

Form ADV Part 2A

Uniform Application for Investment Adviser Registration

SHEPHERD KAPLAN LLC™

125 Summer Street, 22nd Floor, Boston, MA 02110

Contact Employee:

Bruce Goodman, Chief Compliance Officer

(617) 896-1627

bgoodman@sk-llc.com

www.sk-llc.com

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This brochure provides information about the qualifications and business practices of Shepherd Kaplan LLC. If you have any questions about the contents of this brochure, please contact us at 617-896-1600. 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 Shepherd Kaplan LLC also is available on the SEC's website at www.adviserinfo.sec.gov. Registration does not imply a certain level of skill or training.

Item 2: Material Changes

This version of the brochure includes changes, which may be material, to the version of the brochure in the annual amendment of Form ADV dated March 29, 2019 previously filed:

The Chief Compliance Officer is Bruce Goodman, replacing Sebastian Granzo (see cover of this brochure).

SKK acquired another registered investment adviser, based in Colorado, and named one of its principals to the SKK Management Board (see Item 4).

A consent order regarding the Colorado based adviser is described in Item 9.

Stephen Brackett has been appointed as President and Co-Head of Alternative Investments at SKK (see Items 4 and 10).

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Item 4: Advisory Business

Advisory Business & Ownership:

Shepherd Kaplan LLC (Shepherd Kaplan, SK, or us/we) was founded in 1998 by David Shepherd and David Kaplan. In November 2017 SK combined its business with GRT Capital Partners, L.L.C. (GRT), a Boston-based asset manager, which was then renamed Shepherd Kaplan Krochuk, LLC (SKK). The transaction resulted in SK becoming a majority-owned and wholly-controlled subsidiary of SKK, with SKK as SK's sole manager. The Management Board of SKK is comprised of David Shepherd, David Kaplan, Timothy Krochuk, Stephen Brackett and Brian Lockhart, who together own the company. The current members of the Management Board are also members of SKK Group, LLC, which serves as the managing member of the general partner or manager, of a number of the private investment funds. Stephen Brackett is President and Co-Head of Alternative Investments at SKK and Tim Krochuk is also Co-Head of Alternative Investments. Timothy Krochuk was also a member and founder of GRT Capital Partners, LLC. Brian Lockhart is CEO of Peak Capital Management, LLC (PCM), an SEC-registered investment adviser based in Greenwood Village, Colorado which was acquired in February 2020 by SKK. Please refer to Item 10 for more information regarding SK's relationship with SKK and other affiliates.

While SKK is the overarching adviser of all the clients of the firm (excluding PCM), SK, the wealth management division of the firm, provides wealth and institutional advisory services to certain SKK clients in a sub-advisory capacity. Where this document refers to "clients" of SK, that term should be understood to mean that they are advisory clients of SKK, and SK is sub-adviser with respect to their accounts. Where this document refers to "SK portfolios," that term should be understood to mean portfolios sub-advised by SK.

Readers who are primarily interested in the wealth management services provided by SK should read this brochure. Readers who are primarily interested in the asset management advisory services provided by SKK directly should read SKK's separate Form ADV Part 2A brochure available at www.adviserinfo.sec.gov.

Although SKK is the Managing Member of PCM, PCM is currently operated as a separate advisory business from both SKK and SK, and this brochure does not address the services provided by PCM to its clients. Readers who are primarily interested in the investment advisory services provided by PCM directly should read PCM's separate Form ADV Part 2A brochure available at www.adviserinfo.sec.gov.

With an office in Boston (Headquarters), SK provides advisory services to institutional, private, and charitable foundation clients.

Institutional clients include public and private companies and institutions in the healthcare and educational fields. Private clients include ultra-high-net-worth individuals, families, trusts and family offices. Endowment and Foundation clients include donor advised funds, and family, private and community foundations. In managing clients' assets, SK considers their specific investment objectives and tailors its advisory services accordingly. SK's general approach is to manage clients' assets in a non-discretionary manner; however, discretionary relationships are also possible if they are more suitable to the clients' needs.

Technology – A Core Competitive Differentiator:

A core component of the SK's business model is our advanced proprietary technology developed over more than a decade. This proprietary technology platform allows SK to generate technology-enhanced overviews of a client's asset allocation; structure extensive manager searches, manager evaluations and monitoring; and provide our clients with transparent aggregation of data and performance analytics.

This platform not only enables us to conduct sophisticated quantitative analysis on managers and investments, but it also incorporates “early warning analytics” which permit us to identify certain issues before they become problems.

Institutional Clients:

For institutional clients, our advisory services begin with a complete review of their investment portfolio, fiduciary controls, and key vendor relationships. Next, a manager search is conducted in each recommended asset class. These searches look at the behavioral characteristics of each investment relative to its peer group, and corresponding indices. Finally, an Investment Policy Statement (IPS) is created and a portfolio is constructed to meet the client’s goals and objectives, risk/return, cost, and liquidity needs. SK portfolios can incorporate client-imposed requirements and restrictions such as the inclusion and/or exclusion of certain securities or types of securities.

We expressly acknowledge our co-fiduciary status and assist clients in implementing investment management procedures that meet or exceed the standards set by the Employee Retirement Income Security Act (ERISA) and the Department of Labor.

The principal components of our fiduciary process are the creation of an IPS and the generation and preservation of documentation demonstrating the prudent selection, monitoring and replacement of investments. In addition, we assist clients in identifying and reviewing their specific custody and administration needs and aid in the selection of the most appropriate key vendors. We are committed to uncovering and recapturing costs associated with our sub-advisory clients’ retirement plans for the benefit of the plans. Specific services include:

Investment Services:

- Assist in establishing investment policies, identifying appropriate levels of risk, return and liquidity objectives,
- Recommend target asset allocation strategies and investment manager structures to meet investment objectives,
- Conduct manager searches and recommend investments and investment managers across all asset classes and structures, which may include mutual funds, separate accounts and alternative investments,
- Monitor investment managers and provide, at a minimum, quarterly detailed portfolio performance reporting,
- Recommend rebalancing strategies,
- Recommend appropriate performance standards to evaluate investment managers, and
- Create model portfolios for defined contribution plans.

Administrative Services:

- Review and supervise custody, trust and administrative services, as needed,
- Comprehensively analyze portfolio expenses and implement appropriate cost controls, and
- Provide “request for proposal” (RFP) services for selection of custodians and administrators.

Fiduciary Risk Management Services:

- Expressly assume fiduciary status in providing investment advice,
- With respect to plans subject to ERISA, we assume discretion in one or two manners:

- (i) serving as an investment manager, as defined in section 3(38) of ERISA, and/or
- (ii) serving as the plan's "named fiduciary" for plan-level investment matters
- Offer outsourced chief investment officer and outsourced chief investment committee fiduciary services,
- Provide educational services for client fiduciaries,
- Customize, implement, and manage SK's proprietary Fiduciary Governance and Document Archiving System for clients. Capabilities include:
 - A central archiving repository for documents in support of fiduciary and investment activities with variable security access for authorized parties and query able data structure,
 - Integrated communication and approval capabilities,
 - Secure transmittal of all documents and reports, and
 - Integrated process management and notification capabilities.

Private Clients:

For private clients, we act as their Chief Investment Officer, providing the investment-related information and advice necessary to assist them in achieving their financial goals. SK employees have experience and expertise in financial planning, asset allocation, investment selection and monitoring, performance reporting, and coordinating with tax and estate planning professionals.

The portfolio planning process begins with an analysis of a client's current financial condition and interviews to uncover their financial goals and requirements. Next, a comprehensive financial model is created to analyze the impact of future cash flows and market volatility. Finally, an IPS is created and a portfolio is constructed with sensitivity to tax efficiency, cost, liquidity, and income and growth needs. SK sub-advised portfolios can incorporate client-imposed requirements and restrictions such as the inclusion and/or exclusion of certain securities or types of securities. We manage both discretionary and non-discretionary portfolios. Specific services include:

Investment Services:

- Assist in establishing investment policies, identifying appropriate levels of risk, return and liquidity objectives,
- Recommend target asset allocation strategies and investment manager structures to meet investment objectives,
- Conduct manager searches and recommend investments and investment managers across all asset classes and structures, which may include mutual funds, separate accounts and alternative investments,
- Provide tax sensitive implementation and management of investment strategies,
- Monitor investment managers and provide, at a minimum, quarterly detailed portfolio performance reporting,
- Recommend rebalancing strategies,
- Recommend appropriate performance standards to evaluate investment managers,
- Recommend custodial and other service providers to optimize access to investments, quality of reporting and cost efficiency, and
- In appropriate cases, introduce opportunities for investments in private companies.

Wealth Management Services:

- Provide cash flow analysis and reporting,

- Coordinate investment strategies with tax and legal counsel,
- Recommend tactics to mitigate and manage financial risk,
- Customize, implement, and manage SK's proprietary Fiduciary Governance and Document Archiving System for clients. Capabilities include:
 - A central archiving repository for documents in support of fiduciary and investment activities with variable security access for authorized parties and query-able data structure,
 - Integrated communication and approval capabilities,
 - Secure transmittal of all documents and reports, and
 - Integrated process management and notification capabilities.

Family Office Services:

- Assist clients in the selection of tax advisors to perform tax reviews & filings,
- Coordinate tax planning and preparation,
- Coordinate investment strategies with tax and legal counsel,
- Provide cash flow analysis and reporting,
- Recommend tactics to mitigate and manage financial risk,
- Wealth protection, transfer analysis, and planning related to the management of all types of assets and income sources,
- Professional guidance regarding wealth transfer to succeeding generations,
- Philanthropic planning,
- Budget services, including wealth reviews, analysis of short- and medium-term liquidity requirements, and long-term objectives,
- Assist in the selection and management of estate planning counsel, and
- Family governance planning.

Endowment & Foundation Clients:

To our Endowment & Foundation (E&F) clients, we offer expertise to meet their particular needs and goals. Our approach focuses on providing custom portfolios for both short and long-term client goals that incorporate client-imposed requirements and restrictions such as the inclusion and/or exclusion of certain securities or types of securities.

Our E&F sub-advisory services are provided with an emphasis on meeting the institution's distribution needs through varied market conditions. We provide attention to overall cost containment and management as well as specialized governance and fiduciary risk services, including education and presentations to the institution's staff and board.

We expressly acknowledge our co-fiduciary status and assist our clients in implementing investment management procedures intended to meet or exceed the distribution needs defined by each client.

The principal components of our fiduciary process are the creation of an IPS and the generation and preservation of documentation demonstrating the prudent selection, monitoring and replacement of investments. In addition, we assist sub-advisory clients in identifying and reviewing their specific custody and administration needs and aid in the selection of the most appropriate vendors. For sub-advisory clients that do not have an existing spending policy in place, we craft, implement, and reinforce a spending policy that meets their needs. Specific services include:

Investment Services:

- Assist in establishing investment and spending policies, identifying appropriate levels of risk, return and liquidity objectives,
- Recommend target asset allocation strategies and investment manager structures to meet investment objectives,
- Conduct manager searches and recommend investments and investment managers across all asset classes and structures - structures include mutual funds, separate accounts and alternative investments,
- Monitor investment managers and provide, at minimum, quarterly detailed portfolio performance reporting,
- Recommend rebalancing strategies,
- Recommend appropriate performance standards to evaluate investment managers,
- Assist in Cash Flow and Liquidity management.

Administrative Services:

- Review and supervise custody, trust and administrative services, as needed,
- Comprehensively analyze portfolio expenses and implementation of cost controls, and
- Provide RFP services for selection of custodians and administrators.

Fiduciary Risk Management Services:

- Expressly assume fiduciary status in providing investment advice,
 - Provide services on a Discretionary or Non-Discretionary basis
- Offer outsourced Chief Investment Officer (OCIO) and outsourced Chief Investment Committee (OCIC) fiduciary services
- Provide educational services for client fiduciaries,
- Customize, implement, and manage SK's proprietary Fiduciary Governance and Document Archiving System for clients. Capabilities include:
 - A central archiving repository for documents in support of fiduciary and investment activities with variable security access for authorized parties and query-able data structure,
 - Integrated communication and approval capabilities,
 - Secure transmittal of all documents and reports, and
 - Integrated process management and notification capabilities.

We do not provide legal, tax or accounting advice or services; clients should not assume that we are providing such services at any time.

Wrap Fee Programs:

SK does not participate in "wrap fee" programs.

Assets Under Management (AUM):

As of December 31, 2019, Shepherd Kaplan's assets under management were as follows:

Total AUM: \$6,485,565,123

Discretionary: \$804,326,750

Non-Discretionary: \$5,681,238,373

Item 5: Fees and Compensation

SK's compensation is derived from a percentage of revenues collected for investment advisory services provided to SKK clients.

Any SKK client who receives wealth management services provided by SK and decides to invest in one or more of SKK's private fund offerings will not be charged both wealth management fees and a fund management fee on the same asset. The potential for SK and/or SKK and their related parties to benefit from investments made in those funds, presents a potential conflict in selecting such investments to recommend to clients. SK and SKK believe that these conflicts are mitigated by their investment processes and disclosures. SKK will provide disclosures regarding potential conflicts to any clients to which it recommends opportunities to invest in its fund offerings and otherwise as necessary, in addition to the disclosures provided in this brochure.

Please refer to SKK's Form ADV Part 2A for their customary fee structure, how they deal with potential conflicts of interest, and other information.

Non-SK Fees

Clients are subject to fees charged by others such as custodians, broker-dealers and/or investment managers. Fees include custodial fees, brokerage commissions or other fees or charges associated with securities transactions, mark-ups or mark-downs in principal transactions, deferred sales charges, wire transfer or related processing fees or other charges mandated by law or regulation.

Mutual Fund expenses, including exchange traded funds, in which client assets are invested, impose separate investment management fees and other operating expenses, described in the fund's prospectus, for which the investor will be charged separately from the fee paid for advisory services.

Clients with investments in private funds (including those sponsored by SKK) are generally charged a management fee and other expenses by the private fund subject to the waiver discussed in the first paragraph of this section applicable to SKK clients receiving wealth management services provided by SK. The manager or investment manager also charges, if agreed, a performance fee which is based on a fund's net profits.

Where an investor interested in a private investment fund sponsored by SKK is introduced to the private investment fund by a broker-dealer, placement agent, or other outside service provider, the general partner or manager of such private investment fund deducts a percentage of the amount invested by such investor in certain situations to pay sales fees or charges, on a fully disclosed basis, to such broker-dealer, placement agent or outside service provider based upon the capital contribution of such investor, where consistent with applicable law. Any such sales fees or charges would (i) be assessed against the referred investor, (ii) not be a capital contribution of the investor, and (iii) reduce the amount actually invested by such investor in the private investment fund. Such assumption of expenses by investors benefits SKK by increasing assets under SKK management. See Item 14 below, Client Referrals and Other Compensation.

Please see Item 12 for additional information regarding brokerage arrangements.

Item 6: Performance-Based Fees and Side-By-Side Management

SK may operate under an SKK agreement with its client that provides for performance-based fees. Please refer to SKK's Form ADV Part 2A for their performance-based fees and side-by-side management practices.

Item 7: Types of Clients

SK, as sub-adviser to SKK, provides investment advisory services to the following types of clients:

Institutional Clients

Institutional clients include publicly traded companies, major corporations and law firms, and healthcare and educational institutions. Client account structures include defined contribution plans, defined benefit plans, and other corporate funds.

SKK does not require a minimum account size for institutional clients.

Private Clients

Private clients include ultra-high-net-worth individuals, families, trusts, and family offices.

SKK generally requires a minimum total account size of \$20,000,000 for new private clients.

Endowment & Foundation Clients

Endowment & Foundation clients include educational institutions, donor advised funds, and family, private and community foundations.

SKK does not require a minimum account size for E&O clients.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

SK utilizes its proprietary research systems to aid in the creation of diversified portfolios. SK's systems incorporate data from several sources including Callan Associates, Morningstar, eVestment and others. Data acquired from these sources is generally considered reliable, but clients should be cautioned that inaccuracies could occur. SK augments its systematic performance data analysis of investments with qualitative research, which may include interviews with managers, review of investment documentation, and other background investigation.

To the extent SK advisory business incorporates or depends on various applications and systems to perform business functions, such as information technology hardware, computer software, the Internet, and related technologies, clients are subject to certain operational and information security risks related to them. Material risks include disruption of SK's normal business activities due to hardware failure, infrastructure disruption, third party attacks on SK's technological resources, unauthorized access to client non-public information, or unauthorized requests for financial transactions. These types of cyber related events may interfere with the processing of client transactions, cause the misappropriation of confidential client information, impair the services of third parties to SK, impact daily operations, or cause reputational damage to SK.

Client portfolio assets are allocated among various asset classes to meet their distinct investment objectives, risk tolerances, and liquidity needs, and then rebalanced to manage risk. Additionally, tactical shifts in asset class allocations are used to adjust for changing capital market scenarios.

SK generally recommends or selects investment managers for client portfolios. Recommended investment structures may include mutual funds, Exchange Traded Funds (ETFs), separately managed accounts, or various alternative investments, such as hedge funds, private equity funds or real estate funds. Each

investment vehicle employs a particular investment strategy, which, together with its risks, is described in the investment's prospectus, ADV, offering materials, and/or other disclosures.

Investments in mutual funds or ETFs are subject to the risks stemming from the issuers of the fund's underlying securities. Additionally, shareholders are liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required to distribute them when profits cannot be offset by a corresponding loss. As such, clients may incur tax liabilities even when a fund underperforms.

Alternative investments, such as hedge funds and private credit or equity funds are generally illiquid and subject to various restrictions on redemptions and transfers. Underlying holdings of such funds may also be illiquid, and values reported may not be readily realizable as a result. Clients are advised to carefully review documentation of any such funds for these and other risks and provisions which may limit the accessibility or value of the investment.

SK's introduction or recommendation of opportunities to invest in affiliated funds and/or in private businesses raises potential conflicts of interest, which are further discussed in Item 11 below.

There are risks that may impact the likelihood of meeting a client's expected long-term goals. These risks include, but are not limited to, a change in a client's needs and objectives, the use of incorrect assumptions in the planning process, implementing an ineffective strategy, and general market risks, including underperformance of individual investments, specific market sectors, or the market as a whole.

Clients are cautioned that all investments involve risk, past performance is no assurance of future performance, and achievement of a client's investment performance goals and preservation of principal are not guaranteed. SK endeavors to mitigate these risks by closely monitoring the current performance of asset classes and investments in client portfolios, as well as assessing changes in the global economy and financial markets.

Item 9: Disciplinary Information

In February 2020 SKK became the sole owner of all voting securities of Peak Capital Management, LLC ("PCM") and PCM's principal, Brian Lockhart ("Lockhart"), became a member of SKK's Management Board. Prior to this transaction, Lockhart entered into a Stipulation for Consent Order with the Colorado Division of Securities ("Stipulation"). In the Stipulation, the Staff of the Division (the "Staff") alleged that Lockhart recommended an investment in a movie production company to some advisory clients and others regarding which he, as an Executive Producer, had a material conflict of interest that he maintains he disclosed orally to all of the clients. Multiple clients acknowledged such oral disclosure. The Staff determined that this recommendation was inconsistent with Lockhart's obligations under Division Rule 51-4.8(IA)(K), which requires such disclosures to be made in writing. Under the Consent Order, Lockhart agreed not to violate Rule 51-4.8(IA)(K). No fine or other penalty was assessed.

Item 10: Other Financial Industry Activities and Affiliations

SK has relationships with related persons engaged in certain financial businesses that are material to the advisory business and clients of SKK, and therefore to SK, as set forth below. Related persons include entities, members, officers and employees (except administrative staff) controlled by or under common control with SKK. These related persons are primarily the investment advisory subsidiaries of SKK (SK and PCM) and entities related to the funds that SKK manages and advises.

Where SKK or one of its investment advisory subsidiaries recommends investments to its or their clients in related businesses, or if SKK and its related persons invest alongside clients or investors in businesses or private investment funds, including private investment funds that they manage, or participate in the management or governance of, or receive compensation, including securities, for services from, such

businesses or private investment funds, conflicts of interest arise because SKK and its related persons may have interests different from those of its and its investment advisory subsidiaries' clients and investors. These potential conflicts of interest with clients and investors are described further below in Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

Entity	Function	Entity – Private Investment Company
Shepherd Kaplan Krochuk, LLC	Primary Investment Adviser	
Shepherd Kaplan, LLC	Sub-Investment Adviser	
SKK Closed-End Opportunities GP, LLC	General Partner of	SKK Closed-End Opportunities, LP
SKK Group, LLC	Manager of each GP or Manager listed in the column to the left	
SKK Provident Investors GP, LLC	General Partner of	SKK Provident Investors, LP
PCF Capital Markets, LLC	Broker Dealer	
SKK Real Estate GP II, LLC	General Partner of	SKK RE Ventures Fund II, LP SKK RE Ventures Fund PFD II, LP
SKK Topaz Partners (QP) GP, LLC	General Partner of	SKK Topaz Partners (QP), LP
SKK Topaz Partners GP, LLC	General Partner of	SKK Topaz Partners, LP
SKK Value GP, LLC	General Partner of	SKK Value Fund, LP
SKK Ventures Manager, LLC	Manager of	SKK Ventures, LLC
SKK Ventures QP Manager, LLC	Manager of	SKK Ventures QP, LLC
Peak Capital Management, LLC	Investment Adviser	
Peak Capital Management, LLC	General Partner and Manager of	PCM Tax Lien Fund, LP
SKK 9i Ventures Manager, LLC	Manager of	SKK 9i Ventures, LLC
SKK 9i Ventures QP Manager, LLC	Manager of	SKK 9i Ventures QP, LLC
SKK Opportunity Zone Fund I Manager, LLC	Manager of	SKK Opportunity Zone Fund I, LLC

Samuel Kidston is the sole member and owner of North & Webster SSG, LLC which is an independent consultant through which he provides portfolio management services relating to assets under management by SKK. Mr. Kidston and North & Webster SSG, LLC provide input on potential investments in work-outs, liquidations, spin-offs, reorganizations, and bankruptcies, among other special situations. Investments can be structured through the use of various entities in which SKK management persons can also be involved. Potential conflicts of interest exist insofar as SKK apprises a client or investor to consider an investment in a fund which SKK also manages.

PCF Capital Markets, LLC is a registered broker dealer and is owned primarily by Provident Healthcare Partners, LLC, a minority equity interest in which is held by SKK Provident Investors, LP, a private investment fund managed by SKK. Stephen Brackett represents the fund on the Board of Managers of Provident Healthcare Partners, LLC. SKK's indirect relationship with PCF Capital Markets, LLC creates potential conflicts of interest where, among other things, clients of PCF Capital Markets, LLC invest in SKK private investment funds; see Item 11 below regarding conflicts of interest.

SKK recently acquired Peak Capital Management, LLC ("PCM"), an investment adviser registered with the SEC. PCM develops investment strategies designed to manage risk utilizing an absolute return philosophy. Brian Lockhart is the Chief Executive Officer and Chief Investment Officer of PCM, a member of the SKK Management Board, and has an ownership interest in SKK and SKK Group, LLC. (See Form ADV for PCM at www.adviserinfo.sec.gov.) SKK's relationship to PCM creates potential conflicts of interest where, among other things, clients of PCM invest in SKK private investment funds; see Item 11 below regarding conflicts of interest.

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

I. Code of Ethics

Regulations require investment advisers to adopt a code of ethics. The firm's Code of Ethics (Code) establishes rules of conduct for all supervised persons of SK. Generally speaking, the term "supervised persons" includes members, managers, employees of SK and consultants, if any, who provide advice on behalf of SK and are subject to SK's supervision and control; the term "access persons" includes those supervised persons with access to non-public information about securities recommendations by SK for clients, or purchases and sales of securities by SKK clients.

SK and its supervised persons must comply with the rules of the Firm's Code of Ethics, their fiduciary duties to clients, and applicable federal securities laws. SK's fiduciary duty to its clients require that SK and its supervised persons act with good faith and in the best interests of clients. Provisions of the Code include transaction reporting requirements, requires access persons to obtain approval before they directly or indirectly acquire beneficial ownership in any security in an initial public offering or in a limited offering, and the obligation to report Code violations promptly.

SK's supervised persons invest in securities on behalf of themselves and/or their family members. In some cases, supervised persons invest in the same securities recommended to, or owned by, SK's advisory clients. These investments create potential conflicts of interest, as discussed earlier. SK monitors access persons' trading activities to mitigate potential conflicts arising from the access persons' personal trading activities.

To implement the Code and mitigate against potential conflicts, SK's actions can include, among other things, restrictions on personal trading of certain securities, requiring divestiture of a personal investment or other steps to mitigate against personal benefit, or additional disclosures to relevant clients.

SK will provide a copy of the Code to any client or prospective client upon request.

No supervised person may trade in a security, either personally or on behalf of others, while in the possession of material, nonpublic information about such security, nor may any personnel of SK communicate material, nonpublic information to others in violation of the law.

II. Conflicts of Interest

SK and SKK and their related parties may invest in hedge funds, private equity funds and other investments that are also recommended to advisory clients, and advisory client investments in such funds also benefits SKK and SK and their related parties. SK's policies and procedures seek to address conflicts or potential conflicts of interest that may arise in such situations as described below.

Conflicts Relating to SKK Private Funds and SKK Party Investment Alongside Clients and Investors

SKK will provide appropriate advisory clients with information and/or advice about investments in one or more of SKK's private equity and real estate fund offerings or other investment opportunities. Because of the potential conflicts of interest arising from such investments, it is incumbent upon such clients to independently evaluate such investments if they wish to pursue them. No such investment information or advice will be provided to institutional clients subject to ERISA.

Where SKK, SK, PCM and their members, management board members, officers, employees and affiliates (collectively called "SKK Parties") invest in private companies or funds alongside clients, or participate in management or governance, or receive compensation, including securities, for services from such companies or funds, or utilizes products offered by such companies, conflicts of interest arise, including where:

- A client's investment in a private fund or company introduced or recommended by SK increases the value of an investment held by an SKK Party;
- A client's investment in a private fund or company in which an SKK Party has also invested provides liquidity to, or otherwise benefits, the private fund or company concerned;
- An SKK Party who has invested alongside a client has access to more information about the investment than the client and sells its position or buys more securities on the basis of that information;
- An SKK Party holds a different position in the company's or fund's capital structure than a client which creates different incentives to vote or take other actions affecting the client's investment;
- An SKK Party's investment involves certain voting rights or confers other powers to influence or participate in the governance of the investee company or fund which may differ from those of a client investor. Those rights and powers can result from serving as a director or officer of an investee company or fund, in which case the member or employee would be obligated to serve the interests of the company or fund, rather than the interests of any advisory client who has invested in that company or fund; or
- An SKK Party is compensated for serving on the board or as an officer of a company or fund in which SK advisory clients have invested or serves in a consulting or advisory capacity. The receipt of such compensation, or the manner in which compensation arrangements are structured, may create incentives for such an SKK Party to act in a manner that does not prioritize the interests of advisory clients that are invested in the company or fund.

Outside Business Interests

To the extent that any SKK Party is involved in other businesses or occupations, potential conflicts of interest can arise with respect to the management of assets for investment advisory clients and investors in SKK-sponsored funds. For example, if an SKK employee is a director, officer or equivalent of a publicly traded company, or of a privately held operating company recommended to, and held in the portfolio of, a client, the employee is exposed to non-public, material information about the outside company or other companies which negatively affects the employee's trading flexibility in managing client assets. Also, the employee receives compensation, including securities, from such company, which creates a bias in favor of the company. Conflicts of interest could arise because the employee could cause accounts managed by the employee to invest in a manner that favors his business interests. Accounts managed by the employee might acquire interests in businesses that are significant existing or potential customers or suppliers to an outside business of the employee. The accounts managed by the employee might seek to acquire assets that the other business also seeks to acquire.

Other Conflicts

Many conflicts of interest arise between and among the various entities and persons involved in the investment advisory services provided by SKK Parties, including clients, investors in the SKK Funds,

companies that issue securities acquired or sold by clients or the SKK Funds, brokers who trade securities on behalf of clients or the SKK Funds, third parties such as custodians and administrators who provide services to the SKK Parties or the SKK Funds, and other persons or entities in the financial industry. Without limitation for example, an SKK Party, client or SKK Fund may invest in an unrelated company, mutual fund or private investment fund and an employee of such unrelated company, mutual fund or private investment fund may be a client of SKK or invest in an SKK Fund. SKK has recommended that clients invest in an unrelated private fund that (i) has directly or indirectly extended credit to or invested in a company in which SKK Parties have invested and (ii) through an affiliate of the fund, invested in SKK Funds or joint ventured with SKK in other projects. SKK Parties have received services from companies whose securities have been introduced to clients. These examples are only indicative in general of the kinds of potential conflicts that exist. With the various interrelationships among the SKK Parties, With clients, investors in the SKK Funds, companies in which investments are made, and third-party service providers on the one hand, and the changing nature of the relationships and circumstances on the other hand, further conflict scenarios will likely arise.

Conflict Mitigation

SKK, SK and PCM will take steps that they reasonably believe will mitigate any material conflicts noted above that might arise. SKK and SK believe that potential conflicts are mitigated by their investment process, and they will provide disclosures to clients and investors regarding conflicts and potential conflicts as necessary. Additionally, executive management and compliance personnel meet regularly to address conflicts and other compliance issues, which facilitates the identification, analysis, and remediation of perceived and potential conflicts. Any material conflicts of interest that arise are discussed and resolved on a case by case basis by senior personnel of SKK, SK and PCM.

Item 12: Brokerage Practices

The following discussion of brokerage practices relates primarily to SK. Please refer to SKK's Form ADV Part 2A for a discussion of SKK's brokerage practices.

SK allows clients to direct transactions to the broker-dealer of their choice. Additionally, clients may select a custodian of their choice. SK will recommend broker-dealers and/or custodians that we believe best meet the needs of each client. By directing brokerage, clients may not be able to achieve the most favorable execution of transactions and this practice may cost clients more money.

SK does not receive any fees, commissions, or other compensation from any custodian or broker-dealer. SK does not have a "soft dollar" arrangement with any custodian or broker-dealer.

SK does not purchase research or other products or services from any outside sources affiliated with broker-dealers or custodians. SK seeks to negotiate the best terms and pricing from the custodians and broker-dealers for the benefit of our clients.

SK has a reasonable belief that the custodians and broker-dealers recommended by SK are able to obtain best execution and competitive pricing. Additionally, we review the services of broker-dealers recommended by us and recommend the services based on a number of factors such as quality of professional services offered, commission rates, and the custodial platform provided to clients. While we do not seek to exercise discretion to negotiate trades among various brokers on behalf of clients, we attempt to negotiate lower commission rates for our clients with the recommended broker-dealers.

SK reserves the right to decline acceptance of any client that directs the use of a broker-dealer that we believe would adversely affect our duty to obtain best execution and effectively manage the client's assets.

SK generally does not aggregate transactions; our approach focuses on providing custom portfolios for both short and long-term client specific goals; therefore, we implement clients' transactions separately for each account. Due to this practice, certain client trades may be executed before others, at a different price and/or

commission rate. Additionally, our clients may not receive volume discounts available to advisers that block client trades.

If we determine that aggregation of trades in a certain situation will be beneficial to our clients, transactions will be averaged as to price and will be allocated among our clients in proportion to the purchase and sale orders placed from each client account on any given day.

Please refer to SKK's Form ADV Part 2 for their brokerage practices and "soft dollar" arrangements for non-wealth management clients.

Item 13: Review of Accounts

SK's Investment Committee, co-chaired by David Shepherd and David Kaplan, has the overall responsibility for developing investment strategies, investment selection, and the implementation and monitoring of firm-wide investment processes and controls. Investment advisory consultants and client advisors are responsible for managing each client's portfolio consistent with the client's objectives; however, the entire firm works as a collective team to fulfill our clients' advisory needs.

To support this effort, the firm develops, for each client, an IPS that establishes the goals and objectives for the client's portfolio. Additionally, specific asset allocation targets, rebalancing limits, investment monitoring criteria, cost controls and investment restrictions are discussed and defined for each portfolio.

These guidelines are integrated with the firm's proprietary technology to enable the review of portfolios and investments to monitor for client suitability and compliance. The automated IPS is a powerful risk management tool which permits senior management and investment advisory consultants to efficiently monitor portfolios on an ongoing basis. Client portfolios are regularly reviewed, and SK personnel strive to meet with clients at least quarterly.

Institutional Portfolio Review includes an examination of the following account information:

- Asset allocation,
- Investment selection,
- Revenue recapture account,
- Investment share class comparison,
- Account performance, and
- Verification that plan objectives, goals and needs are being met.

Private Portfolio Review includes an examination of the following account information:

- Asset allocation,
- Investment selection,
- Cash account levels,
- Account performance, and
- Verification that client objectives, goals and needs are being met through financial planning.

Access Persons who conduct portfolio reviews:

- David Shepherd – TBD
- David Kaplan – TBD
- Michael Halloran – Member, Senior Vice President
- Shawn Samperi – Member, Senior Vice President
- Chris Cole – Member, Senior Vice President
- David Perlin – Senior Vice President

- Eric Scruggs - Senior Vice President
- Michael Howard-Johnson – Vice President
- Richard Blair – Senior Vice President, Investment Research

Standard written client reporting includes:

Performance Report: SK client account performance reports contain both time-weighted return (TWR) as well as internal rate of return (IRR). Return calculations include realized gains, unrealized gains, interest, dividends, changes to accrued interest, and management fees. Performance reports show total portfolio return as well as the return of underlying investments for current and past holdings.

Investment Monitoring: SK monitoring reports track the performance of each investment within the client's portfolio relative to peers and indices. Monitoring criteria includes: volatility, performance relative to risk, portfolio concentration, expense ratios/fees, and correlation to style or peer group.

Investment Search: SK investment search reports present the client with comprehensive comparative reporting on investment candidates within each asset class under review. An investment asset class search is conducted before recommending an investment change, or if a client requests a review of a currently held or new investment manager. This report is used internally and in consulting with clients.

Portfolio Matrix: SK portfolio matrix reports show an aggregated view of all investment accounts for private and defined benefit clients. The report displays investments in their respective asset classes along with target and actual allocations.

Quarterly client reporting is provided electronically through our password protected website and is also available in hard copy format.

Item 14: Client Referrals and Other Compensation

In appropriate circumstances, SK or an affiliate enter into arrangements to compensate third parties for referring wealth management clients to SKK in accordance with written agreements that comply with Rule 206(4)-3 of the Investment Advisers Act of 1940 (the Act) and other legal requirements. Whenever a third party is compensated for a client referral, SK and SKK require such third party to provide the prospective client with a current copy of their Forms ADV Part 2 (i.e. this document) and a separate disclosure describing:

- The name of the solicitor and the nature of the relationship with SK or the affiliate;
- A statement that the solicitor is being compensated for his/her services by SK or the affiliate;
- The terms of such compensation arrangement, including a description of the compensation paid or to be paid to the solicitor; and
- Whether the client's fees will be increased beyond SKK's normal fees to compensate the solicitor.

Such compensation is disclosed to, and approved by, affected clients, as required by Rule 206(4)-3. As a matter of firm practice SKK does not charge a client any additional amount or a higher advisory fee due to such an arrangement.

Certain SK employees and members receive compensation dependent upon revenues attributable to that person's role in bringing such revenues to the firm or in connection with which the person provides material investment advisory services.

As noted above in Item 5, Fees and Compensation, the general partner or manager of a private investment fund sponsored by SKK may deduct a percentage of the amount invested by an investor in the private investment fund to pay sales fees or charges, on a fully disclosed basis, to a broker-dealer, placement agent

or other person based upon the capital contribution of such investor introduced to the private investment fund by such broker-dealer, placement agent, or other outside service provider. Any such sales fees or charges would (i) be assessed against the referred investor, (ii) not be a capital contribution of the investor, and (iii) reduce the amount actually invested by such investor in the private investment fund. Such assumption of expenses by investors benefits SKK by increasing assets under SKK management.

Item 15: Custody

Pursuant to Rule 206(A)-2 SK is deemed to have custody of client assets for certain accounts. SK uses qualified institutional custodians to hold client funds, who will provide account statements directly to account holders no less frequently than quarterly. Clients should carefully review those account statements and are urged to compare them to reports provided by SK.

Item 16: Investment Discretion

SK has discretionary authority to manage some accounts on behalf of clients. In such cases, clients sign an SKK discretionary management agreement, in which, by the terms of the agreement, discretionary authority is conferred to SK in its capacity as sub-advisor. This authority enables SK to determine the composition of the client's portfolio, subject to any limitations the client imposes. In addition, the client and SK work together to create a discretionary IPS, and the investment advisory consultant implements the agreed-upon investment plan. Investment research, monitoring, performance reporting and review of account processes are the same as for nondiscretionary relationships; however, meetings will generally be less frequent than quarterly for discretionary clients; please see Items 4, 8 and 13 for further information regarding procedures followed.

For defined contribution plans, SK may accept investment discretion in its capacity as sub-adviser over some or all of the Plan-level investment decisions and may also assume responsibility as the "named fiduciary" for some or all plan-level investment related matters. The named fiduciary level of discretion includes establishing an IPS, selecting the designated investment alternatives (DIAs) that will be offered to participants for investment, monitoring of the DIAs and, as necessary, removing, replacing, or adding any DIAs.

Item 17: Voting Client Securities

The following discussion of proxy voting practices relates primarily to SK. Please refer to SKK's Form ADV Part 2A for a discussion of SKK's proxy voting practices.

SK does not have and will not accept authority to vote proxies on behalf of advisory clients. The firm may offer assistance on proxy matters upon client request. Clients retains proxy voting responsibilities and will receive their proxies or other solicitations directly from their other service providers, such as custodians, transfer agents, etc.

Item 18: Financial Information

SK does not require or solicit prepayment of client fees six months or more in advance of service. SK believes that it has the financial resources to perform its contractual obligations to its clients and is aware of no obligation or condition that would impair its ability to do so. SK has not been the subject of a bankruptcy petition.