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FIRM BROCHURE

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This Form ADV Part 2A firm disclosure brochure (“Brochure”) and accompanying brochure supplement (“Supplement”) provide information about the qualifications and business practices of South Street Advisors, LLC and its Supervised Persons. If you have any questions about the contents of this firm brochure and brochure supplement, please contact us by telephone at 212-292-7803 or by electronic mail at ssa@southstreetadv.com. The information in this brochure has not been approved or verified by the United State Securities and Exchange Commission or by any state securities authority.

Additional information about South Street Advisors, LLC is available on the website maintained by the Securities and Exchange Commission at www.adviserinfo.sec.gov.

Item 2 – Material Changes

South Street Advisors, LLC (“SSA” or the “Firm”) has experienced the following material change(s) to its Firm and/or advisory business since our last annual amendment for this Form ADV Part 2A Brochure (“Brochure”) was completed in March 2020, as follows:

- South Street Advisors has amended its policies and procedures concerning billing practices as they pertain to aggregating client accounts for fee assessments; and
- South Street Advisors has updated its regulatory assets under management.

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FIRM BROCHURE

Item 4—Advisory Business

South Street Advisors, LLC (“SSA”, “We,” the “Firm” or the “Adviser”) is based in New York City and was formed in 1998 after the dissolution of a predecessor company, Carver Cross & Carhart. Our founding principal, Thomas Carhart, owned 50% of Carver Cross & Carhart, which was formed in 1996.

South Street Advisors was established to provide investment services tailored to the specific financial requirements of not-for-profit organizations and high net-worth individuals. Our only business is asset management. We do not participate in any wrap-fee programs. In 2009, Stephen Owen joined South Street Advisors as a Principal. Mr. Owen was previously employed for 23 years as a senior portfolio manager and a Managing Director at Brown Brothers Harriman & Co. Mr. Carhart owns 58% of South Street Advisors, while Mr. Owen owns 42%.

South Street provides financial advice to its clients, which includes setting an investment objective and related asset-allocation mixture that reflects the short-term, mid-term, and long-term return expectations and the risk profile of the client. In addition to financial advice, we offer clients discretionary management of:

- U.S. portfolios of medium and large capitalization equity issues;
- U.S. balanced portfolios of common stocks and intermediate-term fixed-income securities;
- U.S. balanced portfolios with international equity exposure;
- MSCI Equity Portfolios;
- U.S. intermediate term fixed-income portfolios; and
- Short-term fixed-income portfolios.

In some instances, such as commodities, emerging-market equities and/or MSCI Benchmark mandates, we use exchange-traded funds to meet our investment targets. Otherwise, all of our portfolios are managed on a separate account basis, holding individual securities.

We tailor our advisory services to the individual needs of our clients. At the beginning of a client relationship, we agree upon an investment objective for the client that reflects his or her return expectations and risk tolerance. We then set a target asset mixture based on the investment objective. Working with each client, we align target levels with a range of upper and lower percentage limits for the permitted asset category.

Our clients may impose individual restrictions on our advisory services, such as prohibiting investments in commercial banks or industrial polluters.

All of our assets are managed on a discretionary basis. As of December 31, 2020, the Adviser had approximately \$612,389,306 in regulatory assets under management.

Item 5—Fees and Compensation

We receive an advisory fee based on a percentage of our clients' assets under management. This fee is graduated and declines as the value of the portfolio increases, as follows:

- 1.00% per annum on the first \$5 million;
- 0.75% per annum on the next \$5 million;
- 0.50% per annum per annum on the excess over \$10 million.

This is the only compensation that we receive for our services. Our fees are negotiable, however, South Street Advisors will determine whether related or affiliated client accounts (or "householding") will be aggregated for billing purposes on a case-by-case basis. Our clients have the choice of having advisory fees deducted from their portfolios or billed to them and paid by check or wire transfer.

Our clients currently use both methods. Most clients are billed fees quarterly in advance, but several clients opt to pay fees quarterly in arrears.

Our clients pay third-party fees for custody and brokerage. Custody fees range between zero basis points (e.g., Charles Schwab) to of 15 basis points depending upon the custodian. Brokerage commissions for equity securities range between six and eight cents per share, depending on the broker- dealer. One custodian that is typically used for our clients assesses no transaction free.

SSA or the client may terminate the Advisory Agreement at any time upon written notice which shall be effective when received by the other party. In the event of such termination, fees shall be *pro rated* on a daily basis and any portion of any prepaid fees shall be refunded to the client by the Adviser within 10 days of the termination of this Agreement.

Item 6—Performance—Based Fees and Side-by-Side Management

We do not receive any performance-based fees.

Item 7—Types of Clients

South Street Advisors provides investment advice to a variety of clients, both individuals and institutions. Individual accounts form the highest percentage of our assets under management, followed by U.S. non-profit endowments and private foundations. Approximately 12.0% of our clients are institutions and not-for-profit organizations, while the other 88.0% are wealthy families and individuals.

Our minimum account size is U.S. \$1,000,000. We reserve the right to change or waive our established minimum account size.

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

Under our investment philosophy, asset allocation is an important determinant of investment returns. We have a systematic and disciplined approach to asset allocation based on expected rates of return for equities, bonds, cash equivalents, and alternative investments.

Each month, one of our principals prepares a forecast of anticipated rates of return for each asset class. The estimated projected return for each asset category is based on:• For equities, the expected two-year forward earnings growth capitalized by the yield on the ten-year Treasury bond, plus a risk premium for common stocks; and

- For bonds, the expected change in yield on the ten-year Treasury bond over the same time frame.

In our dynamic investing process, equity securities are evaluated continuously, according to specific quantitative financial criteria that we believe to be reliable predictors of future investment returns. Each month, we screen a database of 10,000 U.S. and foreign companies according to certain investment criteria.

At the outset of this process, we divide our database into five tiers of market capitalization. Each company is assigned to a tier and evaluated against a set of peers. Specifically, we first compare the price of the securities of each company against the expected two-year forward earnings growth, and we then compare the expected two- year forward earnings growth against the peer-group average. The projected earnings growth of the security must exceed the peer-group average, but its price and its forward earnings multiple must fall below the average. Finally, its current operating profit margin must be at least 1.2 times its five-year average. We then conduct extensive fundamental business analysis of the three or four companies that meet these strict financial criteria; this makes up the second stage of our screening process. Among other factors, we evaluate the management of a company, its position in its markets, its growth prospects, and its financial condition.

While we are active bond managers, interest-rate anticipation (meaning the expected direction of interest rates) represents the cornerstone of our fixed-income analytical process. Our focus on interest-rate movement emphasizes duration positioning against the interest-adjusted average maturity of the fixed-income markets above either the yield curve or sector management.

We manage the duration of bond holdings based on our outlook for interest rates over a six-month horizon. Duration is either shortened or lengthened using this forecast. We also position clients in the area of the yield curve that we expect to earn the highest rates of return over the next six months. Finally, we switch between the U.S. government, corporate, and mortgage-backed sectors, depending on whether yield spreads are likely to narrow or widen.

All portfolios are also subject to risk measurement metrics specific to each asset class. Asset-allocation guidelines are set for each investment category, and levels must fall within these ranges or be reduced.

In the equity component of our client accounts, we consider the beta of each equity holding and its impact on the overall risk of the component. We calculate the beta for our common equity holdings on a monthly basis to ensure that it conforms to our current policy.

The beta of the equity component should not exceed 1.2 times that of the agreed-upon benchmark index.

In the fixed-income component, we review credit ratings on a periodic basis to identify potential downgrades and to affirm an investment grade overall rating by a nationally recognized rating organization.

Interest-rate risk is constantly monitored through our portfolio accounting system, which calculates duration for individual issues and the segment as a whole. Duration should not exceed approximately 20% of the duration of the benchmark index. To ensure adequate diversification, fixed-income sector weightings are measured against the percentage exposure of each segment within the index.

Notwithstanding the use of these risk measurement tools, our clients bear the risk of principal loss on funds invested in the securities markets.

Pandemic Risks. The COVID-19 pandemic has caused and continues to cause disruptions in economies and individual companies and volatility in financial markets throughout the world, including those in which the clients invest. The impact of the pandemic and resulting economic disruptions may negatively impact the clients and the performance of their portfolios due to, among other things, (i) interruption of business operations resulting from travel restrictions, reduced consumer spending, and quarantines of employees, customers and suppliers in areas affected by the outbreak, (ii) closures of manufacturing facilities, warehouses and logistics supply chains, and (iii) uncertainty about the duration of the virus' impact on global financial markets. Governments and central banks throughout the world have responded to the pandemic and resulting economic disruptions with a variety of fiscal and monetary policy changes, including direct capital infusions into companies and other issuers, new monetary policy tools and lower interest rates, but the ultimate impact of these efforts is uncertain. It is not possible to determine the duration or severity of the disruption in financial markets or the long-term economic impact of the COVID-19 pandemic, or other future epidemics or pandemics, which may adversely affect the clients' performance and investment strategies and significantly reduce available investment opportunities.

Item 9—Disciplinary Information

There are no and never have been any legal or disciplinary actions taken against our firm or its officers or staff.

Item 10—Other Financial Industry Activities and Affiliations

Our Chief Compliance Officer (CCO) is employed by Cipperman Compliance Services LLC (CCS), an unregistered professional services organization based in Wayne, PA. Our CCO also serves in the same capacity for non-affiliated registered investment advisers but is not registered in any capacity with South Street Advisors. Our CCO is registered

with other financial services firms as required under the agreements between CCS and its clients or otherwise mandated under regulatory guidelines.

We believe that these arrangements create no material conflicts of interest. If we believe that a conflict of interest is material, we discuss the conflict with the client involved in advance and obtain his or her assent.

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

South Street Advisors has a code of ethics, which is distributed to and followed by every Supervised Person of the Adviser. Each Supervised Person is required to provide a written acknowledgment annually of receipt of the code of ethics. The Adviser will provide a copy of our code of ethics to any client or prospective client upon request which may be directed to our CCO at 212-292-7803.

Under the Adviser's code of ethics, each Access Person is expected to act in the client's best interest, to comply with securities laws and regulations, and to avoid relying on nonpublic information to make decisions regarding the purchase and sale of individual securities. In addition, employees must seek the best execution possible for securities transactions and must avoid profiting from client relationships.

All Access Persons must furnish brokerage account statements for reportable personal securities transactions with our CCO on a quarterly basis and, in certain situations, seek and obtain pre-clearance of transactions or be otherwise prohibited from trading issuers' securities that are maintained on the Restricted List of our Firm due to conflicts of interests with our clients' account holdings or potential acquisitions of common stock shares for the clients' account portfolios. Shares of mutual funds are the primary type of securities that are not reportable.

Item 12—Brokerage Practices

Other than for accounts that have brokerage directed by a client, a majority of our brokerage transactions are executed through Cowen & Co. on behalf of Westminster Research. Westminster Research acts as our soft-dollar agent in paying for research, analytical, and security-pricing services. We also execute trades through Wells Fargo as soft-dollar payment for research. All of the services received conform to the safe-harbor provisions of section 28(e) of the Securities Exchange Act of 1934 and are used exclusively in our analytical and investment decision-making processes.

If we did not use soft dollars to pay for these services, the scope of information available to us might be limited. We receive a benefit when we use client brokerage commissions to obtain research and other products and services because we do not have to produce or pay for the research, products, or services. We have no incentive to select or recommend broker-dealers based on our interest in receiving the research and other products or services.

We seek the best execution possible for our clients. We direct our brokerage to one agent that then is responsible for compensating our various service providers. Consequently, we do not tie brokerage commissions to specific research that we may be interested in receiving.

Because commission rates vary from broker-dealer to broker-dealer, there may be instances in which our clients are charged a higher rate in return for soft-dollar benefits. Soft-dollar benefits are used to service all client accounts, since our brokerage activities are limited. The products paid for with soft-dollar commissions include pricing services (such as NYSE, NYSE Amex Equities, NASDAQ, and options services) and informational databases used in our screening and evaluation process (such as Factset, Bloomberg, and First Call). Of these services, Bloomberg and Factset provide us with third-party investment research.

In placing an order, the number of shares to be bought and sold is calculated for each client and, for non-directed accounts, aggregated into a single block trade. An order is placed with the broker-dealer with instructions as to how it should be executed (such as to enter the order quickly if the security is highly liquid and stable or more slowly if the security is illiquid or trading erratically).

A client is permitted to direct brokerage to the broker-dealer of his or her choice. Orders for clients who have directed brokerage are placed with the directed broker-dealers immediately after the non-directed order is entered. A directed order may not receive as favorable execution as the non-directed order. Since directed orders are not aggregated, they may be subject to higher commission costs.

Item 13—Review of Accounts

Accounts are reviewed on a quarterly and/or periodically basis by one of the two principals prior to South Street Advisors sending an evaluation to the client. The principal reviews the performance of individual segments against the agreed-upon benchmark, checks the asset allocation of the portfolio, and identifies the factors contributing to the account's return.

We may review accounts on other than a quarterly basis. These reviews generally occur when our monthly outlook for the securities markets changes significantly, or we plan on implementing a change in asset allocation, or both. Accounts are reviewed to determine if a change is appropriate based on reinvestment and tax implications for the client.

One of the principals provides each client with a written appraisal of his or her portfolio on a quarterly basis. The appraisal includes the asset allocation of the portfolio and investment returns compared against the agreed-upon quantitative benchmark. The evaluation analyzes performance, summarizes the reasoning behind changes in the portfolio, and provides a review of and outlook for the securities markets. We also strive to meet with our clients in person at least annually to discuss their portfolios and any changes in their investment objectives, financial needs, or risk tolerances.

Item 14—Clients Referrals and Other Compensation

South Street Advisors, as permissible, compensates a third-party agent for referring advisory clients and in accordance with the Investment Advisers Act of 1940, which mandates a written solicitation agreement between the Adviser and the solicitor. SSA will initially review the solicitor's qualifications to ensure he or she is eligible to act on behalf of the Adviser as a solicitor and periodically thereafter to ensure they follow established procedures. The compensation of each referral agent shall be based on a percentage of our investment management fee. Each solicitor firm/agent shall deliver a copy of this Brochure, and the solicitor's disclosure document that notified the prospective client, in advance and in writing, that the agent would receive compensation from us for the referral. The terms of our arrangement are shared with the prospective client who, in turn, provides written acknowledgment of his or her understanding.

Item 15—Custody

The Adviser typically furnishes instructions to independent qualified custodians acting as an agent for a firm client to deduct advisory fees directly from client accounts. As such, South Street Advisors is technically considered to have custody of client assets. On at least a quarterly basis, our clients receive account statements directly from independent qualified custodians through the mail or made available electronically. Clients should review the statements provided by the custodians carefully. The Adviser does not send custodial account statements to its clients directly.

Item 16—Investment Discretion

South Street Advisors has discretionary authority to direct and supervise the investment, trading, and reinvestment of the cash and securities held in client portfolios. We manage our portfolios within a set of investment guidelines that vary according to client requirements. Before we accept discretionary authority, a client executes our investment management agreement, which includes a comprehensive power of attorney related to investment decision-making.

Item 17—Voting Client Securities

The Adviser has entered into a service level agreement with a third party, Broadridge Financial Services ("Broadridge") to facilitate proxy voting (including those matters involving corporate actions or class actions) on behalf of clients of South Street Advisors. Under the agreement, South Street Advisors delegates authority to vote proxies in connection to securities held in the portfolios of our advisory clients and, in doing so, provides Broadridge with voting instructions established in conformity with our firm's proxy voting guidelines. In certain limited circumstances, South Street Advisors is not permitted under the agreement to set forth voting instructions to Broadridge and therefore our client accounts must rely upon determinations mandated by Broadridge. Under our proxy-voting procedures, one of the two principals review each proxy voting item and the related descriptions of each attendant proposal from the company or from its shareholders. We generally vote with management on business-related issues, but

we also vote for proposals that bolster shareholder rights, link compensation to actual performance targets, and prevent management from solidifying its position through voting restrictions and open-ended terms.

Typically, clients have not instructed us as to how to vote on a particular issue. Should a client wish us to cast a proxy ballot in a particular way, we would require written instructions regarding the vote and such requests are subject to the terms and provisions of our agreement with Broadridge.

We address conflicts of interest by placing the interests of our clients first as is consistent with our fiduciary obligations. Our proxy-voting policy is intended to protect the interests of our clients and not the objectives of management.

Our clients may request from us information about how we have voted the proxies for their accounts via email at ssa@southstreetadv.com.

Item 18—Financial Information

There is no financial condition that is likely to impair our ability to meet our contractual commitments to our clients. We have not been the subject any bankruptcy petition at any time.