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**FORM ADV, PART 2A
BROCHURE**

March 27, 2023

This Form ADV, Part 2A (the “Brochure”) provides information about the qualifications and business practices of Kabouter Management, LLC (“Kabouter”), an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”). If you have any questions about the contents of this Brochure, please contact us via e-mail at compliance@kabouterfund.com. The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about Kabouter is also available on the SEC’s website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Kabouter is 153099.

Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This Brochure is neither an offer to sell nor a solicitation of an offer to buy shares or interests in any of the privately offered investment funds advised by Kabouter. An offer of interests in such funds can be made only through the offering materials for the relevant fund and only in jurisdictions in which such an offer would be lawful.

Item 2 – Material Changes

There have been no material changes to this Brochure since the last annual update to the Brochure filed on March 24, 2022. We note that we updated our assets under management and made various non-material changes throughout the Brochure to clarify certain services and practices of our firm, and to update the discussion of certain risks associated with our investment strategies.

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Exhibits

Privacy Notice

Item 4 – Advisory Business

Kabouter Management, LLC (“Kabouter,” “we,” “us,” “our,” or the “firm”) is a registered investment adviser based in Chicago, Illinois. Kabouter is organized as a Delaware limited liability company and has been providing investment advisory services since 2003. Kabouter is a wholly-owned subsidiary of Kabouter Holdings, Inc., a Delaware corporation. Kabouter Holdings is principally owned and controlled by Peter Zaldivar and Marcel Houtzager, the founders and principals of Kabouter. Kabouter has completed the Minority Owned Business (MBE) Certification Program with the City of Chicago and has been granted certification as a Minority Business Enterprise under the Business Enterprise Program for Minorities, Females and Persons with Disabilities with the State of Illinois.

Overview

Kabouter offers its investment advisory (and sub-advisory) services to a variety of client types, including privately offered pooled investment vehicles organized as domestic limited liability entities and Cayman Islands exempted companies (each, a “private fund”), separately managed accounts (each, a “separately managed account”), and other investment vehicle types (together with the private funds and the separately managed accounts, “clients”). Kabouter currently offers investment strategies focused primarily on the equity securities of micro, small, and/or mid-sized companies located outside the United States, including in emerging markets.

Private Funds

Kabouter serves as the investment manager, investment adviser, or sub-adviser to private funds. Kabouter also provides advisory services to private funds operated by unaffiliated advisers on a sub-advisory basis. The primary investment objective of each private fund is to seek to provide investors with an above-average long-term return from a portfolio invested primarily in equity securities of smaller or mid-sized companies located outside the United States. Each private fund has different investment features which may include varying levels of management fees and/or performance compensation, withdrawal rights, investment guidelines, investment minimums, investor qualification standards, and liquidity terms. This Brochure should not be considered an offering document for the private funds and investors should refer to a specific private fund’s offering memorandum or organizational documents for a complete description of that fund, including its types of investments and strategies, risks, conflicts of interest, fees, and expenses. We tailor our investment advisory services for a private fund to such fund’s overall investment program, and not to the needs of any underlying investor therein.

The governing documents for the private fund and/or the investment advisory agreement, if applicable, govern Kabouter’s advisory services provided to the private fund. Aside from private funds where Kabouter serves as a sub-adviser, the governing documents generally provide that the private fund may be dissolved upon Kabouter’s dissolution, withdrawal from the private fund, or resignation as the manager or investment adviser.

The private funds are exempt from registration as an investment company under either Section 3(c)(1) or 3(c)(7) of the Investment Company Act of 1940, as amended (the “Company Act”).

Separately Managed Accounts

Kabouter also serves as adviser or sub-adviser to certain separately managed accounts. These customized offerings generally follow the same portfolio construction process as the private funds, however, we may customize an investment portfolio in accordance with the client's risk tolerance and investment objectives, including reasonable restrictions on investing in certain securities. For example, clients may specify that investments in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrict or prohibit transactions in the securities of a specific industry or issuer. Once we construct an investment portfolio, we monitor the performance of each client's portfolio on an ongoing basis and will rebalance the portfolio as necessary due to changes in market conditions. From time to time, Kabouter may provide advisory services, including on a sub-advisory basis, to other investment vehicle types, including collective investment trusts. Collective investment trusts are for the collective investment of assets of participating tax qualified pension and profit-sharing plans and related trusts, and governmental plans.

Investment Advisory Agreements

Our investment advisory (and sub-advisory) agreements contain an authorization by which clients grant us discretion to make purchases and sales for their accounts without requiring us to obtain their consent or approval prior to each transaction, to select the types and amounts of securities that we buy or sell for their accounts, the broker or dealer we use to effect such transactions and the commission rates paid. As noted above, certain clients may specify their investment objectives and guidelines, direct brokerage, select their portfolio strategy, and impose certain restrictions or investment parameters. Imposing account restrictions may adversely or favorably affect account performance compared to unrestricted accounts we manage.

In the event an investment advisory (or sub-advisory) agreement is terminated, clients will receive a prorated refund of any fees paid in advance. If clients pay fees at the end of a billing period in arrears, they will incur a pro rata charge for services rendered prior to the termination of the agreement, which means they will incur advisory fees only in proportion to the number of days in the billing period for which they are a client.

Assets Under Management

As of December 31, 2022, the firm's regulatory assets under management were approximately \$1,911,309,183. We do not currently manage any assets on a non-discretionary basis.

Performance

Kabouter reports its performance in compliance with the Global Investment Performance Standards (GIPS). We completed the exercise of having our firm verified by Adviser Compliance Associates, LLC (ACA), an independent third party.

Item 5 – Fees and Compensation

Fees for the private funds, separately managed accounts, and other investment vehicle types are discussed in this item.

Private Funds

The fees and expenses applicable to each private fund are described in such fund's private offering memorandum or organizational documents. The rates at which our fees are charged vary across our private funds and, as to a particular fund, may also vary across investment options available to investors. As compensation for our investment management services to the entities, we generally receive an annual management fee of up to 2% of the applicable private fund's net assets, which are generally payable monthly or quarterly in advance. In addition, with respect to certain private fund clients, Kabouter and/or its affiliates are entitled to receive performance compensation for our services, ranging from 0% to 20% of net profits achieved over a traditional or modified high water mark. Certain funds offer lower fees in exchange for longer lock-up periods, and certain funds offer the option of performance compensation based on the performance of such private fund relative to the performance of selected indices. Performance compensation is generally calculated and paid at the end of the fiscal year. Management fees and performance compensation are deducted directly from investors' assets in the applicable private fund. The management fee and performance compensation is prorated with respect to any partial period. Any prepaid but unearned fees will be refunded.

We reserve the right to apply a different management fee and/or performance compensation to different investors and to waive any management fee and/or performance compensation in whole or in part for particular investors in our discretion, including principals and employees of Kabouter.

Separately Managed Accounts

The fees and expenses applicable to each separately managed account are described in such account's investment advisory agreement. We charge an annual advisory fee of up to 2% of client assets under management, depending upon the complexity of the strategy and the size of the account, among other factors. In addition, Kabouter may arrange for performance compensation with respect to certain separately managed account clients. Fees for a separate account client are negotiable and may vary from the amounts set forth in this Brochure.

Our advisory fee is generally billed and payable quarterly in arrears, based on the value of a client's account at the end of the previous quarter. If the investment advisory agreement is executed at any time other than the first day of a calendar quarter or terminated prior to the end of a calendar quarter, our fees will apply on a pro rata basis. Any prepaid but unearned fees will be refunded.

We typically will invoice the client for payment of fees. We urge our clients to review all statements received from their custodians for accuracy. Our investment advisory agreements also may contain written authorization permitting our fees to be paid directly from each client's account. In such cases, we will send each client and the qualified custodian that they select for such account an invoice showing the amount of fees due along with the account value on which the fee is based and how the fee was calculated. In some instances, the qualified custodian will deduct our fee directly from such client's account at the client's direction and pay directly to us.

We may launch or manage other funds or accounts with higher or lower fees and/or different compensation structures. Different client facts and circumstances, including the client's

investment strategy, liquidity profile, and prevailing market terms, will be considered in determining applicable fees.

Additional Fees and Expenses

As part of our investment advisory services, we may invest client assets in mutual funds and exchange-traded funds. The fees that a client pays to our firm for investment advisory services are in addition to the fees and expenses charged by mutual funds or exchange-traded funds (described in each such fund's prospectus) to their shareholders. These fees will generally include a management, custodial and transfer agent fee, and other fund expenses.

Our fees are exclusive of, and clients may incur certain other fees and expenses, including brokerage commissions, banking fees, interest, custodial fees, transaction fees, and other investment related costs and expenses, including research expenses (such as computer software, news and information services and licensing costs which benefit our clients). Brokerage commissions, custodial fees, and other transaction expenses and fees are typically imposed by broker-dealers, custodians, and other third parties. Please refer to Item 12 for a description of the factors we consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation.

Clients may also be subject to organizational, operating, administrative, legal, audit, and other professional expenses. Clients may also bear their share of expenses attributable to regulatory and other filings which are made with respect to the client's holdings. In some instances, certain clients will be responsible for extraordinary expenses, including the expenses of litigation. Each client will be responsible for their own taxes. Please refer to the applicable governing documents of a client for more information.

Client costs and expenses are the responsibility of, and may be paid directly by, the applicable client. However, where we have the ability to do so in respect of our clients, we may pay client costs and expenses directly out of our own account for and on behalf of the client, and in those cases, we are entitled to reimbursement from the client. Certain costs and expenses may be incurred for the benefit of, or be shared by, multiple clients which may include clients which do not bear any responsibility for such costs and expenses. Such shared expenses generally will be allocated across the applicable clients pro rata or in such other manner as we deem appropriate. We may directly bear the responsibility for the portion of such shared costs and expenses otherwise allocable to one or more clients which benefit from such shared costs and expense.

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

In addition to the advisory fees described in Item 5 above, certain clients pay performance compensation based on a percentage of net profits (including realized and unrealized gains and losses) achieved over a traditional or modified high water mark. Performance compensation is generally payable at the end of the fiscal year, upon the termination of a client agreement, or upon the withdrawal or redemption of a private fund investor. For certain of our clients, the performance compensation, if any, may be made to the firm or an affiliate.

Performance-based compensation creates an incentive for our firm to make investments that are riskier or more speculative than would be the case absent a performance compensation

arrangement. In addition, performance compensation, as well as asset-based fees, may vary among clients. Accordingly, clients are subject to conflicts of interest by the management of multiple accounts that follow similar or the same investment strategy. Such a conflict creates an incentive for us to favor one account over another (e.g. allocation of aggregated trades). A similar conflict exists from managing accounts containing assets owned by Kabouter, its employees, or the principals. Kabouter has policies and procedures reasonably designed to mitigate these conflicts. For example, Kabouter monitors such conflicts by implementing “best execution” and trade allocation procedures as well as by maintaining a Code of Ethics. See Items 11 and 12 below. All accounts within a particular investment strategy are managed in accordance with the same investment process irrespective of fee structure.

We generally invest in securities that have a market quotation. In limited circumstances where a market quotation for a security is not available, Kabouter will determine the fair value of the security. As the calculation of performance-based compensation and asset-based fees will be based on such valuations, Kabouter has a conflict of interest when determining the fair value of such securities. Such compensation arrangements incentivize Kabouter to overvalue assets in order to increase the amount of its compensation. To address this potential conflict, we have adopted policies and procedures governing Kabouter’s determination of “fair value” of any investments that do not have a readily ascertainable value.

Item 7 – Types of Clients

We offer investment advisory services to a variety of client types, including private funds, separately managed accounts, and other investment vehicle types.

Investment in the private funds generally requires a minimum investment of \$500,000, although Kabouter may accept lesser amounts in its discretion. In addition, investment in the private funds is limited to “accredited investors” within the meaning of Regulation D under the Securities Act of 1933 and “qualified clients” as defined in Rule 205-3 under the Investment Advisers Act of 1940. Certain private funds may also require that investors be “qualified purchasers,” as defined in Section 2(a)(51) under the Company Act. Each private fund’s private offering memorandum or organizational documents includes a complete discussion of the eligibility requirements applicable to that fund, including any applicable lock-up period. Examples of the types of investors in the private funds include pension and profit-sharing plans, trusts, estates, charitable organizations, foundations, endowments, corporations, high net worth individuals, and family offices.

We generally require a minimum account size of \$50,000,000 for the establishment of a separately managed account. We may waive this requirement in our sole discretion. We may aggregate related client accounts to meet this account minimum in our discretion. Examples of some of the types of investors that may be interested in a separately managed account include pension and profit-sharing plans, governmental plans, trusts, estates, charitable organizations, foundations, endowments, corporations, other investment advisers, high net worth individuals, and family offices.

Investments in collective investment trusts are generally limited to participating tax qualified pension and profit-sharing plans and related trusts, and governmental plans. Any investment

minimums applicable to a collective investment trust are described in the applicable governing documents.

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

Kabouter's investment strategies focus on constructing concentrated, high conviction, micro- to SMID-cap international portfolios. Kabouter performs a quantitative screening of more than approximately 25,000 securities in global markets, seeking to identify companies demonstrating an ability to exhibit consistent growth in both good and bad economic times, a strong balance sheet and a business model that we believe could benefit from long-term secular growth themes. Our firm then relies primarily on its bottom-up, independent research to uncover companies that may be under-appreciated by the broader market. In selecting companies in which to invest, we emphasize long-term growth prospects as well as quality management that can adapt to changing markets and technologies. We base our assessment of companies on qualitative criteria we believe relevant in the circumstances, for example: the general reputation of the company, the stability of the organization, our subjective view on the quality of management, and information obtained through interviews with management, the company's competitors and suppliers, and industry experts. We also seek to invest in companies whose prospects may not be fully appreciated by others; for example, companies that we believe the market has not correctly valued by overlooking regional and industry trends as such trends relate to the companies. Where appropriate, Kabouter may also engage with certain portfolio companies deploying its friendly engagement processes in an attempt to unlock hidden value, increase sell-side coverage, enhance ESG scores, and improve operational efficiencies.

Furthermore, Kabouter acknowledges that certain material environmental, social, and governance ("ESG") factors may have both direct and indirect impacts on corporate profitability, long-term performance, and risk. The firm considers relevant material ESG factors to both minimize its investment risks and maximize its investment returns by understanding companies' potential negative and positive exposures. Kabouter believes that strong ESG practices and transparency not only are indicators of a well-governed company but can also help companies lower their cost of capital as greater investor interest leads to higher market valuations. Kabouter generally seeks to avoid companies that are exposed to relevant material ESG risks if Kabouter believes such risks will not otherwise be improved. Once invested, to the extent we deem necessary, Kabouter may make suggestions to company management teams in an effort to improve the company's ESG policies and the disclosure of such policies. In addition, Kabouter has elected to conform its investment process to certain voluntary principle-based investment philosophies, for example, the United Nations-supported Principles for Responsible Investment and the Japanese Stewardship Code. In addition, Kabouter is a member of the Asian Corporate Governance Association and the International Corporate Governance Network, and is a public supporter of the Task Force on Climate-related Financial Disclosures.

Where beneficial, we may seek to add value through friendly shareholder engagement, such as discussing with company management potential business combinations, expansion strategies, improving investor relations, and corporate governance changes. We believe companies may benefit from our work in the form of improved business terms, increased analyst coverage, and a higher profile among international institutional investors.

In connection with our friendly shareholder engagement activities, we may cause one of our portfolio accounts, either alone or together with other accounts, to secure the appointment of persons selected by Kabouter to the company's management team or board of directors. In so doing, management persons of Kabouter, including one or more of the principals, may acquire legal and fiduciary duties to the company and to its other shareholders that may conflict with the interests of Kabouter's accounts and clients.

From time to time, Kabouter may come into possession of material, non-public information with respect to a portfolio company or may become subject to trading restrictions pursuant to the internal trading policies of a portfolio company or as a result of agreement or applicable law or regulations. In such instances, Kabouter will generally be prohibited for a period of time from purchasing or selling the securities of such portfolio companies on behalf of clients. Any such trading prohibition may have an adverse effect on the accounts and clients.

Investment Strategies

We may invest in a wide variety of securities and financial instruments, domestic and foreign, whether publicly traded or privately placed. Client assets typically will be invested primarily in publicly traded equity securities of non-U.S. issuers. Our investments may include common and preferred stocks, bonds and other debt securities, limited partnership interests, mutual fund shares, exchange-traded funds, options, warrants, futures, currencies, monetary instruments, and cash and cash equivalents. In certain situations, we may seek to hedge the currency risk of a client's non-U.S. investments, but are not required to do so.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon each client's investment objectives and risk tolerance. Any restrictions and guidelines may affect the composition and performance of a client's portfolio.

Risk Management

Investments are monitored by Kabouter's investment team, and risk management is embedded into the investment process. The team conducts ongoing diligence on each investment. The risk management process starts with the screens detailed below. This process of screening for 'quality' seeks to eliminate riskier businesses in the initial stage of the investment process. Kabouter may also rely on experience and channel checks to identify the risks of an investment as well as a proprietary risk management checklist. The investment team may also employ third-party research providers to objectively assess the management of potential investments.

Prior to making a new investment, the investment team typically conducts a "risk assessment" presentation highlighting the bear case of each stock, assesses the management of potential portfolio companies, and attempts to quantify any material ESG risks by studying the quality of each company's ESG disclosure and practices. Research team meetings are typically held twice a week, and members of the various groups within Kabouter attend these meetings, and all decisions are made in an open and transparent manner.

Several groups within Kabouter monitor performance and portfolio weights daily and monitor liquidity, currency, and regional/sector exposures monthly. Kabouter uses these reports to monitor the performance of accounts and to understand the underlying sources of any returns that are not in line with the investment team's expectations. While factor attribution or exposure analysis is not explicitly used in the stock selection process, portfolio management decisions are informed by risk analysis as the investment team seeks to provide intended exposures.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that a client's financial goals and objectives will be met. Each investment strategy also is subject to risks unique to itself. The risks below may apply depending on strategy type. Past performance is in no way an indication of future performance.

Some of the principal risks that could adversely affect your investment are set forth below and, with respect to investment in the private funds and other investment vehicles, are qualified in their entirety by the more detailed risk disclosure in the applicable offering documents:

- *Concentration.* Kabouter may at times concentrate its investments by investing a significant portion of its assets in the securities of a single issuer, industry, sector, country, or region, although this concentration will not occur under normal market conditions. To the extent Kabouter concentrates a client's investments in any of these ways, the overall adverse impact on the client of adverse developments in the business of such issuer, industry, sector, country, or region could be considerably greater than if they did not concentrate their investments to such an extent.
- *Country Risk.* Domestic events — such as war, political upheaval, financial troubles, natural disasters, or health crises — may weaken a country's securities markets. Because we may invest a large portion of a client's assets in securities of companies located in any one country, performance may be disproportionately impacted by the poor performance of investments in a single country.
- *Currency Risks.* Purchasing instruments denominated in foreign currencies or engaging in currency trading has certain risks, including illiquidity, blockages by governments, political unrest, failure or inability to deliver, pressures from speculators, and other factors that can result in losses with respect to such instrument and currencies, notwithstanding any nominal returns or value. In addition, to the extent that currency risk is not hedged, changes in the values between the denominated currency of a client account and other currencies can increase or reduce the actual returns from investments denominated in other currencies. Client accounts may at times have significant currency exposure. Therefore, market movements in the underlying currencies could result in substantial losses. In certain situations, we may seek to hedge the currency risk of non-U.S. investments, but are not required to do so.

- *Cybersecurity Risk.* Kabouter and its service providers may be prone to operational and information security risks resulting from cyber-attacks. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information, or various other forms of cybersecurity breaches. Cybersecurity attacks affecting Kabouter and its service providers may adversely impact clients. For instance, cyber-attacks may interfere with the processing of transactions, cause the release of private information about clients, impede trading, subject clients and Kabouter to regulatory fines or financial losses, and cause reputational damage. Similar types of cybersecurity risks are also present for issuers of securities in which clients may invest, which could result in material adverse consequences for such issuers and may cause Kabouter's investment in such issuers to lose value.
- *Debt and Other Income Securities.* In certain circumstances, clients may have exposure to fixed-income securities. Fixed-income securities are subject to interest rate, market, and credit risk. Interest rate risk relates to changes in a security's value because of changes in interest rates generally. Even though such instruments are investments that may promise a stable stream of income, the prices of such securities are inversely affected by changes in interest rates and, therefore, are subject to the risk of market price fluctuations. In general, the values of fixed-income securities increase when prevailing interest rates fall and decrease when interest rates rise. Market risk relates to the changes in the risk or perceived risk of an issuer, country, or region. Credit risk relates to the ability of the issuer to make payments of principal and interest. Investors may lose money if the issuer of a fixed-income security is unable to pay interest or repay principal when due. Credit risk applies to most fixed income securities. The values of income securities may also be affected by changes in the credit rating or financial condition of the issuing entities.
- *Emerging Markets.* Certain clients may have a substantial portion of their assets in securities tied economically to emerging market countries or securities issued by the governments of emerging market countries. Such securities may be subject to additional risks due to the inexperience of financial intermediaries, the lack of modern technology, the lack of a sufficient capital base to expand business operations, and the possibility of temporary or permanent termination of trading in emerging market countries. Political and economic structures in many emerging market countries may be undergoing significant evolution and rapid development, and emerging markets may lack the social, political, and economic stability characteristics of more developed countries. Settlement mechanisms in emerging markets may be less efficient and less reliable than in more developed markets and placing securities with a custodian or broker-dealer in an emerging country may also present considerable risks. The small size of securities markets in such countries and the low volume of trading may result in a lack of liquidity and in substantially greater price volatility.
- *Engagement Approach.* Kabouter may seek engagement initiatives with portfolio company management from time to time, which is generally friendly in nature. If a

company implements a strategy supported by Kabouter, there exists the risk that the intended strategy will be unsuccessful. Further, when securities are purchased in anticipation of influencing the future direction of a company, a substantial time period may elapse between the purchase of the securities and the anticipated results. During this period, a portion of the client's capital would be committed to the securities purchased. Additionally, if the anticipated results do not in fact occur, the client may be required to sell its investment at a loss. Moreover, there may be instances where an account will be restricted in transacting in or redeeming a particular investment as a result of its engagement strategy.

Furthermore, Kabouter may attempt to build strong relationships with company management. In certain cases, attempts to influence a company's management may result in a principal of Kabouter taking a seat on the company's board of directors. In such a case, there exists the risk that Kabouter will be restricted in transacting in or redeeming its investment in that company because of, among other things, legal restrictions on transactions by company directors or affiliates. There may be other instances where Kabouter will be restricted in transacting in or redeeming its investment in a company because of specific agreement related to an engagement initiative. Because there is substantial uncertainty concerning the outcome of transactions involving the target companies in which the accounts may invest, there exists a potential risk of loss by the account and client of its entire investment in such companies.

To the extent Kabouter engages with other investors with respect to a particular engagement initiative, there is a risk that Kabouter may be deemed to be "acting in concert" with such other investors.

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- *Equity and Equity-Related Instruments.* Stocks and other equity-related instruments may be subject to various types of risk, including market risk, liquidity risk, counterparty credit risk, legal risk, and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risk of loss. "Equity securities" may include common stocks, preferred stocks, interests in real estate investment trusts, convertible debt obligations, convertible preferred stocks, equity interests in trusts, partnerships, joint ventures, or limited liability companies and similar enterprises, warrants, and stock purchase rights. Equity securities fluctuate in value, and such fluctuations can be pronounced. In general, stock values fluctuate in response to the activities of individual companies and in response to general market and economic conditions. Accordingly, the value of the stocks and other securities and instruments that a client holds may decline over short or extended periods.
- *ETFs.* Exchange traded funds ("ETFs") are subject to investment advisory and other expenses, which will be indirectly paid by clients. In addition, ETFs are subject to specific risks, depending on the nature of the fund.

- *Force Majeure.* Global markets are interconnected, and events like hurricanes, floods, earthquakes, forest fires, and similar natural disturbances, war, terrorism or threats of terrorism, civil disorder, public health crises, and similar “Act of God” events have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term and wide-spread effects on world economies and markets generally. Clients may have exposure to countries and markets impacted by such events, which could result in material losses.
- *Futures Contracts and Options on Futures Contracts.* In entering into futures contracts and options on futures contracts, there is a credit risk that a counterparty will not be able to meet its obligations. The counterparty for futures contracts and options on futures contracts traded in the U.S. exchanges is the clearinghouse associated with such exchange. In general, clearinghouses are backed by the corporate members of the clearinghouse who are required to share any financial burden resulting from the nonperformance by one of its members and, as such, should significantly reduce this credit risk. In cases in which the clearinghouse is not backed by the clearing members, it is normally backed by a consortium of banks or other financial institutions. There can be no assurance that any counterparty, clearing member, or clearinghouse will be able to meet its obligations.
- *Geopolitical Risk.* The potential for political, economic, military, and social disruptions can result from a nation’s involvement or tensions with other nations or actors. As a result, these disruptions may affect the stability, security, and relations of the world’s economies and pose challenges to business and trade. Consequently, the U.S. and other nations or international organizations may impose economic sanctions or take other actions that may adversely affect exposed issuers and companies in various sectors of the economy and may increase volatility in the markets generally. Sanctions could also result in the sanctioned countries taking counter measures or retaliatory actions, which may impair the value and liquidity of securities and/or disrupt financial markets globally. Kabouter actively monitors sanction lists and restricts exposure to sanctioned countries and/or securities, as applicable.
- *Government Intervention.* The global financial markets have undergone fundamental disruptions that have led to or were caused by unprecedented governmental intervention, including the Dodd Frank Act, the United Kingdom’s withdrawal from the European Union (Brexit) and, more recently, the economic sanctions against Russia and certain Russian individuals, banking entities, and companies. Such intervention has in certain cases been implemented on an “emergency” basis, suddenly and substantially eliminating market participants’ ability, at least on a temporary basis, to continue to implement certain strategies or manage the risk of their outstanding positions. In addition — as one would expect given the complexities of the financial markets and the limited time frame within which governments have taken such actions — these interventions typically have been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as certain previously successful investment strategies. Significant new

regulations could limit a client's activities and investment opportunities or change the functioning of financial markets, and there is the possibility of a worldwide economic downturn in the future. Consequently, Kabouter may not be capable of, or successful at, preserving the value of a client's assets, generating positive investment returns, or effectively managing risks considering such actions.

- *Hedging Risk.* The use of options and futures and other investment techniques for hedging purposes, including currency hedging, involves the risk that changes in the value of a hedging instrument will not match those of the asset or security being hedged. Hedging is the use of one investment to offset the effects of another investment. Imperfect or no correlation of the values of the hedging instrument and the hedged security or asset might occur because of characteristics of the instruments themselves or unrelated factors involving, for example, the markets on which the instruments are traded. As a result, hedging strategies may not always be successful. While hedging strategies can help reduce or eliminate portfolio losses, they have costs associated with them and can reduce or eliminate portfolio gains. In certain situations, we may seek to hedge certain assets or securities, but are not required to do so.
- *Inflation Risk.* Inflation, deflation and rapid fluctuations in inflation rates have had in the past, and may in the future have, negative effects on economies and financial markets. For example, wages and prices of inputs increase during periods of inflation, which can negatively impact rates of returns on investments and stock prices.
- *Liquidity Risk.* Global financial markets have experienced a variety of difficulties and changed economic conditions in recent years. Reduced liquidity in equity, credit, and fixed-income markets may adversely affect issuers worldwide. These conditions could lead to reduced demand for the securities in which our clients invest, which could impair Kabouter's ability to respond to market movements. In certain situations, particularly where Kabouter clients hold a meaningful portion of an issuer's outstanding securities, these conditions could create difficulty for Kabouter to effectively trade the securities or to realize market prices, which could cause clients to experience adverse price movements upon liquidation of the securities. As a general matter, because securities held by clients are marked to market and fluctuate in value based on supply and demand, reduced liquidity in the markets could depress the value of a client's assets to less than their intrinsic value.
- *Non-U.S. Investments.* Investments in securities of non-U.S. issuers and the governments of non-U.S. countries involve special risks not usually associated with investing in securities of U.S. companies or the U.S. government, including political and economic considerations, such as greater risks of expropriation and nationalization, confiscatory taxation, difficulty in repatriating funds, social, political and economic instability, and adverse diplomatic developments; the possibility of the imposition of withholding or other taxes on dividends, interest, capital gain or other income; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and

in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict investment opportunities. In addition, there may be different types of, and lower quality, information available about a non-U.S. company than a U.S. company. There is also less regulation, generally, of the securities markets in many foreign countries than there is in the United States, and such markets may not provide the same protections that are available in the United States. With respect to certain countries, there may be the possibility of political, economic, or social instability, the imposition of trading controls, import duties, tariffs, or other protectionist measures, various laws enacted for the protection of creditors, and greater risks of nationalization or diplomatic developments that could materially adversely affect investments in those countries. In addition, certain countries may restrict or prohibit investment opportunities in issuers or industries deemed important to national interests. Such restrictions may affect the market price, liquidity and rights of securities that may be purchased by a client. Investment in non-U.S. countries may also be subject to withholding or other taxes, which may be significant and may reduce the investment returns. Non-U.S. markets may also be affected, directly or indirectly, by trade disputes or tariffs, the effect of which may be difficult to predict. All of these non-U.S. risks are typically greater in less developed or emerging market countries.

- *OTC Transactions.* In general, there is less governmental regulation and supervision in the “over the counter” (“OTC”) markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes clients to the risk that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract.
- *Pandemic Risks.* An outbreak of disease or similar public health threat, or fear of such an event could have a material adverse impact on the performance of client accounts. In addition, outbreaks of disease could result in increased government restrictions and regulation, including quarantines, which could adversely affect our operations. “”An extended period of global supply chain and economic disruption could materially affect the performance of client accounts, results of operations, access to sources of liquidity, and financial condition.
- *Restricted or Illiquid Securities.* Clients may purchase securities subject to restrictions on resale. Restricted securities may be sold only pursuant to an exemption from registration under the Securities Act, or in a registered public offering. Where registration is required, the holder of a registered security may be obligated to pay all or part of the registration expense, and a considerable period may elapse between the time it decides to seek registration and the time at which it may be permitted to sell a security under an effective registration statement. Difficulty in selling such securities may result in a loss to a client account or cause it to incur additional administrative costs.

- *Short Selling.* Short selling exposes the seller to theoretically unlimited risk due to the lack of an upper limit on the price to which a security may rise, and there can be no assurance that the securities necessary to cover a short position will be available for purchase at such times. However, to the extent a client's assets are invested in limited liability entities, its losses are limited to its investment in the particular entity.
- *Side Letters.* Certain private funds have entered or may enter into agreements with underlying investors which have the effect of altering or supplementing the terms of the offering to the investor. Such agreements may grant certain investors fees, reporting, or liquidity, as well as other matters, that are more favorable than the terms given to other investors and are not generally subject to the approval of or specific disclosure to any investor or any other person.
- *Smaller Company Securities Risk.* Securities of micro, small or mid-capitalization companies ("smaller companies") can, in certain circumstances, have a higher potential for gains than securities of large-capitalization companies, but generally carry greater risk. For example, smaller companies may be more vulnerable to market downturns and adverse business or economic events than larger, more established companies because they may have more limited financial resources and business operations. These companies are also more likely than larger companies to have more limited product lines and operating histories and to depend on smaller management teams. Their securities may trade less frequently, in smaller volumes and may be less liquid and fluctuate more sharply in value than securities of larger companies. In addition, some smaller companies may not be widely followed by the investment community, which can lower the demand for their stocks.
- *Stock Market Risk.* There is a risk that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.
- *Swaps.* Investments in swaps involve the exchange between two parties of all or a portion of their respective interests or commitments. In the case of currency swaps, one party may exchange with another party their respective commitments to pay or receive currency. Use of swaps involves risk of default by the counterparty. If there is a default by the counterparty to such a transaction, the non-defaulting party will have contractual remedies pursuant to the agreements related to the transaction. There are currently a large number of banks and investment banking firms acting both as principals and agents and utilizing standardized swap documentation. As a result, swap markets are normally relatively liquid in comparison with the markets for other similar instruments that are traded in the interbank market. However, in times of market turmoil, spreads can widen substantially, and these markets can become very illiquid, with the result that positions may not be able to be offset or closed out at a reasonable price, if at all.
- *Tax Implications.* Our strategies and investments may have unique and significant tax implications, including tax consequences specific to investments in non-U.S.

investments. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of client assets. Regardless of client account size or any other factors, we strongly recommend that clients regularly consult with a tax professional prior to and throughout the investing of their assets.

- *Use of Derivatives.* Certain clients may use derivative instruments, which may include without limitation, warrants, options, swaps, forward contracts, and futures contracts. The use of derivative instruments involves a variety of material risks, including the extremely high degree of leverage often embedded in such instruments and the possibility of counterparty nonperformance as well as of material and prolonged deviations between the actual and the theoretical value of a derivative (*i.e.*, due to nonconformance to anticipated or historical correlation patterns). In addition, the markets for certain derivatives are frequently characterized by limited liquidity, which can make it difficult as well as costly to close out positions in order to realize gains or to limit losses.

Item 9 – Disciplinary Information

In 2016, Kabouter exceeded an ownership notification threshold with respect to a client's holding of a publicly-traded Finnish security. Through a decision provided on January 21, 2019, Finland's Financial Supervisory Authority determined to impose a monetary penalty on Kabouter for the late filing.

Item 10 – Other Financial Industry Activities and Affiliations

There are no material limitations on our ability to conduct any other business, including any business within the financial or securities industry, whether or not that business is in competition with any client.

We serve as the managing member for certain private funds. For our non-U.S. private funds, an employee of Kabouter generally holds a minority position on each non-U.S. private fund's board of directors.

For our U.S. private funds, Kabouter, as managing member, has general authority over the business and affairs of the private funds, including Kabouter's engagement as investment manager, subject to the terms of the fund client's governing documents. For our non-U.S. private funds, the board of directors is generally vested with the authority over the business and affairs of the private funds, including Kabouter's engagement as investment manager. We are entitled to receive both an advisory fee and, for some accounts, performance compensation as described above in Items 5 and 6.

Kabouter and its principals and employees will devote as much of their time to the activities of a particular client as they deem necessary and appropriate. Kabouter and its affiliates are not restricted from forming additional investment funds, from entering into other investment advisory relationships, or from engaging in other business activities. These activities could be viewed as creating a conflict of interest in that the time and effort of Kabouter and its principals and

employees will not be devoted exclusively to the business of a particular client but will be allocated between the clients.

Principals, employees and affiliates of Kabouter may hold significant investments in clients from time to time. In addition, the firm has established internal accounts to develop track records for potential new investment strategies, consisting entirely of proprietary capital of the firm and/or its principals.

Kabouter maintains certain exemptions from registration with the U.S. Commodity Futures Trading Commission as a commodity pool operator with respect to certain of the private funds that trade or are deemed to trade in commodity interests.

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

Description of Our Code of Ethics

We have adopted a Code of Ethics, the full text of which is available to clients upon request. We strive to comply with the applicable laws and regulations governing our advisory services. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our firm's principals and employees. Provisions in the Code of Ethics relate to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. Our goal is to protect our clients' interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with clients. All our employees are expected to adhere strictly to these guidelines and must acknowledge their obligation to comply with the Code of Ethics annually. Our Code of Ethics also requires that employees submit reports of their personal account holdings and transactions to our Chief Compliance Officer, who reviews these reports on a quarterly basis.

In the course of its activities, the firm may obtain material, non-public information with respect to certain portfolio companies. A list of those companies will be maintained by the Chief Compliance Officer and delivered to each person covered by the Code of Ethics. To reduce the possibility of a transaction in the securities of a company for which the firm is deemed to be in possession of inside information, every transaction in such securities, whether for a client account or a personal account, must be approved, in advance, by the Chief Compliance Officer. Transactions in such securities, if any, by the Chief Compliance Officer must be approved, in advance, by a principal of Kabouter.

Participation or Interest in Client Transactions

Persons associated with our firm, including the principals, have a significant portion of their liquid net worth invested in certain of the private funds. In addition, the firm has established internal accounts to develop track records for potential new investment strategies, consisting entirely of proprietary capital of the firm and/or its principals.

We advise, and may organize or advise in the future, investment accounts that invest in similar or different investments as our existing clients. The management of these clients conflict in some

circumstances. For example, we may determine that an investment opportunity is appropriate for a particular account, but not for another. In addition, with respect to separately managed account clients, such clients are generally permitted to terminate their relationship with Kabouter on terms which are shorter than the redemption terms generally applicable to the private funds. As a result, such separate accounts clients could be viewed to hold liquidity terms which are more favorable than the private funds.

We offer advisory services to different types of clients, including private funds, separate accounts, and other investment vehicle types, and our clients may be subject to different regulations. Clients may have different investment strategies, objectives and restrictions, and may be subject to different terms. These terms include, but are not limited to, the following: investor lock-up periods, advisory fees and performance compensation, liquidity terms, rights to receive information regarding the portfolio, and such other rights as may be negotiated by investors or other accounts. As a result, we have an incentive to favor one account over another when making investment decisions.

From time to time, there are instances when allocating investments among accounts in which some accounts participate in certain opportunities while other accounts do not. Where accounts have competing interests in a limited investment opportunity, we may not allocate investment opportunities pro rata among accounts but rather allocate investment opportunities on the basis of numerous other considerations, including, without limitation, position size, amount of available capital, investment strategy, risk profile, geographic and sector weightings, liquidity, existing position size, overall portfolio composition, rebalancing exposures, participation in other opportunities, trading activity, legal, tax, or regulatory constraints, anticipated capital activity (investor flows), portfolio guidelines and restrictions as well as the relative size of different accounts' same or comparable portfolio holdings. Furthermore, on a day-to-day basis the factors noted above may result in differences among the returns for portfolios of accounts in the same investment strategy. For example, the inception date of a particular account and ongoing cash flow differences may result in the deviation of an account from the strategy's performance. Accordingly, clients should not expect that the returns of their account will always mirror the strategy's returns.

Taking into consideration the conflicts of interest disclosed above, it is important to note that it is our policy to allocate, to the extent operationally and otherwise practical, investment opportunities to each account on a fair and equitable basis relative to other accounts.

Personal Trading Practices

In certain circumstances, consistent with our clients' investment objectives, we may cause certain accounts to purchase or sell securities in which certain employees and/or our clients (including pooled investment vehicles and internal accounts referenced above) directly or indirectly have a position or interest. All employees are required to comply with our Code of Ethics prior to investing for their own accounts. The Code of Ethics is designed to assure that the personal security transactions, activities, and interests of those individuals will not interfere with making investment decisions in the best interests of our clients. Under our Code of Ethics, personal securities transactions generally must be cleared with our Chief Compliance Officer. However, transactions in certain classes of securities, such as exchange-traded funds, open-ended mutual funds, and

acquisitions or dispositions that are non-volitional (including stock splits, gifts, inheritance, etc.) are designated as exempt from pre-clearance requirements, based upon a determination that trading in these securities would not materially interfere with the best interests of our clients. There is a possibility that our employees or existing clients benefit from market activity by another client. Personal trading is monitored under our Code of Ethics to reasonably prevent conflicts of interest with our clients.

Item 12 – Brokerage Practices

We maintain trading relationships with several broker-dealers and seek to ensure that the broker-dealers we use to execute trades are doing so in a competitive fashion for our clients. Specifically, in choosing a broker-dealer to execute a transaction, we seek to obtain “best execution” for the affected client’s account, meaning a combination of the best net price and execution under the circumstances. We determine which broker-dealer we believe can provide best execution by taking into consideration various applicable factors which include but are not limited to (i) the desired timing of the trade and the ability of the broker or dealer to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any), (ii) the operational efficiency with which transactions are effected (taking into account the size of the order and the difficulty of execution and ability to source blocks), (iii) the financial strength, reputation, integrity, and stability of the broker or dealer, (iv) the quality, comprehensiveness, and frequency of available research services considered to be of value, including whether the broker or dealer can facilitate introductions and/or access to management of issuers of securities, (v) the competitiveness of commission rates in comparison with other brokers satisfying our selection criteria, and (vi) the nature and character of the markets for the security to be purchased or sold. While we generally seek lower commission rates, payment of the lowest commission or spread is not necessarily consistent with obtaining best price and execution in particular transactions. In recognition of the value of research services and additional brokerage products and services (discussed further under “Soft Dollar Practices” below), we are generally authorized to pay higher commissions and/or trading costs than those that may be available elsewhere if we determine in good faith that the amount of such commission cost is reasonable in relation to the value of the services provided by the broker. In addition, although such products and services may generally benefit our firm, they may not directly relate to transactions executed on a specific client’s behalf. As each client invests primarily in non-U.S. securities, we outsource a material portion of our client transactions to an intermediary broker, currently BTIG, LLC (BTIG). BTIG executes and clears transactions with several broker-dealers, including transactions with brokers in local non-U.S. jurisdictions.

As with any investment adviser that has discretionary authority over client assets, the firm’s investment activities with respect to certain securities are from time to time subject to certain limitations or restrictions imposed by the issuer, applicable regulatory agencies, or applicable law due to the level of beneficial ownership by the firm’s clients. We are generally required to aggregate holdings across all our client accounts when determining the maximum amount of a security that may be held under these ownership restrictions. To comply with these ownership restrictions, we may be limited in our ability to initiate or build a position in a security for new client accounts or with new capital in existing client accounts. Also, we may determine to purchase a security in a client account only if the position can be built up to a meaningful size. In addition, we may limit purchases of certain securities for accounts for risk management reasons. It is

possible that these ownership restrictions and other limitations could cause performance dispersion among client accounts.

Soft Dollar Practices

In selecting or recommending a broker-dealer, we will consider the value of research and additional brokerage products and services and other nonmonetary benefits a broker-dealer has provided or will provide to our clients and our firm. Research products our firm may receive from broker-dealers may consist of economic surveys, data and analyses, financial publications, and recommendations or other information about particular companies and industries (through research reports and otherwise).

These benefits may influence us to select one broker over another to perform services for our client accounts. Nevertheless, we will attempt to assure that the fees and costs for services that brokers offering these benefits provide are reasonable and not materially greater than services performed by brokers not offering such benefits.

“Soft dollars” refers to the receipt by an investment adviser of products and services that brokers provide, without making any separate cash payments for such products or services, based on the volume of commission revenues generated from securities transactions placed with those brokers on behalf of the adviser’s clients. The products and services available from brokers include both internally generated items (such as research reports prepared by the broker’s employees) and items acquired by the broker from third parties (such as quotation equipment). Section 28(e) of the Securities Exchange Act of 1934, as amended, provides a “safe harbor” to investment advisers who use soft dollars generated by their client accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the adviser in the performance of its investment decision-making responsibilities.

Kabouter utilizes commission sharing arrangements (“CSA”) with certain broker-dealers. Under a CSA, Kabouter requests brokers effecting transactions on behalf of its clients to allocate a portion of the total commission to a pool of commission credits. At our direction, the pool is used to pay broker-dealers and independent research providers for research products and services. CSAs may be used for both proprietary and third-party research products and services. The use of CSAs is intended to assist Kabouter in providing credits to broker-dealers or third-party research providers who, in its judgment, provide the best access to analysts and management, and to independent research providers, while using reliable executing broker-dealers which Kabouter believes will benefit its clients. CSAs benefit Kabouter because we do not have to produce or pay for the research and services we obtain through them.

Our use of brokerage commissions to obtain research services creates a conflict of interest between us and our clients because clients may pay in the form of higher commissions for products and services that may not be exclusively used for their benefit and may be primarily or exclusively used for our benefit or the benefit of other clients. To the extent that we are able to acquire these products and services without expending our own resources, our use of soft dollars would tend to increase our profitability. We do not limit soft dollar benefits to those client accounts generating such benefit, nor do we allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

For the sake of clarification, our firm uses research to assist us in making our investment decisions, not just for those accounts whose commissions may be considered to have been used to pay for such research.

Directed Brokerage

Certain clients may instruct our firm to use one or more particular brokers for the transactions in their accounts, either with respect to all transactions in their accounts or otherwise in accordance with the firm's best execution policies and procedures, as described herein. If clients choose to direct our firm to use a particular broker, this may prevent us from aggregating trades with other client accounts and from effectively negotiating brokerage commissions on their behalf. This practice may also prevent our firm from obtaining a more favorable net price and execution. Thus, when directing brokerage business, clients should consider the commission expenses, execution, clearance, and settlement capabilities that they will obtain through their broker in comparison to those that we would otherwise obtain for them. We encourage clients to contact us to discuss their available alternatives.

Cross Trades

From time to time, where permitted by applicable law, we may determine that a sale of positions from one account to another is in the best interests of both accounts. This may arise, for example, if one account is being wholly or partially liquidated to fund withdrawals, while another account has cash available for investment. Neither we nor our affiliates will receive commissions or otherwise profit from such cross trades, and our Chief Compliance Officer (or designee) is required to approve all cross trades in advance. Where required by applicable law, or in other appropriate circumstances as we determine in our discretion, we may obtain the consent of the affected clients prior to conducting such trades.

Investor Committees

In the context of a private fund, we may appoint an independent representative of the fund or one or more investors to an investor committee to consent on behalf of the fund to a rebalancing transaction or other transactions in which participating accounts may have divergent interests. Any consent given by the independent representative or investor committee on behalf of a fund would be binding upon all investors in such fund. The fund may agree to reimburse any such representatives or investor committee members for their reasonable out-of-pocket expenses and to indemnify them to the maximum extent permitted by law.

Aggregation and Allocation of Orders

To the extent the firm deems a particular investment suitable for more than one account (including accounts in which the firm and/or its principals have an interest), such investment will be allocated or apportioned by the firm between (or among) applicable accounts to the extent the firm determines it is practicable and advisable to do so. Kabouter recognizes that it may not always be possible or practicable (or consistent with the investment objectives of an account) for the same investment positions to be taken or liquidated at the same time or at the same price as other of the firm's accounts. We seek to allocate investments across applicable accounts in a manner that is fair and equitable on an overall basis to all such accounts. When appropriate, securities purchased

or sold generally will be allocated to clients pro rata based on relative order size. However, we are not required to allocate on a pro rata basis if, in its sole discretion, the firm believes that another manner of allocating or apportioning such investment is fair and equitable on an overall basis to all applicable accounts under the circumstances, taking into account relevant characteristics and considerations for each applicable account (in each case, both at the time of the investment and on a prospective basis). Such characteristics and considerations may include, among other factors and without limitation, position size, amount of available capital, investment strategy, risk profile, geographic and sector weightings, liquidity, existing position size, overall portfolio composition, rebalancing exposures, participation in other opportunities, trading activity, legal, tax, or regulatory constraints, anticipated capital activity (investor flows), portfolio guidelines and restrictions as well as the relative size of different accounts' same or comparable portfolio holdings.

To ensure that accounts of all clients and portfolios are treated fairly in the event we place orders for the same security for more than one account at or about the same time, we may combine orders placed on behalf of accounts, including advisory accounts in which our firm or our employees have a significant interest, for the purpose of negotiating brokerage commissions or obtaining a more favorable price. All participating accounts will pay or receive an average price when orders executed on the same day are combined. Although the aggregation of trade orders is expected to benefit accounts overall, aggregation may, in any circumstance, disadvantage a particular account. There may be circumstances in which we determine not to aggregate client trade orders that otherwise could have been aggregated or in which aggregation is not feasible. In addition, Kabouter may determine to trade a security held across multiple accounts at the same time in different manners. For example, Kabouter may determine to sell a security in one account while purchasing the same security in another account, or determine to sell a security through a market order for one account and concurrently sell the same security through a limit order for another account. It is possible that an action taken on behalf of one account with respect to an investment could have material adverse effect on another account. Kabouter's discretionary clients and accounts where the client has elected to direct brokerage may trade the same securities at approximately the same time. In these circumstances, Kabouter will seek to effect trading on behalf of accounts in a manner in which it believes is fair and equitable although Kabouter does not control the trading processes for clients who have directed brokerage and, therefore, such clients may receive less favorable pricing. To the extent that orders require a lengthy trading cycle to complete, Kabouter may seek to rotate orders among accounts. Due to the nature of the trade rotation process, Kabouter's discretionary accounts may obtain more favorable execution prices than directed brokerage clients or vice versa.

Item 13 – Review of Accounts

Review of Accounts

The portfolio managers monitor accounts on an ongoing basis and periodic compliance checks are undertaken to assure conformity with investment objectives and guidelines. Triggering factors that may stimulate additional review include, but are not limited to:

- significant market corrections,

- large deposits or withdrawals from an account,
- substantial changes in the value of a client's portfolio,
- a change in a client's investment objectives,
- year-end tax planning, and/or
- security-specific events.

Reports to Clients

We may provide periodic performance reports upon a client's request. In addition, clients will receive written statements directly from their account custodian on at least a quarterly basis.

We will deliver to investors in the private funds audited written financial reports annually within 120 days after the end of each fiscal year. Investors will also receive a quarterly letter detailing the private fund's performance. In addition, private fund investors will receive monthly unaudited written statements of their capital account balance from the administrator of the applicable fund. We will deliver to separately managed account clients written monthly statements based on the custodian's accounting statements. Other information may be provided upon request to all or individual investors at the fund's sole discretion.

Item 14 – Client Referrals and Other Compensation

We do not compensate any persons for client referrals, nor do we receive any additional compensation beyond that described in this Brochure.

Item 15 – Custody

In certain instances, we have the authority to cause certain client accounts to be debited directly for the payment of our advisory fees. This ability to deduct our advisory fees causes our firm to exercise limited custody over funds or securities in such clients' accounts; however, we do not have physical custody of clients' funds or securities. Clients' funds and securities will be held with a bank, broker-dealer, or other independent "qualified custodian" (as defined in the SEC's custody rule). We will send monthly statements to separately managed account clients upon their request.

In our capacity as manager to certain private funds, we are deemed to have custody of such fund's assets. We maintain the funds' cash and securities with a "qualified custodian" and provide investors in such funds with an annual audited financial statement within 120 days of the end of such fund's fiscal year. Such audits are conducted by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board in accordance with its rules.

Item 16 – Investment Discretion

Our investment advisory or sub-advisory agreement or, in the case of a pooled investment vehicle, its organizational documents or subscription agreement, contains an authorization by which clients

grant us discretion to make purchases and sales for their accounts or the pooled vehicle's account without requiring us to obtain client consent or approval prior to each transaction, to select the types and amounts of securities that we buy or sell for such clients' accounts or the pooled vehicle's account, the broker or dealer we use to effect such transactions, and the commission rates paid. However, in the case of a separately managed account, clients may specify their investment objectives and guidelines, select their portfolio strategies, and impose certain reasonable conditions or investment parameters for their accounts. For example, clients may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or reasonable restrictions or prohibitions of transactions in the securities of a specific industry or security.

In all cases, we exercise our discretion in a manner consistent with the investment objectives each client states for its account or as stated in a pooled investment vehicle's offering documents, as applicable. In the case of a separately managed account, we may ask clients to provide us with written investment objectives or guidelines or to confirm their objectives, guidelines, or any trading restrictions when opening the account or at any time after we begin to manage the account.

Item 17 – Voting Client Securities

Where clients have delegated us authority, we will vote proxies on their behalf. To the extent a client elects to retain proxy voting authority, the client will remain responsible for exercising its right to vote as a shareholder for all securities maintained in its portfolio.

Kabouter has authority to vote proxies with respect to securities held by the private funds. The investors in the private funds may not direct our vote in a particular solicitation.

We have adopted proxy voting policies and procedures designed to satisfy our duties relating to proxy voting. Proxy voting decisions will be made in light of the anticipated impact of the vote on the desirability of maintaining an investment in a company, from the viewpoint of the best interests of the clients, without regard to any other interests.

We have adopted proxy voting policies and procedures designed to ensure that we vote proxies in the best interest of our clients. In light of our fiduciary duty to clients and given the complexity of the issues that may be raised with proxy votes, Kabouter has retained an independent third-party proxy voting service provider, Institutional Shareholder Services Inc. ("ISS"), to assist it in coordinating, administering (including the maintenance of required records), processing, and voting of certain client proxies. These services also include proxy voting recommendations and research. Kabouter does not delegate voting authority to ISS and may vote against any recommendation from ISS if it determines that doing so is in the best interests of the relevant client and otherwise is consistent with Kabouter's Proxy Voting Policy and Procedures.

At times, Kabouter may not be able to vote proxies on behalf of clients when clients' holdings are in countries that restrict trading activity around proxy votes. We attempt to identify any conflicts of interests between the interests of our clients and our own interests within our proxy voting process. If we determine that Kabouter or one of our employees faces a material conflict of interest in voting a proxy (e.g., an employee of Kabouter may personally benefit if the proxy is voted in a certain direction), our procedures generally provide for ISS as an independent party to determine

the appropriate vote. We will use our best judgment to vote proxies in the best interests of our clients and will typically follow the recommendations of ISS. In the case of a conflict, we will seek to vote the proxy in the best interest of clients.

Any of our clients, or any underlying investor in any of our clients, may request a copy of our proxy voting policy and procedures as well as relevant information concerning how we voted client securities, by e-mail at compliance@kabouterfund.com.

Item 18 – Financial Information

Item 18 is not applicable to us.

KABOUTER MANAGEMENT, LLC

NOTICE OF PRIVACY POLICY AND PRACTICES

This notice is provided by Kabouter Management, LLC, on behalf of itself and the investment funds it manages ("Kabouter"). We recognize and respect the privacy expectations of our customers.* We provide this notice to you so that you will know what kinds of information we collect about our customers and the circumstances in which that information may be disclosed to third parties who are not affiliated with us. If you are a corporate customer (including, for these purposes, legal arrangements such as trusts or limited partnerships) that provides us with personal information on individuals connected to you for any reason in relation to your investment with us, this will be relevant for those individuals and you should transmit this document to such individuals or otherwise advise them of its content.

Collection of Customer Information

We collect the following nonpublic personal information about our customers:

- Information from the customer;
- Information about the customer's transactions with us or our affiliates;
- Information about the customer's transactions with non-affiliated third parties; and
- Information from a consumer reporting agency.

Information from these sources can include:

- *Account Applications and other forms*, which may include a customer's name, address, social security number, and information about a customer's investment goals and risk tolerance;
- *Account History*, including information about the transactions and balances in a customer's account; and
- *Correspondence*, written, telephonic, or electronic, between a customer and Kabouter or service providers to Kabouter.

Among other sources, we may collect this information through Internet websites.

Disclosure of Customer Information

* For purposes of this notice, the terms "customer" or "customers" include both (i) individuals who have a continuing client relationship with the firm (e.g., by having an advisory contract with the firm or by holding an investment product through the firm) and (ii) individuals who provide nonpublic personal information to the firm, but who do not have a continuing relationship with the firm (e.g., an individual who provides such information in deciding whether to become a client, whether or not the individual establishes a continuing relationship with the firm).

We may disclose all of the information described above to certain third parties who are not affiliated with us under one or more of the following circumstances:

- *As Authorized* – if you request or authorize disclosure of the information.
- *As Required by Law* – for example, to cooperate with regulators or law enforcement authorities.
- *As Otherwise Permitted by Law* – to organizations with which we are not affiliated, if doing so is necessary to provide the service the customer is buying (“Service Providers”) – for example, sharing information with companies that maintain, process or service customer accounts or financial products and services or effect, administer, or enforce customer transactions is permitted. Among other activities, we may share information with broker-dealers in order to execute customer trades or with custodians that hold securities on behalf of customers. We may also share your personal information with organizations who provide services to our funds, including lawyers, auditors, accountants, brokers, AML service providers, tax information exchange service providers, or other back office service providers. We believe that sharing of information for these purposes is essential to providing customers with necessary or useful services with respect to their accounts.
- *Under Joint Agreements* – we may also share information with companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements and where such third party is required to maintain the confidentiality of such information.

Security of Customer Information

We require our Service Providers:

- to maintain policies and procedures designed to assure only appropriate access to information about our customers;
- to limit the use of information about our customers to the purposes for which the information was disclosed, or as otherwise permitted by law; and
- to maintain physical, electronic and procedural safeguards that comply with federal standards to guard non-public personal information about our customers.

We will adhere to the policies and practices described in this notice regardless of whether you are a current or former client of Kabouter.

Opting Out

Before we may disclose non-public personal information about any consumer (including any customer) to a non-affiliated third party other than a Service Provider and other than pursuant to one of the exceptions under Regulation S-P, we must provide each consumer an initial privacy policy notice and an opt-out notice. The opt-out notice would describe our planned disclosures and give customers a reasonable opportunity to decline permission to make those disclosures.

Because we do not disclose non-public personal information to non-affiliated third parties, other than Service Providers or pursuant to the exceptions, we are not required to provide opt out notices.

Information Security

Within Kabouter, access to information about you is restricted to those employees who need to know the information to service your account. Our employees are trained to follow our procedures to protect your privacy and are instructed to access information about you only when they have a business reason to obtain it. We use physical, electronic, and procedural safeguards to keep your information secure.

Cayman Islands - Data Protection Act, 2017

Customers of our Cayman Islands investment funds have rights under the Data Protection Act, 2017 of the Cayman Islands ("DPA"). To exercise those rights, the Customer of our Cayman Islands investment fund should call (312) 248-7313 or email compliance@kabouterfund.com.

Any transfer of personal information by us or our duly authorized affiliates and/or delegates outside of the Cayman Islands shall be in accordance with the requirements of the DPA.

California Consumer Rights

Under California law, residents of California have the right to know what personal data is being collected about them, know whether their personal data is being sold or disclosed, opt out of the sale of their personal data, access their personal data, request deletion of their personal data, and have equal service and price even if they exercise their privacy rights. To exercise those rights, the California resident should call (312) 248-7313 or email compliance@kabouterfund.com.

Changes to Our Privacy Policy

We reserve the right to change our privacy policy in the future, but we will not disclose your non-public personal information except to our affiliates

and as otherwise required or permitted by law without giving you an opportunity to instruct us not to.

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Questions?

If you have questions regarding these policies, please contact us by writing to Kabouter Management, LLC, 401 N. Michigan Avenue, Suite 2510, Chicago, IL 60611, Attention: Chief Compliance Officer.