

**FIRM BROCHURE**  
(Part 2A of Form ADV)

**March 2, 2023**

**36 North Capital Management, LLC**

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Part 2A of Form ADV (the "**Brochure**") provides information about the qualifications and business practices of 36 North Capital Management, LLC ("**36 North**"). If you have any questions about the contents of this Brochure, please contact us at (479) 250-9540 and/or [info@36northcapital.com](mailto:info@36northcapital.com). The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission ("**SEC**") or by any state securities authority.

36 North Capital Management, LLC is registered as an investment adviser with the SEC; however, such registration does not imply a certain level of skill or training, and no inference to the contrary should be made. When hiring or retaining an adviser, you should carefully assess the qualifications, including the skill and training, of that adviser based on that adviser's oral and written communication.

Additional information about 36 North is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ITEM 1: COVER PAGE

Please refer to the previous page.

## ITEM 2: MATERIAL CHANGES

36 North is a registered investment advisor ("**RIA**"). 36 North filed its most recent update to Form ADV Part 2 in March 2023. This annual amendment reflects updates to the firm's assets under management, the descriptions of fee calculation under "Fees for Investment Management Services" and circumstances whereby the client grants the firm a power of attorney under "Limited Power of Attorney".

From time to time, 36 North may amend this Brochure to reflect changes in business practices, regulations, and routine annual updates according to SEC Rules.

Also pursuant to SEC Rules, 36 North will ensure that clients receive a summary of any material changes ("**Material Changes**") to this Brochure within one hundred and twenty (120) days of the close of the 36 North's fiscal year end, along with a copy of this Brochure or an offer to provide the Brochure. Additionally, as 36 North experiences Material Changes in the future, we will send you a summary of our Material Changes under separate cover. For more information about the 36 North, please contact 36 North at [mfowler@36northcapital.com](mailto:mfowler@36northcapital.com).

Additional information about the 36 North and its investment adviser representatives is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), or please visit our website at [www.36northcapital.com](http://www.36northcapital.com).

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## ITEM 4: ADVISORY BUSINESS

### A. Description of Firm

36 North is a Bentonville, Arkansas-based investment management firm founded in 2021. 36 North provides customized investment management services to institutional clients, including endowments, foundations, family offices, and select high net worth individuals to help them meet their financial and investment objectives. 36 North provides discretionary Outsourced Chief Investment Officer (“**OCIO**”) services, as well as non-discretionary Investment Management Services for those clients that prefer to approve certain portfolio changes. In all instances, 36 North provides continuous and supervisory investment monitoring of client portfolios, including asset allocation, tactical positioning, portfolio re-balancing, and manager monitoring (“**Investment Management Services**”). 36 North will not generally provide advice on individual stocks and bonds, but rather will advise and invest with third-party institutional-quality investment managers across the full spectrum of public and private investment strategies. These investments with third-party managers will typically be made through Alternative Funds (as defined below) or separately managed accounts managed by such third-party managers. 36 North also provides investment consulting services and offers guidance at each stage of investment decision-making, risk management, and investment monitoring processes. 36 North has been registered with the SEC as an investment adviser since 2021.

Mark Fowler (“**Mr. Fowler**”) and Carolyn Keating (“**Ms. Keating**”) are the principal owners of 36 North.

Mr. Fowler is 36 North’s Chief Investment Officer, Chief Compliance Officer and Chief Executive Officer. Before co-founding 36 North, Mr. Fowler was a Partner at Cambridge Associates, LLC, a global investment management firm, where he worked for twenty-eight (28) years. In that capacity, Mr. Fowler worked with a diverse mix of clients, including colleges, universities, foundations, museums, hospitals, families, and a sovereign wealth fund. While at Cambridge, he led a team of eight investment professionals managing \$9 billion in assets. Mr. Fowler has also served as a speaker at internal and external investment conferences. Mr. Fowler holds a B.S. from the University of Virginia’s McIntire School of Commerce and has earned the CFA designation.

Ms. Keating is 36 North’s Head of Private Investments, Chief Operating Officer and Chief Financial Officer. Before co-founding 36 North, Ms. Keating spent more than six (6) years at Cambridge Associates as a senior private investment specialist. Ms. Keating had primary responsibilities for advising institutional clients on all aspects of their private investment portfolios on both a discretionary and non-discretionary basis. Previously, Ms. Keating spent five (5) years as a private equity specialist and was Head of Structuring & Analytics for the U.S. Development Finance Corporation (formerly known as OPIC). While at OPIC, Ms. Keating was responsible for selecting, investing with, and monitoring emerging market private investment managers for a multi-billion-dollar private investment portfolio. Ms. Keating spent the first half of her career in investment banking as a corporate

Eurobond specialist with Citibank and Deutsche Bank. Ms. Keating holds a B.S. from the University of Virginia's McIntire School of Commerce and an MBA from the Darden Graduate School of Business.

## **B. Advisory Services Offered**

### **1. Investment Management Services**

36 North offers clients Investment Management Services covering the client's total investment portfolio, encompassing all traditional asset classes, including public equities (both foreign and domestic), fixed income and credit, real assets, and alternative asset classes (i.e., hedge funds, private equity funds, venture capital funds and other private investment funds, collectively "**Alternative Funds**"). 36 North typically provides investment advice utilizing a multi-manager approach, including recommendations regarding investments in Alternative Funds or separately managed accounts managed by third-party managers. In all instances, the advice provided by 36 North is bespoke for each client's investment objectives, financial condition, and risk tolerances.

36 North may manage a client's investment portfolio on either a fully discretionary or non-discretionary basis. In exercising full discretionary authority, 36 North selects, without first obtaining the client's agreement, (1) the investment managers or funds to be hired or fired; (2) the amounts to be transacted; and (3) portfolio re-balancing/repositioning based on market conditions and exposures. 36 North's discretionary authority may be subject to conditions imposed by a client. For example, this may occur when a client restricts or prohibits transactions in an asset class, industry, or for a specific company or manager. In all circumstances, when exercising its discretionary authority, 36 North will make appropriate changes to the portfolio as it believes they are needed using 36 North's asset allocation methodology and based on a personalized understanding of each client's individual investment objectives.

36 North employs a defined process for each step in the investment management cycle, including goal setting and risk/return profiling, asset allocation modeling, investment selection and implementation, and ongoing monitoring and reporting. The outcomes and mutual understandings resulting from this process are reflected in the client's investment policy statement (the "**Investment Policy Statement**") or other similar documentation and help inform 36 North's formation of the client's asset allocation and manager selection for the client's portfolio. 36 North may also provide ongoing investment advice regarding reviewing, developing, and evolving a client's Investment Policy Statement. This approach helps to provide a robust process to provide long-term investment solutions. Depending upon the strategy selected by 36 North and the client, 36 North may invest client assets in various sectors and securities, including investments in alternative investment assets managed by third-party managers. Please refer to *Item 8* for more information on 36 North's investment strategies, methods of analysis, and their associated risks of loss.

Clients may request that 36 North place trades with a particular broker-dealer (also known as “**Directed Brokerage**”). For more information on 36 North’s discretionary authority and brokerage practices, please refer to *Items 12 and 16*.

## 2. Other Consulting Services

Other consulting services include financial advice and/or analysis of a specific client objective or situation, as defined and agreed on by the client and 36 North in advance (“**Other Consulting Services**”). For example, 36 North may conduct both investment and operational diligence reviews on third-party managers, evaluate a particular venture or investment, or assess advisory services offered by another professional organization. Fees for Other Consulting Services are described below under *Item 5: Fees and Compensation*.

## C. General Information About 36 North’s Advisory Services

### 1. Gathering Individual Client Information

Investment Management Services provided by 36 North are customized based upon the client’s individual needs, objectives, and other financial goals. Early in the relationship, 36 North may memorialize each client’s investment objectives, risk tolerance, time horizons, and additional essential information, including any investment guidelines, in the client’s Investment Policy Statement. Together with any other information relating to the client’s overall financial circumstances, this information will be used by 36 North to determine the most appropriate asset allocation and investment strategy to best meet the client’s financial goals. At times, a client may place certain restrictions that may prevent 36 North from accepting or continuing to service the client’s account.

Under all circumstances, clients are responsible for promptly notifying 36 North in writing of any material changes to the client’s financial situation, investment objectives, time horizon, risk tolerance or Investment Policy Statement.

The decision to invest client assets in Alternative Funds or separately managed accounts is based on a number of factors, including the client’s investment strategy, objectives, restrictions, size, third-party manager minimum asset size requirements for separately managed accounts or Alternative Funds, as well as available assets and cash.

### 2. Manager Research and Due Diligence

36 North uses a combination of historical and forward-looking analytical models to determine the appropriate asset allocation and manager structure for client portfolios. 36 North’s investment manager research and due diligence for traditional and alternative asset funds is based on quantitative and qualitative analysis. The evaluation typically includes an assessment of the quality of the firm, product/strategy, investment team, historical performance, investment selection process, holdings, portfolio construction,

risks, terms and fees, and back-office infrastructure. 36 North may also conduct reference checks as part of the due diligence process. 36 North may recommend different investment managers to different clients based on unique needs, including the degree to which a strategy complements other investments in the respective portfolios.

### 3. Advisory Agreements

Before engaging 36 North to provide investment advisory services, the client will be required to enter into a written client agreement ("**Client Agreement**") with 36 North, setting forth the fees to be charged and the terms and conditions under which it will render its services. Further, 36 North will provide a Brochure and one or more Brochure Supplements to each client or prospective client before or contemporaneously executing a Client Agreement. The advisory relationship will continue until terminated by the client or 36 North as outlined in the Client Agreement.

### 4. Client Restrictions

Clients may impose reasonable restrictions on the types of asset classes, sectors, industries, and/or securities they do not want to be included in their portfolio. Such restrictions must be communicated to 36 North in advance and documented in writing. Once this information is gathered initially, each client is responsible for informing 36 North in writing of any changes to these restrictions or their overall investment objectives. 36 North does not assume any responsibility for the accuracy of the information provided directly by its clients or the failure of clients to inform 36 North of changes to their investment or financial objectives. However, certain client restriction requests may be limited when investing in Alternative Funds.

## D. Wrap-Fee Programs

36 North does not provide portfolio management services to any wrap fee programs, as that term is defined in the instructions to Form ADV Part 2A.

## E. Assets Under Management

As of December 31, 2022, 36 North's assets under management ("**AUM**") totaled \$1.3 billion.

## ITEM 5: FEES AND COMPENSATION

### A. Advisory Fees

Prior to engaging 36 North to provide advisory services, the client will be required to enter into a Client Agreement with 36 North, setting forth the terms and conditions and the fees under which it will render its services. Fees may be subject to negotiation under certain circumstances as agreed on by 36 North and the client.

36 North offers a tiered fee schedule based on assets under management. However, 36 North's fees may be negotiated on a per-client basis and vary based on, for instance, the amount of AUM, the nature and complexity of the client's circumstances, the services to be provided, and other factors. For example, a discretionary engagement will typically have a higher fee than an advisory (*i.e.*, non-discretionary) engagement. Similarly, 36 North will reserve the right to charge an additional or higher fee when providing investment management or advisory services with respect to alternative asset classes than it does with respect to traditional asset classes, all else being equal. The manner in which fees are charged by 36 North is established in a client's respective Client Agreement. 36 North generally bills its fees quarterly in advance.

In most cases, 36 North sends an invoice to each client, and the client pays or instructs its custodian or recordkeeper to do so. 36 North will not typically directly deduct fees from client accounts. However, 36 North will consider this type of direct billing arrangement with a client on a case-by-case basis.

1. Fees for Investment Management Services

36 North generally charges fees for Investment Management Services in one of two ways:

- a. Flat Quarterly Retainer: Clients pay a flat quarterly retainer fee ("**Flat Quarterly Retainer**") in an amount agreed in advance and set forth in the Client Agreement. The Flat Quarterly Retainer is billed quarterly in advance. 36 North will return any paid but unearned fees paid in advance upon the termination of a Client Agreement.
- b. Percentage of Managed Assets: Clients pay an annualized quarterly advisory fee ("**AUM Fee**") in advance based on the fair market value of the AUM (as reasonably determined in good faith by 36 North) as of the close of business on the last business day of the prior calendar quarter. 36 North will return any paid but unearned fees paid in advance upon the termination of a Client Agreement.

Investment Management Services fees are billed quarterly and prorated based on the number of days an account is open during the respective quarter. In addition, 36 North can reduce or waive its Investment Management Fee entirely for client accounts at 36 North's sole discretion. Further, for Investment Management Services, 36 North's fees do not include trustee fees, custody fees, brokerage commissions or transaction costs, fees paid to third-party managers recommended by 36 North, or expenses associated with investments in Alternative Funds managed by third-party managers.

36 North's investment management fee is structured to be separate from and in addition to such third-party managers. Typically, 36 North will attempt to negotiate fee schedules



with some third-party managers under which the third-party manager's fee increases or decreases based on the overall amount of assets managed by the third-party managers for clients of 36 North. In cases where 36 North successfully negotiates fee reductions based upon volume, these reductions will inure entirely to clients.

## 2. Fees for Other Consulting Services

Fees for Other Consulting Services are charged on a one-time/flat fee basis, as agreed in advance and outlined in the Client Agreement.

## **B. Billing Method**

Typically, 36 North will provide its clients with an invoice for fees due under the Client Agreement. However, if agreed upon with the client, 36 North's fees may be deducted from a designated client account or accounts to facilitate billing. However, the client must consent in advance to direct debiting of their investment account.

## **C. Other Fees and Expenses**

Clients should be aware that they will be responsible for all fees imposed by the custodian for trading and other related costs. These can include but are not limited to brokerage commissions, transaction costs, custodian fees, transfer fees, redemption fees on short term investments, third-party manager fees, and expenses incurred in connection with an investment in Alternative Funds managed by such managers, and any taxes or penalties levied by governmental authorities. 36 North does not receive any portion of these fees or expenses. Instead, it seeks to negotiate and minimize these fees wherever possible. When managing clients' assets, 36 North will consider the overall costs to the client. 36 North works to make transaction decisions that are the most economical for a client based on prevailing facts and circumstances. However, expenses such as short-term redemption fees can be incurred in some situations, such as unexpected cash needs or avoiding capital gain distributions. In these situations, 36 North will attempt to avoid these fees but there may be times when it is determined to be necessary and in the client's best interest.

All fees paid to 36 North for its services are separate and distinct from the fees and expenses outlined above.

36 North will always aim to purchase, when available, the lowest cost mutual fund share class for clients. However, there may be times in the future when 36 North does not have access to lower-cost share classes. For example, this could happen when the client's custodian does not offer a lower-cost share class for some, or all the mutual funds bought for and/or held in clients' accounts, or the investment amount does not meet the share class minimum investment requirement.

Significantly, all the fees charged to a client's account lower the overall performance of the account. Therefore, clients should review all applicable direct and indirect charged fees, including but not limited to custodian fees, transaction fees, fees and expenses associated with investments in Alternative Funds, third-party manager fees and advisory fees to best understand the total amount of fees to be paid by the client and to evaluate thereby the advisory services being provided.

**D. Termination of Services**

Clients who pay fees quarterly in advance will receive a refund for unearned fees upon termination. Either the client or 36 North may terminate services without penalty with notice of no less than ninety (90) days. 36 North determines the amount to be refunded to the client, if any, by subtracting its fees earned as of the time of termination from any amounts collected in advance as of the time of termination.

**E. No Compensation for Sale or Securities**

36 North does **NOT** accept compensation for the sale of securities or other investment products.

**ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

36 North does not charge performance-based fees (*i.e.*, fees calculated based on a share of capital gains or capital appreciation of a client's account). Instead, as described above, 36 North provides its services for a fixed fee, hourly charges, and/or based upon a percentage of AUM.

**ITEM 7: TYPES OF CLIENTS**

36 North provides advisory services primarily to institutional investors, including endowments and foundations, select high net worth individuals and families, trusts, charitable organizations, and other business entities.

The minimum account size for Investment Management Services is generally \$50,000,000. However, 36 North may accept smaller portfolios or maintain portfolios whose value has fallen below \$50,000,000 in 36 North's discretion.

**ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

**A. Methods of Analysis**

In formulating investment advice and managing assets, 36 North will analyze economic factors. These may include factors such as GDP growth, employment rates, various interest rates, fiscal and monetary policies, inflation, industry, competitive market dynamics, in addition to other economic supply and demand factors that may help assess future economic and investment environments. This, in turn, will help guide 36 North's asset allocation decisions and the selection of investments suitable for particular investment portfolios. Political factors will be considered in those areas that impact the overall economic environment. The client should be aware that investing in securities involves a risk of loss that they should be prepared to bear.

36 North will also make recommendations regarding classes of assets using historical performance characteristics and economic analysis. 36 North uses information provided by investment managers in its investment manager evaluation process. 36 North will tailor its assessment of a third-party manager and/or any products or separately managed accounts offered by such an investment manager based on its asset class or investment strategy. For example, investment managers offering Alternative Funds co-investment opportunities will receive a customized analysis.

## **B. Investment Strategies**

36 North provides customized Investment Management Services to institutional clients, including endowments, foundations, family offices, and select high net worth individuals to help them meet their financial and investment objectives. 36 North provides discretionary OCIO services and non-discretionary Investment Management Services for clients who prefer to approve certain portfolio changes. In all instances, 36 North provides continuous and supervisory investment monitoring of client portfolios, including asset allocation, tactical positioning, portfolio re-balancing, and manager monitoring. 36 North will not generally provide advice on individual stocks and bonds, but rather will advise and invest with third-party institutional-quality investment managers across the full spectrum of public and private investment strategies.

36 North will offer clients Investment Management Services covering the client's total investment portfolio. These Investment Management Services will encompass traditional asset classes and strategies, including public equities (both foreign and domestic), fixed income and credit, real assets, and the alternative asset classes (i.e., hedge funds, private equity funds, venture capital funds and other private investment funds). 36 North typically provides investment advice utilizing a multi-manager approach, including recommendations regarding investments in Alternative Funds or separately managed accounts managed by third-party managers. In all instances, the advice provided by 36 North is bespoke for each client's investment objectives, financial condition, and risk tolerances.

## **C. Risk of Loss**

Investing in securities involves a significant risk of loss. Though all investments have certain risks borne by the investor, 36 North's methods of analysis and investment strategies aim to keep the risk of loss in mind.

Some of the risks of loss a client should be aware of include but are not limited to the following:

1. 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.
2. Market Risk: The price of a stock, bond, mutual fund, or other security may drop due to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.
3. 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.
4. Currency Risk: Overseas investments are subject to fluctuations in the dollar's value against the currency of the investment's originating country. This is also referred to as exchange rate risk.
5. Political and Legislative Risks: Companies face a complex set of laws and circumstances in each country in which they operate. The political and legal environment can change rapidly and without warning, with significant impact, especially for companies operating outside of the United States.
6. Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (*i.e.*, interest rate). This primarily relates to fixed-income securities.
7. 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 prolonged process, before generating a profit. As a result, they carry a higher risk of profitability than an electric company, which yields its income from a steady stream of customers who buy electricity no matter the economic environment.
8. Liquidity Risk: Liquidity is the ability to convert an investment into cash readily. Generally, assets are more liquid if many traders are interested in a standardized product. For example, treasury bills are highly liquid, while real estate properties are not.

9. Financial Risk: Excessive borrowing to finance a business' operations increase the risk of profitability because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
10. Third-Party Manager Risk: Investing in alternative investment funds, including hedge funds, private equity funds, venture capital funds, limited partnerships, and other investment vehicles managed by third-party managers, represents speculative investments and involves a high degree of risk. As a result, clients could lose all or a substantial portion of their investment in Alternative Funds. Alternative Funds may also employ a distinctive strategy that may not have a readily ascertainable comparative benchmark or index. Alternative Funds, particularly hedge funds, may be highly leveraged and could result in highly volatile investment performance and the loss of investment. 36 North may rely on alternative investment funds and their managers and advisers and on their trading expertise and experience, the identity of which may not be disclosed to investors. Investments in Alternative Funds may be highly illiquid, and there may be significant restrictions on transferring interests, resulting in the inability of 36 North to execute or satisfy withdrawals as expected. Further, investments in Alternative Funds and their underlying portfolios may be challenging to value. Alternative Funds may not provide transparency regarding their underlying investments to investors. In such cases, there may be no way for 36 North to discover or monitor if the specific investments made are consistent with investment strategy, liquidity, or risk parameters.

#### **ITEM 9: DISCIPLINARY INFORMATION**

RIA's such as 36 North are required to disclose all material facts regarding any legal or disciplinary event that would be material to a client's or prospective client's evaluation of 36 North or the integrity of its management. 36 North has not been subject to any such legal or disciplinary event.

#### **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Neither 36 North nor any member of its management is registered as a securities broker-dealer, futures commission merchant, commodity pool operator, or commodity trading advisor.

36 North does not have any affiliation with any related person who is a broker-dealer, investment company, other investment advisors, financial planning firm, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships.

36 North does not receive compensation directly or indirectly from other advisers that creates a material conflict of interest, nor does it have other business relationships with advisers that would create a material conflict of interest.

## ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

### A. Code of Ethics Summary

The principals and staff of 36 North are required to comply with 36 North's adopted Code of Ethics. The 36 North Code of Ethics is intended to provide guidance for dealing with ethical matters, including, among other things, establishing that personal investing activities by 36 North personnel must be consistent with 36 North's fiduciary duty to its clients. In addition, the 36 North Code of Ethics requires certain personnel to report covered securities transactions and provide copies of their brokerage statements to 36 North's compliance department. A copy of the 36 North Code of Ethics is available at no charge to any client or prospective client upon request.

36 North owes a duty of loyalty, fairness, and good faith towards its clients and the obligation to adhere to the specific provisions of the Code of Ethics and the general principles that guide the Code of Ethics. The Code of Ethics covers a range of topics that may include general ethical principles, receipt and giving of gifts, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings, and private placements, reporting ethical violations, and supervisory procedures. 36 North will provide a copy of the Code of Ethics to any client or prospective client upon request.

36 North has also adopted comprehensive compliance policies and procedures in the form of a compliance manual. The 36 North compliance manual (the "**Manual**") is designed to assist 36 North and its partners, officers, directors (or other person occupying a similar status or performing similar functions), and employees and any other person who provides advice on behalf of 36 North and is subject to 36 North's supervision and control (each, a "**Supervised Person**"), in preventing violations of the Investment Advisers Act of 1940, as amended (the "**Advisers Act**") and the rules promulgated thereunder. Access to the Advisers Act and the applicable rules are available at [www.sec.gov](http://www.sec.gov).

The Manual sets forth policies and procedures relating to various aspects of 36 North's business and is designed to meet the requirements of **Rule 206(4)-7** under the Advisers Act. Although each section of the Manual addresses a different compliance issue, procedures relating to certain issues may be found in more than one section.

36 North is a fiduciary and, therefore, must serve the interests of its advisory clients. 36 North must adhere to the standard of care and diligence in conducting its business activities

as is required by law and must be particularly sensitive to situations in which the interests of its advisory clients may be directly or indirectly in conflict with those of 36 North. As a fiduciary, 36 North owes its clients an affirmative duty of utmost good faith and full and fair disclosure of all material facts. Compliance obligations are a priority of 36 North and its Supervised Persons. The failure of a Supervised Person to comply with these procedures may expose 36 North and such individual to significant consequences, including disciplinary measures, termination of employment with 36 North, potential monetary sanctions, and criminal and civil penalties.

36 North's chief compliance officer (the "**Chief Compliance Officer**") is responsible for ensuring that each Supervised Person receives, or has access to, a copy of the most recently updated Manual as it may be amended, from time to time, and for administering the policies and procedures contained in this Manual. Each Supervised Person is responsible for reading and following the Manual. The Manual includes the related appendices, as they may be revised from time to time. If you have any questions about how these procedures relate to a particular situation, consult the Chief Compliance Officer. In addition, if you suspect, or become aware of, a violation (or possible violation) of any policy or procedure contained in this Manual, you should notify the Chief Compliance Officer immediately.

**B. Material Financial Interest/Participation or Interest in Client Transactions and Personal Trading**

Directors, officers, and employees of 36 North and its affiliates may from time-to-time hold, have acquired or sold, or may subsequently receive or sell, for their personal accounts (either directly or through Alternative Funds), securities that may also be held, or have been purchased or sold, for the accounts of 36 North's clients. Accordingly, 36 North's personnel may have a personal or financial incentive to select a third-party manager or its strategies on behalf of its clients.

Based upon a client's stated objectives, 36 North may, under certain circumstances, recommend the purchase or sale of securities in which 36 North or its affiliates have an interest. Such recommendations will only be made to the extent that they are reasonably believed to be in the client's best interests. Additionally, as part of 36 North's fiduciary duty to clients, 36 North and its associated persons will work at all times to put the interests of the clients first and are required to adhere to 36 North's Code of Ethics and the Manual.

To help mitigate any actual or potential conflicts of interest associated with these practices, the Chief Compliance Officer of 36 North will review employee trades involving reportable securities quarterly and holding reports annually. The personal trading reviews help ensure that employees' personal trading does not affect the markets and that clients of 36 North receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the transactions generally do not affect the securities markets. It should be noted that under 36 North's Code of Ethics, employees

of 36 North are not required to report transactions involving open-ended mutual funds to 36 North's Chief Compliance Officer. Some employees may hold outside brokerage accounts consisting of non-reportable securities, which are not subject to the Chief Compliance Officer's quarterly transactions review.

**C. Investing in the Same or Related Securities to Clients that were Recommended**

36 North's principals and staff may have positions in securities that we also recommend to clients. 36 North's recommendations to clients may differ from client to client, based on each client's unique circumstances. For example, 36 North may recommend the purchase of a security for one client while recommending the sale of that security for another; however, as a fiduciary, 36 North aims to act for the benefit of clients and place clients' interests before its own. Accordingly, client transactions have priority over transactions in securities and other investments that our principals and staff may own. Principals and staff may participate with clients in Block Trades (as discussed below) or co-invest alongside clients in Alternative Funds. Principals and staff must always adhere to 36 North's personal trading policy.

**D. Timing of Trades**

All trades for clients, staff, and principals will generally be submitted together and executed at the market price. This mitigates the potential for favoritism or abuse.

**ITEM 12: BROKERAGE PRACTICES**

**A. Selection Criteria**

Except as noted below, 36 North does not select or recommend broker-dealers for client transactions. Subject to specific guidelines and restrictions, 36 North may delegate responsibility for selecting broker-dealers to third-party managers recommended to clients. 36 North requires that each third-party manager have its own policies and procedures for selecting broker-dealers, seeking best execution, and allocating trades fairly and equitably over time, and reviewing such policies and procedures for adequacy before hiring a third-party manager, and periodically after that.

For a limited number of clients, 36 North will communicate trading instructions to the client's designated broker-dealer, pursuant to the client's agreement with 36 North. In these cases, clients direct the use of a particular broker-dealer, and 36 North does not have the discretion to choose the broker-dealer or the commission rates to be paid. However, in certain instances, 36 North may recommend that a client use a particular broker-dealer or custodian. In recommending a particular broker, deal or custodian, 36 North considers a number of factors, including, for example, cost relative to services provided; ease of use for trading and transacting; availability of investment options; and reporting and strength of technological tools.



1. Research and Other Soft Dollar Benefits

36 North does not participate in soft dollar or other client commission arrangements but may receive research or brokerage execution services from broker-dealers who execute transactions for client accounts. In addition, some third-party managers selected or recommended by 36 North may utilize soft dollar programs pursuant to their own policies and procedures.

However, there may be times when a recommendation is made regarding the choice of a broker based on established relationships that make it easier to use certain firms. Critical considerations for their selection are the availability of electronic downloads of information, dedicated service teams, costs, and ease of use. Overall costs are a consideration and will be discussed with a client before implementation.

2. Brokerage for Client Referrals

36 North does not have any arrangements to receive client referrals from any broker-dealer or third party. Additionally, and as explained more fully in *Item 14* below, 36 North does not give or receive economic benefits for referring or referred clients.

3. Directed Brokerage

36 North does not require clients to execute transactions through a specified broker-dealer and typically accepts direction from its clients to execute transactions through a particular broker-dealer selected by the client (commonly referred to as “**Directed Brokerage**”).

Clients should be aware that, in the event a client directs the brokerage to be used for transactions, 36 North may be limited in its ability to negotiate commissions, obtain volume discounts, or best execution in some transactions. In addition, clients may pay higher transaction costs due to a client directed brokerage arrangement.

B. Aggregation of Orders

36 North may aggregate sale and purchase orders with other client accounts that have similar orders being made simultaneously under the management of 36 North if, in 36 North’s judgment, aggregation is reasonably likely to result in an overall economic benefit to the client (commonly referred to as “**Block Trades**”). Such benefits may include better transaction prices and lower trade execution costs. If all aggregate orders do not fill at the same price, 36 North may cause the client and each similar order to pay or receive the average prices at which the orders were filled. If such orders cannot be fully executed under prevailing market conditions, 36 North may allocate the securities traded among clients and each similar order in a manner which it considers equitable, taking into account

the size of the order placed, the client's cash position, the investment objective of the account, size of the order and liquidity of the security.

## ITEM 13: REVIEW OF ACCOUNTS

### A. Review of Accounts and Reviewers

36 North's managed accounts are reviewed continuously in light of the client's Investment Policy Statement. Additional account reviews may be conducted upon various triggering events discussed below.

Reviews are conducted by 36 North's professional staff, all of whom are Supervised Persons.

### B. Review Triggers

36 North's client accounts are reviewed with regard to the overall asset allocation of the portfolio and in light of the client's Investment Policy Statement. Triggers for investment reviews may include:

- Deposits or withdrawals
- Economic or market changes
- Changes in the client's situation or the client's objectives or Investment Policy Statement
- Investment moves outside approved policy range
- Re-balancing of accounts

### C. Regular Reports

The frequency and content of client reporting are agreed to in writing with each client. Generally, at a minimum, clients receive quarterly reports.

## ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

In general, 36 North's policy is not to pay referral fees to independent persons or firms ("**Solicitors**") for introducing clients to the firm. However, it is possible that in the future, 36 North may enter into a referral arrangement.

If a referral fee is paid, 36 North requires the Solicitor to provide the prospective client with a copy of this document (the *36 North Brochure*) and a separate disclosure statement that includes the following information:

- The Solicitor's name and relationship with 36 North

- The fact that the Solicitor is being paid a referral fee
- The amount of the fee
- Whether the fee paid to 36 North by the client will be increased above the firm's normal fees to compensate the Solicitor

As a matter of practice, the advisory fees paid to 36 North by clients referred by solicitors are not increased as a result of any referral relationship. It is 36 North's policy not to accept or allow related persons to accept any form of compensation, including cash, sales awards, or other prizes, from a non-client in conjunction with the advisory services provided to clients.

## **ITEM 15: CUSTODY**

36 North does not accept or seek to maintain physical custody of funds or securities for any client. Client assets are generally held in custodial accounts with banks, broker-dealers, or other qualified custodians retained by clients. However, under the SEC custody rule, 36 North may be deemed to have custody of client assets where 36 North is permitted to deduct its fees from the client's account or have authorized 36 North to initiate disbursements from the client's account to third parties. 36 North will urge these clients to carefully review their quarterly (or more frequent) statements provided by the client's qualified custodian and compare such official custodial records to the performance evaluation reports that 36 North provides. Clients should note that 36 North's performance evaluation reports could vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies used for certain securities.

## **ITEM 16: INVESTMENT DISCRETION**

### **Discretionary Authority; Limitations**

Unless otherwise agreed upon at the inception of the client relationship and memorialized in writing, Investment Management Services provided by 36 North will be provided on a non-discretionary basis. However, if agreed upon in the Client Agreement, Investment Management Services rendered by 36 North may also be provided on a discretionary basis. In exercising its discretionary authority, 36 North will have the ability to determine the type and amount of investment to be transacted and how best to execute the transaction. Such discretion is to be exercised in a manner consistent with each client's stated investment objectives, risk tolerance, and time horizon, as outlined in the client's Investment Policy Statement. In addition, 36 North's authority to execute transactions may be limited in certain circumstances by applicable legal and regulatory requirements. Accordingly, clients are permitted to impose reasonable limitations on 36 North's discretionary authority, including restrictions on investing in certain asset classes, sectors, or types of securities. All such limitations, restrictions, and investment guidelines must be communicated to 36 North in writing.

### **Limited Power of Attorney**

Clients who grant discretionary authority to 36 North in its Client Agreement will authorize 36 North to exercise discretionary authority with respect to all Investment Management Decisions and Investment Management Service transactions involving the client's account (excluding any assets or accounts that the client designates as "Unmanaged" or "Non-Discretionary"). Under a discretionary Client Agreement, 36 North will be designated as the client's attorney-in-fact with discretionary authority to effect investment transactions in the client's account. This limited power of attorney authorizes 36 North to give instructions to third parties for servicing the client's account.

36 North will not exercise discretionary Investment Management authority for "Unmanaged" or "Non-Discretionary" clients. Clients that engage 36 North on a "Non-Discretionary" basis can retain the authority and responsibility to execute investment decisions. However, "Non-Discretionary" client can also choose to give the 36 North limited discretion with regards to transaction execution. In these instances, "Non-Discretionary" clients maintain Investment Management Decision authority over investment choices and actions, but will designate 36 North as the client's attorney-in-fact with discretionary authority to execute the client's investment decisions. This limited power of attorney authorizes 36 North to give instructions to third parties for servicing the client's account.

### **ITEM 17: VOTING CLIENT SECURITIES**

Unless otherwise agreed upon in the Client Agreement, 36 North will generally not vote proxies on behalf of its clients. Therefore, 36 North shall have no obligation to take any action or render any advice concerning the voting of proxies solicited by or with respect to issuers of securities held in a client's account, and such authority has not been delegated to another named fiduciary in the plan's written documents. Consequently, clients retain the responsibility for receiving and voting all proxies for securities held within the client's account.

While 36 North employees may answer client questions regarding proxy voting matters in an effort to assist the client in determining how to vote the proxy, the final decision of how to vote the proxy rests with the client. Accordingly, 36 North shall not be deemed to have proxy voting authority solely due to providing advice or information about a particular proxy vote to a client.

### **ITEM 18: FINANCIAL INFORMATION**

36 North does not require or solicit prepayment of more than \$1,200 in fees per client, six (6) months or more in advance and therefore is not required to provide, and has not

provided, a balance sheet. Furthermore, 36 North does not have any financial commitments that may impair its ability to meet contractual and/or fiduciary obligations to clients. Finally, 36 North has not been the subject of a bankruptcy proceeding.