

ZEO CAPITAL ADVISORS, LLC

ADV Part 2A, Firm Brochure

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This brochure provides information about the qualifications and business practices of Zeo Capital Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (415) 875-5604 or venk@zeo.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.

Additional information about Zeo Capital Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

References herein to Zeo Capital Advisors, LLC as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

Item 2 Material Changes

The changes to this Brochure since the most recent annual updating amendment was filed on March 14, 2020 are described below.

March 19, 2021

- We amended the Cover Page to reflect the firm’s new mailing address.
- We amended Item 8 to provide additional information about our methods of analysis and portfolio construction process.
- We amended Item 14 to disclose that we entered into a Marketing Consulting and Distribution Agreement with a third-party marketing firm for the purpose of marketing and distribution support for Zeo’s managed account strategies and the Funds. Under this Agreement, Zeo compensates the third-party marketing firm an agreed upon, monthly fee and shares a portion of fees received from clients directly or indirectly introduced by the third-party marketing firm.

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Item 4 **Advisory Business**

OVERVIEW

- A. Zeo was founded in 2009 offering separately managed accounts to take advantage of opportunities in corporate credit. We are sustainable credit specialists managing high yield strategies across the duration spectrum. It is our belief that environmental, social and governance (ESG) factors are credit factors and are essential to a fundamentally-selected portfolio. Our approach and strategies resonate with outsourced CIOs, non-profits, family offices and independent RIAs who invest through our two mutual funds and separately managed accounts.

Zeo Capital Advisors, LLC (referred to herein as “Zeo”) is a limited liability company formed under the laws of California. Zeo has been registered with the U.S. Securities and Exchange Commission since May 24, 2011 and was previously registered with the State of California. Zeo is principally owned by Venk Reddy, who is Zeo’s manager.

- B. As discussed below, Zeo offers investment advisory services through discretionary and non-discretionary separately managed accounts to institutions, family offices and high net worth individuals. Zeo is also the investment adviser to the Zeo Short Duration Income Fund and the Zeo Sustainable Credit Fund (the “Funds”), each a series of shares of beneficial interest of Northern Lights Fund Trust, and registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as open-end management investment companies. The Zeo Short Duration Income seeks low volatility and absolute returns consisting of income and moderate capital appreciation. The Zeo Sustainable Credit Fund seeks risk-adjusted total returns consisting of income and moderate capital appreciation.

References to clients throughout this brochure refer to separately managed account clients of Zeo and not the Funds.

INVESTMENT ADVISORY SERVICES

Clients can engage Zeo to provide investment advisory services. Before engaging Zeo, clients are required to enter into an agreement setting forth the terms and conditions of the engagement. Zeo generally does not provide financial planning to clients.

Zeo provides investment advisory services specific to the needs of each client. Before providing investment advisory services, an investment adviser representative will determine each client’s investment objectives. Then, Zeo will invest or recommend that the client invest in certain securities consistent with the client’s investment objectives. Zeo generally recommends that clients purchase high yield corporate debt, convertible debt, investment grade corporate debt, syndicated loans and distressed securities. Once invested, Zeo provides ongoing monitoring and review of account performance, asset allocation and client investment objectives. Zeo may invest or recommend that a client invest up to 100% of their account in one or more of the Funds where Zeo determines that an investment in the Funds is appropriate. As described in greater detail in Item 10, Zeo excludes assets invested in the Funds when calculating its investment advisory fee

according to Item 5 below.

For the Funds, Zeo's advisory services are provided in accordance with the Funds' investment objectives and policies as outlined in the Funds' prospectus and statement of additional information and in accordance with the agreement under which we provide our investment advisory services to each Fund. Investors seeking to invest in a Fund should review the prospectus carefully before making an investment.

In performing its services, Zeo shall not be required to verify any information received from the client or from the client's other designated professionals and is expressly authorized to rely on the information it has been provided. Clients must promptly notify Zeo if there is ever any change in their financial situation or investment objectives so that Zeo can review and, if necessary, revise its previous recommendations or services.

- C. Zeo provides investment advisory services specific to the needs of each client. Before providing investment advisory services, an investment adviser representative will determine each client's investment objectives. Zeo will then invest or recommend that the client make investments consistent with their investment objectives. The client may, at any time, impose reasonable restrictions, in writing, on Zeo's services.
- D. Zeo does not participate in a wrap fee program.
- E. As of December 31, 2020, Zeo had \$274,161,219 in assets under management on a discretionary basis and \$133,926 in assets under management on a non-discretionary basis.

Item 5 Fees and Compensation

INVESTMENT ADVISORY SERVICES

- A. Clients can engage Zeo to provide investment advisory services for a negotiable annual investment advisory fee. Zeo prices its services based upon various objective and subjective factors. As a result, Zeo's clients pay different fees based upon the market value of their assets, the complexity of the engagement, and the level and scope of the overall investment advisory services rendered. As a result, similarly situated clients may pay different fees, and the services to be provided by Zeo to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly. Zeo's Chief Compliance Officer, Venk Reddy, remains available to address any questions that a client may have.
- B. Clients can elect to have Zeo's advisory fees deducted from their custodial account. Both Zeo's Investment Advisory Agreement and the custodial or clearing agreement may authorize the custodian to debit the account for Zeo's investment advisory fee and to pay Zeo in compliance with regulatory procedures. Clients receive a detailed invoice by email each month with the amount due. If a client has given Zeo permission to withdraw fees directly from the account, the payment request is submitted to the custodian on or after the invoice date, and fees are withdrawn from each account as soon as practicable thereafter unless otherwise agreed with the client. Zeo deducts fees or bills clients

monthly in advance, based upon the market value of the assets on the last business day of the previous month.

- C. Custodians may charge transaction fees for effecting certain securities transactions (i.e. ticket charges for settling trades or transaction fees for some mutual funds) and/or periodic custodial fees on the value of client accounts for custodial services. Zeo can also select broker-dealers as counterparties to effect transactions for client accounts and each Fund away from the custodian. These broker-dealers may impose brokerage commissions or transaction fees that will be incurred by clients and the Funds. In addition to Zeo's management fee and brokerage commissions and/or transaction fees imposed by the custodian and any counterparties, clients may also incur, relative to all mutual fund and exchange-traded fund purchases, fees and expenses as a shareholder of these investments (e.g. management fees and other fund expenses). Clients may also incur costs for account administration fees (generally paid as a percentage of account value) or separately incurred transaction settlement fees (e.g. legal fees to settle syndicated bank loan transactions for institutional clients). All costs incurred on behalf of a client will be invoiced to that client. Zeo's Chief Compliance Officer, Venk Reddy, remains available to address any questions regarding a client's selection of a custodian or the fees that they may incur.
- D. Zeo's annual investment advisory fee is prorated and paid monthly in advance, based upon the market value of the assets on the last business day of the previous month. Zeo generally does not require a minimum annual investment advisory fee. Zeo, in its sole discretion, may reduce or waive its investment advisory fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, familial relationship, dollar amount of assets to be managed, related accounts, account composition, etc.).

The Investment Advisory Agreement between Zeo and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the Investment Advisory Agreement. Upon termination, Zeo will refund clients a portion of the advanced advisory fee, if any, based upon the number of days remaining in the billing month.

- E. Neither Zeo, nor its representatives accept compensation from the sale of securities or other investment products.

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

Neither Zeo nor any supervised person of Zeo charges performance-based fees at this time. However, it reserves the right to negotiate fees with its clients.

Item 7 Types of Clients

Zeo's clients generally include institutions, family offices and high net worth individuals and the Funds. Zeo generally does not require a minimum annual investment advisory fee. More information about Zeo's fees can be found in Item 5.

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

- A. Zeo uses bottom-up fundamental credit analysis in managing client accounts. We seek corporate debt issuers with strong quantitative, qualitative credit metrics, defensible industry characteristics, and demonstrable sustainability practices. Investment ideas are sourced all along the process and we have key factors we consider, both traditional fundamental metrics as well as sustainability factors, at each step in evaluating whether a potential investment will advance and ultimately be selected.

Idea Generation: Potential investment ideas come from various sources and can enter the process at different stages, depending how familiar an issuer is to the investment team. Idea sourcing includes universe screens, issuer ESG metrics, prior holdings, current holdings, issuer competitive research, market activity and counterparties (e.g. brokers).

Issuer Qualification: Investment ideas are vetted, and most are eliminated before entering credit analysis. We proactively exclude companies that derive a significant portion of revenue from vice industries such as alcohol, drugs, tobacco, gambling, weapons and adult entertainment. There are also certain industries that tend to get disqualified from our process due to commodity and volatility risk. Additional criteria for viable investment candidates include duration, yield, maturity, liquidity, financial leverage and cashflow generation.

Credit Analysis: Our rigorous credit analysis includes qualitative assessment, quantitative measures, issuer sustainability integration, risk/return analysis, comparisons to existing investments and the impact on overall portfolio risk. When researching the credit quality of a particular issuer, we evaluate the entire capital structure of that issuer and other issuers in the same industry to identify the best investment that is consistent with our conclusions from the analysis. This analysis can allow us to expand further the investment universe to include bonds from other issuers and other securities of the issuer whose bonds we were originally researching. We employ a qualitative analysis of the issuer as well as a comprehensive quantitative analysis of the resiliency factors which includes financial leverage, cashflow generation, liquidity sources, and credit scenario analysis.

In addition to traditional fundamental metrics, we evaluate companies on our proprietary Sustainability Spectrum™, track them in our in-house Green Slate™ software and engage them directly to discuss opportunities for improvement. The stages of the Sustainability Spectrum™ are: Awareness, Strategy, Execution and Measurement. We are looking for issuers who demonstrate awareness of environmental, social and governance (ESG) issues; show evidence of a clear strategy to address sustainability issues; are taking meaningful strides towards improvements in sustainability practices; and can define success over a specified time period. We review company filings, investor calls, marketing collateral and independent sources to build understanding and a basis of questions surrounding ESG: environmental, social and governance with intentionality. In our process, a creditworthy issuer may be one with sustainable strength relative to peers, one that has an intentional effort to address material ESG exposures or one that is making visible progress toward appropriate sustainable practices. Our dependable approach to credit investing ensures that every holding in our portfolio is proactively selected to meet both our fundamental and sustainability standards.

Portfolio Construction: We may invest a majority of client assets in high yield and convertible debt. Furthermore, we may invest in securities of companies that are already in bankruptcy or undergoing a restructuring or reorganization. We consider liquidity and interest rate risk as part of our overall portfolio management process when determining the size of individual positions and the diversification within a client's portfolio. Each position in the portfolio is deliberately and intentionally included as a result of this proactive selection process.

Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Zeo) will be profitable or equal any specific performance level(s).

- B. Zeo's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis Zeo must have access to current/new market information. Zeo has no control over the dissemination rate of market information; therefore, unbeknownst to Zeo, certain analyses may be compiled with outdated market information, severely limiting the value of Zeo's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Zeo's primary investment strategies have their own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter-term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy. The most common risks associated with Zeo's investment strategies are described below. Additional risk factors may be found in the prospectuses for each Fund.

Changing Fixed Income Market Risk: During periods of sustained rising rates, fixed income risks may be amplified. If the U.S. Federal Reserve's Federal Open Market Committee ("FOMC") changes its policy regarding purchases of U.S. government and agency securities on the open market, or if the FOMC raises the federal funds interest rate target, interest rates across the U.S. financial system may rise. However, the magnitude of rate changes across maturities and borrower sectors is uncertain. Rising rates tend to decrease liquidity, increase trading costs, and increase volatility, all of which may make portfolio management more difficult and costly. Additionally, default risk increases if issuers must borrow at higher rates.

Credit Risk: There is a risk that debt issuers will not make interest and/or principal payments, resulting in losses to bondholders. In addition, the credit quality of fixed income securities may be lowered if an issuer's financial condition changes or the issuer is likely

to default. Lower credit quality may lead to greater volatility in the price of a security. Lower credit quality also may affect liquidity and make it difficult to sell the security. Default, or the market's perception that an issuer or counterparty is likely to default, could reduce the value and liquidity of securities owned by clients. These risks are more pronounced for issuers with lower credit quality, such as those rated below BBB- by Standard & Poor's Ratings Group or another credit rating agency.

Fixed Income Risk: When you invest in fixed income securities, the value of your investment will fluctuate with changes in interest rates. Typically, a rise in interest rates causes a decline in the value of fixed income securities. In general, the market price of debt securities with longer maturities will increase or decrease more in response to changes in interest rates than shorter-term securities. Other risk factors include credit risk (the debtor may default) and prepayment risk (the debtor may pay its obligation early, reducing the amount of interest payments). These risks could affect the value of a particular investment, possibly causing your investment and total return to be reduced and fluctuate more than other types of investments.

High Yield Bond Risk: Lower-quality fixed income securities, known as "high yield" or "junk" bonds, present a significant risk for loss of principal and interest. These securities are considered speculative. These bonds offer the potential for higher return, but also involve greater risk than bonds of higher quality, including an increased possibility that the bond's issuer, obligor or guarantor may not be able to make its payments of interest and principal (credit quality risk). If that happens, the value of the bond may decrease, your income can be reduced. An economic downturn or period of rising interest rates (interest rate risk) could adversely affect the market for these bonds and reduce your ability to sell bonds (liquidity risk). Defaulted securities, those subject to a reorganization including bankruptcy court protection may become worthless, completely illiquid or subject to lengthy legal proceedings that will delay the resolution of their value, if any.

Market Risk: Fixed income markets can be volatile. In other words, the prices of securities can fall rapidly in response to developments affecting a specific company or sector, or to changing economic, political or market conditions. Your investments may decline in value if the fixed income markets perform poorly. There is also a risk that either your investments will underperform the securities markets generally or particular segments of the securities markets.

Uncontrollable Event Risk: There is a risk that events beyond our control can cause investment markets, the securities that you may invest in, and your account to lose value or experience unexpected volatility. Terrorist attacks, war, and pandemics are just a few examples of these events, whether actual or anticipated, that affect investor attitudes toward the market in general and result in system-wide fluctuations in security prices.

ANY QUESTIONS: Zeo's Chief Compliance Officer, Venk Reddy, remains available to address any questions regarding the above risk factors.

- C. Zeo recommends asset allocations based on a particular client's economic situation, liquidity needs, risk tolerance, proposed investment period, need for diversification, reliance upon current income, and present and anticipated tax situation. Zeo also

considers historical yields, potential appreciation and marketability before making investment recommendations. Zeo recommends and manages primarily high yield and convertible debt.

Item 9 Disciplinary Information

Zeo has not been the subject of any disciplinary actions.

Item 10 Other Financial Industry Activities and Affiliations

- A. Neither Zeo, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither Zeo, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. **Zeo Short Duration Income Fund and Zeo Sustainable Credit Fund.** Zeo is the investment adviser to the Zeo Short Duration Income Fund and the Zeo Sustainable Credit Fund, each a series of shares of beneficial interest of Northern Lights Fund Trust, and registered under the 1940 Act, as open-end management investment companies. A conflict of interest is present if Zeo invests, or recommends that its clients invest, a portion of their assets into either fund, because Zeo can receive investment advisory fees from both the client according to Item 5 and each fund as stated in their prospectus. To mitigate this conflict of interest, Zeo excludes assets invested in either fund when calculating its investment advisory fee according to Item 5 above.
- D. Zeo does not recommend or select other investment advisors for its clients.

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

- A. Zeo maintains an investment policy relative to personal securities transactions. This investment policy is part of Zeo's overall Code of Ethics, which serves to establish a standard of business conduct for all of Zeo's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, Zeo also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Zeo or any person associated with Zeo.

- B. Neither Zeo nor any related person of Zeo recommends, buys, or sells for client accounts, securities in which Zeo or any related person of Zeo has a material financial interest, except for the Funds. See Item 10.C for a more complete description of this relationship.
- C. Zeo and/or representatives of Zeo may buy or sell securities that it also recommends to clients. This practice may create a situation where Zeo and/or representatives of Zeo are in a position to materially benefit from the sale or purchase of those securities. Therefore,

this situation creates a conflict of interest. Practices such as “scalping” (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Zeo did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, “front-running” (i.e., personal trades executed before those of Zeo’s clients) and other potentially abusive practices.

Zeo has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Zeo’s “Access Persons.” Zeo’s securities transaction policy requires that Access Person of Zeo must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Furthermore, Access Persons must report and certify their trades each quarter.

- D. Zeo and/or representatives of Zeo may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Zeo and/or representatives of Zeo are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. As indicated above in Item 11C, Zeo has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Zeo’s Access Persons.

Item 12 Brokerage Practices

- A. Factors that Zeo considers in selecting broker-dealers and recommending custodians (or investment platform or mutual fund sponsors) include historical relationship with Zeo, financial strength, reputation, execution and/or custodial capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Zeo’s clients shall comply with Zeo’s duty to seek to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Zeo determines, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Zeo will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Zeo’s investment management fee. Zeo’s best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

- 1. Non-Soft Dollar Research and Additional Benefits

Although not a material consideration when determining whether to execute a transaction through a broker-dealer or recommend a custodian, Zeo may receive discounted or free support services and/or products. Certain of these services and products assist Zeo to better monitor and service client accounts at these institutions. Zeo also receives investment-related research, pricing information, market data,

software and other technology that provide access to client account data. It can also take advantage of compliance and practice management-related publications, discounted or free consulting services, discounted or free attendance at conferences, meetings, and other educational and social events. From time to time, Zeo may also be offered marketing support, computer hardware or software, and other products that further its investment advisory business operations.

As indicated above, certain support services and products assist Zeo in managing and administering client accounts. Others do not directly provide this assistance, but rather assist Zeo to manage and further develop its business enterprise.

Zeo's clients do not pay higher transactions costs as a result of these arrangements. There is no corresponding commitment made by Zeo to any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products because of the above arrangement.

Zeo's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above arrangement and any the conflicts of interest these arrangements create.

2. In selecting or recommending broker-dealers, neither Zeo nor its related persons receive client referrals from a broker-dealer or third party. However, clients and prospective clients should review Item 14 below for additional information about referrals that Zeo receives from a broker-dealer.
3. Zeo does not generally accept directed brokerage arrangements (when a client requires that account transactions be affected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Zeo will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Zeo. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

In the event that the client directs Zeo to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Zeo. Higher transaction costs adversely impact account performance. Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

Zeo's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above arrangement.

- B. To the extent that Zeo provides investment advisory services to its clients, the transactions

for each client account generally will be affected independently, unless Zeo decides to purchase or sell the same securities for several clients at approximately the same time. Zeo may (but is not obligated to) combine or “bunch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Zeo’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Zeo shall not receive any additional compensation or remuneration because of such aggregation.

Item 13 Review of Accounts

- A. Client account reviews are conducted on an ongoing basis by Zeo’s principal. All clients are advised that it remains their responsibility to advise Zeo of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with Zeo on an annual basis.
- B. Zeo may conduct account reviews on an other-than-periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and upon client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Zeo also provides clients with a written periodic report summarizing account activity and performance.

Item 14 Client Referrals and Other Compensation

- A. Please see Item 12.A.1 above, for a description of the additional benefits and services Zeo may receive.
- B. Zeo has entered into a Marketing Consulting and Distribution Agreement with a third-party marketing firm for the purpose of marketing and distribution support for Zeo’s managed account strategies and the Funds. Under this Agreement, Zeo compensates the third-party marketing firm an agreed upon, monthly fee and shares a portion of fees received from clients directly or indirectly introduced by the third-party marketing firm. Non-Fund prospective clients introduced by the third-party marketing firm to Zeo will receive a separate disclosure statement describing this arrangement in more detail.

Item 15 Custody

Zeo has the ability to have its advisory fee for clients debited by the custodian. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or

program sponsor for the client accounts. Zeo may also provide a written periodic report summarizing account activity and performance.

Zeo provides clients with periodic account statements and clients should compare these statements with the account statements received from the custodian. Occasionally, there may be inconsistencies between the statements. The account custodian does not verify the accuracy of Zeo's advisory fee calculation.

Item 16 Investment Discretion

Clients can determine to engage Zeo to provide investment advisory services on a discretionary basis. Prior to Zeo assuming discretionary authority over a client's account, the client shall be required to execute an Investment Advisory Agreement granting Zeo full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name in their account.

Clients who engage Zeo on a discretionary basis can impose restrictions, in writing, on Zeo's discretionary authority (*e.g.*, limit the types or amounts of particular securities purchased for their account).

Item 17 Voting Client Securities

Zeo votes client proxies. Although it is rare given that Zeo's investment recommendations are almost exclusively bonds, in the event that we do receive a client proxy to vote, we maintain the discretion to vote proxies on behalf of our clients. When we accept such responsibility, we will only cast proxy votes in a manner consistent with the best interest of our clients. Absent special circumstances, which are fully described in our Proxy Voting Policy, all proxies will be voted consistent with guidelines established therein.

At any time, clients may contact us to direct the vote on a specific proxy vote, request information about how our firm voted proxies for that client's securities or to get a copy of our Proxy Voting Policy. A brief summary of our Proxy Voting Policy follows:

- Venk Reddy will be responsible for monitoring corporate actions, making voting decisions in the best interest of clients, and ensuring that proxies are submitted in a timely manner.
- Venk Reddy will generally vote proxies according to our then current proxyvoting guidelines. The proxyvoting guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented including: composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.
- Although the proxyvoting guidelines are to be followed as a general policy, certain issues will be considered on a case-by-case basis based on the relevant facts and

circumstances. Since corporate governance issues are diverse and continually evolving, we shall devote an appropriate amount of time and resources to monitor these changes.

- In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that we maintain with persons having an interest in the outcome of certain votes, we will take appropriate steps to ensure that proxy voting decisions are made in the best interest of our clients and are not the product of such conflict.

Except for proxy voting, Zeo will not be responsible for any other actions regarding the assets that it manages. Rather, each client retains the exclusive right and responsibility to take any actions with respect to any legal proceedings, including without limitation, bankruptcies and shareholder litigation, and the right to initiate or pursue any legal proceedings, including without limitation, shareholder litigation, including with respect to transactions, securities or other investments held in the client's account or the issuers thereof. Zeo is not obligated to render any advice or take any action on a client's behalf with respect to securities or other property held in the client's account, or the issuers thereof, which become the subject of any legal proceedings, including without limitation, bankruptcies and shareholder litigation, to which any securities or other investments held or previously held in the account, or the issuers thereof, become subject.

Item 18 Financial Information

- A. Zeo does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. Zeo is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. Zeo has not been the subject of a bankruptcy petition.

ANY QUESTIONS: Zeo's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.