

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Hemisphere Partners LLC. If you have any questions about the contents of this brochure, please contact us at 212-520-8280 or mheller@hemispherepartners.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Hemisphere is an investment adviser registered with the SEC. Registration with the SEC does not imply any level of skill or training.

Additional information about Hemisphere Partners LLC also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 136535.

Item 2 Material Changes

The following material changes have been made since the firm's most recent Form ADV update filed June 26, 2020:

As explained in more detail below, Item 4 has been revised to reflect our assets under management as of December 31, 2020.

As explained in more detail below, Item 8 has been revised to enhance our description of the risks associated with investing.

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Item 4 Advisory Business

Hemisphere Partners LLC (“Hemisphere”, “We”, “Us”, or “Our”)) is a SEC-registered investment adviser with its principal place of business located in New York. Hemisphere began conducting business in 2005. Our firm is owned by Rosemarie Marino and Mitchell Heller.

We provide ongoing advice to clients regarding the investment of their funds based on the individual needs of each client. We have personal discussions with the client in which goals and objectives based on a client's particular circumstances are established. During our data-gathering process, we ascertain the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background (the “Investment Objective Profile”). Based on the data collected, we develop a client's personal investment policy statement (the “Investment Policy Statement”) which includes an asset allocation strategy. Once the Investment Policy Statement has been agreed upon by the client, we propose a combination of different investment products that we determine are suitable for the client based on the Investment Objective Profile, seeking to achieve the client's overall investment objectives.

Our investment recommendations are not limited to any specific product or service and may include advice to invest in securities of public or private companies, mutual funds, exchange traded funds (“ETFs”), foreign public investment funds (such as UCITS), fixed income securities or private funds.

We may also allocate a portion of a client's portfolio to independent third-party investment advisers, in which event, the client will be directed to or provided with that adviser's brochure or other disclosure document.

Clients may choose to have their investments managed on a discretionary or non-discretionary basis.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors in the investment advisory agreement, the Investment Objective Profile or in a separate communication with the Hemisphere, which we then reflect in the Investment Policy Statement.

Clients who have additional wealth advisory needs (beyond investment advice) may hire us on a consulting basis, either for specific projects or on an ongoing basis.

We do not participate in wrap fee programs, although we may recommend that clients invest in funds or with advisers who are part of a broker's wrap fee program. In all cases, our fees are separate from the fees and expenses of any fund or manager independent of us to whom we allocate client assets.

As of December 31, 2020, we were managing \$ 244,849,820 of clients' assets on a discretionary basis and \$ 13,065,017 on a non-discretionary basis. We have included as assets managed on a discretionary basis only those assets that we have authority to invest without seeking a client's or its representative's signature or approval prior to execution, although in the case of separately managed accounts ("SMAs") with unrelated managers or subscriptions in private funds, we may choose to request that the client execute the necessary documents.

Item 5 Fees and Compensation

Advisory Fees. Our annual fees for our Advisory Services are based upon a percentage of assets under management and generally range from 0.25% to 1.00% per annum.

Hemisphere retains the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee. These include the complexity of the client's circumstances, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, among other factors.

The specific annual rate used to calculate our fee is stated in the advisory agreement which is signed by the client and Hemisphere. We generally require our clients to pay our fees quarterly in advance based on the total gross value of the assets as of the last business day of the preceding calendar quarter. We also charge fees on assets added during the quarter on a prorated basis if they exceed a threshold amount that we establish from time to time (currently \$100,000), although we may waive these additional fees at our discretion. We issue and send our fee invoices to clients on a quarterly basis. Clients may elect to send payment directly to us or authorize us to debit one or more of their accounts held by their custodians.

For those clients who elect to have their fees debited directly from their accounts, we send a copy of our fee invoice to the custodian or otherwise advise the custodian of the amount of the fee to be deducted. Because the custodian does not independently calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their fee calculation.

A client may terminate their advisory relationship with Hemisphere at any time upon 30 days prior written notice. Provided the client takes the necessary actions to notify the custodians of the removal of Hemisphere as adviser and to move the assets or the custodial accounts so that the custodian no longer reports them to Hemisphere, we will stop charging fees as of the date of termination or the date all procedures are complete and Hemisphere no longer has any responsibility for the accounts, whichever is later. If the termination date occurs prior to the end of a quarter for which the client has already paid fees, we will refund the fees to the bank account notified to us by the client for the unused portion prorated on a basis of the number of days remaining in the quarter and a year of 360 days, so long as the amount to be refunded exceeds the relevant Hemisphere bank charge by at least \$50.

Consulting Services Fees. Hemisphere's fees for Consulting Services are determined based on the nature of the services being provided and the complexity of each client's circumstances. Our Consulting Services fees are calculated and charged on an hourly basis, ranging from \$400 to \$500 per hour. We agree the fee rate with each Consulting Services client prior to providing the services and bill them quarterly in arrears for the actual number of hours worked.

Reimbursement of Advances to Clients. In certain circumstances, we may pay certain third-party bills and expenses for our clients, in which event we add the amount paid to the next invoice to the client without interest.

Fees and Expenses of the Investments. In all cases, Hemisphere's advisory and/or consulting fees are separate from and in addition to any fees or expenses charged by mutual funds, private funds, ETFs, SMAs or independent advisers in or with which we invest our clients' assets. These fees and expenses include third party advisory fees, brokerage and other transaction costs, commissions, mark-up and mark downs, electronic and wire fees, taxes related to the purchase and sale of securities for client accounts, and any fees charged by custodians for holding client assets.

Mutual fund fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage, and account reporting), and in certain share classes, a distribution fee (12b-1 fee). These fees and expenses are deducted from the fund assets at the fund level and reduce a shareholder's returns. Certain client portfolios have investments in non-institutional mutual fund share classes, which generally carry a higher expense ratio than institutional mutual fund share classes.

The fees and expenses of the investments are described in each fund's offering material, the brochure of the independent manager, or will be disclosed by the custodian in connection with the account opening process with the client. None of the investments we recommend are proprietary to us. A client may be able to invest in these funds directly, without the services of Hemisphere, but would not receive the services provided by Hemisphere which are designed, among other things, to assist the client in determining which funds or services are most appropriate for each client's financial situation and objectives. Accordingly, the client should refer both the fees charged by the fund(s) and the fees charged by Hemisphere to fully understand the total fees to be paid.

Wrap Fee Programs and Separately Managed Account Fees. Clients participating in SMA programs must open their own account with the custodian/wrap fee sponsor and will be charged various program fees by the sponsor that are unrelated to Hemisphere. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Clients' portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be

provided separately, if available. Hemisphere does not participate in any such wrap fee programs and is not paid by any wrap fee sponsor. Therefore, in all cases, Hemisphere's fees are in addition to the expenses of the wrap fee program.

Additional Fees and Expenses. In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which we effect transactions for the client's account(s). Please refer to Item 12 "Brokerage Practices" of this Form ADV brochure for additional information.

We also generally charge an account set-up fee ranging from \$250 to \$1,000, depending on the complexity of the accounts being established. In addition, we typically charge an annual administrative fee ranging from \$100 to \$500 to cover the costs of faxes, messengers and courier services. These fees are determined on an individual client basis depending on the level of expenses we expect to incur on behalf of that client. The annual administrative fee may be more or less than the actual out-of-pocket expenses we incur and is set at a flat rate. From time to time, we may adjust the annual fee or charge an additional fee during a year based on the experience with the client over the previous year and the expected administrative burden in the coming year.

Item 6 Performance-Based Fees and Side-By-Side Management

We do not charge performance-based fees.

Item 7 Types of Clients

Our clients are primarily high net worth individuals and their estate planning vehicles or personal holding companies. We have no set minimum account size so long as we determine, based on our assessment of the Investment Objective Profile, that a client is suitable to receive our services. We may resign from servicing a client with 90 days prior written notice if we determine, in our discretion, that the client is no longer suitable.

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

Our investment philosophy is to build individually tailored diversified portfolios of funds across multiple asset classes and investment durations intended to meet our clients' investment objectives. The focus of our portfolio construction is on various commingled investment vehicles, both domestic and international, which may include mutual funds, UCITS in Europe or other publicly offered funds, ETFs, privately offered funds, such as hedge funds and private equity funds, and fixed income or government debt securities. We also may purchase equity or debt positions in individual issuers for client accounts. We may also include in client portfolios allocations to SMAs managed by third-party investment advisers independent of Hemisphere.

We conduct our analysis by reviewing offering materials for each investment and what we consider to be relevant facts and circumstances. Our monitoring of an investment may include attending investor conferences, conference calls and meetings with the relevant investment adviser or manager, assessing the performance of the manager relative to any benchmark

they purport to be comparable to and their continued surveillance by one of the advisers or platforms to which we have access.

As a small firm, we generally conduct diligence of funds or accounts managed by established, regulated investment managers or investment managers who have been vetted by another adviser for admittance on an SMA platform such Schwab Institutional, a division of Charles Schwab & Co., Inc. ("Schwab"), Morgan Stanley ("MS"), JP Morgan or Envestnet. We have access to a particular firm's due diligence and surveillance reports regarding the independent managers available on its platform; this allows us to review, monitor, and recommend these independent managers. We only rely on reports and information we believe to be accurate and produced by sources we consider reliable, but we have no way to verify independently the information we receive. Therefore, there is a risk that the information is incorrect or incomplete.

Upon a client's request, we will include in the portfolios specific investments requested by the client, even if the portfolios are otherwise under our discretionary investment management. In those instances, we will not buy/subscribe for such investment or sell/redeem from such investment without instruction from the client. Such investments may not be investments we would otherwise recommend to client or may even be unsuitable for the client in our opinion.

Risks of our Research and Allocation Methods. We assume in our research and allocation recommendations that the information we receive from the funds, managers or issuers, and other publicly-available sources of information about these investments, including reports we purchase from third-party analysts, is accurate and unbiased and does not misstate or omit any material information.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. We aim to construct a portfolio that will meet the Investment Objective Profile, including risk tolerance and time horizon, but there is no guarantee that any given portfolio will perform as expected. Past performance is not necessarily indicative of future results. Further, we rely on the clients to inform us of changes to their circumstances, needs and other relevant factors that are included in the Investment Objective Profile. While we meet with each client several times a year, we cannot be responsible for changes to a client's circumstances to which the client does not alert us.

Risk of Small Firm, Limited Resources and Dependence on Principals. Hemisphere is a small firm. Mitchell Heller and Rosemarie Marino are the only personnel engaged in the investment advisory and management business on a full-time basis and the only personnel involved in generating the investment advice provided to clients. As a result, the business is very dependent on the continued involvement of these two individuals and if either were to become incapacitated or leave the firm, the ability of Hemisphere to continue could be compromised. We are not in a position to negotiate more favorable terms for our clients than those generally offered with the funds and managers to whom we allocate assets.

Risk of Mutual Funds and ETFs. Investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such

shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss. Transactions in open-ended mutual fund shares take place directly between investors and the fund company. There is no limit to the number of shares the fund can issue; as more investors buy into the fund, more shares are issued. Federal regulations require a daily valuation process, or “marked to market”, which adjusts the fund’s per-share price to reflect changes in portfolio (asset) value. The trading price at which a share is transacted is equal to a fund’s stated daily per share net asset value (“NAV”), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The value of the individual’s shares is not affected by the number of shares outstanding. For closed-end funds, only a specific number of shares are issued, and the fund does not issue new shares as investor demand grows. Prices are driven by investor demand. Purchases of shares are often made at a premium or discount to NAV. Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). More information about the risks of any market sector can be reviewed in the prospectus for each fund.

Risk of Illiquid Investments. Our portfolio allocations may include allocations to funds or SMAs that may not be liquidated on short notice or may become illiquid through market forces. While we believe these investments, including investments in private equity or debt funds, venture capital, and certain hedge funds, offer potential benefits to the clients’ investment portfolios, if a client experiences a change in circumstances, it may not be able to liquidate these investments, in some cases, for long periods of time, ranging from several months to several years.

Market Risk. The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security’s particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

Interest-rate Risk. Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

Inflation Risk. When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

Currency Risk. Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment’s originating country. This is also referred to as exchange rate risk.

Business Risk. These risks are associated with a particular industry or a particular company

within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

No Limit on Investment Type or Strategy. Hemisphere aims to build diversified portfolios and there is no limit on the type of instruments, strategies or vehicles in which we may invest client assets unless specifically imposed by the client.

Cybersecurity. The computer systems, networks and devices used by Hemisphere and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Item 9 Disciplinary Information

Our firm and our management personnel have no disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

Item 11 Code of Ethics, Participation or Interest in Client

Transactions and Personal Trading

Hemisphere has a Code of Ethics (the “Code”) which requires the Firm’s employees (“Covered Persons”) to comply with their legal obligations and fulfill the fiduciary duties owed to the Firm’s clients. The Code includes provisions which govern fiduciary duty, insider trading, personal trading, gifts and entertainment, political contributions, outside business activities and confidentiality. It is the express policy of Hemisphere that no employee employed by the Firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on investment decisions of Clients.

Covered Persons are permitted to maintain personal securities accounts provided that such accounts are disclosed to Hemisphere and that any personal trading is consistent with applicable law and with the Code. Subject to compliance with the Code, Covered Persons may buy, sell or hold, for their own personal accounts, securities that Hemisphere also may buy, sell or hold for its clients. This is a potential conflict of interest. The Code is designed to mitigate the potential conflict of interest by implementing preclearance requirements for certain

securities transactions by Covered Persons and requiring Covered Persons to report their personal holdings and transactions for review by the Chief Compliance Officer, among other things, as described in more detail below.

The Code contains policies and procedures that, among other things:

- prohibit Covered Persons from taking personal advantage of opportunities belonging to clients,
- prohibit trading on the basis of material nonpublic information,
- impose preclearance (as required by the applicable law and regulation) and reporting obligations with respect to personal trading, and
- require initial and annual reports of securities holdings and quarterly transaction reports by Covered Persons.

Hemisphere clients and prospective clients may request a copy of Hemisphere's Code of Ethics by contacting Mitchell Heller by email at mheller@hemispherepartners.com, or by calling us at 212-520-8280.

Item 12 Brokerage Practices

Client-Directed Brokerage

Hemisphere does not have the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid; clients open their own accounts with a broker dealer, or bank, who also acts as their custodian.

A client may instruct Hemisphere to custody his/her account at a specific broker-dealer and/or direct some or all of his/her brokerage transactions to a specific broker-dealer. In directing brokerage transactions, a client should consider whether the commission expenses, execution, clearance, settlement capabilities, and custodian fees, if any, are comparable to those that would result if Hemisphere exercised its discretion in selecting the broker to execute the transactions. Directing brokerage to a particular broker-dealer may involve the following disadvantages to a directed brokerage client:

- Hemisphere's ability to negotiate commission rates and other terms on behalf of such clients could be impaired and that best execution may not be achieved;
- such clients could be denied the benefit of Hemisphere's experience in selecting broker-dealers that are able to efficiently execute difficult trades;
- opportunities to obtain lower transaction costs and better prices by aggregating (batching) the client's orders with orders for other clients could be limited; and
- the client could receive less favorable prices on securities transactions because Hemisphere may place transaction orders for directed brokerage clients after placing batched transaction orders for other clients.

Upon a client's request, Hemisphere will provide a client or potential client with a list of brokers or custodians. Hemisphere receives no compensation or any client referrals from any brokers for such recommendations, our recommendations are for the client's convenience only and are based on our own experience. The clients must evaluate these brokers/custodians before opening an account. Clients are not under any obligation to effect trades through any recommended broker. At the client's request, Hemisphere will manage client's assets held at other brokers and custodians.

We reserve the right to decline acceptance of any client account for which the client directs the use of a broker if we believe that this choice would hinder our fiduciary duty to the client and/or our ability to service the account.

Hemisphere may recommend that clients establish brokerage accounts with institutions such as Schwab Institutional, a division of Schwab, MS, as well as others. Although we may recommend that clients establish accounts at Schwab Institutional or at MS, clients are free to select a different broker-dealer and custodian for their accounts.. We are independently owned and operated and not affiliated with Schwab Institutional, MS or any other institution that we may recommend. Many of our clients have opened accounts with one or both of these institutions, both of whom provide certain reporting and other services to us in connection with those accounts, which may be considered "soft dollars." A detailed description of the software services provided by Schwab Institutional and MS is set forth below.

The software and support are not provided in connection with securities transactions of clients (i.e., not "soft dollars"). However, the software and related systems support may benefit Hemisphere but not its clients directly. Clients should be aware that Hemisphere's receipt of economic benefits from Schwab Institutional and MS described below creates a conflict of interest since these benefits may influence Hemisphere's recommendation of those firms over another financial institution that does not furnish similar software, systems support or services.

Software and Support Provided by Schwab Institutional

Schwab Institutional, a division of Schwab, provides Hemisphere with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab Institutional generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for trades that are executed through Schwab Institutional or that are settled into Schwab Institutional accounts.

Schwab Institutional also makes available to Hemisphere other products and services that benefit us but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab Institutional.

Schwab Institutional's products and services that assist us in managing and administering our clients' accounts include software and other technology that:

- i. provide access to client account data (such as trade confirmations and account statements);
- ii. facilitate trade execution
- iii. provide research, pricing and other market data;
- iv. facilitate payment of our fees from clients' accounts; and
- v. assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help us manage and further develop our business enterprise. These services may include:

- i. compliance, legal and business consulting;
- ii. publications and conferences on practice management and business succession; and
- iii. access to employee benefits providers, human capital consultants and insurance providers.

Schwab Institutional may make available, arrange and/or pay third-party vendors for the types of services rendered to Hemisphere. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Hemisphere. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which can create a potential conflict of interest. We seek to mitigate this conflict of interest by disclosing it to our clients, and periodically reviewing the quality of services provided to client accounts.

Software and Support Provided by MS

MS provides Hemisphere with access to its trading and custody services, which may also be available to other MS investors. These services are not contingent upon our firm committing to them any specific amount of business (assets in custody or trading commissions). MS's

brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that may be only be available to high net worth clients or non-US clients.

For client accounts maintained in its custody, MS generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through them or that settle into accounts custodied with them.

MS also makes available to Hemisphere other products and services that benefit us but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at MS.

MS's products and services that assist us in managing and administering our clients' accounts include software and other technology that:

- i. provide access to client account data (such as trade confirmations and account statements);
- ii. provide research, pricing and other market data; and
- iii. assist with recordkeeping and client reporting.

In evaluating whether to recommend that clients custody their assets at MS, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by them, which could create a conflict of interest. We seek to mitigate this conflict of interest by disclosing it to our clients and periodically reviewing the quality of services provided to client accounts.

Because we only execute transactions for client accounts with the particular brokerage firm or custodian with whom the client has opened accounts, it is possible that the client will not pay the lowest commission or necessarily receive the best execution. Hemisphere cannot control these factors.

Trade Aggregation

As a matter of policy and practice, Hemisphere generally does not bunch or combine client trades. On those occasions where we do place simultaneous or near simultaneous orders for the same security, the executing bank or broker will determine the sequence of the orders, not Hemisphere. Consequently, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, clients may not receive volume discounts available to advisers who block client trades.

Hemisphere does not engage in principal transactions with clients.

Trade Errors

Hemisphere's goal is to execute trades seamlessly and in the best interests of the client. In the event a trade error occurs, Hemisphere endeavors to identify the error in a timely manner, correct the error so that the client's account is in the position it would have been had the error not occurred, and, after evaluating the error, assess what action(s) might be necessary to prevent a recurrence of similar errors in the future.

Item 13 Review of Accounts

We conduct a formal review of client accounts annually. Accounts are reviewed in the context of each client's Investment Objective Profile and Investment Policy Statement as well as actual asset allocation vs. target weightings. The portfolios are adjusted, if required, and the client's Investment Objective Profile and/or Investment Policy Statement is updated, if necessary. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. If during the year, there should be any material change in the client's personal and/or financial situation, we should be notified immediately to determine whether any interim review and/or revision of the client's Investment Objective Profile or Investment Policy Statement is warranted.

We meet with or hold a conference call with the client on a regular basis (or as determined by the client) to informally review the account. All accounts are jointly reviewed by Rosemarie Marino and/or Mitchell Heller.

In addition to the monthly statements and confirmations of transactions that clients receive from their custodian(s), we may provide other reports at the client's request if we agree and are able to provide the information requested, that may include bespoke calculations of year- to-date performance of the clients' account if so requested, although any such performance calculations are for informational purposes only and will contain information regarding the method of calculation and assumptions used. We may also provide clients with copies of reports that are published by the money managers and made available to Hemisphere or other communications we draft expressing our own views on the markets.

Item 14 Client Referrals and Other Compensation

We currently do not engage solicitors or pay related or non-related persons for referring potential clients to our firm. We may in the future enter into referral relationships where we agree to compensate third parties for referring potential clients to our firm. Any such referral relationships will comport with the requirements of the Investment Advisers Act.

We do not pay or otherwise provide cash or non-cash compensation, directly or indirectly, in connection with the use of testimonials, endorsements, or third-party ratings.

As noted in Item 5 above we also do not solicit our clients for other managers or distribute fund interests or other investments for compensation.

Item 15 Custody

All assets are held at qualified custodians, and the custodians provide account statements directly to clients at their address of record at least quarterly. We do not have custody of our clients' assets or accounts, except to the extent we are deemed to have custody of certain accounts because of the ability to debit our fees.

As we previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure, clients may elect to authorize us to directly debit our advisory fees from their accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be debited from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their fee calculation.

Item 16 Investment Discretion

Under a limited power of attorney contained in our agreement with clients, Hemisphere has the discretionary authority pursuant to a limited power of attorney to select the securities and the amount of securities for the purchase and sale for a client's account, without obtaining specific client consent, unless otherwise agreed to by Hemisphere and the client.

Clients are permitted to impose reasonable written restrictions or limitations on the investments in their accounts, for example, to prohibit certain investments for moral, ethical, or religious reasons or to limit any single asset to a maximum percent of the total portfolio market value. Clients may also change/amend such restrictions or limitations by providing Hemisphere with written instructions.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security and the amount of the security to buy or sell; and/or
- authority to hire and fire the selected asset manager(s)

We generally do not exercise discretion with respect to investments in mutual funds, private funds or other investments. When we select an SMA or fund for a client, the independent third-party manager of the SMA or fund, not Hemisphere, makes the individual decisions to buy and sell securities within the SMA or fund. In those instances, we provide the subscription documentation to the client and the client must approve the investments and execute the subscription documentation. Following such execution, we will execute the subscription on the client's behalf.

Item 17 Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services with respect to client investment assets, clients

maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. When we allocate assets to SMAs or independent advisers, such advisers may vote proxies related to the positions in their portfolios and have a proxy voting policy that differs from Hemisphere's. Clients should carefully review the account opening documentation for any SMA and custody account to make sure they understand the procedures for voting proxies.

We do not offer any consulting assistance regarding proxy issues to clients.

Item 18 Financial Information

We are not required to provide financial information and there are no additional financial circumstances to report. We have not been the subject of a bankruptcy petition at any time during the past ten years.