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**Form ADV Part 2A Brochure**

**January 21, 2022**

Terra Firma Asset Management, LLC is an investment adviser registered with the Securities and Exchange Commission (hereinafter "SEC"). An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Terra Firma Asset Management, LLC. If you have any questions about the contents of this brochure, please contact us at (415) 361-4024. 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 Terra Firma Asset Management, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2: Material Changes**

This Brochure, dated January 21, 2022, is not materially different than the previous brochure, dated March 25, 2021.

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## Item 4: Advisory Business

Terra Firma Asset Management, LLC (hereinafter "Terra Firma Asset Management" or the "firm") is a registered investment adviser based in San Francisco, California. We are a limited liability company under the laws of the State of California. We have been providing investment advisory services since 2020. Jay Paul Leupp, Member and Christopher J. Hartung, Member, are the principal owners of Terra Firma Asset Management.

Currently, Terra Firma Asset Management is the investment advisor to the Terra Firma US Concentrated Realty Equity Fund ("Mutual Fund"). The firm also provides investment management services to institutional clients, hereinafter referred to as ("Clients"), whose investment objective is to invest primarily in real estate investment trusts and other publicly traded real estate related investments.

The following paragraphs describe what we do and what we charge. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to any officer or employee of the firm and all individuals providing investment advice on behalf of our firm.

### Asset Management Services

Our firm offers discretionary and non-discretionary asset management services to our Clients. Discretionary asset management services mean that once the Client's account has been established and funded, the ongoing supervision and management of the account will be our responsibility. This authority is granted to us by our Clients in the investment advisory agreement, a limited power of attorney agreement, and trading authorization forms. This allows our firm to decide on the specific types of securities, the quantity of securities, the broker-dealer to be used and the commission rates to be paid for our Client accounts without obtaining pre-approval for each transaction.

In a non-discretionary account, an Associated Person of Terra Firma Asset Management recommends the purchase or sale of securities for review and approval by the Client. Terra Firma Asset Management will only purchase or sell securities which have been approved by Clients in advance.

Our firm makes investments in the publicly traded common, preferred or convertible securities of corporations engaged in real estate related activities. These include equity securities of real estate investment trusts ("REITs"), including equity REITs, mortgage REITs and hybrid REITs, as well as other publicly traded companies whose primary business or value is in the real estate industry. Due to the specialized composition of our portfolios, Client restrictions on securities or types of securities are generally not permitted.

We monitor our Clients' account portfolios and performance on a continuous basis and rebalance the account as necessary based upon our investment research and as changes occur in market conditions, or both.

Terra Firm also provides model portfolio recommendations to another investment advisor. Services and fees for these arrangements will be negotiated.

## Consulting Services

Terra Firma Asset Management also provides consulting services to Clients where Terra Firma Asset Management offers advice with respect to real estate market fundamentals and/or the selection of real estate securities (including model portfolios) for the Clients' customized portfolio or investment needs.

## Terra Firma US Concentrated Realty Equity Fund

The firm researches securities, monitors market environment, and executes transactions for the Mutual Fund. The Mutual Fund is a series of US Bank's Trust for Professional Services Series Trust, a Registered Investment Company. The Trust for Professional Services supervises the management of the Mutual Fund by Terra Firma Asset Management to ensure that Terra Firma Asset Management is managing the Mutual Fund in accordance with its total return objectives in primarily United States-based public real estate securities.

## Assets Under Management

As of December 31, 2021, we manage approximately \$42 million in assets on a discretionary basis and \$25 million in assets under advisement.

## Item 5: Fees and Compensation

### Asset Management Services Fees

For both discretionary and non-discretionary asset management services, Terra Firma Asset Management is compensated on a percentage of assets under management basis. The firm charges a fee of up to 1.00% of the assets in the accounts managed by the firm, depending on the size and strategy of the account involved. Fees are generally payable either monthly or quarterly in either arrears or advance and will be prorated based on the number of days in each period that the Client's contract with the firm was in effect. Terra Firma Asset Management does not charge up-front fees. Other fee payment arrangements may be negotiated on a case by case basis. Such arrangements will be clearly disclosed in the advisory agreement signed by the Client and Terra Firma Asset Management. Fees are generally deducted from the Client's custodial account; however, Clients may choose to have their management fees be invoiced separately. Upon termination, any management fees paid in advance will be refunded pro-rata.

### Consulting Services Fees

Our consulting services fees are negotiated on a case-by-case basis and clearly set forth in an agreement for our services which is executed by both our firm and the Client.

## Terra Firma US Concentrated Realty Equity Fund

Terra Firma Asset Management, as the investment advisor to the Mutual Fund, receives a management fee that is accrued daily and paid monthly at an annual rate of 0.75% of the Mutual Fund's average daily net assets.

## **Additional Disclosures about the Mutual Fund Fees**

In some cases, Terra Firma Asset Management may agree to waive all or a portion of its management fees so that the annual fund operating expenses do not exceed a certain predetermined percentage of the Funds' average daily net assets.

Clients of the firm may also be shareholders in the Mutual Fund and are hereby advised that advisory fees charged by the firm are separate and apart from fees charged by the Mutual Fund to shareholders. However, Terra Firma Asset Management will not include assets invested in the Mutual Fund in its calculation of advisory fees charged to Clients, but the firm will consider such assets invested in the Mutual Fund for purposes of determining individual advice offered to Clients. Securities held in individual Client accounts may also be the same securities as those purchased by the Mutual Fund.

## **Additional Fees and Expenses**

Our annual fee is exclusive of, and in addition to, brokerage commissions, transaction fees, custodial fees and other related costs and expenses that may be incurred by the Client. The firm will not receive any portion of the commissions, fees, and costs. Please see Item 12 – Brokerage Practices for further information on brokerage and transaction costs.

## **Conflicts of Interest**

Conflicts of interest exist as a result of our concurrent management of different real estate strategies, account types, client types, and the inflow and outflow of funds within those accounts. Terra Firma Asset Management constantly seeks to minimize those conflicts and seek fairness in its treatment of Clients. Details of our Code of Ethics are outlined in Item 11 and our Brokerage Practices in Item 12. This brochure will be updated and provided to you when any material change occurs.

## **Item 6: Performance-based Fees and Side-by-Side Management**

Terra Firma Asset Management does not receive performance-based fees.

## **Item 7: Types of Clients**

Terra Firma Asset Management currently has a Mutual Fund as a client, however the firm can offer asset management services to a variety of institutional investors.

Terra Firma Asset Management requires a minimum of \$5,000,000 to open and maintain a Separately Managed Account. Terra Firma Asset Management may waive this requirement at its sole discretion.

## **Item 8: Methods of Analysis, Investment Strategies, and Risks of Loss**

### **Methods of Analysis**

The following are different methods of analysis that Terra Firma Asset Management may use when providing Clients with investment advice:

**Fundamental Analysis** is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's actual business and its prospects. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.

**Macroeconomic Analysis** includes the evaluation of real estate supply, demand and the external factors that impact them, such as potential changes in interest rates that could impact security price movements.

**Technical Analysis** is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall.

**Cyclical Analysis** is a technique that looks at cycles, specifically analyzing the way prices follow certain patterns and trends.

## Investment Strategies

Terra Firma Asset Management primarily offers the following investment portfolios to its Clients. Each portfolio has its own investment strategy:

**US Concentrated Real Estate Securities Portfolio:** The US Concentrated Real Estate Securities strategy is designed to provide investors with diversified exposure to liquid commercial real estate by investing in US real estate investment trusts (REITs) and other US publicly traded real estate securities. The strategy seeks to achieve total returns that exceed those of the benchmark over rolling three-year periods. The composition of the portfolio does not seek to mimic equity REIT indices.

We believe that the US Concentrated Real Estate Securities strategy is designed to outperform in both rising markets and falling markets. However, as the team's security selection and portfolio construction based on the perspective that stock values track underlying asset value over longer time periods, the strategy would be less favored in periods where sectors or markets have sustained valuations either substantially above or below perceived net asset values.

Under normal conditions, the portfolio invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities of US companies principally engaged in the real estate industry and other real estate related investments.

This is an all-cap strategy which makes investment decisions relative to REIT indices or benchmarks; therefore, it takes into consideration the weightings of positions relative to an index or benchmark. The portfolio of securities in which the firm invests will normally be diversified as to geographic region, property type and tenant. This portfolio may hold as few as twenty-five long positions.

**US Best Ideas Real Estate Securities Portfolio:** The US Best Ideas Real Estate Securities strategy is designed to provide investors with exposure to liquid commercial real estate by investing in US real estate investment trusts (REITs) and other US publicly traded real estate securities. The

strategy seeks to achieve total returns that exceed those of the benchmark over rolling, three-year periods. The composition of the portfolio does not seek to mimic equity REIT indices.

We believe that the US Best Ideas Real Estate Securities strategy is designed to outperform in both rising markets and falling markets. However, due to the team's security selection and portfolio construction based on the perspective that stock values track underlying asset value over longer time periods, the strategy would be less favored in periods where sectors or markets have sustained valuations either substantially above or below perceived net asset value.

Under normal conditions, the portfolio invests at least 80% of its assets, plus the amount of any borrowings for investment purposes, in equity securities of companies principally engaged in the real estate industry and other real estate related investments, consisting primarily of REITs, REOCs, real estate service companies, REIT preferreds and real estate debt securities. The portfolio of securities in which the firm invests may not be diversified as to geographic region, property type and tenant due to the concentrated nature of its holdings. The strategy will normally hold 10-15 long equity positions at any given time.

**Global Concentrated Real Estate Securities Strategy:** The Global Concentrated Real Estate Securities strategy is designed to provide investors with broad exposure to global, publicly listed real estate by investing in real estate investment trusts (REITs), real estate operating companies (REOCs), real estate developers, and other publicly traded real estate securities. Through exposure to real estate developers and emerging markets in addition to traditional core listed real estate owners, the strategy seeks to offer strong return potential primarily through capital appreciation and secondarily through current income.

Under normal conditions, the portfolio invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities of companies principally engaged in the real estate industry and other real estate related investments.

This is an all-cap strategy which makes investment decisions relative to REIT indices or benchmarks; therefore, it takes into consideration the weightings of positions relative to an index or benchmark. The portfolio of securities in which the firm invests will normally be diversified as to geographic region, property type and tenant. This portfolio may hold as few as fifty long positions, but generally averages 55-65 long positions.

**Global Pandemic:** The global coronavirus pandemic has caused and continues to cause disruption in the global economy, unprecedented business and travel disruption and extreme fluctuations in global capital and financial markets. The pandemic has led to significant increases in unemployment levels, a decline in business and consumer confidence and spending, an economic recession in many economies throughout the world and significant increases in federal, state and local deficits and debt. The severity and extent of the impact of the pandemic on the U.S. and global capital and financial markets and economies will depend largely on future developments, including the duration of the spread of the outbreak within the U.S. and the policies implemented in connection with restoring business and other activity, all of which are highly uncertain and cannot be predicted. A prolonged period of economic contraction or stagnation may adversely affect the performance of the real estate industry and reduce available investment opportunities. Additional effects may arise that cannot be predicted currently, including the impact of the pandemic on service providers to the Mutual Fund and the Firm.



## Risk of Loss

The investment advice provided along with the strategies suggested by Terra Firma Asset Management may vary depending on each Client's specific financial situation and goals. This brief statement does not disclose all the risks and other significant aspects of investing in financial markets. In light of the risks, you should fully understand the nature of the contractual relationship(s) into which you are entering and the extent of your exposure to risk. Certain investing strategies may not be suitable for many members of the public. You should carefully consider whether the strategies employed will be appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

Terra Firma Asset Management does not provide a complete investment program. Our investment strategies have been designed to provide exposure to the real estate industry and are typically used in conjunction with a variety of other investments managed by other investment advisers, that provide investors with a full and appropriate asset allocation. The value of your investment will go up and down, which means you could lose money when you sell your shares.

**Real Estate Market and REIT Risk.** Since the firm concentrates its investments in the real estate industry, your investments involve many of the risks of investing directly in real estate such as declining real estate values, changing economic conditions and increasing interest rates.

**Foreign Investment Risk/Emerging Markets Risk.** Investing in foreign (non-U.S.) securities may result in accounts experiencing more rapid and extreme changes in value than accounts that invest exclusively in securities of U.S. companies due to: smaller markets; differing reporting, accounting, and auditing standards; nationalization, expropriation, or confiscatory taxation; foreign currency fluctuations, currency blockage, or replacement; sovereign solvency considerations; less liquid and more volatile exchanges and/or markets; or political changes or diplomatic developments. Foreign investment risks may be greater in developing and emerging markets than in developed markets.

**Currency Risk.** Although the firm will report its performance in U.S. dollars, foreign securities are often purchased with and make any dividend and interest payments in foreign currencies. Therefore, account values could decline solely as a result of changes in the exchange rates between foreign currencies and the U.S. dollar, particularly if the Client has invested a significant percentage of the account in foreign securities or other assets denominated in currencies not tightly pegged to the U.S. dollar.

**Investment in Smaller Companies Risk.** The firm may be focused on smaller companies (those companies with a market capitalization of less than \$1 billion). Smaller real estate company stocks can be more volatile and speculative than, and perform differently from, larger real estate company stocks. Smaller companies tend to have limited resources, product, and market share and are dependent on a smaller management group than larger companies. As a result, their share prices tend to fluctuate more than those of larger companies. Their shares may also trade less frequently and in limited volume, making them potentially less liquid. The prices of small company stocks may fall regardless of trends in the broader market.

**Stock Market Risk.** Stock prices in general rise and fall as a result of investors' perceptions of the market as a whole. If the stock market drops in value, the value of the firm's portfolio investments is also likely to decrease in value. The increase or decrease in the value of the firm's investments, in percentage terms, may be more or less than the increase or decrease in the value of the market.

**Non-Diversification Risk.** The firm investment strategy is non-diversified and takes larger positions in a smaller number of issuers in a single industry than investment advisers with diversified strategies. The change in the value of a single stock in the firm's portfolios may have a greater impact on Client accounts than it would in a diversified account.

**Illiquid and Restricted Securities Risk.** Although the firm does not generally invest in illiquid securities, investments may be illiquid because they do not have an active trading market, making it difficult to value them or dispose of them promptly at an acceptable price. Restricted securities may have terms that limit their resale to other investors or may require registration under federal securities laws before they can be sold publicly.

**Investment Style Risk.** The firm pursues a "relative value to growth" style of investing. Our style of investing focuses on companies with stocks that appear undervalued in light of factors such as the company's earnings growth, net asset value, revenues or cash flow. If Terra Firma Asset Management's assessment of a company's value or prospects for exceeding earnings expectations or market conditions is wrong, the firm could suffer losses or produce poor performance relative to other funds. In addition, real estate securities can continue to be undervalued by the market relative to net asset value for long periods of time.

## **Item 9: Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. There is no history of material legal or disciplinary events by our firm or our management persons.

## **Item 10: Other Financial Industry Activities or Affiliations**

### **The Mutual Funds**

Terra Firma Asset Management is the investment adviser to the Terra Firma US Concentrated Realty Equity Fund (the "Mutual Fund"). Please refer to Items 4, 5 and 8 of this brochure for detailed information about the Mutual Fund.

Christopher Hartung intends to register with Quasar Distributors, LLC as a registered representative in order to discuss the mutual fund.

## **Item 11: Code of Ethics**

### **Description of Our Code of Ethics**

Terra Firma Asset Management has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions,

insider trading, gifts, and conflicts of interest. The Code includes Terra Firma Asset Management's policies and procedures developed to protect Client's interests in relation to the following topics:

- The duty at all times to place the interests of Clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the Code;
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of Clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of Terra Firma Asset Management's Code is available to Clients and prospective Clients upon request.

### **Personal Trading Practices**

Other than the model portfolios, Terra Firma Asset Management does not buy or sell for itself securities that it also recommends to Clients. The firm's principals and other Associated Persons may take positions in the same securities as Clients, which has the potential to create a conflict of interest. Associated Persons are required to obtain a pre-clearance from the firm's Chief Compliance Officer (or, for personal trades by the Chief Compliance Officer, from Jay Leupp) for certain securities. In addition, the Chief Compliance Officer (or, for personal trades by the Chief Compliance Officer, from Jay Leupp) will receive and review personal trading accounts of Associated Persons.

## **Item 12: Brokerage Practices**

Terra Firma Asset Management causes the Mutual Fund to execute its trades through Interactive Brokers ("IB"), due to the quality of IB's execution services and the low cost for those services. When providing asset management services in other cases where the firm has authority to execute trades, Terra Firma Asset Management intends to use IB for similar reasons.

IB and any other broker-dealers used to execute Client trades will offer the firm and its Clients services that include custody of Client securities, trade execution, clearance and settlement of transactions, and (possibly, in the case of some brokers other than IB) daily research and investment information.

### **Research and Other Soft Dollar Benefits**

Terra Firma Asset Management will not have any soft dollar arrangements with IB and has not had any soft dollar arrangements with other broker-dealers, or with respect to other Clients.

### **Brokerage for Client Referrals**

Terra Firma Asset Management does not receive payment for Client referrals from broker/dealers and custodians with whom it has an institutional advisory arrangement, nor does Terra Firma

direct brokerage with consideration for whether a broker-dealer has referred Clients to Terra Firma.

## Directed Brokerage

Clients can direct the firm to execute transactions through the broker dealer of their choice. As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services.

## Trade Aggregation

Orders for the same security entered on behalf of multiple Clients will generally be aggregated, if it is consistent with achieving best execution for various Client accounts and if it is deemed to be in the best interests of participating Clients. All Clients participating in each aggregated order shall receive the weighted average price and pay a trade commission based on the account agreement with the custodian. Smaller accounts may bear higher charges if they fail to meet the minimum account sizes set by the broker.

The appropriate share amount of each buy or sell of a particular security is determined prior to placing the trade. Allocations of orders among Client accounts must be made in a fair and equitable manner. Each participating Client in an aggregated trade receives the pre-determined number of shares in the trade allocation process. In the unusual event of a partial fill of an aggregated order, the originally anticipated allocation will be altered in a fair and equitable manner.

As a rule, allocations among accounts with the same or similar investment objective are made pro rata based upon account size. There is no allocation to an account or set of accounts based on account performance or the amount or structure of management fees. When such concurrent authorizations occur, the objective will be to allocate the executions in a manner that is deemed equitable to the accounts involved. However, the following factors may justify an allocation that deviates from the general rule:

1. Specific allocations may be chosen in order to adjust or maintain the overall ratios of specific securities held by Client accounts.
2. Specific allocations may be chosen based upon an account's existing positions in securities.
3. Specific allocations may be chosen because of the cash availability of one or more particular accounts.
4. Specific allocations may be chosen for tax reasons.
5. An account's allocation may be eliminated, reduced, or increased because of investment policies and restrictions, account guideline limitations, or investment objectives.

Clients with specific investment policies, restrictions, or limitations may not be able to participate in certain aggregated transactions, and therefore, may not benefit from averaged pricing.

Aggregated orders may include proprietary or related accounts. Such accounts are treated as Client accounts and are neither given preferential nor inferior treatment versus other Client accounts.

For the other investment advisor in which Terra Firma Asset Management provides model recommendations, the Client shall independently execute trade recommendations. There may be times in the normal course of business that both parties are in the market working orders at the same time.

### **Item 13: Review of Accounts**

All portfolio holdings are monitored on a continuous basis. Formal reviews are conducted by the following individuals:

- Jay Paul Leupp, Founder and Member
- Christopher Hartung, Founder and Member

Clients receive quarterly statements which detail portfolio holdings, market valuations and portfolio gains/losses. Clients also receive a quarterly newsletter discussing portfolio performance and market commentary.

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

Terra Firma Asset Management does not receive sales awards or other prizes from third parties in exchange for providing investment advice or other advisory services to our Clients.

### **Item 15: Custody**

Terra Firma Asset Management is deemed to have custody of Client funds because of the fee deduction authority granted by certain Clients in their investment advisory agreements.

Clients will receive account statements at least quarterly from the broker-dealer or other qualified custodian, and Clients should review those statements carefully. Clients are urged to compare custodial account statements with any statements provided by Terra Firma Asset Management. Minor variations may occur because of reporting dates, accrual methods of interest and dividends, and other factors. The custodial statement is the official record of your account for tax purposes.

### **Item 16: Investment Discretion**

Terra Firma Asset Management offers discretionary and non-discretionary asset management services to Clients. Discretionary authority is granted to us by our Clients in the investment advisory agreement, a limited power of attorney agreement, and/or trading authorization forms.

Discretionary authority allows our firm to decide on the specific types of securities, the quantity of securities, the broker-dealer to be used and the commission rates to be paid for our Client accounts without obtaining pre-approval for each transaction. For some strategies, Clients may limit this authority by setting a limit on certain securities that can be purchased for their account.

We instruct our Clients to provide us with their restrictions or guidelines in writing.

In a non-discretionary account, an Associated Person of Terra Firma Asset Management recommends the purchase or sale of securities for review and approval by the Client. Terra Firma

Asset Management will only purchase or sell securities which have been approved by Clients in advance.

## **Item 17: Voting Client Securities**

Terra Firma Asset Management will determine how to vote proxies based on its reasonable judgment that the vote will produce favorable financial results for its Clients. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders; proxy votes generally will be cast against proposals having the opposite effect. However, Terra Firma Asset Management will consider both sides of each proxy issue.

Consistent with Terra Firma Asset Management's paramount commitment to the financial investment goals of its Clients, social considerations will not be considered absent contrary instructions by a Client.

Conflicts of interest between Terra Firma Asset Management or a principal of the firm and the firm's Clients in respect of a proxy issue conceivably may arise, for example, from personal or professional relationships with a company or with the directors, candidates for director, or senior executives of a company that is the issuer of Client securities.

If the Chief Compliance Officer determines that a material conflict of interest exists, the following procedures shall be followed:

- a) Terra Firma Asset Management may disclose the existence and nature of the conflict to the Client(s) owning the Client securities, and seek directions on how to vote the proxies;
- b) Terra Firma Asset Management may abstain from voting, particularly if there are conflicting Client interests (for example, where Client accounts hold different Client securities in a competitive merger situation); or
- c) Terra Firma Asset Management may follow the recommendations of an independent proxy voting service in voting the proxies.

Terra Firma Asset Management keeps certain records required by applicable law in connection with its proxy voting activities for Clients and shall provide proxy-voting information to Clients upon their written or oral request. A copy of Terra Firma Asset Management's proxy-voting policies is available to Clients upon request.

## **Class Action Lawsuits**

From time to time, securities held in the accounts of Clients will be the subject of class action lawsuits. Terra Firma Asset Management has no obligation to determine if securities held by the Client are subject to a pending or resolved class action lawsuit. It also has no duty to evaluate a Client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, Terra Firma Asset Management has no obligation or responsibility to initiate litigation to recover damages on behalf of Clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers

whose securities are held by Clients. Terra Firma Asset Management, in its sole discretion, may forward class action paperwork to its Clients.

## **Item 18: Financial Information**

Terra Firma Asset Management does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance.

Terra Firma Asset Management does not have reportable financial disclosures – i.e., disclosures in which Terra Firma Asset Management's financial condition would impair Terra Firma Asset Management's ability to meet contractual commitments to Clients.

## **Miscellaneous**

### **Confidentiality**

Terra Firma Asset Management views protecting its Clients' private information as a top priority and the firm has instituted policies and procedures to ensure that customer information is kept private and secure. The firm complies with all applicable Federal and State regulations in regard to safeguarding of private information.

Terra Firma Asset Management does not disclose any nonpublic personal information about its customers or former customers to any nonaffiliated third parties, except as required by law. In the course of servicing a Client account, Terra Firma Asset Management may share some information with its service providers, such as transfer agents, custodians, broker/dealers, accountants, and lawyers.

Terra Firma Asset Management restricts internal access to nonpublic personal information about its Clients to those employees who need to know that information in order to provide products or services to the Client. Terra Firma Asset Management maintains physical and procedural safeguards that comply with state and federal standards to guard a Client's nonpublic personal information and ensure its integrity and confidentiality. As emphasized above, it has always been and will always be the firm's policy never to sell information about current or former customers or their accounts to anyone. It is also the firm's policy not to share information unless required to process a transaction, at the request of the Client, or as required by law.

A copy of the firm's privacy policy notice will be provided to each Client prior to, or contemporaneously with, the execution of the advisory agreement. Thereafter, the firm will deliver a copy of the current privacy policy notice to its Clients upon any amendments. If you have any questions on this policy, please contact [info@terrafirmaAM.com](mailto:info@terrafirmaAM.com).