

DISCLOSURE BROCHURE

COVER PAGE
THE INVESTMENT ADVISERS ACT OF 1940 RULE 204-3
FORM ADV PART 2 A

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ITEM 1

This Disclosure Brochure provides information about the qualifications and business practices of Sawgrass Asset Management, LLC, which should be considered before becoming a client. You are welcome to contact us should you have any questions about the contents of this brochure - our contact information is listed to the right. Additional information about Sawgrass Asset Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

The information contained in this Disclosure Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Administrator.

BROCHURE
DATED

30

March 2021

MATERIAL CHANGES

ITEM 2

SEC Rule 204-3(b)(2) allows us to provide you with a summary page of Material Changes in lieu of sending out our entire Disclosure Brochure. If you are being offered this Material Change page as a separate piece from our Disclosure Brochure and you have questions about these summary disclosures or would like a current copy of our Disclosure Brochure to review, you may contact us and a current, complete Disclosure Brochure will be sent free of charge.

There are no material changes to report since the last annual filing of our Disclosure Brochure dated March 2020. However, there was slight change in the ownership structure, we have added the fact that we now sub-advise a Collective Investment Trust in Item 4, we have new investment strategy, Core Total Return Fixed Income, and we have enhanced our general risk disclosures under Item 8 to address legal and regulatory risk, systems and technology risks, cybersecurity risks and pandemic risks. Furthermore, the loan received by us under the Payroll Protection Program was officially forgiven and reference to this has been removed from Item 18.

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BROCHURE SUPPLEMENTS

ADVISORY BUSINESS

Who We Are

Sawgrass Asset Management, LLC (hereinafter referred to as “Sawgrass”, “the Company”, “we”, “us” and “our”), is a 100% employee-owned registered investment advisor¹ that was founded in January of 1998 by a group of investment professionals that formerly comprised the core part of the institutional investment arm of Barnett Capital Advisors.

We feel that being employee-owned plays to our strength by providing institutional clients², with a group of talented investment professionals that have learned to work together to achieve consistent, repeatable investment returns. Being employee-owned there is: **stability** in structure of each asset-class management team; individual **talent retention** that leads to increased team knowledge; **ownership of purpose** that focuses the team in their investment pursuits; and, most of all, a **vested interest in our clients’ long-term success**.

Owners

Since Sawgrass is employee-owned, no single individual has ownership control of more than 50%. The Company is a wholly-owned subsidiary of Sawgrass Asset Management, Inc. (“SAM”) and the following individuals including the core founders, are the majority shareholders who also direct our day-to-day management operations.

Name	Title	CRD#
Dean E. McQuiddy	Shareholder of SAM/Principal/CCO/CIO/Director of Equity	4373760
Brian K. Monroe	Shareholder of SAM/Principal/Director of Marketing & Client Services	2147305
Martin E. LaPrade	Shareholder of SAM/Equity Portfolio Manager	4726831
David A. Furfine	Shareholder of SAM/Director of Fixed Income	2790329
Patrick A. Riley	Shareholder of SAM/Equity Portfolio Manager	4726836

Assets Under Management

As of December 31, 2020, our assets managed totaled:

Client Discretionary Assets	\$3,224,751,134
Client Non-Discretionary ³	\$ 96,516,061

Total Assets Under Advisement (AUA) is \$3,321,267,195.

¹ The term “registered investment advisor” is not intended to imply that Sawgrass Asset Management, LLC has attained a certain level of skill or training. It is used strictly to reference the fact that we are “Registered” as a licensed “Investment Advisor” with the United States Securities & Exchange Commission – and “Notice Filed” with such other State Regulatory Agencies that may have limited regulatory jurisdiction over our business practices.

² A client could also be a high net worth individual and their family members, a family office, a foundation or endowment, a corporation and/or small business, a trust, a guardianship, an estate, another fiduciary or any other type of entity to which we choose to give investment advice. We also sub-advise a Collective Investment Trust.

³ The non-discretionary assets listed represent assets in which we have neither discretionary authority nor responsibility for arranging or effecting the purchase or sale of recommendations provided to and accepted by the ultimate client. Inclusion of these assets will make our total assets number different from assets under management disclosed in Item 5.F of our Form ADV Part 1A due to specific calculation instructions for Regulatory Assets Under Management.

Our Mission

Our mission is to provide our clientele with the highest level of professional asset management services in a totally objective, prudent and cost-effective manner using a disciplined investment process to achieve the desired investment goal.

What We Do

We specialize in active investment management using multiple Investment Products with different risk/reward characteristics. We can tailor portfolios that match a range of risk tolerances and time-frames. We believe that our approach can best:

- ❖ Take advantage of the changing economic environment.
- ❖ Implement the investment strategies best suited to attain the client's investment goals.
- ❖ Reduce the volatility of investment returns based on the client's risk tolerance.
- ❖ Provide liquidity and access to principal in a long-term investment.
- ❖ Review client portfolios to assure adherence to restrictions and/or mandates.

For more information on our investment strategies, see Item 8, "**Methods of Analysis, Investment Strategies and Risk of Loss**" below.

Pooled Investment Vehicles

In July 2011, Sawgrass Asset Management, LLC completed a private offering of securities through a Private Placement (Rule 501 Reg. D) offering to fund Sawgrass Diversified Income Fund, LLC, a Delaware Limited Liability Company (the "Fund"). The Fund was formed for the purpose of managing a well-diversified portfolio of securities from among various asset classes including debt, equity, and preferred stock with the objective of generating income through dividends and interest payments. Sawgrass will serve as the exclusive Manager responsible for operational oversight and management of the Fund.

Our fiduciary duty binds us to an ethical standard of complete care and loyalty to our clients and to avoid circumstances that might affect, or appear to affect, this standard unless we act transparently and provide full and fair disclosure of any potential conflict. Therefore, as part of our good faith efforts, we are disclosing that operating a private investment fund creates potential conflicts of interest relating to:

- ❖ **Economic benefits** Sawgrass can receive for owning and operating the Fund; and,
- ❖ **Custody** situations that can adversely affect the client unless proper safeguards are adopted.

For disclosure of our potential conflicts of interest, see "Private Investment Fund Affiliation" under Item 10, "**Other Financial Industry Activities & Affiliations.**" For information on how operating a private fund creates a custody situation and the safeguards we have adopted to protect clients, see "Pooled Investments" under Item 15, "**Custody.**"

In addition to the Fund, Sawgrass also services as sub-advisor to a Collective Investment Trust ("CIT") to which Alta Trust Company serves as trustee and custodian. A CIT is a bank maintained Fund that is exempt from registration as a mutual fund under the Investment Company Act of 1940 and only available to qualified retirement plans. Alta will serve as the CIT's trustee and administrator, has the ability to hire and fire Sawgrass as the sub-advisor, and selects or acts as the Custodian. Sawgrass will not act as the custodian and will not have direct access to the CIT funds and securities. A CIT is only available to retirement plans and their participants as an investment option.

FEES & COMPENSATION

ITEM 5

Investment Products

Matching a client's investment parameters with an investment strategy designed to meet their goals and objectives, risk tolerances and time frames is the focus of our Products. For our Equity products our philosophy is to emphasize growth stocks with a consistent and stable earnings pattern, accelerating earnings estimates and companies with greater earnings potential than the market and their peer group. For our fixed income products, our philosophy incorporates an emphasis on issuers with strong measures of creditworthiness within a well- diversified portfolio. Duration and sector allocation are actively managed within defined ranges of that of the appropriate benchmark. Managed account(s) may include a combination of the following Investment Products.

Diversified Large Growth Equity

INVESTMENT OBJECTIVE - We combine quantitative models with qualitative research into a consistent and structured investment discipline. We believe that in combination, these elements allow us to identify companies early in their cycle of positive earnings and estimates changes, which can offer our clients above average stock appreciation potential.

MANAGEMENT FEE

Style:	Large company stocks of high quality companies with strong earnings potential										
Product Minimum:	\$3,000,000										
Annual Fees:	<table><tr><th>Account Value</th><th>Annual Fee Rate</th></tr><tr><td>First \$10,000,000</td><td>0.70%</td></tr><tr><td>Next \$20,000,000</td><td>0.60%</td></tr><tr><td>Over \$30,000,000</td><td>0.50%</td></tr></table>		Account Value	Annual Fee Rate	First \$10,000,000	0.70%	Next \$20,000,000	0.60%	Over \$30,000,000	0.50%	
Account Value	Annual Fee Rate										
First \$10,000,000	0.70%										
Next \$20,000,000	0.60%										
Over \$30,000,000	0.50%										
Key Benefits:	Growth returns with risk control										

Focused Growth Equity

INVESTMENT OBJECTIVE - We seek to add value over time by uniquely combining proprietary quantitative models with qualitative research in a consistent and structured investment discipline. Our process identifies companies with high quality balance sheets, consistent earnings streams, rising earnings estimates, and reasonable valuations relative to the Russell 1000 Growth Index. The firm believes that in combination, these four elements allow us to identify companies early in their cycle of positive change, capitalizing on above average appreciation potential. This strategy tends to use fewer more concentrated positions than does our Diversified Large Growth Equity product described above.

MANAGEMENT FEE

Style: Large company stocks of high quality companies with strong earnings potential

Product Minimum: \$3,000,000

Annual Fees:

Account Value	Annual Fee Rate
First \$10,000,000	0.70%
Next \$20,000,000	0.60%
Over \$30,000,000	0.50%

Key Benefits: Growth returns with risk control

Small Cap Growth Equity

INVESTMENT OBJECTIVE - The small cap portfolio process identifies domestic stocks with greater earnings potential than the market. We believe it is possible to add value over time by combining quantitative models with qualitative research in a consistent and structured investment discipline. Our process identifies small companies with strong earnings momentum, rising earnings estimates, and reasonable valuation relative to the Russell 2000 Growth Index.

MANAGEMENT FEE

Style: Small company stocks (30-50) with strong earnings potential

Product Minimum: \$100,000

Annual Fees:

Account Value	Annual Fee Rate
First \$25,000,000	0.80%
Next \$25,000,000	0.70%
Over \$50,000,000	0.60%

Key Benefits: Growth potential with controlled risk

Genesis Small Growth Equity

INVESTMENT OBJECTIVE - Seeks to add value over time using quantitative and qualitative research which is applied in a consistent and structured investment discipline. Our process identifies profitable, less volatile small companies that exhibit solid sales and earnings growth, stable margins, and reasonable valuations relative to the Russell 2000 Growth Index.

MANAGEMENT FEE

Style: Small company stocks (80-100) with strong earnings potential

Product Minimum: \$100,000

Annual Fees:

Account Value	Annual Fee Rate
First \$25,000,000	0.80%
Next \$25,000,000	0.70%
Over \$50,000,000	0.60%

Key Benefits: Growth potential with controlled risk

All Cap

INVESTMENT OBJECTIVE - We combine quantitative models with qualitative research into a consistent and structured investment process. Our approach focuses on consistent/stable earnings growth, low price volatility, and the long-term compounding advantages provided by downside protection. Our blended investment process helps us identify companies across all market cap ranges with the aforementioned characteristics and build portfolios that can provide our clients longer-term outperformance with less risk.

MANAGEMENT FEE

Style:	Large, Mid, and Small company stocks with consistent earnings growth potential and low risk characteristics									
Product Minimum:	\$100,000									
Annual Fees:	<table><tr><th>Account Value</th><th>Annual Fee Rate</th></tr><tr><td>First \$10,000,000</td><td>0.70%</td></tr><tr><td>Next \$20,000,000</td><td>0.60%</td></tr><tr><td>Over \$30,000,000</td><td>0.50%</td></tr></table>	Account Value	Annual Fee Rate	First \$10,000,000	0.70%	Next \$20,000,000	0.60%	Over \$30,000,000	0.50%	
Account Value	Annual Fee Rate									
First \$10,000,000	0.70%									
Next \$20,000,000	0.60%									
Over \$30,000,000	0.50%									
Key Benefits:	Growth potential with risk controls									

SMID Core

INVESTMENT OBJECTIVE - Seeks to add value over time using quantitative and qualitative research which is applied in a consistent and structured investment discipline. Our process identifies profitable, less volatile SMID companies that exhibit solid sales and earnings growth, stable margins, and reasonable valuations relative to the Russell 2500 Growth Index.

MANAGEMENT FEE

Style:	SMID company stocks with strong earnings potential									
Product Minimum:	\$1,000,000									
Annual Fees:	<table><tr><th>Account Value</th><th>Annual Fee Rate</th></tr><tr><td>First \$25,000,000</td><td>0.75%</td></tr><tr><td>Next \$25,000,000</td><td>0.65%</td></tr><tr><td>Over \$50,000,000</td><td>0.50%</td></tr></table>		Account Value	Annual Fee Rate	First \$25,000,000	0.75%	Next \$25,000,000	0.65%	Over \$50,000,000	0.50%
Account Value	Annual Fee Rate									
First \$25,000,000	0.75%									
Next \$25,000,000	0.65%									
Over \$50,000,000	0.50%									
Key Benefits:	Growth returns with risk control									

Diversified Large Value Equity

INVESTMENT OBJECTIVE - We combine quantitative models with qualitative research into a consistent and structured investment discipline. We believe that in combination, these elements allow us to identify companies early in their cycle of positive earnings and estimates changes, which can offer our clients above average stock appreciation potential.

MANAGEMENT FEE

Style: Large company stocks of high quality companies with strong earnings potential
Product Minimum: \$1,000,000
Annual Fees:

Account Value	Annual Fee Rate
First \$10,000,000	0.70%
Next \$20,000,000	0.60%
Over \$30,000,000	0.50%

Key Benefits: Value bias returns with risk control

High Quality Core Fixed Income

INVESTMENT OBJECTIVE - The core fixed income strategy focuses primarily on controlled duration management of investment grade securities and secondarily on strategic sector valuations and specific security analysis. This portfolio typically has an effective duration that ranges from 3-6 years and an average maturity that ranges from 6-12 years. There currently are no sector constraints. The investable universe consists of U.S. dollar-denominated government, corporate and mortgage-backed securities. The investment approach is managed to the Bloomberg Barclays US Aggregate Index.

MANAGEMENT FEE

Style: Duration controlled - Investment Grade Bonds
Product Minimum: \$3,000,000
Annual Fees:

Account Value	Annual Fee Rate
First \$30,000,000	0.35%
Next \$50,000,000	0.25%
Over \$80,000,000	0.15%

Key Benefits: Active management with risk control

Intermediate Fixed Income

INVESTMENT OBJECTIVE - The intermediate fixed income strategy focuses primarily on controlled duration management of investment grade securities and secondarily on strategic sector valuations and specific security analysis. This portfolio typically has an effective duration that ranges from 2-5 years and an average maturity that ranges from 4-8 years. There are currently no sector constraints. The investable universe consists of U.S. dollar-denominated government, corporate and mortgage-backed securities. The investment approach is managed to the Bloomberg Barclays US Intermediate Aggregate Index.

MANAGEMENT FEE

Style: Limited Duration - Investment Grade
 Product Minimum: \$3,000,000

Annual Fees:	Account Value	Annual Fee Rate
	First \$30,000,000	0.35%
	Next \$50,000,000	0.25%
	Over \$80,000,000	0.15%

Key Benefits: Reduced interest rate sensitivity

Short-Term Fixed Income

INVESTMENT OBJECTIVE - The short-term fixed income strategy focuses primarily on controlled duration management of investment grade securities and secondarily on strategic sector valuations and specific security analysis. This portfolio typically has an effective duration that ranges from 1-3 years and an average maturity that ranges from 2-4 years. There are currently no sector constraints. The investable universe consists of U.S. dollar-denominated government, high quality corporate and mortgage-backed securities. The goal of this product is to generate investment returns which exceed 1-year Treasury Bills by 100 basis points over a market cycle. The current benchmark is the ICE BofAML 1-5 Year Gov't/Corp Index. We also manage this product to a customized short-term index when appropriate.

MANAGEMENT FEE

Style: Short Duration - Investment Grade
 Product Minimum: \$3,000,000

Annual Fees:	Account Value	Annual Fee Rate
	First \$20,000,000	0.25%
	Next \$20,000,000	0.15%
	Over \$40,000,000	0.10%

Key Benefits: Low expected interest rate sensitivity

Core Total Return Fixed Income

INVESTMENT OBJECTIVE - The core fixed income strategy focuses primarily on controlled duration management of investment grade securities and secondarily on strategic sector valuations and specific security analysis. This portfolio typically has an effective duration that ranges within 30% of the benchmark and an average maturity that ranges from 6-12 years. There currently are no sector constraints. The investable universe consists of U.S. dollar-denominated government, corporate and mortgage-backed securities. The investment approach is managed to the Bloomberg Barclays US Aggregate Index.

MANAGEMENT FEE

Style: Duration controlled - Investment Grade Bonds
 Product Minimum: \$1,000,000

Annual Fees:

Account Value	Annual Fee Rate
First \$30,000,000	0.35%
Next \$50,000,000	0.25%
Over \$80,000,000	0.15%

Key Benefits: Active management with risk control

Customized Balanced

INVESTMENT OBJECTIVE - Our balanced portfolio is a diversified portfolio stocks and bonds structured to satisfy our clients unique investment needs. We will work with the client, or if a Retirement Plan, with the Trustees' investment committee members (consultant, attorney, etc.) to review the current investment policy, assets, liabilities and future contribution/distribution needs of the Fund. Once these factors are taken into consideration, an optimal asset allocation is developed and implemented, based on current capital market assumptions.

MANAGEMENT FEE

Style: A blend of growth equity and investment grade bonds

Product Minimum: \$3,000,000

Annual Fees:

Account Value	Annual Fee Rate
First \$20,000,000	0.65%
Over \$20,000,000	0.50%

Key Benefits: Stock and high quality fixed income

Local Government Investment Strategies

INVESTMENT OBJECTIVE - The Florida Municipal Reserve strategies goals are preservation of capital, liquidity, cash flow, and competitive yields. We manage money for municipalities in Florida by offering them our various short term fixed income products. Details of the various short term fixed income products are described above.

Private Investment Fund

Our annual management fee is an amount equal to 0.65% of the aggregate Net Asset Value of all units of membership interests. The management fee shall be paid quarterly (0.1625%) in arrears and shall be charged pro rata against the Net Asset Value of each Member's units of membership interests.

Additional information on fund fees and expenses paid by the fund are contained in the offering documents provided to prospective investors.

Protocols for the Investment Products

The following protocols establish how we handle our Investment Product accounts and what clients should expect when it comes to: (i) managing their account(s); (ii) their bill for investment

services; (iv) withdrawing funds; and (v) other fees charged to your account(s).

Discretion

We accept discretionary authority to manage accounts on behalf of our clients. Customarily, this authority is granted by an Investment Management Agreement or Investment Policy Statement (IPS) that is provided at the inception of our relationship. Limitations to our discretionary authority are generally described in the IPS. Typically, the IPS is furnished by the client or an independent third party; however, upon request, we will assist our clients in developing an IPS consistent with client circumstances.

Billing

The fees indicated above under each Product represents the annual percentage charged for portfolio management provided on an asset-based fee arrangement. Clients will be **billed quarterly (or monthly) in arrears or advance at their request, based on the fair market value of the assets held in their portfolio management account.** Advance fees are pro-rated and refunded when a termination occurs. For the first billing quarter, if the management account was not opened at the beginning/end of the quarter, the fee will be based upon a pro-rata calculation of the fair market value of the client's assets managed for the period.

For most accounts the fee for a quarter will be one-fourth of the annual percentage (i.e., $1.00\% \div 4 = 0.25\%$) multiplied by the corresponding market value of the assets held within each tier on the last business day of the previous calendar quarter. Fee breaks will occur for the portion of assets in the client's portfolio that increase into the next indicated tier(s). However, certain accounts may be billed based on the average daily balance of the account for the quarter. Clients should reference their investment management agreement for their specific fee billing methodology. **We retain discretion to negotiate the management fee** indicated under each of the Investment Products on a client-by-client basis. Therefore, clients with similar assets under management and investment objectives may pay significantly higher or lower fees than other clients.

Generally, **we will bill the client directly our quarterly management fee.** However, under certain arrangements, clients can choose to have our fees deducted from their custodial account. If we bill the client's managed account, advisory fees will be taken first from any money market funds or balances. If such assets are insufficient to satisfy payment of such fees, a portion of the account assets will be liquidated to cover the fees. Such liquidation can affect the relative balances of the account.

Account Discrepancies

To minimize the likelihood of discrepancies, we will remit invoices to clients after we have reconciled cash flow movements with custodian provided information. Any discrepancies of \$100 or more are corrected via an adjustment entry to the invoice on the next billing cycle. Certain client portfolios, due to their nature, may be subject to significant cash flows relative to the portfolio size. Such cash flows can result in quarter end balances that might not be representative of the portfolio during the billing period. In such instances, subject to consultation with our client, we may calculate fees based on an average market value during the period.

Fee Exclusions

The above fees for all our management services are exclusive of any charges imposed by the custodial firm including, but not limited to: (i) any Exchange/SEC fees; (ii) certain transfer taxes; (iii) service or account charges, including, postage/handling fees, electronic fund and wire transfer fees, auction fees, debit balances, margin interest, certain odd-lot differentials and mutual fund short-term redemption fees; and (iv) brokerage and execution costs associated with securities held in the client's managed account (see Item 12 for further

information on commissions and execution costs). There can also be other fees charged to the client's account that are unaffiliated with our management services. However, at the request of a client, Sawgrass may offset and/or subsidize custodial fees.

In addition, all fees paid to us for management services are separate from any fees and expenses charged on mutual fund shares by the investment company or by the investment advisor managing the mutual fund portfolios. These expenses generally include management fees and various fund expense, such as: 12b-1 fees, Redemption fees, account fees, purchase fees, contingent deferred sales charges, and other sales load charges may occur but are the exception within managed accounts at institutional custodians. A complete explanation of these expenses charged by the mutual funds is contained in each mutual fund's prospectus. Clients are encouraged to carefully read the fund prospectus.

Termination of Investment Product Services

To terminate investment advisory services, either party (the client or Sawgrass) by written notification to the other party, may terminate the Investment Advisory Agreement at any time, provided such written notification is received at least 30 days prior to the date of termination. Such notification should include the date the termination will go into effect along with any final instructions on the account (i.e., liquidate the account, finalize all transactions and/or cease all investment activity).

In the event termination does not fall on the last/first day of a calendar quarter, we will send the client a pro-rated bill for the number of days in the quarter the account was managed. Once the termination of investment advisory services has been implemented, neither party has any obligation to the other - we no longer earn management fees or give investment advice and the client becomes responsible for making their own investment decisions.

PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT

ITEM 6

We do not publish or promote performance-based fees or fees based on a share of capital gains or capital appreciation of client assets. However, at the request of a client, we will consider a performance-based fee based on individual circumstances³. There are inherent conflicts of interest in the side-by-side management of performance fee and non-performance-fee accounts. Performance-fee arrangements may create an incentive for an adviser to take risks in managing assets that would not otherwise be taken in the absence of such arrangements. Similarly, we may have an incentive to favor larger or higher fee-paying accounts because they may generate more revenue for Sawgrass. However, insofar as client accounts within a specific investment discipline are managed consistently with trades allocated proportionately, we give no priority of investment opportunities to client's portfolios with performance-based fees when managed with other accounts whose fees are asset-based.

TYPES OF CLIENTS

ITEM 7

The types of clients we offer advisory services to are described above under "Who We Are" in Item 4, the "Advisory Business" section. Our minimum account size for portfolio management is disclosed above under "Investment Products" in Item 5 above in the "Fees & Compensation" section of this Brochure.

³ To participate in a performance-based fee arrangement, the client must meet the minimum requirements of SEC Rule 205-3(d)(1), which are only available to the client, and even then, only if: (i) The Client fully understand the risks involved in performance-based fee management; (ii) The Client has at least \$1,000,000 under management with us or a net worth equal to or greater than \$2,100,000; or, (iii) The Client is a "qualified purchaser" under Section 2(a)(51)(A) of the Investment Company Act of 1940.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS

ITEM 8

Methods of Analysis

Equity

Quantitative Analysis

Our process is a bottom up approach beginning with our quantitative models. Our quantitative models are the evolution of 30 years of model construction to identify specific factors which have demonstrated added value over time. The adherence to a disciplined, unemotional approach is key to success in an investment environment which has infinite data. The ability to separate information from noise is ever more challenging.

Our models are sector specific to eliminate the naïve bias that would otherwise occur in a quantitative process primarily due to the differing capital structures of companies in different sectors. We are using Russell sector definitions.

Factors are grouped into 6 groupings, with 1 to 6 factors in each grouping including 23 factors in all. The groupings are not equal weighted in the model. Below is listed each grouping in order of weighting listed recognizing that factor weightings vary from sector to sector.

1. Business Valuation
2. Price Volatility
3. Variability (Sales, Margins, Earnings)
4. Earnings Quality
5. Equity Valuation
6. Profitability

Companies are scored and ranked on a decile basis. As with most quantitative models more of the information is found in the tails. As such we focus on the top quintile for new ideas and the bottom quintile as a sell trigger.

Fundamental Analysis

After a stock with a favorable quantitative score has been selected a fundamental review or scrubbing occurs. The purpose of this process is to confirm that the attractive characteristics identified in the quantitative scoring are repeatable and sustainable. It is as much a process of elimination as inclusion. The process involves the following elements:

1. Review of Quantitative scoring - This review includes an objective analysis of a company's past performance. A review of the relative rankings of the six categories of scoring which results in a better understanding of favorable or unfavorable characteristics.
2. Review of financial statement analysis - Drilling into the financial statements give a sense of financial strength, flexibility and stability. It also helps to evaluate the growth trajectory and potential for sustainability. A comparison to competitors is also an important step in the process.
3. Management's Story - The purpose of this step is to understand management's view of themselves and how they articulate their prospect for success. We can discern this from reviews of the 10K business description discussion and analysis with reviews of

how management communicates on conference calls and information provided in analyst/investor presentations.

4. Review of Analyst Research and Estimate Revision - The purpose here is to review the drivers of estimate revision. Gain an understanding of opinions and estimate dispersion. Gauge the overall sentiment and potential for change. In essence, we are looking to understand the Bull and Bear story for each company.
5. Final Valuation and Risk/Reward Analysis - This is the most subjective portion of the process. While quantitative scores help to identify attractive characteristics, the final analysis is a judgment as to what attractive valuation is in conjunction with risk reward scenario for each company.

Fixed Income

Sawgrass' active Fixed Income Strategies utilize a disciplined and systematic investment process focusing on high-quality securities. These strategies' investable universe primarily consists of U.S. dollar-denominated government, investment-grade corporates, and agency mortgage-backed securities. Portfolio exposures to BBB securities are limited to 5%. Effective duration is typically maintained within 20% of the benchmark. Our disciplined investment process is designed to provide diversified alpha from four main sources: duration, yield curve, market sectors, and individual securities. Incremental and active positions are taken when properly compensated for associated risks. This risk-controlled process is designed to result in strong risk adjusted excess returns to achieve the objective of outperformance in all market environments as well as relative to a comparable benchmark and to most of our peers.

Investment Strategies

Equity

Portfolio construction is the final step in building the mosaic of risk versus return. We have extensive experience with a number of risk tools to aid us in portfolio construction. Over the last 20 years we have used Barra, Wilshire, Northfield and currently are using Axioma inside the FactSet framework. We understand the strengths and weaknesses of these tools and believe that they are an important aspect of taking conscious risk. As changes are considered to the portfolio, we conduct an ad hoc optimization to ensure that we understand what changes to the risk profile of the portfolio will occur so that we may be deliberate in our risk. Elements of risk considered include Tracking Error, Factor Exposures, Beta Estimate, Stock Specific risk, Individual active weights, Industry weights and Sector weights. Companies are sized in the portfolio according to active weights. The more confidence in a particular company, the larger the active position.

Sell Decision

While the buy side of the process tends to get most of the attention, we believe this is often the most difficult element of the process. We must recognize that we were wrong and move on. This is the more emotional part of the process. Our quantitative scoring process helps take the emotion out of this decision. By virtue of a relative scoring process, we always have new ideas in place. Below are the key elements which can trigger a sell decision.

- 1) Quantitative scores deteriorate
- 2) Fundamentals deteriorate
- 3) More attractive companies identified
- 4) Risk profile realignment
- 5) Significant price break with volume

Our focus on stable, less volatile growers is an area that is often ignored in the growth world which is often focused on rates of change which provides the opportunity to add value over time.

Fixed Income

Our investment philosophy forms the foundation of a disciplined and systematic investment process that is applied across all fixed income strategies. The fixed income team implements this strategy in a constant, iterative process; actively reviewing the portfolio's positions against changes in market valuations.

Interest rate and yield curves are evaluated by reviewing current and historical market factors, to include historical real rates and inflation, yield curve structure, momentum indicators, and rate volatility. These factors are considered in conjunction with a thorough economic analysis of expected economic growth, inflation, and fiscal and monetary policy. This analysis forms our opinion on the expected trend of interest rate changes over the next 12-18 months, which is compared against the absolute risk of the prediction and relative risk- return of other investment ideas.

Our sector analysis begins by using a proprietary model to determine relative value among sectors incorporating fundamental and technical factors. The analysis results in a score for each sector based on the strength of their underlying fundamentals and relative valuations with the sectors of the best fundamental score and relative cheapness considered for potential investment ideas. We then complete further research into the sector to determine whether the mispricing is temporary or likely to persist. Additionally, each investment idea is compared against its absolute risk and relative to the potential return-risk profile of other investment ideas.

Our security selection process begins by screening the universe with a proprietary relative value model, which compares the credit quality of an issuer's fundamentals based on multiple financial metrics and their current and historical spreads. Issuers with the best fundamental and relative value scores are candidates for inclusion in the portfolio. These investment ideas are then validated with further fundamental research. Best security ideas are then compared on a risk-adjusted basis against all other securities and other investment ideas from the sector and interest rate analysis.

An optimal portfolio is constructed by comparing the ideas generated through the analytical and screening steps with portfolio guidelines. Allocation across sectors and selection of securities is completed to ensure risks are measured and diversified within prescribed risk targets. The resulting portfolio has a profile that meets the long-term return objectives and is constantly monitored and adjusted to reflect changes in market fundamentals and value.

Managing Risk

Risks - Market Risk

Overall equity and fixed income securities market risks affect the value of a client's portfolio. Factors such as domestic and international economic growth and market conditions, interest rate levels, and political events affect the securities markets.

Risks - Equity Investing

While many of the strategies we employ are designed to control the risk of the portfolios we manage, equity securities, by their very nature have varying levels of risk and are subject to the loss of principal. We do not guarantee any performance results or that our clients will not incur a loss of either their original investment or any interim gains. In general, equity

securities, as an asset class tends to fluctuate based on overall economic conditions and as recently demonstrated such fluctuations are, at times, severe. For small capitalization stock investing, such volatility will generally exceed that of large capitalization stocks.

Risks - Fixed Income Investing

We employ a number of strategies designed to help control the risk of fixed income investing. However, such investing involves risks and investments can lose value over short- or long-term time intervals. In particular, fixed income investments are subject to interest rate risk (the loss of value associated with a general rise in interest rates), and credit risk (the loss of value associated with declining credit conditions). Generally speaking, longer maturity fixed income securities incur higher risk and volatility than experienced by shorter maturity securities.

Risks - Legal and Regulatory Matters Risks

Legal developments which may adversely impact investing and investment-related activities can occur at any time. "Legal Developments" means changes and other developments concerning foreign, as well as US federal, state and local laws and regulations, including adoption of new laws and regulations, amendment or repeal of existing laws and regulations, and changes in enforcement or interpretation of existing laws and regulations by governmental regulatory authorities and self-regulatory organizations (such as the SEC, the US Commodity Futures Trading Commission, the Internal Revenue Service, the US Federal Reserve and the Financial Industry Regulatory Authority). Sawgrass' management of accounts may be adversely affected by the legal and/or regulatory consequences of transactions effected for the accounts. Accounts may also be adversely affected by changes in the enforcement or interpretation of existing statutes and rules by governmental regulatory authorities or self-regulatory organizations.

Risks - System Failures and Reliance on Technology Risks

Sawgrass' investment strategies, operations, research, communications, risk management, and back-office systems rely on technology, including hardware, software, telecommunications, internet-based platforms, and other electronic systems. Additionally, parts of the technology used are provided by third parties and are, therefore, beyond our direct control. We seek to ensure adequate backups of hardware, software, telecommunications, internet-based platforms, and other electronic systems, when possible, but there is no guarantee that our efforts will be successful. In addition, natural disasters, power interruptions and other events may cause system failures, which will require the use of backup systems (both on- and off-site). Backup systems may not operate as well as the systems that they back-up and may fail to properly operate, especially when used for an extended period. To reduce the impact a system failure may have, we continually evaluate our backup and disaster recovery systems and perform periodic checks on the backup systems' conditions and operations. Despite our monitoring, hardware, telecommunications, or other electronic systems malfunctions may be unavoidable, and result in consequences such as the inability to trade for or monitor client accounts and portfolios. If such circumstances arise, the Investment Committee will consider appropriate measures for clients.

Risks - Cybersecurity Risks

A portfolio is susceptible to operational and information security risks due to the increased use of the Internet. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include, but are not limited to, infection by computer viruses or other malicious software code, gaining unauthorized access to systems, networks, or devices through "hacking" or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cybersecurity failures or breaches by third-party service providers may cause disruptions and impact the service providers' and Sawgrass' business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement, or other compensation costs, and/or additional compliance costs.

While Sawgrass has established business-continuity plans and risk management systems designed prevent or reduce the impact of such cyberattacks, there are inherent limitations in such plans and systems due in part to the everchanging nature of technology and cyberattack tactics.

Risks - Pandemic Risks

The recent outbreak of the novel coronavirus rapidly became a pandemic and has resulted in disruptions to the economies of many nations, individual companies, and the markets in general, the impact of which cannot necessarily be foreseen at the present time. This has created closed borders, quarantines, supply chain disruptions and general anxiety, negatively impacting global markets in an unforeseeable manner. The impact of the novel coronavirus and other such future infectious diseases in certain regions or countries may be greater or less due to the nature or level of their public health response or due to other factors. Health crises caused by the recent coronavirus outbreak or future infectious diseases may exacerbate other pre-existing political, social, and economic risks in certain countries. The impact of such health crises may be quick, severe and of unknowable duration. This pandemic and other epidemics and pandemics that may arise in the future could result in continued volatility in the financial markets and could have a negative impact on investment performance.

Regardless of how we analyze securities or the investment strategy and methodology we use to guide us in the management of our Investment Products, **investing in a security involves a risk of loss that clients should be willing and prepared to bear; and furthermore, past market performance is no guarantee that the client will see equal or better future returns on their investment.** Due to the dynamic nature of investments and markets, strategies are typically subject to additional and different risk factors not discussed above.

DISCIPLINARY INFORMATION

ITEM 9

There are no legal or disciplinary events to report at this time that are material to a client's or prospective client's evaluation of Sawgrass' advisory business or the integrity of Sawgrass' management or for any of our employees.

OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS

ITEM 10

Financial Industry Activities

Neither Sawgrass nor any of our management persons are licensed, or are related to, or have any relationship or arrangement that is material to our advisory business or to our clients that Sawgrass or any of our management persons have with any financial industry participant and therefore no disclosure is necessary.

Private Investment Fund Affiliation

Sawgrass is the exclusive Manager responsible for operational oversight and management of the Sawgrass Diversified Income Fund, LLC, a Delaware Limited Liability Company (the "Fund") organized to manage a well-diversified portfolio of securities from among various asset classes including debt, equity, and preferred stock with the objective of generating income through dividends and interest payments.

Potential Conflicts of Interest

Our fiduciary duty binds us to an ethical standard of complete care and loyalty to our clients

and to avoid circumstances that might affect, or appear to affect, this standard unless we act transparently and provide full and fair disclosure of any potential conflict. As the exclusive Manager to the Fund, Sawgrass and our employee-owned shareholders will receive some economic benefit from recommending clients to invest in the Fund. These benefits could be, but are not limited to, an increase in advisory/consulting fees, salaries, and income/dividend returns should you choose to invest in the Fund. **Therefore, before accepting our recommendation to invest in this affiliated private Fund, you should consider other investment opportunities to ensure the expenses and investment returns are comparable or equivalent to other private funds.**

See "Pooled Investments" under Item 15, "Custody" for more information on how operating this Fund creates a custody situation.

Investment Limitations and General Considerations

Sawgrass, through its officers and employees, may solicit our advisory clients or other independent investors if they are considered to be: (i) an "accredited investor", as defined in Rule 501 of Regulation D under the Securities Act of 1933; (ii) a "qualified client" as defined in Rule 205-3 under the Investment Advisers Act of 1940; or (iii) a "qualified purchaser" under Section 2(a)(51) of the Investment Company Act of 1940. **The Fund is not open to the general public.**

Should we determine that one of our advisory clients fit the criteria to invest in the Fund, a Confidential Private Placement Memorandum ("Memorandum") will be provided to the client for consideration. This Memorandum discloses all possibilities for conflicts of interest and inherent risks, which are necessary for an investor to make an informed decision - **potential investors are encouraged to read this document.** In addition, all investors in the Fund are given a right to rescind their Subscription and receive a full refund of their investment within three (3) business days after entering into a Subscription Agreement.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS & PERSONAL TRADING

ITEM 11

Code of Ethics

As a fiduciary, the Company has an affirmative duty to render continuous, unbiased investment advice, and at all times act in the best interest of our clientele. To maintain this ethical responsibility, we have adopted a Code of Ethics that establishes the fundamental principles of conduct and professionalism expected by all personnel in discharging their duties. This Code is a value-laden guide committing such persons to uphold the highest ethical standards, rooted in the most elementary maxim. Our Code of Ethics is designed to deter inappropriate behavior and heighten awareness as to what is right, fair, just and good by promoting:

- ❖ Honest and ethical conduct.
- ❖ Full, fair and accurate disclosure.
- ❖ Compliance with applicable rules and regulations.
- ❖ Reporting of any violation of the Code.
- ❖ Accountability.

To help clients understand our ethical culture and standards, how we control sensitive information and what steps have been taken to prevent personnel from abusing their inside position, a copy of our Code of Ethics is available for review upon request.

Client Transactions

We have a fiduciary duty to ensure that your welfare is not subordinated to any interests of ours or any of our personnel. The following disclosures are internal guidelines we have adopted to assist us in protecting all of our clientele.

Participation or Interest

Other than the opportunity to invest in the Sawgrass Diversified Income Fund, LLC (the "Fund"), it is against our policies for any owners, officers, directors and employees to invest with a client or with a group of clients, or to advise a client or a group of clients to invest in a private business interest or other non-marketable investment unless prior approval has been granted by our Chief Compliance Officer, and such investment is not in violation of any SEC and/or State rules and regulations. See Item 10 for disclosures pertaining to potential conflicts of interest related to Sawgrass Diversified Income Fund.

See "Pooled Investments" under Item 15, "Custody" for more information on how operating this Fund creates a custody situation.

Class Action Policy

The Company, as a general policy, does not elect to participate in class action lawsuits on behalf of a client. Rather, such decisions shall remain with the client or with an entity the client designates. We can assist the client in determining whether they should pursue a particular class action lawsuit by assisting with the development of an applicable cost-benefit analysis, for example. However, the final determination of whether to participate, and the completion and tracking of any such related documentation, shall generally rest with the client.

Personal Trading

Employees of ours are permitted to personally invest their own monies in securities, which may also be, from time to time, recommended to clients. Most of the time, such investment purchases are independent of, and not connected in any way to, the investment decisions made on our clients' behalf. However, there may be instances where investment purchases for clients may also be made in an employee's account. In these situations, we have implemented the following guidelines in order to ensure our fiduciary integrity:

1. No employee acting as an Investment Advisor Representative (RA), or who has discretion over clients' accounts, shall buy or sell securities for their personal portfolio(s) for a 24-hour period before or after trading in client portfolios. No employee of ours shall give preference to his or her own interests over that of our clients.
2. We maintain a list of all securities holdings for all our access employees. Our Chief Compliance Officer reviews these holdings on a regular basis.
3. We require that all employees act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
4. Any individual not in observance of the above is subject to termination.

Personal trading activities are monitored by the compliance staff as directed by the Chief Compliance Officer to ensure that such activities do not impact the security of client information or create conflict of interest with the client.

BROKERAGE PRACTICES

Selecting or Recommending Broker-Dealers

In selecting brokers, we will seek best execution of transactions on our clients' behalf, which may not necessarily be based on the commission rates being the lowest. To help manage this process and to mitigate potential conflicts of interest, soft dollar practices and procedures are reviewed and approved by a committee comprised of trading staff and senior management "Best Execution Committee". The client's investment needs, the broker-dealer's trading capabilities, investment inventory, their financial strength, and our personal experience working with that broker-dealer will be considered, among other items, before executing a trade order.

In determining best execution, we give consideration to the ability of the broker to provide quality and appropriate research services as well as efficient trade execution. A portion of client commissions may be used to purchase some of these research services. These research services typically include research information on economic, industry and company developments, which are useful to us in our investment decision making process and may receive electronically or in hard copy. An example of such research would include: FactSet, an electronic source of detailed company financial data.

Overall commissions paid, at times, are higher than those obtainable from other broker-dealers where no such services are acquired. Research received may be used in servicing some or all of our clients and, in some cases, it will not be of benefit for an account whose commissions might be used to acquire such service. Research services that are obtained include proprietary services provided directly by the executing broker as well as third party research. Care is taken by us to ensure all third-party research (soft dollar) arrangements are in compliance with Section 28(e) of the Securities and Exchange Act of 1934.

In addition, we participate in client commission arrangements ("CCA") under which we effect transactions through a broker-dealer and request that the broker-dealer allocate a portion of the commissions or commission credits to another Firm that aggregates these client monies and, with our oversight and approval, pays service providers of qualified research.

The CCA, as well as the research provided in connection with such arrangements, are intended to comply with Section 28(e) as interpreted by the SEC. We believe that participating in a CCA enables us to efficiently consolidate payments for qualified research and brokerage services through one or more channels. Using the accumulated client commissions or credits from transactions executed through multiple broker-dealers, we can then obtain qualified research provided by Firms and vendors of its choice. Such arrangements also help to provide the continued receipt of research services while facilitating best execution in the trading process. In all cases, we believe such research and brokerage services are important to our investment decision-making.

When we use client brokerage commissions to obtain research or brokerage services, we receive a benefit to the extent that we do not have to produce such products internally or compensate third parties with our own money for the delivery of such services. Therefore, such use of client brokerage commissions result in a conflict of interest due to directing client brokerage to those brokers who provide research and services we utilize, even if these brokers do not offer the best price or commission rates for our clients. We have developed policies and procedures to ensure the adequate disclosure and review of such arrangements.

Sawgrass may provide non-discretionary investment management services to clients using Model portfolios based on a SAM investment strategy. For such relationships, SAM is not responsible for trade execution, timing of trade placement, brokerage selection, and negotiation of commission

or other fees paid by investors in the program.

Directed Brokerage

Some clients instruct us to direct some or all of the commissions from their account to brokers who provide the client services separate from those provided by us. In addition, certain other clients may restrict our use of soft dollar commissions. These arrangements and restrictions by clients can cause the commission rates to differ significantly from what the other client is paying.

Directed brokerage arrangements can impact client results in the following ways:

1. The ability for us to negotiate commissions may be more limiting than for other clients.
2. Such clients may forego benefits that might result from our ability to bunch (aggregate) orders for a block trade as we do for other clients. These benefits can include volume related trading commission discounts and execution price.
3. A potential conflict of interest could exist if a broker-dealer, which refers a client to us, is also the broker-dealer to whom the client directs trades.
4. Based on the foregoing, directed brokerage arrangements may result in clients not obtaining best execution.

Aggregating Trade Orders

Our objective in order execution is to act fairly, impartially, and to take all reasonable steps to obtain the best possible results (known as "best execution") for our clients. To the extent possible, we aggregate trade orders and allocate trade executions across accounts within an investment discipline. This achieves more efficient and timely trade execution and helps ensure all clients are treated fairly.

In consideration of these objectives, we will take into account the unique execution factors of the buy/sell order before bunching accounts for a block trade. A few of those factors are:

- ❖ **Security Trading Volume** - Bunching orders in a block trade can secure price parity and continuity for our clients during heavy trading activity.
- ❖ **Financial Instruments** - The type of security involved as well as the complexity of order can affect our ability to achieve best execution.

REVIEW OF ACCOUNTS

ITEM 13

Client portfolios are generally reviewed no less frequently than monthly to assure that portfolio holdings and characteristics are consistent with client objectives and investment style. Depending on the asset-class being managed, this overall review is conducted by the equity management team or fixed income management team. Each client account is assigned to a portfolio manager who has ultimate responsibility to assure that specific client policies are being followed. On a periodic basis, this process is monitored by compliance staff. On a monthly basis, client investment performance data are reviewed to confirm that results are consistent with investment style.

The frequency and nature of reports to individual clients is determined by agreement with each individual client. Generally, reports to clients include a discussion of factors affecting the financial markets, how these factors affect the investment strategy employed and a review of account performance. Statements showing portfolio holdings, valuations and transactions are provided to clients on a monthly or quarterly basis. Upon request, we will also provide such material to third parties such as consultants.

In addition, clients will receive monthly or quarterly statements from the broker-dealer where the client's account(s) are custodied. Each statement will summarize the specific investments currently held, the value of their portfolio and account transactions.

CLIENT REFERRALS & OTHER COMPENSATION

ITEM 14

Referral Compensation

We directly compensate persons/firms for client referrals, provided that those persons are qualified and have entered a solicitation agreement with us. Under such arrangements, if a client was referred to us by a solicitor, the solicitor will provide complete information on our relationship and the compensation that solicitor will receive should the client choose to open an account. In no case will the fee that the client would pay be higher than it would be if the client had come to us directly without the referral.

In addition, as part of our marketing efforts, we seek to establish and maintain relationships with pension consultants which advise current and prospective clients. The primary purpose of these relationships is to familiarize consulting firms with Sawgrass, our professionals, and our Investment Products and processes. As part of this relationship, we will occasionally provide entertainment in the form of meals and/or invitations to sporting events. Therefore, to minimize the potential of a conflict of interest, we have adopted an internal policy designed to limit the value of such entertainment to no more than \$250 per person. Furthermore, we do not participate in consultant-sponsored conferences.

Either upon request or proactively, Sawgrass and many of its employees provide financial support to various charitable organizations. Some of these organizations including various endowments or foundations may be existing or prospective clients of Sawgrass or may be third party organizations recommended by prospective or current clients. Because these contributions may result in the recommendation of Sawgrass, such contributions may raise a potential conflict of interest. As a result, Sawgrass maintains procedures that generally limit the dollar amount and frequency of charitable contributions and requires that all contributions are made directly to the charitable organization (normally a 501(c)(3) organization). No contribution will be made if the contribution implies that continued or future business with Sawgrass depends on making such contribution.

We do not receive an economic benefit from a non-client for providing investment advice or other advisory services to our clients. However, from time to time, we split the cost of client events with other money managers. We do not have formal referral arrangements or invest client assets with these managers and see no real or potential conflicts of interest with such arrangements. However, our commitment to our clients and the policies and procedures we have adopted require the disclosure and review of such arrangements by the CCO in order to limit any interference with our independent decision making when choosing the strategy or investments for our clients.

CUSTODY

ITEM 15

Account Statements

We do not take possession of or maintain custody of a client's funds or securities but will simply monitor the holdings within their portfolio and trade your account based on our Investment Product's investment objectives. Possession and custody of your funds and/or securities shall be maintained directly with the custodian selected by the client.

However, because clients have authorized us deduct our advisory fees directly from their account, we are deemed as having custody. Therefore, to comply with the United States Securities and Exchange Commission's Custody Rule (1940 Act Rule 206(4)-2) requirements, we have implemented the required safeguards to protect the client as well as protect our advisory practice.

- ❖ Client funds and securities will be maintained with a qualified custodian in a separate account in their name.
- ❖ The qualified custodian will send the client monthly brokerage statements summarizing the specific investments currently held in their account, the value of their portfolio, and account transactions.
- ❖ Authorization to withdraw our management fees directly from the client's account will be approved by the client prior to engaging in any portfolio management services.

Clients are encouraged to verify the transaction activities disclosed to them in their brokerage statement from the custodian. If we should elect to send the client a report on their account holdings, we urge the client to compare the financial data contained in our report with the financial information disclosed in their account statement from the custodian to verify the accuracy and correctness of our reporting.

Pooled Investments

As previously mentioned, we serve as the exclusive Manager to the Sawgrass Diversified Income Fund (the "Fund"), private investment partnerships to manage assets. See "Private Investment Fund Affiliation" above in Item 10, "Other Financial Industry Activities & Affiliations" for disclosure on the potential conflicts of interest.

In this situation where we act as **both** the Manager and investment advisor to the Fund, we have legal ownership of, and access to, funds and securities and thus have custody of client assets. By virtue of our position as the Manager and investment advisor, we have authority to dispose of funds and securities in the Fund at our discretion and charge fees that a client may never be aware of; thereby, increasing the potential for misconduct and self-dealing.

Therefore, to protect our clients, as well as to protect our advisory practice, we are disclosing the following safeguards for clients to verify they have been implemented and are being followed. The safeguards for pooled investment vehicles can be found in Investment Advisers Act of 1940 Rule 206(4)-2. The Fund shall:

- ❖ Require the qualified custodian to send Members of the Fund, at least quarterly, account statements identifying amount of funds and each security currently held and all Fund transactions.
- ❖ Be subject to an audit (as defined in Section 2(d) of Article 1 of Regulation S-X [17 CFS 210.1-02(d)]) at least annually.
- ❖ Ensure the independent public accountant performing the audit is subject to regular annual inspection by the Public Company Accounting Oversight Board (PCAOB), in accordance to the rules of the PCAOB.
- ❖ Distribute the audited financial statements prepared in accordance with Generally Accepted Accounting Principles to all limited partners within 120 days of the end of the fiscal year.
- ❖ Upon liquidation of all assets in the Fund, have a final audited financial statement prepared and promptly distributed to all Members of the Fund after the completion of such audit.

INVESTMENT DISCRETION

ITEM 16

Customarily, this authority is granted by an Investment Management Agreement or Investment Policy Statement (IPS) that is provided at the inception of our relationship. Limitations to our discretionary authority are generally described in IPS. Typically, the IPS is furnished by the client or an independent third party; however, upon request, we will assist our clients in developing an IPS consistent with client circumstances.

VOTING CLIENT SECURITIES

ITEM 17

Proxy Voting

Policies have been adopted which are designed to help assure that proxy votes are cast in the best interest of clients. To help avoid potential conflicts of interest and to assist Sawgrass in formulating and implementing an objective policy. To assist Sawgrass in formulating and implementing an objective policy framework for voting proxies, we have engaged an outside third-party vendor - Proxy Voter Services (PVS), a division of Institutional Shareholder Services, Inc. (ISS). Additional information about ISS and the ISS Recommendations is available at <http://www.issgovernance.com/policy>. We are unaware of any conflicts of interest that might arise through this process.

Sawgrass has adopted the following procedures and controls to avoid conflicts of interest that can arise in connection with proxy voting:

- ISS shall vote all proxies on Sawgrass' behalf in accordance with the ISS Recommendations. Sawgrass shall conduct periodic reviews of proxy voting records on a sample basis to ensure that all votes are actually cast in accordance with this policy.
- Sawgrass shall maintain records of any voting recommendation overrides.
- Any attempts to influence the proxy voting process shall be reported immediately to Sawgrass' Chief Compliance Officer.
- At least annually, Sawgrass reviews ISS' Policies, Procedures, and Practices Regarding Potential Conflicts of Interest ("ISS' Conflict Policy"), which addresses conflicts of interest that could arise in connection with advisory services provided by ISS or its affiliates, to ensure ISS' Conflict Policy is reasonably designed to minimize any such potential conflicts of interest.

In the unusual circumstance that a particular proxy vote may present a potential or actual conflict, the matter shall be referred to Sawgrass' Investment Committee. To the extent that a conflict of interest is identified, Sawgrass will vote the proxy according to the ISS recommendation unless otherwise determined by the Investment Committee.

At the inception of our relationship with clients, we provide a summary of these voting guidelines. At any time, clients may request a copy of our voting policies as well as our actual voting records by contacting us at info@saw-grass.com, or by calling us at 904.493.5500. Clients may request, in writing, information on how proxies for their shares were voted. Upon request of client (or authorized representative) Sawgrass will direct particular proxy votes in compliance with clients' instructions provided written timely notice is received.

FINANCIAL INFORMATION

ITEM 18

Sawgrass does not require or solicit prepayment of more than \$1,200 in advisory fees per client, six months or more in advance. There are currently no financial conditions that are reasonably

likely to impair the firm's ability to meet contractual commitments to clients. Additionally, we have never been the subject of a bankruptcy petition.

END OF DISCLOSURE BROCHURE