

## Item 1 – Cover Page

### **Korea Investment Management Co., Ltd.**

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This disclosure brochure provides information about the qualifications and business practices of Korea Investment Management Co., Ltd. (Also referred to as we, us and KIM throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact Allan Kim at [t\\_kimfunds@koreainvestment.com](mailto:t_kimfunds@koreainvestment.com) or [allankim@koreainvestment.com](mailto:allankim@koreainvestment.com). The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Korea Investment Management is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm's information on this website by searching for Korea Investment Management Co., Ltd. or our firm's CRD number 173361.

\*Registration as an investment adviser does not imply a certain level of skill or training.

## **Item 2 – Material Changes**

Since our last annual amendment was filed in March 2020, the following material change has been made to this brochure:

- The firm moved its office location to the address referenced on the cover page of this brochure.

KIM will ensure that you receive a summary of any material changes to this and subsequent Disclosure Brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes no later than April 30 each year. At that time, we will also offer a copy of the most current Disclosure Brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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## **Item 4 – Advisory Business**

Korea Investment Management Co., Ltd. is an investment adviser registered with the United States Securities and Exchange Commission (“SEC”) and was initially approved as an investment adviser in January 2015. Korea Investment Management Co., Ltd. is a corporation formed under the laws of the Republic of Korea.

### **Description of Advisory Services**

The following are descriptions of the primary advisory services of KIM. Please understand that a written agreement, which details the exact terms of the service, must be signed by clients and KIM before KIM can provide clients the services described below.

**Asset Management Services** – KIM offers asset management services to separate accounts for clients in regards to exchange listed securities.

The account is managed by us based on client’s situation, investment objectives and risk tolerance. KIM actively monitors the account and provides advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the account.

### **Client Assets Managed by Korea Investment Management**

As of December 2020, KIM manages \$58,262,614,261 of discretionary assets under management in the form of multiple collective investment schemes, subadvisor services to separately managed accounts for clients.

## **Item 5 – Fees and Compensation**

### **Asset Management Services**

KIM's fees vary depending upon the nature and extent of the mandate. KIM charges investment management fees to clients as a percentage of assets under management (e.g., management and/or incentive fees). Fees are set out within the governing documents, offering documents and/or the investment management agreements between KIM and the client, as applicable. KIM does not have one fee schedule that applies to all clients. With respect to separate accounts, fees and expenses are generally assessed depending upon the size of mandate, type of strategy and unique features of the account. Certain clients may also pay KIM an incentive fee based upon an annual percentage of the net capital appreciation above a hurdle rate, if applicable. All incentive fees charged by KIM are in compliance with Rule 205-3 of the Investment Advisers Act of 1940.

In relation to separate accounts, fees will be deducted from clients’ accounts and paid directly to the firm by the qualified custodian(s) of clients’ accounts. Clients will authorize their qualified custodian(s) of their accounts to deduct fees from their accounts and pay such fees directly to KIM.

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

As described above in Item 5 – *Fees and Compensation*, KIM may charge only the qualified client a performance fee, which is based upon a share of capital gains or capital appreciation of the assets of such client.

Performance-based fee arrangements may create an incentive for portfolio manager to favor performance-based fee account over asset-based fee account and also recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. KIM strives to minimize such conflicts of interests by taking fiduciary obligation very seriously and always acting in the best interests of clients according to “Code of Ethics Summary under Item 11”.

Moreover, evaluation and compensation of portfolio managers are based solely on performances of those funds and separately managed accounts which a portfolio manager has full discretionary control of, not on performance fees earned or assets under management, etc. Such evaluation and compensation system ensures that a portfolio manager has no incentive to devote unequal time or attention to the management of one account over another or to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement, thereby treating all accounts in a manner that is fair and equitable to all.

## **Item 7 – Types of Clients**

KIM generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Banks or thrift institutions
- Pension and profit-sharing plans
- State or municipal government entities
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

Clients are required to execute a written agreement with KIM specifying the particular advisory services in order to establish a client arrangement with KIM.

### **Minimum Investment Amounts Required**

There are no minimum investment amounts or conditions required for establishing an account managed by KIM. However, all clients are required to execute an agreement for services in order to establish a client arrangement with KIM and/or the third-party money manager or the sponsor of third-party money manager platforms.

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

### **Methods of Analysis**

KIM uses the following methods of analysis in formulating investment advice:

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short).

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong and could therefore lead to an unfavorable investment decision.

To conduct analysis, KIM gathers information from financial newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, annual reports, prospectuses and company press releases.

### **Risk of Loss**

Past performance is not indicative of future results. Therefore, client should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, KIM is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through KIM's investment management program, as described below:

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If clients held common stock, or common stock

equivalents, of any given issuer, they would generally be exposed to greater risk than if they held preferred stocks and debt obligations of the issuer.

- Company Risk – When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk – When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk – Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- Management Risk – Client's investment with the firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If KIM's investment strategies do not produce the expected returns, the value of the investment will decrease.
- Currency Risks - a form of risk that originates from changes in the relative valuation of currencies. When the exchange rate between the foreign currency of an international investment and the U.S. dollar changes, it can increase or reduce client's investment return. Foreign companies trade and pay dividends in the currency of their local market. When client receives dividends or sell client's international investment, client will need to convert the cash client receives into U.S. dollars. During a period when the foreign currency is strong compared to the U.S. dollar, this strength increases client's investment return because client's foreign earnings translate into more dollars. If the foreign currency weakens compared to the U.S. dollar, this weakness reduces client's investment return because client's earnings translate into fewer dollars. In addition to exchange rates, client should be aware that some countries may impose foreign currency controls that restrict or delay client from moving currency out of a country.
- Liquidity Risk - the risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss.
- Political/Country Risk - The risk that an investment's returns could suffer as a result of political changes or instability in a country. Instability affecting investment returns could stem from a change in government, legislative bodies, other foreign policy makers, or military control.

## Item 9 – Disciplinary Information

In October 2013 KIM was found by the Korea Financial Supervisory Service to have violated the Enforcement Decree of the Financial Investment Business and Capital Markets Act, Articles 87-(4) (Prohibition of Unsound Business Conduct) – Accepting a property interest, directly or indirectly, from an investment trader or broker (including its executives and employees) in the course of business in violation of the guidelines prescribed and publicly notified by the Financial Services Commission. The firm agreed to sanction that included a fine of KRW 37,500,000 (Approximately \$37,500.00 in USD).

## Item 10 – Other Financial Industry Activities and Affiliations

KIM is **not** and does **not** have a related person that is an accountant or accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and/or a sponsor or syndicator of limited partnerships.

KIM is an independent registered investment adviser and only provides investment advisory services. However, while KIM does not sell products or services other than investment advice, its representatives may sell other products or provide services outside of their role as investment adviser representatives with KIM.

### **Affiliated Companies (firms under common ownership)**

KIM is a 100% owned subsidiary of Korea Investment Securities Co., Ltd. which is in turn owned by Korea Investment Holdings Ltd., a Korean based financial services holding company. The subsidiaries of Korea Investment Holdings Co., Ltd. include the following:

**Korea Investment Securities Co., Ltd.** – a South Korea based firm specializing in investment banking, brokerage and principal investment.

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

### **Code of Ethics Summary**

According to the *Investment Advisers Act of 1940*, an investment adviser is considered a fiduciary and has a fiduciary duty to all clients. KIM has established a Code of Ethics to comply with the requirements of Section 204(A)-1 of the *Investment Advisers Act of 1940* that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. The Code of Ethics covers all individuals that are classified as “supervised persons”. All employees, officers, directors and investment adviser representatives are classified as supervised persons. KIM requires its supervised persons to consistently act in your best interest in all advisory activities. KIM imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm’s fiduciary responsibilities to clients. The standard of conduct required is higher than ordinarily required and encountered in commercial business.



This section is intended to provide a summary description of the Code of Ethics of KIM. If clients wish to review the Code of Ethics in its entirety, they should send the firm a written request and KIM will promptly provide a copy of the Code of Ethics to them.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

KIM or associated persons of the firm may not buy or sell for their personal accounts, investment products identical to those recommended to clients. It is the express policy of KIM that all persons associated in any manner with the firm must place clients' interests ahead of their own when implementing personal investments. KIM and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with the firm unless the information is also available to the investing public upon reasonable inquiry.

KIM is now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, KIM has developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client;
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts;
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry;
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider";
- Associated persons are discouraged from conducting frequent personal trading; and
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of KIM.

Any associated person not observing KIM's policies is subject to sanctions up to and including termination.

### **Item 12 – Brokerage Practices**

If the firm assists in the implementation of any recommendations, KIM is responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in clients' best interest. When considering best execution, KIM looks at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments);

- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services);
- Financial strength, stability and responsibility;
- Reputation and integrity; and
- Ability to maintain confidentiality.

KIM exercises reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back-office services, technology and pricing of services offered.

### **Brokerage Recommendations**

If KIM assists client in the implementation of any recommendations, client will be provided the opportunity to choose the custodian/broker dealer used to manage their account. KIM is independently owned and operated and not affiliated with any custodian or Broker Dealer in the United States.

As referenced in **Item 10 - Other Financial Industry Activities and Affiliations** - KIM is under common ownership with Broker Dealers located in the Republic of Korea with offices in other Asian nations. KIM is authorized to allocate transactions for our managed accounts to Broker Dealers (including our affiliated Broker Dealers). Allocating transactions to affiliated Broker Dealers creates a conflict of interest in that there is a financial incentive to allocate transaction to the Broker Dealers that are under common ownership with KIM. This conflict is addressed by only allocating transactions to the Broker Dealer, considering 1) level of contribution of order execution to profits 2) level of brokerage commission 3) credibility and financial status of the brokerage firm and 4) level of contribution to efficient management of investment trusts.

### **Directed Brokerage**

Clients are allowed to select the broker-dealer that will be used for their accounts. Clients directing the use of a particular broker/dealer or other custodian must understand that KIM may not be able to obtain the best prices and execution for the transaction. Under a client-directed brokerage arrangement, clients may receive less favorable prices than would otherwise be the case if the client had not designated a particular broker/dealer or custodian. Directed brokerage account trades are generally placed by KIM after effecting trades for other clients of KIM. In the event that a client directs KIM to use a particular broker or dealer, KIM may not be authorized to negotiate commissions and may be unable to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to clients who direct KIM to use a particular broker or dealer versus clients who do not direct the use of a particular broker or dealer.

### **Handling Trade Errors**

KIM has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of KIM to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client is responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client is made whole and any loss resulting from the trade error is absorbed by KIM if the error is caused by KIM. If the error is

caused by the broker-dealer, the broker-dealer is responsible for handling the trade error. If an investment gain results from the correcting trade, the gain remains in the client's account unless the same error involved other client account(s) that should also receive the gains. It is not permissible for all clients to retain the gain. KIM may also confer with a client to determine if the client should forego the gain (e.g., due to tax reasons).

KIM will never benefit or profit from trade errors.

### **Block Trading Policy**

KIM may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by the firm when Korea Investment Management believes such action may prove advantageous to clients. If and when KIM aggregates client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently.

Korea Investment Management uses the pro rata allocation method for transaction allocation.

Under this procedure, pro rata trade allocation means an allocation of the trade at issue among applicable advisory clients in amounts that are proportional to the participating advisory client's intended investable assets. Korea Investment Management will calculate the pro rata share of each transaction included in a block order and assigns the appropriate number of shares of each allocated transaction executed for the client's account.

Neither KIM nor its associated persons receive any additional compensation as a result of block trades.

### **Agency Cross Transactions**

KIM's associated persons are prohibited from engaging in agency cross transactions, meaning KIM cannot act as brokers for both the sale and purchase of a single security between two different clients and cannot receive compensation in the form of an agency cross commission or principal mark-up for the trades.

## **Item 13 – Review of Accounts**

### **Account Reviews and Reviewers**

Managed accounts are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at your request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by the responsible portfolio manager with oversight by KIM's risk management and compliance teams to ensure the accounts are managed in accordance with your investment goals and objectives.

## Item 14 – Client Referrals and Other Compensation

KIM may enter into an agreement with various individuals or entities (Referring Parties) to refer clients to KIM. If a referred client enters into an investment advisory agreement with KIM, a cash referral fee may be paid to the referring party, which is based upon a percentage of the client advisory fees that are generated. The referral agreements between any referring party and KIM will not result in any charges to clients in addition to the normal level of advisory fees charged.

When a client is referred to us by a referring party, the referring party provides the client with a copy of our Disclosure Brochure as required by the *Investment Advisers Act of 1940*. The client also will complete a Solicitor's Disclosure Statement document. If the referring party is an unaffiliated registered investment adviser firm, then the client will also receive a copy of the referring party's Form ADV Part 2 Disclosure Brochure. If a referred client enters into an investment advisory agreement with KIM, a referral fee is paid to the referring party. The referral relationship will not result in clients being charged any fees over and above the normal advisory fees charged for the advisory services provided.

The referral agreements between KIM and referring parties will be in compliance with state and federal securities rules regarding paid solicitor arrangements.

*Please see Item 5, Fees and Compensation, Item 10, Other Financial Industry Activities and Affiliations and Item 12, Brokerage Practices, for additional discussion concerning other compensation.*

## Item 15 – Custody

KIM is deemed to have custody of client funds and securities whenever KIM is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody KIM will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which KIM is deemed to have custody, KIM has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from KIM. When clients have questions about their account statements, they should contact KIM or the qualified custodian preparing the statement.

## Item 16 – Investment Discretion

When providing asset management services, KIM maintains trading authorization over clients' account and can provide management services on a **discretionary** basis. When discretionary authority is granted, KIM will have the authority to determine the type of securities, the amount of securities that can be bought or

sold and the broker or dealer to be used for clients' portfolio without obtaining clients' consent for each transaction.

If clients decide to grant trading authorization on a **non-discretionary** basis, KIM will be required to contact clients prior to implementing changes in clients' account. Therefore, clients will be contacted and required to accept or reject KIM's investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, KIM will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If clients' account is managed on a non-discretionary basis, clients need to know that if KIM is not able to reach them or they are slow to respond to KIM's request, it can have an adverse impact on the timing of trade implementations and KIM may not achieve the optimal trading price.

Clients will have the ability to place reasonable restrictions on the types of investments that may be purchased in clients' account. Clients may also place reasonable limitations on the discretionary power granted to KIM so long as the limitations are specifically set forth or included as an attachment to the client agreement.

### **Item 17 – Voting Client Securities**

KIM will provide a copy of its guidelines for exercising voting right to any Client or prospective Client upon request to [kimfunds@koreainvestment.com](mailto:kimfunds@koreainvestment.com). The following is an internal guideline for exercising voting rights.

KIM may have opportunities to vote proxies for companies on behalf of Its Clients. In voting proxies, KIM is guided by general fiduciary principles. KIM's goal is to act prudently, solely in the best interest of its Clients and consistent with efforts to achieve a Client's stated objectives, including maximizing portfolio value. Where KIM has discretionary authority over securities held by its Clients it is generally viewed as having proxy voting authority to the extent permitted by applicable laws and regulations. In each such case, KIM has a duty to cast votes in the best interest of its Clients and not subrogate Clients interest to its own interest. KIM has adopted written proxy voting policies and procedures, which are designed to ensure that KIM votes proxies in the best interest of its clients and addresses how it will resolve any conflict of interest that may arise when voting proxies.

The general policy of the KIM is to vote proxy proposals amendments, consents or resolutions relating to Clients securities in a prudent manner that serves the best interest of its clients and determined by KIM in its discretion, and taking in to account relevant factors, including but not limited to; (1) the impact on the value of the securities; (2) the anticipated costs and benefits associated with the proposal; (3) the effect on liquidity; and (4) customary industry and business practices.

In addition, KIM follows procedures that are reasonably designed to identify conflicts or potential conflicts that could arise between its own interest and its Clients' interest. If it is determined that any such conflict or potential conflict is not material, KIM may vote proxies even with the existence of the conflict. If a conflict of interest or potential conflict of interest is material appropriate KIM personnel will endeavor to agree upon a method to resolve such conflict before voting proxies affected by the conflict.

## **Item 18 – Financial Information**

This *Item 18* is not applicable to this brochure. KIM does not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Therefore, KIM is not required to include a balance sheet for the most recent fiscal year. KIM is not subject to a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Finally, KIM has not been the subject of a bankruptcy petition at any time.

## **Business Continuity Plan**

KIM has a business continuity and contingency plan in place designed to respond to significant business disruptions. These disruptions can be both internal and external. Internal disruptions will impact our ability to communicate and do business, such as a fire in the office building. External disruptions will prevent the operation of the securities markets or the operations of a number of firms, such as earthquakes, wildfires, hurricanes, terrorist attack or other wide-scale, regional disruptions.

KIM's continuity and contingency plan has been developed to safeguard employees' lives and firm property, to allow a method of making financial and operational assessments, to quickly recover and resume business operations, to protect books and records, and to allow clients to continue transacting business.

The plan includes the following:

- Alternate locations to conduct business;
- Hard and electronic back-ups of records;
- Alternative means of communications with employees, clients, critical business constituents and regulators; and

KIM's business continuity and contingency plan is reviewed and updated on a regular basis to ensure that the policies in place are sufficient and operational.

## **Customer Privacy Policy Notice**

In November of 1999, the U.S. Congress enacted the Gramm-Leach-Bliley Act (GLBA). The GLBA requires certain financial institutions, such as investment advisor firms, to protect the privacy of customer information. In situations where a financial institution does disclose customer information to nonaffiliated third parties, other than permitted or required by law, customers must be given the opportunity to opt out or prevent such disclosure. KIM does not share or disclose customer information to nonaffiliated third parties except as permitted or required by law.

KIM is committed to safeguarding the confidential information of its clients. KIM holds all personal information provided by clients in the strictest confidence and it is the objective of KIM to protect the privacy of all clients. Except as permitted or required by law, KIM does not share confidential information about clients with nonaffiliated parties. In the event that there were to be a change in this policy, KIM will provide clients with written notice and clients will be provided an opportunity to direct KIM as to whether such disclosure is permissible.

To conduct regular business, KIM may collect personal information from sources such as:

- Information reported by the client on applications or other forms the client provides to KIM;
- Information about the client's transactions implemented by KIM or others; and
- Information developed as part of financial plans, analyses or investment advisory services.

To administer, manage, service, and provide related services for client accounts, it is necessary for KIM to provide access to customer information within the firm and to nonaffiliated companies with whom KIM has entered into agreements with. To provide the utmost service, KIM may disclose the information below regarding customers and former customers, as necessary, to companies to perform certain services on KIM's behalf.

- Information KIM receives from the client on applications (name, social security number, address, assets, etc.);
- Information about the client's transactions with KIM or others (account information, payment history, parties to transactions, etc.);
- Information concerning investment advisory account transactions; and
- Information about a client's financial products and services transaction with KIM.

Since KIM shares nonpublic information solely to service client accounts, KIM does not disclose any nonpublic personal information about KIM's customers or former customers to anyone, except as permitted by law. However, KIM may also provide customer information outside of the firm as required by law, such as to government entities, consumer reporting agencies or other third parties in response to subpoenas. In the event that KIM has a change to its customer privacy policy that would allow it to disclose non-public information not covered under applicable law, KIM will allow its clients the opportunity to opt out of such disclosure.