Virtus Alternative Investment Advisers, Inc.; Virtus Fund Services, LLC; Virtus Investment Advisers, Inc.; Virtus ETF Advisers LLC; Virtus Fund Advisers, LLC; and VP Distributors, LLC.</li> </ul>
<b>Nonaffiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>&gt; Rampart Investment Management Company, LLC does not share with nonaffiliates so they can market to you.</li> </ul>
<b>Joint marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>&gt; Rampart Investment Management Company, LLC doesn't jointly market.</li> </ul>