

## Item 1 Cover Page

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This brochure provides information about the qualifications and business practices of UMB Family Wealth, LLC. If you have any questions about the contents of this brochure, please contact us at (303) 839-2290. 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 us is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website also provides information about any persons affiliated with us who are registered, or are required to be registered, as investment adviser representatives. You can access our information on the SEC's website by using our CRD number, 306374. Registration with the SEC does not imply a certain level of skill or training.

## **Item 2 Material Changes**

This brochure, which was last filed on March 13, 2020, has been updated to reflect that UMB Family Wealth, LLC will also provide discretionary investment advisory services to certain special purpose vehicles and pooled investment vehicles.

Minimum account size for Investment Advisory Services has been changed to \$10 million.

Investment Advisory fee schedule has been updated.

UMB Family Wealth, LLC is no longer affiliated with Prairie Capital Management, LLC.

### Item 3 Table of Contents

<a href="#"><u>Item 1 Cover Page</u></a> .....	i
<a href="#"><u>Item 2 Material Changes</u></a> .....	ii
<a href="#"><u>Item 3 Table of Contents</u></a> .....	iii
<a href="#"><u>Item 4 Advisory Business</u></a> .....	1
<a href="#"><u>Item 5 Fees and Compensation</u></a> .....	3
<a href="#"><u>Item 6 Performance-Based Fees and Side-by-Side Management</u></a> .....	5
<a href="#"><u>Item 7 Types of Clients</u></a> .....	5
<a href="#"><u>Item 8 Methods of Analysis, Investment Strategies; Risk of Loss; Other Material Risks</u></a> .....	6
<a href="#"><u>Item 9 Disciplinary Information</u></a> .....	16
<a href="#"><u>Item 10 Other Financial Industry Activities and Affiliations</u></a> .....	16
<a href="#"><u>Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</u></a> .....	17
<a href="#"><u>Item 12 Brokerage Practices</u></a> .....	19
<a href="#"><u>Item 13 Review of Accounts</u></a> .....	21
<a href="#"><u>Item 14 Client Referrals and Other Compensation</u></a> .....	21
<a href="#"><u>Item 15 Custody</u></a> .....	21
<a href="#"><u>Item 16 Investment Discretion</u></a> .....	22
<a href="#"><u>Item 17 Voting Client Securities</u></a> .....	22
<a href="#"><u>Item 18 Financial Information</u></a> .....	23

## **Item 4 Advisory Business**

UMB Family Wealth (UMBFW) is a Delaware limited liability company organized on October 31, 2019. We are a wholly-owned subsidiary of UMB Financial Corporation, a publicly-traded company registered with NASDAQ (symbol: UMBF). UMBFW is a newly created investment advisory firm and has not acquired another registered investment advisory firm.

Currently, UMBFW serves ultra-high net worth families (Family Clients) in two ways (1) investment advisory services and (2) strategic wealth services. UMBFW will also provide discretionary investment advisory services to certain private funds, which include special purpose vehicles and pooled investment vehicles (Fund Clients).

### **Investment Advisory Services**

#### Family Clients

Our investment advisory services that we provide to Family Clients begin with a full assessment of clients' needs and goals. Once we understand the client's objectives, time horizon, risk tolerance, asset class preferences, investment restrictions or limitations, and cash flow and liquidity needs, we work with the client to craft a customized, written Investment Policy Statement (IPS) which creates appropriate parameters and guides our investment decisions and investment advice. The content of the IPS is agreed upon between UMBFW and the client in writing and is reviewed at least annually. If UMBFW is not able to accommodate certain account restrictions requested by the client, UMBFW reserves the right to refuse restrictions or refuse management of an account.

UMBFW provides investment advisory services to clients on both a discretionary and non-discretionary basis. The IPS governs which assets UMBFW will manage with discretion and which assets will be advised on a non-discretionary basis. Where the client delegates discretion to UMBFW, we have authority to make investment decisions on behalf of the client without requiring client pre-approval. Where UMBFW is acting in a non-discretionary capacity, trades will require client pre-approval prior to execution. Because client approval is needed for non-discretionary trades, UMBFW is not liable for timely execution. UMBFW typically manages the liquid portion of a client's portfolio (marketable securities - publicly traded debt or equity securities on a national securities exchange or securities that can be sold or converted to cash within one year) on a discretionary basis while advising clients on illiquid investments (i.e., private placements, limited partnerships, private equity, etc.) on a non-discretionary basis, including investment in private funds advised by UMBFW.

The IPS will also provide guidelines for asset allocation decisions. UMBFW develops and recommends to each client an appropriate strategic asset allocation. The strategic asset allocation is customized to each client's needs and serves as a guideline for which types of investments should be used in the client's portfolio and how much should be allocated to each asset class or investment strategy.

Periodically, UMBFW utilizes tactical asset allocation changes. These tactical changes are typically short-term overweighting or underweighting of asset classes and are designed to capitalize on current economic and/or market conditions.

UMBFW uses a variety of investment strategies and vehicles to implement a client's asset allocation strategy. Types of investments we typically use include, but are not limited to: individual stocks, individual bonds, exchange-traded funds, mutual funds, separately-managed accounts, and limited partnerships, such as hedge funds or private equity funds.

### Fund Clients

The investment objectives, strategies, terms, conditions and restrictions applicable to the Fund Clients will be described in their respective offering documents (referred to collectively as the "Offering Documents").

### **Strategic Wealth Services**

UMBFW is a full-service multi-family office. Our strategic wealth planning services provided to Family Clients include: consolidated reporting, tax planning, multi-generational financial planning, family business advisory and family governance.

- Consolidated Reporting

Our consolidated reporting services allow families to see everything they own in one place. We provide families with balance sheet, income statement and cash flow statement reports, along with investment performance reporting on a quarterly basis. This reporting is intended to be comprehensive in nature and would include assets not managed or advised on by UMBFW. As we are dependent on information from outside sources, UMBFW is not responsible for confirming the accuracy of such data. We will review and confirm data with the client for accuracy.

- Tax Planning

While UMBFW does not provide tax advice, we are mindful of the significant impact taxes have on our clients' wealth strategies. We work closely with each client's tax and legal professionals to understand tax implications of financial planning and investment decisions and assist clients with execution of strategies such as tax-loss harvesting, charitable planning, wealth transfer, etc.

- Multi-Generational Financial Planning

Our wealth planning service begins with understanding a family's current reality and their goals and objectives for the future. Each household receives in-depth financial planning, tailored to their specific needs and priorities. We provide analysis and recommendations on cash flow planning, retirement planning, charitable planning, estate and wealth transfer planning, risk management, etc.

- Family Business Advisory

UMBFW assists families with crafting strategies for the succession, continuity and eventual exit from their family business(es). Every family business is unique and there is no “one-size-fits-all” approach to succession, continuity or exit planning. We seek to understand the unique aspects of each business, the key family members involved, and the dynamics of the industry. We then work with the family to develop strategies that help the family achieve their overarching goals within a timeframe of their choosing.

- Family Governance

UMBFW assists families with thinking through and devising processes and procedures for how the family makes decisions regarding shared financial resources, as well as strive to bring unity and a shared sense of purpose to their wealth. We do this using family meetings, family enterprise “business plan” development, mission/vision/values development, Rising Generation financial education and leadership development, etc.

## **Item 5 Fees and Compensation**

UMB Family Wealth offers Family Clients the flexibility to engage us for investment advisory services only, strategic wealth services only or a full-service, bundled approach.

### **Investment Advisory Services**

#### Family Clients

We charge investment advisory fees to the Family Clients based on the market value of assets under management (AUM). Our fees are specified in a written investment advisory agreement with each client. These fees are charged quarterly, in-arrears, and are calculated based on a family’s aggregate account balances at quarter-end. When services commence other than at the beginning of a quarter, the fee charged for the quarter will be pro-rated so that the client only pays for services rendered from the time the service agreement is signed until the end of the quarter. Upon termination of a client’s advisory agreement, the client will promptly receive a refund of any prepaid and unearned advisory fees. Fees are typically debited automatically from a client’s investment account(s). Our investment advisory fees are generally non-negotiable, although we reserve the right to make fee concessions at our discretion.

Our minimum investment account size is \$10 million. We may waive minimum account size and fee requirements at our discretion. Our investment advisory fee schedule is as follows:

<b>Fee</b>		<b>Market Value Interval</b>
0.80%	on the first	\$10 Million
0.60%	on the next	\$10 Million
0.40%	on the next	\$30 Million
0.30%	on the next	\$50 Million
0.20%	on the next	\$400 Million
0.10%	on all over	\$500 Million

## Fund Clients

The fees to be paid by the Fund Clients will be on such terms as set forth in their respective Offering Documents. We: (i) we will be paid an asset-based management fee by the Fund Clients; and (ii) we (or an affiliate) will be entitled to receive performance-based compensation in the form of a profits interest (or similar arrangement) from the Fund Clients (i.e., compensation based on a share of capital gains or capital appreciation of the Fund Client's assets).

In addition to paying an asset-based management fee and, if applicable, performance-based compensation, the Fund Clients will be required to bear their pro rata portion of other expenses on such terms as will be set forth in Offering Documents.

The allocation of expenses by UMBFW between it and any client and among clients represents a conflict of interest for UMBFW. UMBFW implements an expense allocation policy that is designed to address this conflict in seeking to ensure that expenses are allocated in a fair and equitable manner.

## **Strategic Wealth Services**

Strategic Wealth Services that we provide to Family Clients include, but are not limited to: consolidated reporting, multi-generational financial planning, estate and wealth transfer planning, philanthropic planning, business continuity and business exit planning, family governance, facilitation of family meetings, etc. Families who engage UMBFW for Strategic Wealth Services pay an annual retainer fee which is typically a minimum of \$150,000 and is specified in their written agreement for such services. The retainer fee is charged quarterly, in-advance, and is negotiated based on the size and complexity of the relationship (i.e. scope of services, total family net worth, total number of family households, number of entities controlled by the family, etc.). Total assets managed as part of the investment advisory services relationship are considered and will reduce the retainer fee as part of a "bundled service offering". The fee may be invoiced to the client or the client may direct UMB Family Wealth to debit the fee from their investment account(s). The retainer fee is revisited periodically for fairness and accuracy.

## **Other Fee Information**

Investment Manager Fees: All fees paid to us for advisory services are separate and distinct from the fees and expenses charged by the investment managers, funds or partnerships in a client's portfolio. Each investment's offering documents describe the applicable fees and expenses incurred by investors. Generally, Family Client investment fund fees include a management fee, other fund expenses, and a possible distribution fee. Certain investment funds may impose initial or deferred sales charges, although when recommending funds to Family Clients, UMBFW recommends only no-load mutual funds.

ERISA Accounts: UMBFW will not charge asset-based fees in addition to retainer fees related to ERISA Family Client accounts.

Additional Fees and Expenses: Our fees do not include fees charged by sub-advisers, private funds, mutual funds, brokers, custodians, or other third parties. Please refer to Item 12 “Brokerage Practices” for additional information. Neither UMB Family Wealth nor any of its supervised persons charge or accept compensation for the sale of securities or other investment products to Family Clients.

Wrap Fees: We do not participate in or sponsor any wrap fee programs.

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

We do not charge performance-based fees for advisory services provided to the Family Clients, although some of the products and/or managers we recommend may charge performance-based fees.

An affiliate of UMBFW will be entitled to receive performance-based compensation from the Fund Clients on such terms as will set forth in Offering Documents.

The receipt of performance-based compensation from the Fund Clients may create an incentive for UMBFW to make investments on behalf of the Fund Clients that are riskier or more speculative than would be the case in the absence of such performance-based compensation arrangement. UMBFW and its investment personnel will provide investment advisory services to the Fund Clients, which are charged performance-based compensation. The Family Clients are not charged performance-based compensation but are charged asset-based advisory fees and/or fixed retainer fees. In addition, certain client accounts may have higher fees than other accounts. When UMBFW and its investment personnel manage more than one client account, a potential incentive may exist for one client account to be favored over another client account. UMBFW and its investment personnel may have an incentive to favor client accounts that pay UMBFW (and indirectly its investment personnel) and/or its affiliates higher fees.

UMBFW implements policies intended to address conflicts of interest that may arise relating to the management of multiple client accounts.

## **Item 7 Types of Clients**

### Family Clients

Our Family Clients are individuals and families with a net worth of \$50 million or more, and/or investable assets of \$10 million or more, which may include:

- Single Family Offices
- Private Foundations
- Endowments

We may engage clients not listed above and we may waive minimum account requirements at our discretion.



## Fund Clients

Fund Clients will consist of special purpose vehicles and pooled investment vehicles managed by UMBFW. Any initial and additional capital contribution or capital commitment minimums will be set forth in the Offering Documents.

## **Item 8 Methods of Analysis, Investment Strategies; Risk of Loss; Other Material Risks**

We use a variety of methods and resources to conduct our analysis, including, but not limited to, macroeconomic analysis, fundamental analysis and technical analysis. Our primary resources for obtaining information are third-party research materials, corporate rating services, company annual reports/press releases, prospectuses, private placement memorandums and SEC filings. The UMBFW Investment Committee is responsible for maintaining the prudent and effective investment direction of the Adviser, and to formulate and oversee the investment policies and management of client assets.

The UMBFW Advisory Board will provide additional oversight, expertise and advice on UMBFW's business, including the strategic objectives and performance of the Investment Committee, overall risk management of UMBFW and approval of the investments in the Fund Clients

### **Investment Strategies**

On behalf of our Family Clients, UMBFW utilizes a variety of investment strategies, which are customized for each client. Our investment approach focuses on three primary components – asset allocation, product/manager selection and security selection, as further described below.

On behalf of Fund Clients, the investment strategies and investment approaches utilized by UMBFW will be set forth in the Offering Documents.

### **Asset Allocation**

We believe that asset allocation is the foundation of investment management and is a primary determinant of investment returns. The appropriate asset allocation is different for each client and is determined by taking into consideration multiple variables - including investment objectives, risk tolerance, time horizon, cash flow and/or liquidity needs, expected returns, asset class preferences and macroeconomic data. Our asset allocation recommendations are driven by seeking the appropriate balance between expected risk and expected return, according to the client's stated goals and objectives.

### **Product/Manager Selection**

The UMBFW Investment Committee meets at least quarterly to review the products and managers we utilize for client portfolios. These products may include, but are not limited to: mutual funds, exchange-traded funds, private equity funds, separately-managed accounts (SMA's), etc. UMBFW maintains an "approved" list of products and investment managers. The list consists of products and investment managers who have been subjected to our research and evaluation process and have been reviewed and approved by the UMBFW Investment Committee for use in client

portfolios. We review products and managers based on their strategies, fees, level of service, reputation and past performance. We regularly use third-party research providers to assist in this process.

We monitor approved products and investment managers on a regular basis. Our monitoring includes evaluation of performance compared to peers and relevant benchmarks, risk and return measurements, and organization changes, such as changes to management. Products and investment managers may, from time-to-time, be removed from our approved list, based on the ongoing evaluation of our investment criteria.

## **Security Selection**

When appropriate, UMBFW recommends individual equity securities as a part of a client's portfolio. It is the policy of UMBFW to invest in high-quality equity assets in a diversified portfolio environment. When recommending individual equity securities, UMBFW will maintain a list, called the Working List, of equities which have passed our screening process and have been deemed acceptable to hold in client accounts. All additions to the Working List are reviewed and approved by the UMBFW Investment Committee. UMBFW's equity research team applies fundamental analysis to identify those stocks on the Working List which are the most attractive. Those stocks are then considered for inclusion on the Buy List.

UMBFW's equity analysts review all stocks regularly and conduct detailed research and analysis for making recommendations to the UMBFW Investment Committee. Factors considered in reviewing common and preferred stocks, preferred stocks and debentures convertible to common stocks include, but are not limited to:

1. Quality and depth of management of the company, principally by assessing their past performance and broad future objectives;
2. Financial condition and position of company in its industry;
3. Quality of earnings and historical growth of the company;
4. Assessment of future prospects of the company in terms of sales and earnings, projected price/earnings and price/dividend ratios, existing and potential competition, raw material availability, per capital use of product, etc., based on comparisons with peer companies in the same industry;
5. Anticipated legislation, potential governmental intervention, and labor unrest;
6. Demonstrated ability of the company to develop new products and/or upgrade existing products;
7. Demonstrated strong marketing capabilities of the company;
8. Company's accounting methods;
9. Litigation pending against the company.

In addition, a fundamental analysis involving current financial information, usage of specialized rating and analysis services, and a review of the overall status of the industry and the economy will be performed. A technical analysis is also conducted, which studies the security's price movements and volumes traded over periods of time.

## **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. Investments are not deposits, not insured by the FDIC or any government agency, have no bank guarantee and may lose value. We make no guarantee or representation of investment performance. Each investment strategy is subject to market, economic and business risks that will cause investment prices to fluctuate over time, sometimes rapidly and unpredictably. Different types of investments shift in and out of favor depending on market and economic conditions that may affect individual companies or industries, or the securities market.

## **Other Material Risks**

The following summary identifies certain material risks related to UMBFW's provision of investment advisory services to the Fund Clients as well as certain risks related to UMBFW's business generally. The following summary should be carefully evaluated before making an investment in a Fund Client; however, the following does not intend to identify all possible risks of an investment in a Fund Client or provide a full description of the identified risks. Prospective Fund Client investors should review the risk factors that will be set forth in the Offering Documents of the relevant Fund Client for a further discussion of the applicable risks associated with any such investment.

Nature of Investments. UMBFW may invest the Fund Clients' assets in pooled investment vehicles (Underlying Funds) managed by third-party investment managers (Third-Party Managers). UMBFW may also invest the Fund Clients' assets directly. The Third-Party Managers will have broad discretion in making investments on behalf of the Underlying Funds. The Third-Party Managers will generally invest in various instruments and other assets that may be affected by business, financial market or legal uncertainties. There can be no assurance that the Third-Party Managers will correctly evaluate the nature and magnitude of the various factors that could affect the value of, and return on, Fund Client investments. Prices of the financial instruments acquired by an Underlying Fund may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the Underlying Fund's activities and the value of client investments. In addition, the value of Underlying Funds' portfolios may fluctuate as the general level of interest rates fluctuate. No guarantee or representation is made that the investment objective of the Underlying Funds will be achieved. Although the Third-Party Managers may attempt to mitigate market risk through the use of long and short positions or other methods, there may be a significant degree of market risk.

Fund of Funds Structure. Under certain circumstances, any UMBFW "fund of funds" strategy may be disadvantageous to investors in the relevant Fund Clients as compared with maintaining the underlying investments directly. Any such Fund Clients' operating expenses will, in addition to their pro rata share of the investment and other expenses of Underlying Funds, be indirectly

borne by the Fund Clients. Accordingly, the expenses of these Fund Clients may be a higher percentage of net assets than in other investment entities.

Multiple Third-Party Managers. Because UMBFW recommends investments with Third-Party Managers who make their trading decisions independently, it is theoretically possible that one or more of such Third-Party Managers may, at any time, take positions that may be opposite of positions taken by other Third-Party Managers or positions taken by UMBFW in its direct investing activities. It is also possible that the Third-Party Managers may on occasion be competing with each other (or with UMBFW) for similar positions at the same time. Also, a particular Third-Party Manager may take positions for certain of its clients that may be opposite to positions taken for the Underlying Funds.

Access to Information from the Third-Party Managers. UMBFW will request detailed portfolio and other information from the Third-Party Managers regarding the Underlying Funds on a continual basis. However, UMBFW may not always be provided with such information because certain of this information may be considered proprietary information.

Dependence on Third-Party Managers. The Fund Clients will be highly dependent upon the expertise and abilities of the Third-Party Managers, who will have investment discretion over certain of the Fund Clients' assets and, therefore, the death, incapacity or retirement of any key person of the Third-Party Managers may adversely affect investment results.

Equity-Related Instruments in General. UMBFW and the Third-Party Managers may use equity-related instruments in their investment programs. Certain options and other equity-related instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risks of loss.

Risks Associated with Private Equity Investments Generally. The Fund Clients may (including through the Third-Party Managers) invest in private equity-related assets, including private equity funds. Investments in private equity-related assets are subject to various risks, including adverse changes in national or international economic conditions, adverse local market conditions, the financial conditions of portfolio companies, changes in the availability or terms of financing, changes in interest rates, exchange rates, corporate tax rates and other operating expenses, environmental laws and regulations, and other governmental rules and fiscal policies, energy prices, changes in the relative popularity of certain industries or the availability of purchasers to acquire companies, risks due to dependence on cash flow, risks and operating problems arising out of the presence of certain construction materials, as well as acts of God, uninsurable losses, war, terrorism, health crises and epidemic diseases, earthquakes, hurricanes or floods and other factors which are beyond the control of UMBFW (or the Third-Party Managers).

Portfolio companies in which UMBFW (or the Third-Party Managers) may invest may use significant leverage and may be subject to restrictive covenants and increased economic risks relating to the ability to finance future operations, rising interest rates or downturns in the economy, the relevant industry or the company.

The ability of the Fund Clients (or the Underlying Funds) to realize value from an investment in a private company will depend largely upon successful completion of the company's initial public offering or the sale of the company to another company, which may not occur for a period of several years after the date of investment, or may not occur at all. There can be no assurance that any of the companies in which the Fund Clients (or the Underlying Funds) invest will complete public offerings or be sold, or, if such events occur, as to the timing and value of such offerings or sales. In addition, the Fund Clients (or the Underlying Funds) may be subject to, or may agree to become subject to, lock-up periods subsequent to an initial public offering or other liquidity event. The Fund Clients (or the Underlying Funds) may also lose all or part of their investment if these companies fail or their product lines fail to achieve an adequate level of market recognition or acceptance.

Investments in certain private companies may be more difficult to value than other companies as a result of there being limited or no operating history of such company. It is unlikely that independent pricing information will be available or that other valuation methodologies that are customarily used will be available, such as marked to market prices typically provided by dealers and pricing services and relative value pricing mechanisms. Accordingly, it is likely that investments will be valued at their fair value employing methods determined in good faith by UMBFW (or the Third-Party Managers). If the valuations of companies should prove to be incorrect, the Fund Clients could be adversely affected.

**Risk of Early-Stage Investments.** UMBFW (or the Third-Party Managers) may make early-stage investments or investments in high-growth industries, including investing in start-ups, and/or committing to pay expenses of management teams engaged in the discovery, development or exploration of resources, technologies or strategies. While such investments offer the opportunity for significant gains, they also involve a high degree of business and financial risk and can result in substantial losses. Among these risks are the general risks associated with investing in companies at an early stage of development, companies in high-growth industries, companies with little or no operating history, companies operating at a loss or with substantial variations in operating results from period to period, and companies with the need for substantial additional capital to support expansion or to achieve or maintain a competitive position. There can be no assurance that such companies will ever be profitable or even have assets or products that generate meaningful revenue. Investment by UMBFW (or the Third-Party Managers) in high-growth industries, start-ups or other early-stage companies may depend significantly on an entrepreneur or management team that UMBFW (or the Third-Party Managers) have selected. The companies may have limited ability to protect their rights to certain patents, copyrights, trademarks and other trade secrets and face intense competition, including from companies with greater financial resources, more extensive development, marketing and service capabilities, and a larger number of qualified managerial and technical personnel.

**Lack of Diversification and Concentration of Investments.** The Fund Clients' portfolios may not be diversified among a wide range of types of securities or other investments, industry, geographic or sector areas. Further, the Fund Clients' portfolios may not be diversified among a wide range of issuers. Accordingly, the Fund Clients' portfolios may be subject to more rapid changes in value than would be the case if the Fund Client were required to maintain a broader diversification among types of securities, industry, geographic or sector areas or other investments or issuers. Limited diversity could expose the Fund Clients to losses disproportionate to those incurred by the

market in general if the areas in which the Fund Clients' investments are concentrated are disproportionately adversely affected by price movements in those financial instruments or assets.

Special Situations. The Fund Clients (or the Underlying Funds) may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or will result in a distribution of cash or a new security the value of which will be less than the price the Fund Clients (or the Underlying Funds) paid for the security. Similarly, if an anticipated transaction does not in fact occur, the Fund Clients (or the Underlying Funds) may be required to sell their investments at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which the Fund Clients (or the Underlying Funds) may invest, there is a potential risk of loss by the Fund Clients (or the Underlying Funds) of their entire investments in such companies. Such investments could, in certain circumstances, subject the Fund Clients (or the Underlying Funds) to certain additional potential liabilities that may exceed the value of the Fund Clients (or the Underlying Funds) original investment therein. Under certain circumstances, payments to the Fund Clients (or the Underlying Funds) and distributions by the Fund Clients (or the Underlying Funds) to its investors may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment, or similar transaction under applicable bankruptcy and insolvency laws. Furthermore, investments in restructurings may be adversely affected by local statutes relating to, among other things, fraudulent conveyances voidable preferences lender liability and the bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims.

Competition; Availability of Investment Opportunities. Certain markets in which the Fund Clients (or the Underlying Funds) invest are extremely competitive for attractive investment opportunities and, as a result, there may be reduced expected investment returns. There can be no assurance that UMBFW or the Third-Party Managers will be able to identify or successfully pursue attractive investment opportunities in such environments. Among other factors, competition for suitable financial instruments from other pooled investment vehicles, the public and private equity markets and other investors may reduce the availability of investment opportunities. There has been significant growth in the number of firms organized to make such investments, which may result in increased competition to the Fund Clients (or the Underlying Funds) in obtaining suitable financial instruments. There may also be competition to sell financial instruments. If many investment funds that pursue similar strategies were forced to liquidate positions at the same time, market liquidity would be reduced, which may cause prices to drop, volatility to increase and Fund Client and Underlying Fund losses to be exacerbated.

Competing Activities; Other Clients. Other vehicles and/or officers, principals, affiliates, members, employees or directors of UMBFW, their respective family members or any estate planning vehicles or trusts established by or for the benefit of such persons or any of their respective affiliates have in the past invested, may invest with the Third-Party Managers, which may be subject to better terms than the Fund Clients' investment with such Third-Party Managers. In this regard, UMBFW may make different decisions with respect to the Fund Clients' investments than decisions that may be made for other accounts managed by affiliates of, and/or entities or individuals related to UMBFW that also hold such securities, including whether such

clients will participate in any follow-on investments or exercise any rights of first refusal to which it is entitled, if any. In addition, other vehicles and/or officers, principals, affiliates, members, employees or directors of UMBFW, their respective family members or any estate planning vehicles or trusts established by or for the benefit of such persons or any of their respective affiliates may take actions that could be adverse to the Fund Clients, including but not limited to participation in subsequent investments with Third-Party Managers at better terms than those offered to the Fund Clients, participation in subsequent investments with the Third-Party Managers that dilute the Fund Clients' investment, and secondary sales of such investments in that may adversely impact the value and liquidity of the Fund Clients' investments.

Investments Longer than the Term. The Fund Clients (or the Underlying Funds) may make investments that may not be advantageously disposed of prior to the date the Fund Client (or the Underlying Fund) is dissolved, either by expiration of the Fund Client's (or the Underlying Fund's) term or otherwise. Accordingly, the Fund Client (or the Underlying Fund) may have to sell, distribute or otherwise dispose of investments at disadvantageous times as a result of their dissolution.

Leverage. Fund Clients and/or one or more of the Underlying Funds may utilize leverage, with could result in the Fund Client(s) or the relevant Underlying Fund(s), as the case may be, controlling substantially more assets than it has equity. Leverage increases returns if a Fund Client or Underlying Fund earns a greater return on investments purchased with borrowed funds than the cost of borrowing such funds. However, the use of leverage exposes the Fund Client or that Underlying Fund, as the case may be, to additional levels of risk, including: (i) greater losses from investments than would otherwise have been the case had it not borrowed to make the investments; (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions; and (iii) losses on investments where the investment fails to earn a return that equals or exceeds its cost of borrowing such funds. In the event of a sudden, precipitous drop in value of a Fund Client's or an Underlying Fund's assets, UMBFW or the Third-Party Manager, as applicable, might not be able to liquidate the Fund Client's or the Underlying Fund's assets quickly enough to repay its borrowings, further magnifying its losses. In addition, any leverage obtained, if terminated on short notice by the lender, could result in UMBFW or the Third-Party Manager, as applicable, being forced to unwind the Fund Client's or the Underlying Fund's positions quickly and at prices below what UMBFW or the Third-Party Manager deems to be fair value for such positions.

In addition, the Fund Clients and the Underlying Funds may invest in companies with high levels of debt or may be involved in leveraged buyouts. Leveraged buyouts by their nature require companies to undertake a high ratio of fixed charges to available income. The leveraged capital structure of such investments will increase the exposure of a portfolio company to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of such portfolio company or its industry. Leveraged investments are inherently more sensitive to declines in revenues and to increases in expenses and recessions, operating problems and other general business and economic risks may have a more pronounced effect on the profitability and survival of such investments. Leveraging the capital structure of a portfolio company will mean that third parties, such as banks, may be entitled to the cash flow generated by such investments prior to the Fund Clients or the Underlying Fund receiving a return. In addition, there can be no guarantee that debt facilities will be available at commercially attractive rates

throughout the term of the Fund Client or Underlying Fund or when due for refinancing such that a Fund Client or Underlying Fund or the applicable portfolio company will be exposed to less favorable terms or rates upon a refinancing, or that any facilities negotiated will be fully utilized. If a portfolio company cannot generate adequate cash flow to meet its debt obligations, the Fund Client or Underlying Fund may suffer a total loss of capital invested in such company.

Lack of Liquidity of Client Assets; Valuation by Third-Party Managers.

The Fund Clients (or the Underlying Funds) are expected to invest in private investments, and this factor may have the effect of limiting the availability of these securities for purchase by the Fund Clients (or the Underlying Funds) and may also limit the ability of the Fund Clients (or the Underlying Funds) to sell such securities at their fair value prior to termination of the Fund Clients (or the Underlying Funds) or in response to changes in the economy or financial markets. Due to securities regulations governing certain publicly traded equity securities, that ability could also be diminished with respect to equity holdings that represent a significant portion of the issuer's voting securities (particularly if the Fund Clients (or the Underlying Funds) has designated one or more directors). Thus, there can be no assurance as to the timing and amount of distributions from the Fund Clients (or the Underlying Funds). The Fund Clients (or the Underlying Funds) may make distributions in kind to investors in and such securities and instruments so distributed may not be readily marketable. UMBFW (or the Third-Party Managers) may invest in securities and other financial instruments or obligations which are thinly traded or for which no market exists and/or which are restricted as to their transferability under applicable securities laws. The sale of any such investments may be possible only at substantial discounts, and it may be extremely difficult to accurately value any such investments. This may limit the availability of these securities for purchase by the Fund Clients (or the Underlying Funds); and may also limit the ability of the Fund Clients (or the Underlying Funds) or their investors in receipt of in-kind distributions to sell such securities at their fair value. To the extent any Fund Client (or Underlying Fund) investments are not sold prior to the termination of the Fund Client (or the Underlying Fund), they may be distributed in-kind to investors at termination. The securities and instruments so distributed may not be readily marketable. Additionally, no public market exists with respect to investments in privately held companies and no assurance can be given that an initial public offering or other liquidity event will be consummated by the applicable issuer in the future. Accordingly, there may be significant liquidity restrictions related to such investments.

Further, certain securities in which UMBFW (or the Third-Party Managers) may invest may not have a readily ascertainable market price and will be valued by UMBFW (or the Third-Party Managers). In this regard, a Third-Party Manager may face a conflict of interest in valuing the securities, as their value will affect UMBFW's (or the Third-Party Manager's) compensation. Although UMBFW will review the valuation procedures used by all Third-Party Managers, UMBFW will not be able to confirm the accuracy of valuations provided by Third-Party Managers. In addition, the net asset values or other valuation information received by UMBFW from an investment fund will typically be estimates, subject to revision at the end of each investment fund's annual audit.

Custody and Prime Brokerage Risk. There are risks involved in dealing with the custodians or prime brokers who settle UMBFW's and the Third-Party Manager's trades. Although UMBFW expects the Third-Party Managers to monitor their respective prime brokers, there is no guarantee



that such prime brokers, or any other custodian will not become bankrupt or insolvent. While both the U.S. Bankruptcy Code and the Securities Investor Protection Act of 1970 seek to protect customer property in the event of a bankruptcy, insolvency, failure, or liquidation of a broker-dealer, there is no certainty that, in the event of a failure of a broker-dealer that has custody of a Fund Client's or Underlying Fund's assets, the Fund Client or Underlying Fund would not incur losses due to its assets being unavailable for a period of time, the ultimate receipt of less than full recovery of its assets, or both.

The Fund Clients or the Underlying Funds may appoint sub-custodians in certain non-U.S. jurisdictions to hold the assets of a Fund Client or Underlying Fund. A custodian may not be responsible for cash or assets which are held by sub-custodians in certain non-U.S. jurisdictions, nor for any losses suffered by a Fund Client or Underlying Fund as a result of the bankruptcy or insolvency of any such sub-custodian. The Fund Clients or Underlying Funds may therefore have a potential exposure on the default of any sub-custodian and, as a result, many of the protections that would normally be provided to a fund by a custodian may not be available to the Fund Clients or the Underlying Funds. Under certain circumstances, including certain transactions where fund assets are pledged as collateral for leverage from a non-broker-dealer custodian or a non-broker-dealer affiliate of the prime broker, or where fund assets are held at a non-U.S. custodian, the securities and other assets deposited with the custodian or broker may not be clearly identified as being assets of the relevant fund and hence the fund could be exposed to a credit risk with regard to such parties. Custody services in certain non-U.S. jurisdictions remain undeveloped and, accordingly, there is a transaction and custody risk of dealing in certain non-U.S. jurisdictions. Given the undeveloped state of regulations on custodial activities and bankruptcy, insolvency, or mismanagement in certain non-U.S. jurisdictions, the ability of UMBFW and the Third-Party Managers to recover assets held by a sub-custodian in the event of the sub-custodian's bankruptcy or insolvency could be in doubt, as UMBFW and the Third-Party Managers may be subject to significantly less favorable laws than many of the protections that would be available under U.S. laws. In addition, there may be practical or time problems associated with enforcing certain rights to its assets in the case of a bankruptcy or insolvency of any such party.

Limited Withdrawal and Transfer Rights. Due to the fact that the Fund Clients and the Third-Party Managers may not permit withdrawals, an investment with the Third-Party Managers is relatively illiquid investment and involves a high degree of risk.

Unspecified Investments. UMBFW (or the Third-Party Managers) seek to identify suitable investments consistent with the applicable client's investment objectives. Clients do not have the opportunity to individually evaluate the relevant economic, financial and other information that will be utilized by UMBFW (or the Third-Party Managers) in its selection of investments or otherwise approve of such investments.

Due Diligence Risks. Before making investments, UMBFW intends to conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence and making an assessment regarding an investment, UMBFW will rely on resources available to it, including information provided by the target of the investment and, in some circumstances, third party investigations. The due diligence process may at times be subjective with respect to newly-organized companies for which only limited information is available. Accordingly, there can be no assurance that the due diligence

investigation that UMBFW will carry out with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Further, there can be no assurance that such an investigation will result in an investment being successful. UMBFW may be required to undertake its investment analyses and decisions on an expedited basis in order to take advantage of investment opportunities. Therefore, no assurance can be given that UMBFW will have knowledge of all circumstances that may adversely affect an investment.

Conflicts from Indirect Investments. The Fund Clients (or the Underlying Funds) may invest directly or through several intermediate entities (“SPVs”). Certain of the SPVs may have other investors, including investors related to one or more of the members of UMBFW (or the Third-Party Managers). Investments held through SPVs may involve risks not present in direct investments, particularly when the Fund Clients (or the Underlying Funds) participate in the SPV in conjunction with others. For example, a co-participant in an SPV might become bankrupt, or otherwise fail to fund its obligations to the SPV, and it may be difficult or undesirable for the fund to make up the shortfall from other sources in those cases.

Cybersecurity Risk. The information and technology systems of UMBFW, the Fund Clients, the Third-Party Managers, the Underlying Funds and their respective key service providers may be vulnerable to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although UMBFW has implemented various measures designed to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for UMBFW or the Third-Party Managers to make a significant investment to fix or replace them and to seek to remedy the effect of these issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of UMBFW or its client accounts and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information.

Effects of Health Crises and Other Catastrophic Events. Health crises, such as pandemic and epidemic diseases, as well as other catastrophes that interrupt the expected course of events, such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, and the public response to or fear of such diseases or events, have and may in the future have an adverse effect on clients' investments and UMBFW's operations. For example, any preventative or protective actions that governments may take in respect of such diseases or events may result in periods of business disruption, inability to obtain raw materials, supplies and component parts, and reduced or disrupted operations for client portfolio companies. In addition, under such circumstances the operations, including functions such as trading and valuation, of UMBFW and other service providers could be reduced, delayed, suspended or otherwise disrupted. Further, the occurrence and pendency of such diseases or events could adversely affect the economies and financial markets either in specific countries or worldwide.

Risk Management Failures. Although UMBFW attempts to identify, monitor and manage significant risks, these efforts do not take all risks into account and there can be no assurance that

these efforts will be effective. Moreover, many risk management techniques, including those employed by UMBFW, are based on historical market behavior, but future market behavior may be entirely different and, accordingly, the risk management techniques employed on behalf of clients may be incomplete or altogether ineffective. Similarly, UMBFW may be ineffective in implementing or applying risk management techniques. Any inadequacy or failure in risk management efforts could result in material losses to clients.

**Systems and Operational Risk.** UMBFW relies on certain financial, accounting, data processing and other operational systems and services that are or will be employed by UMBFW and/or by third party service providers, including prime brokers, a third-party administrator, market counterparties and others. Many of these systems and services require manual input and are susceptible to error. These programs or systems may be subject to certain defects, failures or interruptions. For example, UMBFW and its clients could be exposed to errors made in the confirmation or settlement of transactions, from transactions not being properly booked, evaluated or accounted for or related to other similar disruptions in the clients' operations. In addition, despite certain measures established by UMBFW and third-party service providers to safeguard information in these systems, UMBFW, its clients and their third-party service providers are subject to risks associated with a breach in cybersecurity which may result in damage and disruption to hardware and software systems, loss or corruption of data and/or misappropriation of confidential information. Any such errors and/or disruptions may lead to financial losses, the disruption of the client trading activities, liability under applicable law, regulatory intervention and/or reputational damage.

## **Item 9 Disciplinary Information**

There have been no legal or disciplinary events to report regarding our advisory business or the integrity of our management.

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

The following companies have a relationship with UMB Family Wealth that is material to our advisory business:

UMB Financial Corporation is a bank holding company and a financial holding company. UMB Family Wealth is a wholly-owned subsidiary of UMB Financial Corporation. Certain directors, officers and associates of UMB Family Wealth are also directors and officers of UMB Financial Corporation. We rely on UMB Financial Corporation and its affiliates for administrative support, including finance, legal, compliance, human resources, business continuity, enterprise risk management, internal audit and general administrative support. These affiliations can create potential conflicts of interest. We mitigate those potential conflicts of interest through a governance committee structure and by maintaining policies and procedures.

- UMB Bank, n.a. is a national banking association, which offers a full range of banking services to commercial, retail, government and correspondent bank customers. UMB Bank, n.a. acts as custodian for some clients of UMBFW. UMB Bank, n.a. also acts as trustee for trust assets of some clients of UMBFW. Additional products and services UMB Bank, n.a. may provide to UMBFW clients include: banking and lending

products, art management, unique asset management and foundation/charitable advisory services. UMB Bank, n.a. is a wholly-owned subsidiary of UMB Financial Corporation.

- UMB Financial Services, Inc. (UMBFSI) is a registered broker-dealer and registered investment adviser that provides investment advisory services to retail clients. UMBFSI provides UMBFW with supervision and administrative services including firm and associate registration, marketing reviews and associate trading oversight. UMBFSI is a wholly-owned subsidiary of UMB Financial Corporation.
- UMB Insurance, Inc is a life and health insurance brokerage. Insurance products are made available to UMBFW clients through UMB Insurance and associates of UMBFW who hold the appropriate insurance licenses are eligible to receive a portion of any commissions earned by UMB Insurance related to the sale of fixed insurance products. UMB Insurance is a wholly-owned subsidiary of UMB Bank, n.a.
- UMB Fund Services, Inc. provides fund accounting services, as the Fund Administrator, to private funds of UMBFW. UMB Fund Services, Inc. is a wholly-owned subsidiary of UMB Financial Corporation and an affiliate to UMBFW.

While UMB Family Wealth and its associates do not receive compensation for referring Family Wealth clients to any of these affiliated entities, except for UMB Insurance, and do not receive any portion of the fees payable to such entities, these referrals present conflicts of interest since the referral may result in additional fees paid to UMB Financial Corporation as such affiliates and UMB Family Wealth are under common control and ownership of UMB Financial Corporation. Our firm always seeks to ensure that any material conflicts are addressed on a fully-disclosed basis and handled in a manner that is aligned with our clients' best interests. In addition, our firm reviews all such relationships on an ongoing basis to ensure clients are receiving competitive rates in relation to the quality and scope of the services provided.

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

UMB Family Wealth and our associates have a fiduciary obligation to our clients. Our associates have a duty to:

- Place our clients' interests over their own;
- Comply with the Code of Ethics requirements;
- Avoid actual or potential conflicts of interest (or when this is not possible, fully disclose them to the client), avoid abuse of their position of trust and responsibility and avoid taking inappropriate advantage of their position;
- Maintain the confidentiality of the security holdings and financial circumstances of clients;
- Maintain their independence in the investment decision-making process

- Comply with applicable federal and state securities laws; and
- Report any violations of this Code of Ethics promptly to the UMB Family Wealth Chief Compliance Officer.

UMB Family Wealth has adopted a Code of Ethics (“Code”) that addresses securities-related conduct of its associates and representatives. We will provide a copy of the Code to any client or prospective client upon request.

UMB Family Wealth has defined two categories for persons subject to the Code and those categories are Supervised Persons and Access Persons. All Supervised Persons are subject to this Code of Ethics. For UMB Family Wealth, a “Supervised Person” includes:

- All UMB Family Wealth associates performing investment advisory activities or having access to investment advisory activities information.
- All associates with an active investment adviser license through UMB Family Wealth; and

Supervised Persons, while acting as a fiduciary in an investment advisory capacity, have an affirmative duty of care, loyalty, honesty, and good faith to act in the best interests of their clients. This duty is best served by avoiding conflicts of interest and, where this is not possible, by fully disclosing all material facts concerning any conflict that arises with respect to any client. A “conflict of interest” occurs when UMB Family Wealth’s or an individual’s personal interests interfere or appear to interfere with the interests of the clients. A conflict may arise when a person takes actions or has interests that make it difficult to objectively and effectively perform his or her duties with respect to the client. Conflicts of interest may also arise when a person receives improper benefits, or members of his or her family receive improper personal benefits resulting from his or her position. For example:

- Supervised Persons should not favor the interests of one client over another client. Inappropriate favoritism of one client over another client constitutes a breach of fiduciary duty.
- A Supervised Person is prohibited from recommending, implementing or considering any securities transaction for a client without disclosing to the Chief Compliance Officer (CCO”) his or her material beneficial ownership (defined below), business or personal relationship, or other material interest in the issuer or its affiliates. If the beneficial ownership presents a material conflict, the Supervised Person cannot participate in any decision-making process regarding the purchase or sale of the securities of that issuer. Supervised Persons may purchase securities in an initial public offering, or participate in a private placement, or directly or indirectly acquire beneficial ownership in any security in a private placement, but only if they obtain prior approval from the CCO.

Certain Supervised Persons are also “Access Persons”. For UMB Family Wealth, an Access Person includes:

- An individual who makes, participates in, or obtains information regarding client transactions;

- An individual whose functions relate to making any recommendations with respect to purchases or sales by clients; or
- An individual who has access to nonpublic information regarding the portfolio holdings of funds the adviser or an affiliate manages is considered an Access Person.

Access Persons are required to submit to the CCO a report of all holdings in reportable securities of which they have beneficial ownership within 10 days of becoming an Access Person and at least once for each 12-month period thereafter as prompted by the CCO.

Access Persons are also required to report quarterly all accounts containing reportable securities that they own either directly or beneficially. The CCO is responsible for reviewing the initial and annual holdings reports, quarterly transaction reports, and the dissemination, verification of receipt and recording of the initial, annual and any amended acknowledgement of the Code of Ethics certifications. Access Persons' trading activities will be reviewed by the CCO for abusive practices as outlined in the UMB Family Wealth Compliance Manual and UMB Family Wealth Supervisory Policies and Procedures.

## **Item 12 Brokerage Practices**

### Family Clients

UMB Financial Services, Inc. is a broker-dealer under common control with UMB Family Wealth. UMBFW does not recommend UMBFSI for execution of client trades. Clients are free to choose the broker-dealer of their choice for custody and clearing of their investment accounts. UMBFW has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides UMBFW with Fidelity's "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like UMBFW in conducting business and in serving the best interests of their clients but that may benefit UMBFW.

We seek to obtain the best overall quality execution for our clients, which we consider to be the most favorable under prevailing circumstances. In addition to cost, best overall quality execution includes qualitative factors such as the character of the market for the security (considering price, volatility, and relative liquidity), the size and type of transaction, and the preferred custodian's overall level of service, technology and accessibility.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables UMBFW to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

As part of the arrangement, Fidelity also makes available to UMBFW, at no additional charge to UMBFW, certain research and brokerage services, including research services obtained by Fidelity

directly from independent research companies, as selected by UMBFW (within specified parameters). These research and brokerage services are used by UMBFW to manage accounts for which UMBFW has investment discretion. Without this arrangement, UMBFW might be compelled to purchase the same or similar services at its own expense.

As a result of receiving such services for no additional cost, UMBFW may have an incentive to continue to use or expand the use of Fidelity's services. UMBFW examined this potential conflict of interest when it chose to enter into the relationship with Fidelity and has determined that the relationship is in the best interests of UMBFW's clients and satisfies its client obligations, including its duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where UMBFW determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although UMBFW will seek competitive rates, to the benefit of all clients, it may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by UMBFW will generally be used to service all of UMBFW's clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. UMBFW and Fidelity are not affiliates, and no broker-dealer affiliated with UMBFW is involved in the relationship between UMBFW and Fidelity.

### Fund Clients

To the extent the Fund Clients invest in any publicly-traded securities, UMBFW will be authorized to determine the broker-dealer to be used for each securities transaction. In those instances, UMBFW will consider a number of factors in selecting a broker-dealer to execute such transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation, but UMBFW need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Such factors will include, without limitation, reputation, financial strength and stability, creditworthiness, efficiency of execution and error resolution, the actual executed price and the commission, research (including economic forecasts, fundamental and technical advice on securities, valuation advice on market analysis); custodial and other services provided for the enhancement of UMBFW's portfolio management capabilities; the size and type of the transaction; the difficulty of execution and the ability to handle difficult trades; and the operational facilities of the brokers and/or dealers involved (including back office efficiency). It is not UMBFW's practice to negotiate "execution only" commission rates, thus the Fund may be deemed to be paying for research, brokerage or other services provided by a broker-dealer which are included in the commission rate. UMBFW's CCO will periodically evaluate any broker-dealers used by UMBFW to execute trades for its Fund Clients using the foregoing factors.

## **Item 13 Review of Accounts**

### Family Clients

UMB Family Wealth's portfolio managers are primarily responsible for reviewing and managing client accounts in accordance with client investment objectives and guidelines as agreed upon in the Investment Policy Statement. Various members of the UMBFW Investment Committee are responsible for establishing procedures for the review of client accounts for consistency with the Investment Policy Statement. Portfolio managers review client accounts at least quarterly and monitor portfolio position weightings compared to other portfolios using a similar investment strategy. UMB Family Wealth provides clients with periodic reports that include account holdings, portfolio commentary and performance information. Other information may be included as agreed to between us and the client. These performance reports are provided on a quarterly basis.

### Fund Clients

Each investor in the Fund Clients will receive such reports from the Fund Client as set forth in the Offering Documents.

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

UMB Family Wealth does not pay referral fees to UMB Bank, n.a. or other affiliates of UMB Family Wealth, to associates of UMB Bank, n.a. or associates of other affiliates of UMB Family Wealth, or to other entities or individuals for referrals of clients to UMB Family Wealth.

## **Item 15 Custody**

### Family Clients

UMB Family Wealth will be deemed to have custody of certain client assets when it directly debits advisory fees from your investment accounts and/or when your custodian is affiliated with us (such as UMB Bank, n.a.). It will also be deemed to have custody of certain client accounts if and when its associates or UMB Bank, n.a. serve as trustees on such accounts, and if clients have authorized standing letters of authorization for UMB Family Wealth to transfer assets from the client's custodial account to a different titled third-party account. In all these cases, we will confirm that your assets are held with a qualified custodian in accordance with Rule 206(4)-2 of the Investment Advisers Act of 1940 (Custody Rule). The custodian will send quarterly, or more frequent, account statements to you directly, and we urge you to carefully review those statements. If you also receive account statements from us, we urge you to compare the account statements you receive from your qualified custodian with the account statements you receive from us.

### Fund Clients

Upon the establishment of the Fund Clients, UMBFW may be deemed to have custody of the Fund Clients' assets. In addition, an affiliate of UMBFW is expected to be deemed to have custody of the Fund Clients' assets due to such affiliate serving as the Fund Clients' general partner. UMBFW and such affiliate intend to comply with the Custody Rule by meeting the conditions of the pooled vehicle annual audit provision thereunder.



## **Item 16 Investment Discretion**

### Family Clients

When UMB Family Wealth has been given investment discretion over an account, we have the sole authority to buy and sell securities in your account or designate authority to third-party managers without having to consult with you before a trade. Our discretionary authority is provided by you through a limited power of attorney that is usually contained in the agreement that you sign with us. Our discretionary authority is customarily limited only by the investment guidelines or restrictions that you place on your account. Additionally, you may direct the purchase, sale or retention of specific securities for certain purposes, such as tax management or opening or closing your account.

### Fund Clients

UMBFW will have discretionary authority to manage the Fund Clients' assets upon their commencement of operations. Any limitations on such discretionary authority will be set forth in the Offering Documents.

## **Item 17 Voting Client Securities**

### Family Clients

UMB Family Wealth does not vote client proxies. All proxy materials are sent directly from the custodian or transfer agent to the client. Clients understand and agree that they retain the right to vote all proxies which are solicited for securities held in their accounts. Any proxy solicitation inadvertently received by us will be immediately forwarded to the client for their evaluation and decision. However, we will assist a client with any questions that he/she may have about a certain proxy vote.

### Fund Clients

To the extent UMBFW has been delegated proxy voting authority on behalf of a Fund Client, UMBFW will comply with its proxy voting policies and procedures designed to ensure that, in cases where UMBFW votes proxies with respect to a client's securities, such proxies are voted in the best interests of the client.

If a material conflict of interest between UMBFW and a client exists, UMBFW will determine whether voting in accordance with the guidelines set forth in its proxy voting policies and procedures is in the best interests of the client, or UMBFW will take some other appropriate action.

Clients may obtain a copy of UMBFW's proxy voting policies and procedures, as well as information about how UMBFW voted a client's proxies by contacting us at (303) 839-2290.

**Item 18 Financial Information**

UMB Family Wealth does not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance and, thus, has not included a balance sheet of its most recent fiscal year. UMB Family Wealth is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients, nor has UMB Family Wealth been the subject of a bankruptcy petition at any time during the past ten years.