



## **Sepio Capital, LP**

### **Form ADV Part 2A – Disclosure Brochure**

**Effective: January 19, 2021**

This Form ADV 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Sepio Capital, LP (“the Advisor”). If you have any questions about the content of this Disclosure Brochure, please contact the Advisor at (415) 915-3708.

The Advisor is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about the Advisor to assist you in determining whether to retain the Advisor.

Additional information about the Advisor and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD#’s 285645, 299031 and 146340.

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## Item 2 – Material Changes

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to the Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about the Advisory Persons of the Advisor, which is provided separately from this Disclosure Brochure.

The Advisor believes that communication and transparency are the foundation of its relationship with clients and will continually strive to provide you with complete and accurate information at all times. The Advisor encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions you may have with the Advisor.

### Material Changes

The following material changes have been made to this Disclosure Brochure that the Advisor is required to disclose to Clients:

- Effective January 2021, the Advisor has withdrawn its umbrella registration.

### Future Changes

From time to time, the Advisor may amend this Disclosure Brochure to reflect changes in business practices, changes in regulations or routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to you annually and if a material change occurs in the business practices of the Advisor.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD#'s 285645, 299031 and 146340. You may also request a copy of this Disclosure Brochure at any time, by contacting the Advisor at (415) 915-3708.

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## Item 4 – Advisory Services

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### A. Firm Information

Sepio Capital, LP (“Sepio Capital” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The Advisor is organized as a limited partnership under the laws of Delaware. Sepio Capital was formed in January 2017 and became a registered investment advisor in May 2017. The Advisor is a wholly-owned subsidiary of Sepio Capital Holdings, LLC. The Advisor’s managers are Roger A. Carter, Joshua R. Carter and Donald (Brad) Edgren.

The Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by the Advisor.

### B. Advisory Services Offered

The Advisor offers investment advisory services to high net worth individuals, families, trusts, estates, charitable organizations, businesses, institutional investors and pooled investment vehicles (each referred to as a “Client”).

The Advisor serves as a fiduciary to Clients, as defined under applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. The Advisor’s fiduciary commitment is further described in the Code of Ethics. For more information regarding the Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

#### Investment Advisory Services

The Advisor provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management, planning and related advisory services. The Advisor typically offers these as a bundled advisory engagement, but may, in certain circumstances, offer them as individual services. The Advisor works closely with each Client to develop an investment strategy that seeks to achieve the goals of the Client.

The Advisor primarily utilizes either proprietary investment strategies and/or unaffiliated money managers or investment platforms (collectively “Independent Managers”) as defined below to develop Client investment portfolios, based on the complexity and needs of each particular Client.

*Proprietary Strategies* – When deemed to be in the Client’s best interest, the Advisor will recommend to Clients, based on their specific needs, that all or a portion of their investment portfolio be implemented by utilizing the Advisor’s proprietary strategies. The proprietary strategies are primarily constructed utilizing mutual funds, exchange-traded funds (“ETFs”), individual stocks and fixed income securities. The Advisor may also utilize other types of investments, as appropriate, to meet the needs of each particular Client. Additionally, the Advisor may retain legacy securities due to portfolio fit and tax considerations.

The Advisor evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process, which includes, but is not limited to, determining fair value of securities, assessing fundamental momentum and determining risk management parameters for each security in a portfolio. The Advisor’s investment strategies are primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held for less than one year to meet the objectives of the Client or due to market conditions.

All Client assets will be managed within their designated account[s] at the Custodian, pursuant to terms of the investment advisory agreement. For additional information, please see Item 12 – Brokerage Practices.

*Use of Independent Managers* – The Advisor will also recommend to Clients that all or a portion of their investment portfolio be implemented by utilizing one or more Independent Managers. In such instances, the Client may be required to authorize and enter into an advisory agreement with the Independent Manager[s] that defines the terms in which the Independent Manager[s] will provide investment management and related services. The Advisor may also assist in the development of the initial policy recommendations and managing the ongoing Client relationship. The Advisor will perform initial and ongoing oversight and due diligence over the

selected Independent Manager[s] to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests. The Client, prior to entering into an agreement with unaffiliated investment manager[s] or investment platform[s], will be provided with the Independent Manager's Form ADV Part 2A (or a brochure that makes the appropriate disclosures).

#### Private Fund Advisor Services

The Advisor serves as the investment manager to pooled investment vehicles (each a "Fund" and collectively the "Funds"). These services are detailed in the offering documents for each Fund, which include as applicable, operating agreements, private placement memorandum and/or term sheets, subscription agreements, separate disclosure documents, and all amendments thereto ("Offering Documents").

The Advisor manages each Fund based on the investment objectives, policies and guidelines as set forth in the respective Offering Documents and not in accordance with the individual needs or objectives of any particular investor therein. Each prospective investor interested in investing in a Fund is required to complete a subscription agreement in which the prospective investor attests as to whether or not such prospective investor meets the qualifications to invest in the Fund and further acknowledges and accepts the various risk factors associated with such an investment.

In general, investors in the Funds are not permitted to impose restrictions or limitations. However, the Advisor may enter into side letter agreements with one or more investors that may alter, modify, or change the terms of interest held by investors. Certain types of side letters create a conflict of interest between the Advisor and the investors in the Fund, and/or between investors themselves.

***For more detailed information on investment objectives, policies and guidelines, please refer to the respective Fund's Offering Documents.***

#### Strategic Planning and Consulting Services

The Advisor also provides strategic planning and consulting services to Clients as part of the investment advisory engagement or as a separate engagement. Services are offered in several areas of a Client's financial situation, depending on their goals, objectives and financial needs. Services are tailored to the unique needs of the Client.

Strategic planning and consulting engagements may encompass one or more areas of need, including, but not limited to, the needs of individuals and families, such as strategic investment planning, spending policy analysis, budgeting and cash flow planning, charitable giving, tax planning, insurance analysis and other financial matters.

For institutions, consulting services may include investment policy development, manager due diligence and other advisory services.

At times, the Advisor may also refer Clients to an accountant, attorney or other specialist, as appropriate for their unique situation.

For certain financial planning engagements, the Advisor will provide a written summary of Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

Strategic planning and consulting recommendations pose a conflict between the interests of the Advisor and the interests of the Client. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

#### Retirement Plan Advisory Services

The Advisor provides retirement plan advisory services on behalf of the retirement plans (each a "Plan") and the company (the "Plan Sponsor"). The Advisor's retirement plan advisory services are designed to assist the Plan Sponsor in meeting its fiduciary obligations to the Plan and its Plan Participants. Each engagement is customized to the needs of the Plan and Plan Sponsor. Services generally include:

- Vendor Analysis
- Plan Participant Enrollment and Education Tracking
- Investment Policy Statement (“IPS”) Design and Monitoring
- Investment Management
- Performance Reporting
- Ongoing Investment Recommendation and Assistance
- ERISA 404(c) Assistance
- Benchmarking Services

These services are provided by the Advisor serving in the capacity as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). In accordance with ERISA Section 408(b)(2), the Plan Sponsor is provided with a written description of the Advisor’s fiduciary status, the specific services to be rendered and all direct and indirect compensation the Advisor reasonably expects under the engagement.

### **C. Client Account Management**

Prior to engaging the Advisor to provide investment advisory services, each Client is required to enter into one or more advisory agreements with the Advisor that define the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Strategy – The Advisor, in connection with the Client, will develop a strategy targeted to achieve the Client’s investment goals and objectives.
- Asset Allocation – The Advisor will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk of each Client.
- Portfolio Construction – The Advisor will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – The Advisor will provide investment management and ongoing oversight of the Client’s portfolio.
- Strategic Planning and Consulting – For Clients engaging for investment advisory services, the Advisor provides ongoing strategic planning and related services regarding the Client’s overall financial situation.

### **D. Wrap Fee Programs**

The Advisor generally includes securities transaction fees together with investment advisory fees to provide the Client with a single, bundled fee structure. This combination of fees is typically referred to as a “Wrap Fee Program.” The Advisor customizes its investment management services for Clients. This Wrap Fee Program Brochure is included as Appendix 1 to this Disclosure Brochure solely to discuss the fees and conflicts associated with a bundled fee. The Advisor may also recommend the use of Independent Manager[s], which may deliver services through a wrap fee structure. Please see Appendix 1, which is always included with this Disclosure Brochure.

### **E. Assets Under Management**

As of December 31, 2019, the Advisor manages \$3,526,856,656 in Client assets, \$2,063,987,570 of which are managed on a discretionary basis and \$1,462,869,086 are on a non-discretionary basis. Clients may request more current information at any time by contacting the Advisor.

## **Item 5 – Fees and Compensation**

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The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client shall enter into one or more agreements that detail the responsibilities of the Advisor and the Client.

### **A. Fees for Advisory Services**

#### Investment Advisory Services

Investment advisory fees are paid monthly, in advance of each month, pursuant to the terms of the investment advisory agreement. Investment advisory fees are typically based on the market value of assets under management at the end of the prior month. Investment advisory fees typically range from 0.50% to 2.00%,

depending on the size of the relationship, the complexity of the services to be provided, reporting requirements and/or the investment strategies for the account[s].

The investment advisory fee in the first month of service is prorated from the inception date of the account[s] to the end of the first month. Fees may be negotiable at the sole discretion of the Advisor. Certain Clients may have a fixed annual fee or fixed rate fee that differs from the range above. Additionally, certain legacy Clients may pay investment advisory fees quarterly. The Client's fees will take into consideration the aggregate assets under management with the Advisor. Investment advisory fees include financial planning and consulting services, unless separately engaged for financial planning and consulting services. All securities held in accounts managed by the Advisor will be independently valued by the Custodian. The Advisor will not have the authority or responsibility to value portfolio securities.

*Use of Independent Managers* – As noted in Item 4, the Advisor will implement all or a portion of a Client's investment portfolio utilizing one or more Independent Managers. To eliminate any conflict of interest, the Advisor does not earn any compensation from an Independent Manager. The Advisor will only earn its investment advisory fee as described above. Independent Managers typically do not offer any fee discounts but may have a breakpoint schedule which will reduce the fee with an increased level of assets placed under management with an Independent Manager. The terms of such fee arrangements are included in the Independent Manager's disclosure brochure and applicable contract[s] with the Independent Manager. The total blended fee, including the Advisor's fee and the Independent Manager's fee, will not exceed 2.00% annually.

#### Private Fund Advisor Services

Fees for the Funds are paid quarterly, in advance of each calendar quarter, pursuant to the terms of the Funds' operating agreements and subscription documents. The Advisor may charge an investment management fee at an annual rate of up to 2.00%. Additionally, the Advisor may also charge performance-based fees as outlined in Item 6 below. ***For more detailed information on the fees and compensation received by the Advisor and its affiliates, please refer to the respective Fund's Offering Documents.***

#### Strategic Planning and Consulting Services

If provided as a separate engagement, strategic planning and consulting services are offered on a fixed fee basis. Fees may be negotiable depending on the nature and complexity of each Client's circumstances. An estimate for total costs will be determined prior to engaging for these services.

#### Retirement Plan Advisory Services

Fees for retirement plan advisory services are charged an annual asset-based fee of up to 1.00%, billed monthly in advance of each month, pursuant to the terms of the agreement. Retirement plan advisory fees are based on the market value of assets under management at the end of the prior month. Fees may be negotiable depending on the size and complexity of the Plan.

### **B. Fee Billing**

#### Investment Advisory Services

Investment advisory fees will be calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor or its delegate shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the respective month-end date. The amount due is calculated by applying the monthly rate (annual rate divided by the number of days in the year, multiplied by the number of days in the month) to the total assets under management with the Advisor at the end of the prior month. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting the Advisor to be paid directly from their accounts held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

*Use of Independent Managers* – For Client accounts implemented through an Independent Manager, the Client's overall fees may include the Advisor's investment advisory fee (as noted above) plus investment management fees and/or platform fees charged by the Independent Manager[s], as applicable. In certain instances, the Independent Manager or the Advisor may assume responsibility for calculating the Client's fees and deduct all fees from the Client's account[s].



#### Private Fund Advisor Services

The amount due to the Advisor for management of the Funds is calculated by applying the quarterly rate (annual rate divided by the number of days in the year, multiplied by the number of days in the quarter) to the net invested capital or net asset value, pursuant to the operating agreements and subscription documents. **For more detailed information on the fee methodology, please refer to the respective Fund's Offering Documents.**

#### Strategic Planning and Consulting Services

Strategic planning and consulting fees are invoiced upon receipt of the agreed upon deliverable[s].

#### Retirement Plan Advisory Services

Fees may be directly invoiced to the Plan Sponsor or deducted from the assets of the Plan, depending on the terms of the retirement plan advisory agreement.

### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties, other than the Advisor, in connection with investments made on behalf of the Client's account[s]. The Advisor typically includes securities transactions costs as part of its overall advisory fees through the Advisor Wrap Fee Program. Please see Item 4.D. above as well at Appendix 1 – Wrap Fee Program Brochure.

The investment advisory fee shall include securities transaction fees for trading in the account[s], except for Client-directed trades, non-managed accounts and assets excluded from the Advisor's billing. In these instances, the Client shall be responsible for securities transaction fees. Securities transaction fees may be billed to the Client by Independent Managers based on the fee methodology and agreements with the respective manager.

In addition, all fees paid to the Advisor for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. The Client should review both the fees charged by the fund[s] and the fees charged by the Advisor to fully understand the total fees to be paid.

#### Private Fund Advisor Services

Investors in the Funds may incur certain fees or charges imposed by third parties, in connection with investments made on behalf of the Funds. The Funds [and indirectly investors] are responsible for all custody and securities execution fees charged by the Custodian and executing broker-dealer, if applicable. The fees charged by underlying investments are also indirectly included in the value of an Investor's account. **Additional details regarding management fees and performance allocations are included the Funds' Operating Agreements and Confidential Private Placement Memorandum.**

### **D. Advance Payment of Fees and Termination**

#### Investment Advisory Services

The Advisor is compensated for its investment advisory services in advance of each month in which services are rendered. Either party may terminate the investment advisory agreement, at any time, by providing advance written notice to the other party. Upon termination, the Advisor will promptly refund any unearned, prepaid fees to the Client. The Client's investment advisory agreement with the Advisor is non-transferable without the Client's prior consent.

*Use of Independent Managers* – In the event that a Client should wish to terminate their relationship with an Independent Manager, the Advisor will either assist the Client in transitioning assets to a different affiliated and/or unaffiliated manager, or the terms for termination will be set forth in the respective agreements between the Client and those third parties.

#### Private Fund Services

The Advisor is compensated in advance of the quarter in which private fund services are rendered. If an investor withdraws from a Fund, the Advisor will refund any unearned portion of any advance payment back to the Fund.



***For more detailed information on the fees and compensation received by the Advisor and its affiliates, please refer to the respective Fund's Offering Documents.***

#### Strategic Planning and Consulting Services

The Advisor is compensated for its strategic planning and consulting services upon completion of the engagement deliverable[s]. Either party may terminate the strategic planning and consulting agreement, at any time, by providing advance written notice to the other party. Upon termination, the Client shall be responsible for fees based on the percentage of the engagement completed. The Client's strategic planning and consulting agreement with the Advisor is non-transferable without the Client's prior consent.

#### Retirement Plan Advisory Services

The Advisor is compensated for its retirement plan advisory services in advance of each month in which services are rendered. Either party may terminate the retirement plan advisory agreement, at any time, by providing advance written notice to the other party. Upon termination, the Advisor will refund any unearned, prepaid retirement plan advisory fees from the effective date of termination to the end of the month. The Client's retirement plan advisory agreement with the Advisor is non-transferable without the Client's prior consent.

#### **E. Compensation for Sales of Securities**

The Advisor does not buy or sell securities and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

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

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The Advisor, in specific investment strategies or Client situations, will receive a performance fee based upon specific gains obtained in the accounts of "Qualified Clients," as defined in Item 7 below, pursuant to the terms of the investment advisory agreement. Performance-based fees are in addition to the investment advisory fee described in Item 5 above.

For accounts subject to performance-based fees, at the end of each fiscal year, the capital appreciation in the Client's account[s] will be calculated by the Advisor or its delegate. If the appreciation exceeds a predetermined benchmark or absolute rate, the Client will be subjected to an additional performance-based fee rate.

In other circumstances, a performance-based fee engagement can be entered into to allow for the charging of an annual percentage of capital appreciation of such Qualified Client's Gross Assets, subject to certain terms, such as a high water mark or hurdle rate, of any gains in the Client account during the preceding year. The terms for the Client specific performance-based fee engagement will be set forth in each Qualified Clients' investment advisory agreement.

Client should understand that certain conflicts of interest exist due to performance-based fee arrangements, which include the fact that it creates a financial incentive for the Advisor to make investments that are more risky or more speculative than might otherwise be the case in the absence of such arrangement. To mitigate the conflict, the performance-based fees are structured so that certain performance hurdles must be met in order to receive the fee. Importantly, as part of the Advisor's fiduciary duty, the Advisor must act in the best interest of its Clients.

Regarding side-by-side management, the Advisor receives different types of fees, such as asset-based and performance-based fees. Managing Clients that are charged different types of fees creates conflicts of interest between the Advisor and its Clients, in addition to the ones listed above. For example, charging performance-based fees could incentivize the Advisor to allocate more favorable investments to those Clients being charged a performance-based fee. The Advisor has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple types of Clients, including Clients with multiple fee arrangements, and the allocation of investment opportunities.

### **Item 7 – Types of Clients**

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The Advisor offers investment advisory services to high net worth individuals, families, trusts, estates, charitable organizations, businesses, institutional investors and pooled investment vehicles. The asset levels of each type of Client is available on the Advisor's Form ADV Part 1A. These amounts may change over time and are updated at least annually by the Advisor.

The Advisor does not impose a size constraint for establishing a relationship, but does tailor its services to high net worth individuals. Additionally, the Funds have minimum investments that vary based on different strategies ranging up to \$250,000.

#### Private Fund Advisor Services

Generally, the investors in the Funds meet the definition of "accredited investor" as defined in the Securities Act of 1933 and "qualified client" as defined in the Advisers Act. The various requirements for investing in a Fund, including the minimum investment size, are set forth in each Fund's Offering Documents. The Advisor has the ability, in its sole discretion, to permit commitments below the minimum amounts set forth in the Offering Documents.

#### Who is a "Qualified Client"?

Rule 205-3(d)(1) of the Adviser's Act defines a "Qualified Client" as:

- I. A natural person who, or a company that, immediately after entering into the contract has at least \$1,000,000 under the management of the investment advisor;
- II. A natural person who, or a company that, the investment advisor entering into the contract (and any person acting on his behalf) reasonably believes, immediately prior to entering into the contract, either:
  - a. Has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than \$2,000,000.
  - b. Is a qualified purchaser as defined in section 2(a)(51)(A) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(51)(A)) at the time the contract is entered into; or
- III. A natural person who immediately prior to entering into the contract is:
  - a. An executive officer, director, trustee, general partner, or person serving in a similar capacity, of the investment adviser; or
  - b. An employee of the investment adviser (other than an employee performing solely clerical, secretarial or administrative functions with regard to the investment adviser) who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar functions or duties for or on behalf of another company for at least 12 months.

#### Who is an "Accredited Investor"?

Rule 501 of the Securities Act defines an "Accredited Investor" as any person who comes within any of the following categories, or who the issuer reasonably believes comes within any of the following categories, at the time of the sale of the securities to that person:

- I. Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance company as defined in section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered

- investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- II. Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;
  - III. Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
  - IV. Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;
  - V. Any natural person whose individual net worth, or joint net worth with that person's spouse, exceeds \$1,000,000;
  - VI. Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
  - VII. Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in §230.506(b)(2)(ii); and
  - VIII. Any entity in which all of the equity owners are accredited investors.

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

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### **A. Methods of Analysis**

The Advisor primarily employs fundamental analysis in developing investment strategies for its Clients. Research and analysis from the Advisor are derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

*Fundamental analysis* utilizes economic and business indicators as investment selection criteria. These criteria generally consist of ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have a negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

As noted above, the Advisor generally employs a long-term investment approach for its Clients, as consistent with their financial goals. The Advisor will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, the Advisor may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

### **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. The Advisor will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that Clients will meet their investment goals.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account[s]. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Following are some of the risks associated with the Advisor's investment approach:

#### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

#### ETF Risks

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs have a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

#### Mutual Fund Risks

The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

#### Private Collective Investment Vehicles

The Advisor recommends that certain clients invest in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments that may be traded and no requirement to diversify. Hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, they are much less regulated than investment companies. There are numerous other risks in investing in these securities. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

### **Item 9 – Disciplinary Information**

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There are no legal, regulatory or disciplinary events involving the Advisor or its management persons. The Advisor values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider with whom the Client engages. The backgrounds of the Advisor and its Advisory Persons are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD#'s 285645, 299031 and 146340.

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

#### Sepio Capital Management GP, LLC

The Advisor is affiliated and under common control with Sepio Capital Management GP, LLC (SCM GP). SCM GP serve as the general partner to certain Funds managed by the Advisor. Due to the affiliation, the Advisor has an incentive to recommend investments in the Funds as owners will benefit financially in their individual capacity through the receipt of additional revenue. The conflict is mitigated by an internal policy mandating that the Advisor will not charge a separate investment advisory fee for the management of the assets placed in the Funds. Additionally, there is no requirement for the Advisor to recommend the Funds to Clients, nor are Clients obligated to invest into Funds.

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

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### **A. Code of Ethics**

The Advisor has implemented a Code of Ethics (the “Code”) that defines the Advisor’s fiduciary commitment to each Client. This Code applies to all persons associated with the Advisor (“Supervised Persons”). The Code was developed to provide general ethical guidelines and specific instructions regarding the Advisor’s duties to each Client. The Advisor and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of the Advisor’s Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of the Code of Ethics, please contact the Advisor at (415) 915-3708.

### **B. Personal Trading with Material Interest**

The Advisor allows the purchase or sale of the same securities that may be recommended to and purchased on behalf of Clients. The Advisor does not act as principal in any transactions. The Advisor does not have a material interest in any securities traded in Client accounts.

### **C. Personal Trading in Same Securities as Clients**

The Advisor allows the purchase or sale of the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities that the Advisor recommends (purchase or sell) to Clients presents a conflict of interest that, as fiduciaries, the Advisor must disclose to Clients and mitigate through policies and procedures. As noted above, the Advisor has adopted a Code of Ethics, which addresses insider trading (material nonpublic information controls) and personal securities reporting procedures. When trading for personal accounts, Supervised Persons of the Advisor have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by the Advisor requiring reporting of personal securities trades by its employees for review by the Chief Compliance Officer (“CCO”). The Advisor has also adopted written policies and procedures to detect the misuse of material, nonpublic information.

### **D. Personal Trading at Same Time as Client**

While the Advisor allows the purchase or sale of the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. **At no time will the Advisor transact in any security to the detriment of any Client.**

## **Item 12 – Brokerage Practices**

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### **A. Recommendation of Custodian[s]**

The Advisor does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the “Custodian”) to safeguard Client assets and authorize the Advisor to direct trades to the Custodian as agreed upon in the investment advisory agreement. Furthermore, the Advisor does not have the discretionary authority to negotiate commissions on behalf of Clients on a trade-by-trade basis.

While the Advisor does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using a broker-dealer/custodian not recommended by The Advisor. The Advisor may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, its overall reputation and/or the location of the Custodian’s offices. The Advisor does not receive research services, other products, or compensation as a result of recommending a particular broker-dealer/custodian that may result in the Client paying higher commissions than those obtainable through other broker-dealer/custodians. The Advisor will generally recommend that Clients establish their account[s] at Fidelity Family Office Services, a division of Fidelity Brokerage Services LLC and related entities and related entities of



Fidelity Investments, Inc. (collectively “Fidelity”). Fidelity is an unaffiliated SEC-registered broker-dealer and FINRA member. Fidelity will serve as the Client’s “qualified custodian.” The Advisor maintains an institutional relationship with Fidelity, whereby the Advisor receives economic benefits from Fidelity. Please see Item 14 below.

#### Private Fund Advisor Services

Given the nature of the Funds’ investment programs, the Advisor may utilize broker-dealers in conducting its portfolio transactions. In selecting brokers for the Funds’ portfolio transactions, the Advisor will seek to obtain best execution for the Funds, taking into account, without limitation, the following factors: the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); the operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution; the financial strength, integrity and stability of the broker; the broker’s risk in positioning a block of securities; the quality, comprehensiveness and frequency of available research and information considered to be of value; and the competitiveness of spreads and commission rates in comparison with other brokers satisfying the Advisor’s other selection criteria.

Following are additional details regarding the brokerage practices of the Advisor:

**1. Soft Dollars** – Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. The Advisor does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor does receive certain economic benefit from the Custodian as described in Item 14 below.

**2. Brokerage Referrals** – The Advisor does not receive any compensation from any third party in connection with the recommendation for establishing an account.

**3. Directed Brokerage** – All Clients are serviced on a “directed brokerage basis,” where the Advisor will place trades within the established account[s] at the Custodian designated by the Client. Furthermore, all Client accounts are traded within their respective account[s], unless instructed otherwise by the Client. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor’s own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client’s account[s]). The Advisor will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

#### **B. Aggregating and Allocating Trades**

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of the order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. The Advisor will execute its transactions through the Custodian as designated by the Client, unless otherwise instructed. The Advisor may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular Client accounts.

#### Private Fund Services

As each of the Funds have different underlying investments, there is generally not an opportunity to aggregate orders among the Funds. To the extent that more than one investment opportunity is suitable for multiple Funds, the Advisor will seek to allocate the opportunity in a manner that is fair and equitable to all investors in accordance with the Offering Documents of such Funds.

### **Item 13 – Review of Accounts**

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#### **A. Frequency of Reviews**

Securities in Client accounts are monitored on a regular and continuous basis by Principals of the Advisor and periodically by the CCO. Formal reviews are generally conducted at least annually or more frequently depending on the needs of the Client.

#### Private Fund Advisor Services

Security positions in the Funds are monitored on a regular and continuous basis by the Advisor.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify the Advisor if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

#### Private Fund Advisor Services

In addition to the investment monitoring noted in Item 13.A., the Funds may be reviewed as a result of major changes in economic conditions. Investors are encouraged to notify the Advisor if changes occur in their personal financial situation that might impact the appropriateness of investing in the Fund[s].

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

#### Private Fund Advisor Services

Investors in the Funds will receive statements no less than quarterly from the Administrator. These statements are sent directly from the Administrator to the Investor. The Advisor may also provide Investors with periodic reports regarding the Fund's holdings, allocations, and performance.

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

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### **A. Compensation Received by the Advisor**

The Advisor may refer Clients to various unaffiliated, non-advisory professionals (e.g. attorneys, accountants, estate planners) to provide certain financial services necessary to meet the goals of its Clients. Likewise, the Advisor may receive non-compensated referrals of new Clients from various third-parties.

#### Participation in Institutional Advisor Platform

The Advisor has established an institutional relationship with Fidelity to assist the Advisor in managing Client account[s]. Access to the Fidelity Institutional platform is provided at no charge to The Advisor. The Advisor receives access to software and related support without cost because the Advisor renders investment advisory services to Clients that maintain assets at Fidelity. The software and related systems support may benefit the Advisor, but not its Clients directly. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from the Custodian creates a conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Additionally, the Advisor may receive the following benefits from Fidelity: start-up capital; free/discounted system licensing; receipt of duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts; and access to an electronic communication network for Client order entry and account information.



## **B. Client Referrals from Solicitors**

The Advisor does not engage paid solicitors for Client referrals.

## **Item 15 – Custody**

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All Clients must place their assets with a “qualified custodian.” Clients are required to engage the Custodian to retain their funds and securities and direct the Advisor to utilize that Custodian for the Client’s security transactions. Clients should review statements provided by the Custodian and compare to any reports provided by the Advisor to ensure accuracy, as the Custodian does not perform this review. For more information about custodians and brokerage practices, see Item 12 – Brokerage Practices.

The Advisor is deemed to have custody over certain Client accounts and securities. Pursuant to securities regulations the Advisor is required to engage an independent accounting firm to perform an annual surprise examination of those assets and accounts over which the Advisor maintains custody. Any related opinions issued by an independent accounting firm are filed with the SEC and are publicly available on the SEC’s Investment Adviser Public Disclosure website (<http://adviserinfo.sec.gov>).

### Private Fund Advisor Services

The Advisor is the investment manager and general partner to the Funds. As such, the Advisor is deemed to have the ability to manage the cash and securities within the Funds. The Advisor complies with Rule 206(4)-2(b) by having each Fund audited at least annually by a PCAOB-organized and inspected accountant, and distributes audited financial statements, which are prepared in accordance with generally accepted accounting principles, to limited partners within 120 days of the end of the fiscal year of the Funds.

## Item 16 – Investment Discretion

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The Advisor generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by the Advisor. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by the Advisor will be in accordance with each Client's investment objectives and goals.

## Item 17 – Voting Client Securities

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The Advisor will accept proxy-voting responsibility for any Client. The Advisor will cast proxy votes only in a matter it believes is consistent with its fiduciary duty to Clients of the Advisor. The Advisor has engaged Institutional Shareholder Services, Inc. ("ISS"), a third-party, independent proxy advisory firm, to provide it with research, analysis, and recommendations on the various proxy proposals for the Client securities that the Advisor manages with the aim of maximizing shareholder value. In engaging ISS for that purpose, the Advisor will review as necessary, ISS's Proxy Paper Guidelines for the current proxy voting season and will approve the summary of ISS's positions on the voting positions it recommends for the types of proposals most frequently presented, including: election and composition of directors; financial reporting; compensation of management and directors; corporate governance structure and anti-takeover measures; and environmental and social risks to operations. The Advisor is in agreement with the approach ISS has set forth in its current Proxy Paper Guidelines for voting proxies. Although the Advisor, based on its approval of the positions in the Proxy Paper Guidelines, expects to vote proxies according to ISS's recommendations, certain issues may need to be considered on a case-by-case basis due to the diverse and continually evolving nature of corporate governance issues. If such cases should arise, then the Advisor will devote appropriate time and resources to consider those issues.

### Client Direction of Voting

Although most of Clients for whom the Advisor votes proxies authorize the Advisor to vote in accordance with ISS's proxy voting policy, a Client may request that the Advisor vote its proxies in accordance with a different policy. The Advisor tries to accommodate such requests. In addition, a Client may direct the Advisor to vote its securities in a particular way on a particular proposal and the Advisor will seek to do so, assuming timely receipt of the instruction.

### Conflicts of Interest in the Voting Process

In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that the Advisor maintains with persons having an interest in the outcome of certain votes, the Advisor will take appropriate steps, whether by following ISS's third-party recommendation or otherwise, to ensure that proxy voting decisions are made in what it believes is the best interest of its Clients and are not the product of any such conflict.

## Item 18 – Financial Information

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Neither the Advisor, nor its management have any adverse financial situations that would reasonably impair the ability of the Advisor to meet all obligations to its Clients. Neither the Advisor, nor any of its Advisory Persons have been subject to a bankruptcy or financial compromise. The Advisor is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.



## **Sepio Capital, LP**

### **Form ADV Part 2A Appendix 1 ("Wrap Fee Program Brochure")**

**Effective: January 19, 2021**

This Form ADV 2A, Appendix 1 ("Wrap Fee Program Brochure") provides information about the qualifications and business practices of Sepio Capital, LP ("the Advisor") when offering services where securities transaction fee are combined with investment advisory fees into single fee (a "Wrap Fee Program") If you have any questions about the content of this Wrap Fee Program Brochure, please contact the Advisor at (415) 915-3708.

The Advisor is a registered investment advisor with the U.S. Securities and Exchange Commission ("SEC"). The information in this Wrap Fee Program Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Wrap Fee Program Brochure provides information through the Advisor to assist you in determining whether to retain the Advisor.

Additional information about the Advisor and its Advisory Persons is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD#'s 285645, 299031 and 146340.

## **Item 2 – Material Changes**

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Form ADV 2 Appendix 1 provides information about a variety of topics relating to the Advisor's business practices and conflicts of interest. In particular, this Wrap Fee Program Brochure discusses wrap fee structure of the Advisor to accompany the disclosures included in the Form ADV 2A – Disclosure Brochure.

### **Material Changes**

The following material changes have been made to this Wrap Fee Program Brochure that the Advisor is required to disclose to Clients:

- Effective April 30, 2020, Sepio Capital underwent a conversion from a Limited Liability Company to a Limited Partnership with the State of Delaware.
- The Advisor's primary place of business is located at 3201 Danville Blvd., Suite 295, Alamo, CA 94507.
- As of April 2020, the Advisor has appointed Yulia Perruzzi as the Chief Financial Officer and Chief Compliance Officer.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD#'s 285645, 299031 and 146340. You may also request a copy of this Wrap Fee Program Brochure at any time, by contacting the Advisor at (415) 915-3708.

## **Item 3 – Table of Contents**

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## Item 4 – Services, Fees and Compensation

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### A. Advisory Services

The Advisor provides customized investment advisory services to high net worth individuals, families, trusts, estates, charitable organizations, businesses, institutional investors and pooled investment vehicles (each referred to as a “Client”). This Wrap Fee Program Brochure is provided as a supplement to the Advisor’s Form ADV Part 2A (“Disclosure Brochure”). This Wrap Fee Program Brochure is provided along with the complete Disclosure Brochure to provide full details of the business practices and fees when selecting the Advisor as an investment advisor.

As part of the investment advisory fees noted in Item 5 – Fees and Compensation of the Disclosure Brochure, the Advisor includes normal securities transaction fees as part of the overall investment advisory fee. Securities regulations often refer to this combined fee structure as a “Wrap Fee Program”. The Advisor sponsors the Sepio Wrap Fee Program.

The sole purpose of this Wrap Fee Program Brochure is to provide additional disclosure relating the combination of securities transaction fees into the single “bundled” investment advisory fee. This Wrap Fee Program Brochure references back to the Advisor’s Disclosure Brochure in which this Wrap Fee Program Brochure serves as an Appendix. **Please see Item 4 – Advisory Services of the Disclosure Brochure for details on the Advisor’s investment philosophy and related services.**

### B. Program Costs

Advisory services provided by the Advisor are offered in a wrap fee structure whereby normal securities transaction costs are included in the overall investment advisory fee paid to the Advisor. As the level of trading in a Client’s account[s] may vary from year to year, the annual cost to the Client may be more or less than engaging for advisory services where the transactions costs are borne separately by the Client. The cost of the Wrap Fee Program varies depending on services to be provided to each Client, however, the Client is not charged more if there is higher trading activity in the Client’s account[s]. A Wrap Fee Program structure presents a conflict of interest as the Advisor has an incentive to limit trading or to utilize securities that do not have transaction fees. To mitigate this conflict, the Advisor has entered into an asset-based pricing arrangement with the Custodian whereby all custody and brokerage fees are a flat-basis point based on level of assets at the Custodian, and not a per transaction fee. **Please see Item 5 – Fees and Compensation of the Disclosure Brochure for complete details on fees.**

### C. Fees

Investment advisory fees are paid monthly, in advance of each month, pursuant to the terms of the investment advisory agreement. Investment advisory fees are typically based on the market value of assets under management at the end of the prior month. Investment advisory fees typically range from 0.50% to 2.00%, depending on the size of the relationship, the complexity of the services to be provided, reporting requirements and/or the investment strategies for the account[s].

The investment advisory fee in the first month of service is prorated from the inception date of the account[s] to the end of the first month. Fees may be negotiable at the sole discretion of the Advisor. Certain Clients may have a fixed annual fee or fixed rate fee that differs from the range above. Additionally, certain legacy Clients may pay investment advisory fees quarterly. The Client’s fees will take into consideration the aggregate assets under management with the Advisor. Investment advisory fees include financial planning and consulting services, unless separately engaged for financial planning and consulting services. All securities held in accounts managed by the Advisor will be independently valued by the Custodian. The Advisor will not have the authority or responsibility to value portfolio securities.

Investment advisory fees will be calculated by the Advisor or its delegate and deducted from the Client’s account[s] at the Custodian. The Advisor or its delegate shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client’s account[s] at the respective month-end date. The amount due is calculated by applying the monthly rate (annual rate divided by the number of days in the year, multiplied by the number of days in the month) to the total assets under management with the Advisor at the end of the prior month. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on

the Custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting the Advisor to be paid directly from their accounts held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

Clients may incur certain fees or charges imposed by third parties in connection with investments made on behalf of the Client's account[s] which are not included as part of the Wrap Fee Program. All fees paid to the Advisor for investment advisory services or part of the Wrap Fee Program are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. Additionally, account activity fees, such as electronic funds and wire transfers fees, certificate delivery fees, markups and markdowns, bid-ask spreads, selling concessions, and other miscellaneous fees and expenses as outlined in the account opening paperwork executed with the Custodian, are generally charged to the Client. Finally, any applicable securities transaction fees for Client-directed trades may be charged back to the Client.

The Advisor does not control nor share in any of these third party fees. Clients are encouraged to review the fees charged by the fund[s], third parties, and the Advisor to fully understand the total fees to be paid. Please see Item 5.C. – Other Fees and Expenses of the Disclosure Brochure.

#### **D. Compensation**

The Advisor is the sponsor and a portfolio manager of this Wrap Fee Program. The Advisor receives investment advisory fees paid by Clients for participating in the Wrap Fee Program and pays the Custodian for the costs associated with the normal trading activity in the Client's account[s].

### **Item 5 – Account Requirements and Types of Clients**

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The Advisor offers investment advisory services to high net worth individuals, families, trusts, estates, charitable organizations, businesses, institutional investors and pooled investment vehicles. Please see Item 7 – Types of Clients of the Disclosure Brochure for additional information.

### **Item 6 – Portfolio Manager Selection and Evaluation**

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#### **Portfolio Manager Selection**

The Advisor serves as the sponsor and portfolio manager for the Advisor's Wrap Fee Program. The Advisor does not select third-party advisors to manage the Wrap Fee Program. The Advisor also serves as the sponsor in conjunction with Independent Managers for the Wrap Fee Program.

The Advisor may recommend that a Client utilize one or more unaffiliated investment managers or investment platforms (collectively "Independent Managers") for all or a portion of a Client's investment portfolio. The Advisor may also assist in the development of the initial policy recommendations and managing the ongoing Client relationship. The Advisor will perform initial and ongoing oversight and due diligence over the selected Independent Managers to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

Finally, the Advisor may recommend Independent Managers that also have their own fee structures, which may or may not include a wrap fee structure.

#### **Related Persons**

The Advisor's personnel or affiliates serve as portfolio manager[s] for services under this Wrap Fee Program. The Advisor only manages this wrap fee program and does not act as portfolio manager for any third-party wrap fee programs.

**Supervised persons**

The Advisor's Advisory Persons serve as portfolio managers for all accounts, including the services described in this Wrap Fee Program Brochure. Details of the advisory services provided are included in Item 4 – Advisory Services of the Disclosure Brochure.

**Performance-Based Fees**

The Advisor may receive a performance fee based upon specific gains obtained in the accounts of “Qualified Clients” pursuant to the terms of the investment advisory agreement. Only Qualified Clients with either \$1,000,000 under management with the Advisor or a net worth of \$2,100,000 will be charged a performance-based fee.

Qualified Clients will be charged the investment advisory fee described in Item 5 – Fees and Compensation billed monthly in advance.

For accounts subject or performance fees, at the end of each fiscal year, the capital appreciation in the Client's account[s] will be calculated by the Advisor or its delegate. If the appreciation exceeds a predetermined benchmark or absolute rate, the Client will be subjected to an additional performance-based fee rate.

In other circumstances, a performance fee engagement can be entered into to allow for the charging of an annual percentage of capital appreciation of such Qualified Client's Gross Assets, subject to certain terms, such as a high water mark or hurdle rate, of any gains in the Client account during the preceding year. The terms for the Client specific performance-based fee engagement will be set forth in each Qualified Clients' investment advisory agreement.

The receipt of a performance-based fee by certain Clients results in a conflict of interest, where the Advisor has the potential for higher compensation from a Client.

**Who is a “Qualified Client”?**

The Investment Advisers Act of 1940 (the “Advisers Act”), Rule 205-3(d)(1) defines a “Qualified Client” who is financially sophisticated and meets one or more of the following conditions:

- Client is a natural person who, or a company that, immediately after entering into the contract has at least \$1,000,000 under the management of the Advisor;
- Client is a natural person who, or a company that, immediately prior to entering into the contract has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than \$2,100,000 at the time the contract is entered into.

**Methods of Analysis**

The Advisor primarily employs fundamental analysis methods in developing investment strategies for its Clients. Please see Item 8.A – Methods of Analysis of the Disclosure Brochure for details on the Advisor's methods of analysis.

**Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. The Advisor will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account[s]. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.



The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Following are some of the risks associated with the Advisor's strategies:

#### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

#### ETF Risks

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs have a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

#### Mutual Fund Risks

The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

#### Private Collective Investment Vehicles

The Advisor recommends that certain clients invest in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments that may be traded and no requirement to diversify. Hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, they are much less regulated than investment companies. There are numerous other risks in investing in these securities. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

#### **Proxy Voting**

The Advisor may accept proxy-voting responsibility for any Client. The Advisor will cast proxy votes only in a matter it believes is consistent with its fiduciary duty to Clients of the Advisor. The Advisor has engaged Institutional Shareholder Services, Inc. ("ISS"), a third-party, independent proxy advisory firm, to provide it with research, analysis, and recommendations on the various proxy proposals for the Client securities that the Advisor manages with the aim of maximizing shareholder value. In engaging ISS for that purpose, the Advisor will review as necessary, ISS's Proxy Paper Guidelines for the current proxy voting season and will approve the summary of ISS's positions on the voting positions it recommends for the types of proposals most frequently presented, including: election and composition of directors; financial reporting; compensation of management and directors; corporate governance structure and anti-takeover measures; and environmental and social risks to operations. The Advisor is in agreement with the approach ISS has set forth in its current Proxy Paper Guidelines for voting proxies. Although the Advisor, based on its approval of the positions in the Proxy Paper Guidelines, expects to vote proxies according to ISS's recommendations, certain issues may need to be considered on a case-by-case basis due to the diverse and continually evolving nature of corporate governance issues. If such cases should arise, then the Advisor will devote appropriate time and resources to consider those issues.

Where the Advisor is responsible for voting proxies on behalf of a Client, the Client cannot direct the Advisor's vote on a particular solicitation. The Client, however, can revoke the Advisor's authority to vote proxies. In situations where there may be a conflict of interest in the voting of proxies due to business or personal

relationships that the Advisor maintains with persons having an interest in the outcome of certain votes, the Advisor will take appropriate steps, whether by following ISS's third-party recommendation or otherwise, to ensure that proxy voting decisions are made in what it believes is the best interest of its Clients and are not the product of any such conflict.

## **Item 7 – Client Information Provided to Portfolio Managers**

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Clients participating in the Wrap Fee Program generally grant the Advisor the authority to discuss certain non-public information with Independent Managers engaged to manage their account[s]. Depending upon the specific arrangement, the Advisor is authorized to disclose various personal information including, without limitation: names, phone numbers, addresses, social security numbers, driver's license, tax identification numbers and account numbers. The Advisor may also share certain information related to its Clients' financial positions and investment objectives in an effort to ensure that the Independent Managers' investment decisions remain aligned with its Clients' best interests. This information is communicated on an initial and ongoing basis, or as otherwise necessary to the management of its Clients' portfolios. Please also see the Advisor's Privacy Policy (included after this Wrap Fee Program Brochure).

## **Item 8 – Client Contact with Portfolio Managers**

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The Advisor is a full-service investment management advisory firm. Clients always have direct access to the Portfolio Managers at the Advisor. Clients can generally contact the Independent Managers managing their portfolios through The Advisor by providing the Advisor with written request and identification of the questions or issues to be discussed with the Independent Managers. After receiving the Client's written request, The Advisor, at its sole discretion, may contact the Independent Managers for the Client or arrange for the Independent Managers and the Client to communicate directly.

## **Item 9 – Additional Information**

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### **A. Disciplinary Information and Other Financial Industry Activities and Affiliations**

There are no legal, regulatory or disciplinary events involving the Advisor or any of its management persons. The Advisor values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider with whom the Client engages. The backgrounds of the Advisor and its Advisory Persons are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You may search with the Advisor's firm name or CRD#'s 285645, 299031 and 146340.

#### Other Financial Activities and Affiliations

Please see Item 10 – Other Financial Industry Activities and Affiliations and Item 14 – Client Referrals and Other Compensation of the Disclosure Brochure.

### **B. Code of Ethics, Review of Accounts, Client Referrals, and Financial Information**

The Advisor has implemented a Code of Ethics that defines the Advisor's fiduciary commitment to each Client. This Code of Ethics applies to all persons subject to the Advisor's compliance program ("Supervised Persons"). Complete details on the Advisor's Code of Ethics can be found under Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading of the Disclosure Brochure.

#### Review of Accounts

Securities in Client accounts are monitored on a regular and continuous basis by Principals of the Advisor and periodically by the Chief Compliance Officer or delegate. Formal reviews are generally conducted at least annually or more frequently depending on the needs of the Client. Details of the review policies and practices are provided in Item 13 – Review of Accounts of the Disclosure Brochure.

#### Other Compensation

*Participation in Institutional Advisor Platform* – The Advisor has established an institutional relationship with Fidelity to assist the Advisor in managing Client account[s]. Access to the Fidelity Institutional platform is provided at no charge to the Advisor. The Advisor receives access to software and related support without cost because the Advisor renders investment advisory services to Clients that maintain assets at Fidelity. The

software and related systems support may benefit the Advisor, but not its Clients directly. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from the Custodian creates a conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Additionally, the Advisor may receive the following benefits from Fidelity: start-up capital; free/discounted system licensing; receipt of duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts; and access to an electronic communication network for Client order entry and account information.

Please see Item 14 – Other Compensation of the Disclosure Brochure for details on additional compensation that may be received by the Advisor or its Advisory Persons. Each Advisory Person's Brochure Supplement provides details on any outside business activities and the associated compensation.

#### Client Referrals from Solicitors

The Advisor does not engage paid solicitors for Client referrals.

#### Financial Information

Neither the Advisor, nor its management have any adverse financial situations that would reasonably impair the ability of the Advisor to meet all obligations to its Clients. The Advisor is not required to deliver a balance sheet along with this Disclosure Brochure, as the Advisor does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.

## Privacy Policy

Effective Date: January 19, 2021

### Our Commitment to You

Sepio Capital, LP, (the "Advisor") are committed to safeguarding the use of personal information of our Clients (also referred to as "you" and "your") that we obtain as your Investment Advisor, as described here in our Privacy Policy ("Policy").

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. The Advisor (also referred to as "we", "our" and "us") protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

The Advisor does not sell your non-public, personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal, non-public information is collected and used are set forth in this Policy.

### Why you need to know?

Registered Investment Advisors ("RIAs") must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

### What information do we collect from you?

Social security or taxpayer identification number	Assets and liabilities
Name, address and phone number[s]	Income and expenses
E-mail address[es]	Investment activity
Account information (including other institutions)	Investment experience and goals

### What Information do we collect from other sources?

Custody, brokerage and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

### How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client's personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

### How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
<b>Servicing our Clients</b> We may share non-public, personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting.	Yes	No
<b>Marketing Purposes</b> The Advisor does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where the Advisor or the client has a formal agreement with the financial institution. <b>We will only share information for purposes of servicing your accounts, not for marketing purposes.</b>	No	Not Shared
<b>Authorized Users</b> Your non-public, personal information may be disclosed to you and persons that we believe to be your authorized agent[s] or representative[s].	Yes	Yes
<b>Information About Former Clients</b> The Advisor does not disclose and does not intend to disclose non-public, personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

#### State-specific Regulations

California	In response to a California law, to be conservative, we assume accounts with California addresses do not want us to disclose personal information about you to non-affiliated third parties, except as permitted by California law. We also limit the sharing of personal information about you with our affiliates to ensure compliance with California privacy laws.
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#### Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically, we may revise this Policy, and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public, personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

#### Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (415) 915-3708.