



Milne LLC d/b/a JKMilne Asset Management

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As of March 01, 2020
As amended May 27, 2020

This Brochure provides information about the qualifications and business practices of Milne LLC doing business as JKMilne Asset Management (“JKMAM” or “firm” we” or “us” or “our”). If you have any questions about the contents of this Brochure, please contact us at 239-936-3430 or by email at lglass@jkmilne.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Our firm’s identifying CRD Number: 132313. Additional information about JKMAM is also available on the SEC’s website at www.adviserinfo.sec.gov. JKMAM is an investment adviser registered with the SEC. Registration of an investment adviser with the SEC or with any state securities authority does not imply any level of skill or training.

Item 2 – Material Changes

This Item provides a short summary of material updates since our last annual update: March 01, 2019.

The information contained in this section relates only to material changes that have occurred since the last update of our firm's ADV Part 2A Firm Disclosure Brochure (Brochure). We define a material change as any change that an average client would consider important to know prior to making an investment decision. Clients are encouraged to review any Item numbers referenced in this summary against the previously submitted Brochure for additional information regarding how this change may impact the client's decision to do business with our firm.

This year, JKMilne Asset Management has amended the March 01, 2020 ADV Part 2A, Item 18 to reflect our acceptance of the Payment Protection Program (PPP) and the reasons for such acceptance. ..

Consistent with the rules, we will ensure that clients receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide clients with other interim disclosures about material changes, as necessary.

To obtain our firm brochure and brochure supplements (information regarding each of our financial advisors), our Code of Ethics, or our Privacy Policy, please contact us at:

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Item 4 – Advisory Business

JKMAM is currently registered with the United States Securities and Exchange Commission (the “SEC”) as a registered investment adviser. Our firm is a dedicated fixed income manager that is organized as a limited liability company under the laws of the State of Delaware.

Ownership

JKMAM was formed in 2004 by John K. Milne, who holds 100% of the Class A Shares of JKMAM and 95% of the Class B Shares. H. Gregory Moore holds 5% of the Class B Shares of JKMAM.

Services

As a dedicated fixed-income manager, JKMAM offers a wide range of cash, credit-based, specialty bond strategies and customized portfolios to institutional investors. We provide discretionary investment advisory services to institutional investors in the form of separate accounts. Our firm will provide investment strategies to other investment advisers through sub-advisory agreements.

We offer investment advisory services tailored to meet clients’ individual investment goals. We work with clients to create investment guidelines mutually acceptable to the client and our firm. When creating investment guidelines, clients may impose investment restrictions on certain individual securities or types of securities. Clients who impose investment restrictions might limit our ability to employ certain strategies, resulting in investment performance that differs from that of the composite and other client accounts. The strategies in which we may invest client assets are described below.

JKMAM offers the following strategies:

Active Aggregate – Active Aggregate Portfolios are benchmarked against the *Barclays Aggregate Bond Index* or equivalent. The strategy objective is to outperform the benchmark in a given cycle. There is no limit on maximum maturity of individual instruments, issues are investment grade only securities at time of purchase, and cash investments are typically 5% or less. Investments are not limited to index sectors but will typically include securitized securities (mortgage backed).

ALL-Floating Interest Rate Opportunistic Strategy© - JKMilne’s *ALL-Floating Interest Rate Opportunistic Strategy©* seeks to minimize interest rate risk by investing in U.S. dollar denominated investment grade corporate bonds that pay a variable rate coupon that reset to a short duration index (typically 3-month resets). The strategy is designed to be competitive from a total return perspective with longer duration investment grade fixed income strategies but experience less return volatility due to the coupon rate resetting feature of the bonds. Intermediate Active – Intermediate Active Portfolios are benchmarked against the *Barclays Intermediate Government Credit Bond Index* or equivalent. The strategy objective is to outperform the benchmark in a given cycle. The maturity of instruments and investments is typically (but not limited to) 10 years or less, investment grade only securities at time of purchase, and cash investments are typically 5% or less. Investments are not limited to index sectors.

Active Intermediate Aggregate – Intermediate Active Aggregate Portfolios are benchmarked against the *Barclays Intermediate Aggregate Bond Index* or equivalent. The strategy objective is to outperform the benchmark in a given cycle. The maturity of instruments and investments is typically (but not limited to) 10 years or less, issues are investment grade only securities at time of purchase, and cash investments are typically 5% or less. Investments are not limited to index sectors but will typically include securitized securities (mortgage-backed securities).

Intermediate Index – Intermediate Index Portfolios are benchmarked against the *Barclays Intermediate Aggregate Bond Index* or equivalent. The strategy objective is to match the performance of the benchmark index. The maturity of instruments and investments is typically (but not limited to) 10 years or less, issues are investment grade only securities at time of purchase, and cash investments are typically 5% or less. Investment sectors are limited to those included in the benchmark.

Should one of the aforementioned strategies not be an appropriate fit for a prospective client, JKAMM will create a customized portfolio.

Customized Portfolio Creation:

JKAMM can customize portfolios for credit quality needs, income, or investment horizons.

Sub-Advisory Services:

JKAMM will contract with other, unaffiliated, independent registered investment advisors (“IRIA”) to provide sub-advisory services to the respective IRIA’s separately managed accounts. JKAMM will provide ongoing discretionary asset allocation and rebalancing of the IRIA’s client accounts utilizing one of our selected asset strategies or we may customize a strategy, as directed by the IRIA. The IRIA, and not our firm, is responsible for determining the client’s stated investment objectives, risk tolerances, suitability and other pertinent factors prior to choosing investment advisory services provided by our firm. The IRIA is also responsible for the ongoing monitoring of the client’s situation in connection with utilizing sub-advisory services provided by JKAMM. Our firm’s portfolio managers do not have contact with the IRIA’s clients.

JKAMM may give advice and take action with respect to any of its other clients or accounts which may differ from advice given to an IRIA client or the timing or nature of action taken with respect to any client or account so long as it is the Sub-Adviser’s policy, to the extent practicable, to recommend for allocation and/or allocate investment opportunities to the client or account on a fair and equitable basis relative to its other clients and accounts.

Stable Value Products and Consulting Services:

We provide discretionary advisory services to develop and implement investment strategies concentrating on stable value instruments, including Guaranteed Investment Contracts (“GIC”) and GIC Alternatives. We can also be retained in a consulting capacity to provide pertinent information on all aspects of a stable value asset portfolio. However, in cases where we act only as consultant, the client retains full discretionary authority over all investments.

Regulatory Assets Under Management:

As of December 31, 2019, JKMAM managed \$999,366,710 in discretionary assets and \$0 in nondiscretionary assets.

Item 5 – Fees and Compensation

As our firm generally works with institutional clients, JKMAM's fees are typically negotiated with each client and laid out in the client's written agreement with our firm. Our firm's fees are charged as a percentage of a client's assets under our management. While this fee is expressed as an annual percentage (unless negotiated otherwise), it is calculated based on average daily, month end, or quarter end net assets, includes cash and accrued income and are billed to clients on a monthly or quarterly basis, in arrears. In the alternative, a client may choose to be billed in advance for these fees.

Generally, a client may cancel the investment advisory agreement for any reason upon giving 30 days' prior written notice to JKMAM (or as otherwise specified in the investment advisory agreement). Upon termination of any such agreement, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

JKMAM's basic fee schedule is outlined below.

Active Fixed Income

(Intermediate, Aggregate, Intermediate Aggregate, FRN)

0.30 of 1% (.0030) per annum on the first \$10,000,000

0.20 of 1% (.0020) per annum on the next \$50,000,000 Negotiable thereafter

Account Size Minimum \$10,000,000

Indexed Fixed Income

(Treasury Index)

0.12 of 1% (.0012) per annum on the first \$10,000,000

0.10 of 1% (.0010) per annum on the next \$20,000,000 Negotiable thereafter

Account Size Minimum \$10,000,000

Sub-advisory Fees:

Sub-advisory fees follow the above stated fee schedule or are separately negotiated with each IRIA. Sub-advisory fees are billed monthly, in arrears, based on the market value of the client's portfolio, including cash and accrued interest, as determined at the close of the last business day of each calendar month. JKMAM does not bill clients separately for these services. Our firm receives payment from the IRIA's client's respective qualified custodian for our portion of the sub-advisory fee. Certain clients have contracted with their respective IRIA for the direct debiting of advisory fees to be paid to our firm by the qualified custodian. Clients should refer to their IRIA's Form ADV Part 2A and fee schedule in the client agreement with their respective Advisor for a description of the Advisor's fees for the client's particular account(s).

With respect to assets that are managed for a partial month, the management fee will be pro-rated based on the number of days that the sub-adviser managed assets during the month.

Stable Value Products:

There are no standard advisory fees for these services. Non-discretionary consulting arrangements, and our fees for individual discretionary advisory accounts are negotiated on a case-by-case basis, taking into consideration such factors such as account size and structure, cash flow, and other account specific characteristics. Depending on the applicability and impact of these factors, we may negotiate a fee schedule different from that listed above.

Negotiated Fees:

We reserve the right, in our sole discretion, to negotiate or modify (either up or down) the basic fee schedules set forth above for any client due to a variety of factors, including, but not limited to: the level of reporting and administrative operations required to service an account, the investment strategy or style, the number of portfolios or accounts involved, and/or the number and types of services provided to the client. Because our fees are negotiable, the actual fee paid by any client or group of clients may be different from the fees reflected in our basic fee schedules set forth above. We typically do not offer Most Favored Nation clauses in our investment management agreements.

Additional Fee Information:

JKMAM does not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

As noted in Item 4 above, JKMAM may provide separate consulting services to clients, as requested by the client. Although the foregoing services are not billed directly to the relevant clients, JKMAM may require a higher asset-based fee for these services. As such, this may be considered an indirect compensation to JKMAM for providing these services.

A client's investment advisory agreement also provides that such client will incur fees and expenses in addition to JKMAM's advisory fees such as custody, brokerage and other transaction costs, administrative and other expenses. Investment advisory fees do not cover certain charges associated with securities transactions and administration fees in the client's accounts, including (1) dealer mark-ups, mark downs or spreads charged on transactions in the over-the-counter securities; (2) costs relating to trading certain foreign securities; (3) brokerage commissions, transaction fees or other charges imposed by broker-dealers or the client's qualified custodian(s).

Examples of other costs and expenses may include, but not limited to, markups, markdowns and other amounts included in the price of a security, odd-lot differentials, transfer taxes, wire transfer fees and electronic fund fees. As well as costs relating to trading certain foreign securities and brokerage commissions, transaction fees or other charges imposed by broker-dealers or the client's qualified custodian(s). Please review your qualified custodian's agreement and our investment advisory agreement for further information about fees and how they are collected and charged.

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

JKMAM does not charge performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) with respect to a client account pursuant to an agreement with such client.

Our firm no longer manages an affiliated mutual fund and therefore, does not manage on a side-by-side basis.

Item 7 – Types of Clients

JKMAM provides advisory services to corporate pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments, insurance companies, religious orders and other U.S. and International institutions.

Account Requirements:

We require clients to execute a written investment management agreement, granting us authority to manage their assets. Separate accounts may be subject to minimum account sizes that vary depending upon the strategy of the account. The minimum account requirements are listed in Item 4 of this disclosure and are outlined in the client's written investment advisory agreement. Separate accounts may also be subject to minimum account sizes; please refer to Item 5 for more information.

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

Investment Process

Active Fixed Income. JKMAM's Active Fixed Income investment process combines top-down, macroeconomic analysis with bottom-up research to identify attractive securities based on proprietary, fundamental research. Our top-down approach includes macroeconomic research to assess the overall risk environment, and determine broad portfolio themes, industry emphasis, and overall portfolio quality. Industry analysis includes identifying the key players within each industry, understanding the evolution and history of the industry, determining what business models are likely to be successful, and participating in key industry events when possible.

With this macroeconomic foundation in place, our analysts research their respective industry universes to identify issuer- and security-level sources of potential alpha. In analyzing a specific company and its fixed income securities, we carefully assess the credit characteristics of each issuer. We analyze key variables as they relate to JKMAM and conduct a comprehensive historical analysis of company operations and financials, including applying financial and scenario analysis of individual issuers. We focus on important leading indicators and measures of profitability, including management quality, free cash flow, financial flexibility, market share, revenue growth, margin trends, and access to capital. Our analysts also attend conferences and teleconferences

where we have the opportunity to meet with and get to know management from a large range of issuers within a given industry.

JKMAM believes in reasonable diversification. Portfolios will typically hold up to 100 issues and only the highest-grade securities will constitute up to 5% exposure per name. Industry exposures may be up to 25%, though this would usually be the financial sector or other high-grade areas. Other industries are substantially lower in exposure to no exposure. Non-dollar bonds and/or sovereigns may also be used when permitted. Currency hedging may be used. JKMAM may be tactical and strategic based on short-term movements in value and long-term secular moves based on a Macro and bottom-up judgment.

Risks:

Investing in securities involves risk of loss that you should be prepared to bear. We do not guarantee or represent that our investment program will be successful. Our past results are not necessarily indicative of our future performance and our investment results may vary over time. We cannot assure you that our investments of your money will be profitable, and in fact, you could incur substantial losses. Your investments with us are not a bank deposit and are not insured or guaranteed by the Federal Deposit Insurance Corporation (“FDIC”) or any other government agency.

The risks set forth below represent a general summary of the material risks involved in the investment strategies described above.

Allocation Risk. The asset classes in which the strategy seeks investment exposure can perform differently from each other at any given time (as well as over the long term), so the strategy will be affected by its allocation among the various asset classes. If the strategy favors exposure to an asset class during a period when that class underperforms, performance may be hurt.

Call Risk. Some bonds give the issuer the option to call, or redeem, the bonds before their maturity date. If an issuer “calls” its bond during a time of declining interest rates, the strategy might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates. During periods of market illiquidity or rising interest rates, prices of “callable” issues are subject to increased price fluctuation.

Clearance and Settlement Risk. Many emerging market countries have different clearance and settlement procedures from developed countries. There may be no central clearing mechanism of settling trades and no central depository or custodian for the safe keeping of securities. The registration, record-keeping and transfer of instruments may be carried out manually, which may cause delays in the recording of ownership. Increased settlement risk may increase counterparty and other risk. Certain markets have experienced periods when settlement dates are extended, and during the interim, the market value of an instrument may change. Moreover, certain markets have experienced periods when settlements did not keep pace with the volume of transactions resulting in settlement difficulties. Because of the lack of standardized settlement procedures, settlement risk in emerging markets is more prominent than in more mature markets.

Closed-end Investment Companies – Valuation Risk. The interests of a closed-end investment company may trade above (a premium) or below (a discount) the net asset value of such entity’s

portfolio. At times, discounts could widen, or premiums could shrink either diluting positive performance or compounding negative performance. There is no assurance that discounted entities will appreciate to their net asset value.

Correlation Risk. Although the strategy seeks to deliver returns that are not typically representative of the broad market by allocating its assets among satellite asset categories or investment strategies, there can be no guarantee that the performance of the underlying funds or the fund will have a low correlation to that of traditional asset classes under all market conditions.

Counterparty Creditworthiness. Under certain conditions, a counterparty to a transaction could default and the market for certain securities or financial instruments in which the counterparty deals may become illiquid.

Counterparty Risk. The risk that a counterparty in a repurchase agreement or other derivative investment could fail to honor the terms of its agreement.

Country and Sector Allocation Risk. While the portfolio managers use the country and sector weightings of the strategy's benchmark index as a guide in structuring the strategy's portfolio, they may overweight or underweight certain countries or sectors relative to the index. This may cause the strategy's performance to be more or less sensitive to developments affecting those countries or sectors.

Country, Industry and Market Sector Risk. The strategy may be over-weighted or underweighted, relative to a selected benchmark in companies in certain countries, industries or market sectors, which may cause the strategy's performance to be more or less sensitive to positive or negative developments affecting these countries, industries or sectors. In addition, the strategy may, from time to time, invest a significant portion (more than 25%) of its total assets in securities of companies located in particular countries, depending on such country's representation within the client's selected benchmark.

Credit Risk. Failure of an issuer to make timely interest or principal payments, or a decline or perception of a decline in the credit quality of a bond, can cause a bond's price to fall.

Foreign Currency Risk. Investments in foreign currencies are subject to the risk that those currencies will decline in value relative to the U.S. dollar, or in the case of hedged positions, that the U.S. dollar will decline relative to the currency being hedged. Currency exchange rates may fluctuate significantly over short periods of time. A decline in the value of foreign currencies relative to the U.S. dollar will reduce the value of securities held by the strategy and denominated in those currencies. Foreign currencies are also subject to risks caused by inflation, interest rates, budget deficits and low savings rates, political factors and government controls.

Foreign Government Obligations and Securities of Supranational Entities Risk. Investing in the sovereign debt of emerging market countries creates exposure to the direct or indirect consequences of political, social or economic changes in the countries that issue the securities or in which the issuers are located. The ability and willingness of sovereign obligors in emerging market countries or the governmental authorities that control repayment of their debt to pay principal and interest on such debt when due may depend on general economic and political conditions within the relevant country.

Certain countries in which the strategy may invest have historically experienced, and may continue to experience, high rates of inflation, high interest rates and extreme poverty and unemployment. Some of these countries also characterized by political uncertainty or instability. Additional factors which may influence the ability or willingness to service debt include a country's cash flow situation, the availability of sufficient foreign exchange on the date a payment is due, the relative size of its debt service burden to the economy as a whole and its government's policy towards the International Monetary Fund, the International Bank for Reconstruction and Development and other international agencies.

The ability of a foreign sovereign obligor to make timely payments on its external debt obligations also will be strongly influenced by the obligor's balance of payments, including export performance, its access to international credits and investments, fluctuations in interest rates and the extent of its foreign reserves. A governmental obligor may default on its obligations. Some sovereign obligors in emerging market countries have been among the world's largest debtors to commercial banks, other governments, international financial organizations and other financial institutions. These obligors, in the past, have experienced substantial difficulties in servicing their external debt obligations, which led to defaults on certain obligations and the restructuring of certain indebtedness.

Foreign Investment Risk. Special risks associated with investments in foreign companies include exposure to currency fluctuations, less liquidity, less developed or less efficient trading markets, lack of comprehensive company information, political or economic instability, seizure or nationalization of assets, imposition of taxes or repatriation restrictions and differing auditing and legal standards. The securities of issuers located in emerging markets can be more volatile and less liquid than those of issuers in more mature economies.

Government Securities Risk. Not all obligations of the U.S. government's agencies and instrumentalities are backed by the full faith and credit of the U.S. Treasury. Some obligations are backed only by the credit of the issuing agency or instrumentality, and in some cases, there may be some risk of default by the issuer. Any guarantee by the U.S. government or its agencies or instrumentalities of a security held by the strategy does not apply to the market value of such security. A security backed by the U.S. Treasury or the full faith and credit of the United States is guaranteed only as to the timely payment of interest and principal when held to maturity. In addition, because many types of U.S. government securities trade actively outside the United States, their prices may rise and fall as changes in global economic conditions affect the demand for these securities.

Interest Rate Risk. Prices of debt securities tend to move inversely with changes in Interest rates. Typically, a rise in rates will adversely affect the prices of these securities and, accordingly, the value of your investment. The longer the effective maturity and duration of the strategy's portfolio, the more the value of your investment is likely to react to interest rates. Mortgage-related securities can have a different interest rate sensitivity than other bonds, however, because of prepayments and other factors, and may carry additional risks and be more volatile than other types of debt securities due to unexpected changes in interest rates.

Investment Strategy Risk. The strategy's sustainability investment criteria may limit the number of investment opportunities available to the strategy, and, as a result, at times the strategy's returns may be lower than those of strategies that are not subject to such special investment considerations.

Issuer Risk. The value of a security may decline for a number of reasons that directly relate to the issuer, such as management performance, financial leverage and reduced demand for the issuer's products or services.

Liquidity Risk. When there is little or no active trading market for specific types of securities, it can become more difficult to sell the securities at or near their perceived value. In such a market, the value of such securities and the value of your investment may fall dramatically, even during periods of declining interest rates. Liquidity risk also exists when a particular derivative instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price. The secondary market for certain municipal bonds tends to be less well developed or liquid than many other securities markets, which may adversely affect the strategy's ability to sell such municipal bonds at attractive prices.

Market Risk. The market value of a security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. A security's market value also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

Market Sector Risk. A given strategy may significantly overweight or underweight certain companies, industries or market sectors, which may cause the strategy's performance to be more or less sensitive to developments affecting those companies, industries or sectors.

Municipal Bond Market Risk. The amount of public information available about municipal bonds is generally less than that for corporate equities or bonds. Special factors, such as legislative changes, and state and local economic and business developments, may adversely affect the yield and/or value of the strategy's investments in municipal bonds. Other factors include the general conditions of the municipal bond market, the size of the particular offering, and the maturity of the obligation and the rating of the issue. Changes in economic, business or political conditions relating to a particular municipal project, municipality, or state in which the strategy invests may have an impact on the value of your investment.

Municipal Lease Risk. Because municipal leases generally are backed by revenues from a particular source or that depend on future appropriations by municipalities and are not obligations of their issuers, they are less secure than most municipal obligations.

Municipal Securities Risk. Investments in municipal securities may be affected by a variety of factors in the cities, states and regions in which the strategy invests, as well as the municipal market as a whole. Special factors, such as legislative changes and local and business developments, may adversely affect the yield and/or market value of the strategy's investments in municipal securities.

Other factors include the general conditions of the municipal securities market, the size of a particular offering, and the maturity of the obligation and the rating of the issue. Changes in economic, business or political conditions relating to a particular municipal project, municipality, or state in which the strategy invests may have an impact on the value of your investment.

Preferred Stock Risk. Preferred stock is a class of a capital stock that typically pays dividends at a specified rate. Preferred stock is generally senior to common stock, but subordinate to debt securities, with respect to the payment of dividends and on liquidation of the issuer. The market value of preferred stock generally decreases when interest rates rise and is also affected by the issuer's ability to make payments on the preferred stock.

Systemic Risk. World events and/or the activities of one or more large participants in the financial markets and/or other events or activities of others could result in a temporary systemic breakdown in the normal operation of financial markets. Such events could result in a portfolio losing substantial value caused predominantly by liquidity and counterparty issues which could result in a portfolio incurring substantial losses.

Tax Risk. To be tax-exempt, municipal bonds generally must meet certain regulatory requirements. If any such municipal bond fails to meet these regulatory requirements, the interest received by the strategy from its investment in such bonds and distributed to you will be taxable.

Trading Limitations. For all securities, including options, listed on a public exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. These suspensions or limits could render certain strategies difficult to execute or continue and subject a portfolio to loss.

U.S. Government Securities. Each portfolio may invest in U.S. government securities, including bills, notes, bonds and other debt securities issued by the U.S. Treasury. These instruments are direct obligations of the U.S. government and, as such, are backed by the "full faith and credit" of the United States government. They differ primarily in their interest rates, the lengths of their maturities and the dates of their issuance. These obligations, including those guaranteed by federal agencies or instrumentalities, may or may not be backed by the "full faith and credit" of the United States government. All of the foregoing are referred to collectively as "U.S. government securities." Securities issued or guaranteed by agencies or instrumentalities are supported by (i) the full faith and credit of the United States; (ii) the limited authority of the issuer to borrow from the U.S. Treasury; or (iii) the authority of the U.S. government to purchase certain obligations of the issuer. No assurance can be given that the U.S. government will provide financial support to its agencies and instrumentalities as described in (ii) and (iii) above, other than as set forth, since it is not obligated to do so by law. In the case of securities not backed by the full faith and credit of the United States, a portfolio must look principally to the agency issuing or guaranteeing the obligation for ultimate repayment and may not be able to assert a claim against the United States if the agency or instrumentality does not meet its commitments.

Warrants and Rights Risk. Warrants and rights may become worthless if the price of the stock does not rise above the exercise price by the expiration date. This increases the market risks of warrants as compared to the underlying security.

When-Issued and Delayed-Delivery Securities. “When-issued” or “delayed delivery” refers to securities whose terms and indenture are available and for which a market exists, but which are not available for immediate delivery. While the portfolio will purchase securities on a when-issued or delayed-delivery basis only with the intention of acquiring the securities, the portfolio may sell the securities before the settlement date if it is deemed advisable. At the time the portfolio makes the commitment to purchase securities on a when issued or delayed delivery basis, the portfolio will record the transaction and thereafter reflect the value, each day, of the security in determining the net asset value of the portfolio. When these transactions are negotiated, the price (which is generally expressed in yield terms) is fixed at the time the commitment is made, but delivery and payment for the securities take place at a later date. During the period between commitment by a portfolio and settlement (generally within two months but not to exceed 120 days), no payment is made for the securities purchased by the purchaser, and no interest accrues to the purchaser from the transaction.

These securities are subject to market fluctuation, and the value at delivery may be less than the purchase price. A portfolio will engage in when-issued transactions in order to secure what is considered to be an advantageous price and yield at the time of entering into the obligation. When a portfolio engages in when-issued or delayed-delivery transactions, it relies on the buyer or seller, as the case may be, to consummate the transaction. Failure to do so may result in a portfolio losing the opportunity to obtain a price and yield considered to be advantageous. If a portfolio chooses (i) to dispose of the right to acquire a when-issued security prior to its acquisition or (ii) to dispose of its right to deliver or receive against a forward commitment, it may incur a gain or loss. To the extent a portfolio engages in when issued and delayed-delivery transactions, it will do so for the purpose of acquiring or selling securities consistent with its investment objectives and policies and not for the purposes of investment leverage. A portfolio enters into such transactions only with the intention of actually receiving or delivering the securities, although (as noted above) when-issued securities and forward commitments may be sold prior to the settlement date.

Item 9 – 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 JKAM or the integrity of JKAM’s management. JKAM has no disciplinary information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

JKAM does not participate in any other financial industry activities.

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

Code of Ethics

JKMAM has adopted a Code of Ethics (the “Code”) for all supervised persons of our firm that provides employees a framework and sets the expectations for business conduct. Most importantly, our Code covers

- Duty of Loyalty to our clients;
- Conflicts of Interest;
- Although our firm may permit an internal cross transaction, we do not allow agency cross transactions;
- Our firm does not have inventory and does not offer principal trading;
- Proper Use and Care of Information and Proper Recordkeeping;
- Insider information prohibitions; and
- Personal Securities Transaction.

The Code describes our high standard of business conduct and fiduciary duty to our clients to meet the requirements of Rule 204A-1 under the Advisers Act. The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor-mongering, and personal securities trading procedures, among other things. All supervised persons at JKMAM must acknowledge the terms of the Code annually when it is amended.

The Code is designed to assure that the personal securities transactions, activities and interests of the employees of JKMAM will not interfere with (i) making decisions in the best interest of advisory clients, (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts, and (iii) avoiding any actual or potential conflicts of interest or any abuse of their position of trust and responsibility. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of JKMAM’s clients. In addition, the Code requires pre-clearance of IPOs or private securities transactions.

A copy of the Code is available upon request by contacting our Chief Compliance Officer at 239-936-3430 or by email at lglass@jkmilne.com.

Investing in Securities Recommended to Clients

JKMAM recognizes that the personal investment activities of members and employees of JKMAM demand the application of a high code of ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, JKMAM believes that if investment goals are similar for clients and for management members and those employees of JKMAM who are considered access persons, it is logical that there be a common ownership of some securities. Therefore, in order to address conflicts of interest, JKMAM has adopted a set of procedures with respect to transactions effected by its officers and access persons (hereafter, “Employees”) for their “personal accounts.” In order to monitor compliance with its personal trading policy, JKMAM will adopt a quarterly securities transaction reporting system for all of its Employees. (For purposes of the policy, an Employee’s “personal account” generally includes any account (a) in the name of the Employee, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which the Employee is a trustee or executor, or (c) which the Employee controls, including JKMAM’s client accounts which the Employee controls and in which the Employee or a member of his/her household has a direct or indirect beneficial interest.)

From time to time, trading by JKMAM and its Employees (and certain of their relatives) in particular securities may be restricted in recognition of impending investment decisions on behalf of clients. If transaction orders for a client and JKMAM (and/or its Employees and certain of their relatives) are not aggregated, the transaction orders for JKMAM (and/or its Employees and relatives) will be approved prior to entry in order to mitigate any conflicts regarding timing of the transaction.

Item 12 – Brokerage Practices

Broker Selection: Our discretionary clients, typically authorize JKMAM, in writing, to determine which securities and the amount of securities to be bought or sold, the broker dealer to be used and the commission costs to be charged. Any limitations on this discretion must be included in the client's written authorization. Clients may amend these limitations in writing.

JKMAM will utilize Capital Institutional Services, Inc (CAPIS), among other select brokers based upon research provided, cost, skills, reputation, dependability and capability of the executing broker-dealer. Fixed Income markets have unique requirements for the execution of bonds or other fixed income products. As such the firm may be required to execute with one of a limited number of broker-dealers offering the bond.

As a fiduciary to our clients, JKMAM seeks best execution of transactions. Best execution is not always based on "best price". Our firm uses its best efforts to obtain prompt execution of its client's securities transactions on the most favorable terms reasonably obtainable, and in doing so considers a number of factors, including:

1. The net economic result to its clients' accounts;
2. Commission rates, which, absent instructions to the contrary from clients, JKMAM will attempt to negotiate within generally prevailing competitive ranges, but which may not always be the lowest available rate at any given time;
3. The apparent financial strength, stability and competence of the brokerage firms under consideration;
4. The efficiency with which it may be expected that transactions will be effected;
5. The inherent ability of the brokerage firms under consideration to effect the transaction in cases involving a large amount of the security in question; and
6. The availability and willingness of those brokerage firms to stand ready to execute difficult transactions in the future.

Soft Dollars: The term "soft dollars" is commonly understood to refer to arrangements where an investment adviser uses client brokerage commissions to pay for research or other services used by the investment adviser. Section 28(e) of the Securities Exchange Act of 1934, as amended, provides a "safe harbor" that permits investment advisers to enter into soft dollar arrangements if the

investment adviser determines in good faith that the amount of the commission is reasonable in relation to the value of the brokerage and research services provided.

As a matter of policy, we utilize “soft dollar” arrangements and receive research of the type that is customarily provided by brokers or dealers to their institutional customers, which may be useful to us in serving the accounts that we advise. Although our receipt of such research services does not reduce our normal independent research activities, it may enable us to avoid the additional expenses that we might otherwise incur if we were to attempt to independently develop comparable information.

JKMAM’s soft dollar policy is to make a good faith determination of the value of the research product or services in relation to the commissions paid. JKMAM also maintains soft dollar arrangements for those research products and services that assist JKMAM in its investment decision-making process. These research products are used to service all of the firm’s accounts and not just those accounts paying for it.

Products and services include information in the form of written and oral reports, reports accessed by computers, statistical calculations, appraisals and analyses relating to markets, companies, industries, business and economic factors, market trends, portfolio strategy, and trading insight and intelligence. These research products and services are obtained in an effort to benefit the client.

JKMAM currently receives the benefit of the following services to assist in our investment management strategies, which are paid for by CAPIS:

1. Bloomberg
2. Bloomberg Port

Commissions generated by securities trades in client accounts pay for the aforementioned research services. The investment information obtained through the use of the investment services mentioned above is important in JKMAM’s investment decision making and generally benefits all clients.

Directed Brokerage: We may accept direction from a client to place trades for such client’s account with a particular broker-dealer. At times, a client will instruct us to direct a portion of its commissions to a specified broker-dealer. In the event that such direction occurs, we may have limited capability to negotiate commission levels or obtain volume discounts. In addition, in meeting the client’s brokerage directive, we may not be able to aggregate these transactions with transactions we effect for other accounts we manage, and we may delay placing the orders for directed accounts until our orders for other accounts have been completed. As a result, the net price paid or received by the directed account may be different than the price paid or received by our other accounts, as we may be unable to achieve the most favorable execution. Directing brokerage may cost clients more money.

Trade Aggregation: When a trade is placed for more than one advisory client, JKMAM may, in its discretion, aggregate orders when JKMAM believes this will result in more favorable execution. All of JKMAM’s clients executing trades on that day, participate in an aggregated trade to the extent it is consistent with the accounts’ investment policy, guidelines and restrictions.

Trade Allocation: If an aggregated trade order is filled in its entirety; the order will be allocated in accordance with the pre-trade allocation specified. If a block order is partially filled, the order is allocated among the accounts specified on the trade ticket on a pro rata basis in proportion to the intended pre-trade allocation. When trades are aggregated, each account within the block will receive the same price and commission. Any deviation from the pro rata allocation policy shall be for good cause.

Brokerage for Client Referrals: We do not direct securities transactions to any broker-dealer in exchange for referral of investment management clients. Our firm does not receive payment or pay for referrals.

Item 13 – Review of Accounts

JKMAM's investment team, including investment portfolio managers and the Chief Investment Officer, meet regularly to review market and client related issues. While certain aspects of each account are reviewed on a daily basis, official strategy meetings are held monthly or on an ad hoc basis as warranted by changes in the markets and economic factors.

Client reporting is also a large part of our client service platform, and typically includes a standard quarterly report of the account performance and analytics, as well as a copy of the account holdings. Clients also have the option to request information concerning the account in a specific format or at more frequent intervals. Reports are sent electronically.

Item 14 – Client Referrals and Other Compensation

JKMAM does not receive any cash, benefits, or other forms of payment from any firm or related person for client referrals. Our firm does not have any solicitor or referral fee arrangements.

Item 15 – Custody

Rule 206(4)-2 under Advisers Act (the "Custody Rule") defines "custody" to include a situation in which an adviser or a related person holds, directly or indirectly, client funds or securities or has any authority to obtain possession of them, in connection with advisory services provided by the adviser.

For purposes of the Custody Rule, although our firm does not directly client fees, our firm may receive our portion of the fee as directly debited by the IRIA's request to the qualified custodian for client's fees in sub-advisory accounts. This authorization is considered to be a form of custody. As such, clients should be aware that the client will receive a statement, not less than quarterly, from their respective qualified custodian which evidences the client's holdings, transactions and fees for their account(s). Clients should review this statement carefully and notify their respective IRIA or the qualified custodian for concerns with any inconsistencies.

Item 16 – Investment Discretion

We typically accept discretionary investment authority over client assets, and clients must grant this discretionary authority to us in writing via an investment advisory agreement or other contract. JKAM usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

Clients must deliver their investment guidelines and restrictions to us in writing, and we will adhere to such guidelines and restrictions when making investment decisions.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, JKAM does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the sole responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. If the client is acting as fiduciary of a plan subject to the provisions ERISA, the client expressly retains the authority and responsibility for, and JKAM is expressly precluded from, rendering any advice or taking any action with respect to the voting of any such proxies. However, JKAM may, in its discretion, answer the client's questions with respect to the voting of proxies.

Item 18 – Financial Information

In certain circumstances, registered investment advisers are required to provide you with financial information or disclosures about their financial condition in this Item. JKAM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has never been the subject of a bankruptcy proceeding.

The Payment Protection Program (PPP) was passed as part of the Coronavirus Aid, Relief and Economic Securities (CARES) Act, which initially provided \$349 billion in forgivable loans for small businesses to use for payroll and other essential business costs like rent and utilities. This unique opportunity was meant to support small firms, such as ours. Although our firm determined that we could effectively meet client obligations we also determined that the PPP loan assisted JK Milne in avoiding scenarios in which we may have otherwise decided to reduce compensation, reduce staff, or operate at a loss for some period of time. As such, our firm was the recipient of a \$110,700 loan for these purposes.