

**ITEM 1  
COVER PAGE**

**Part 2A OF FORM ADV: THE BROCHURE**

**VETERI PLACE CORPORATION**

100 Lanidex Plaza, Suite 100  
Parsippany, NJ 07054  
Phone: (973) 952-0405

March 24, 2023

This brochure provides information about the qualifications and business practices of Veteri Place Corporation (together with its relying adviser(s), “Veteri” or the “Company”). If you have any questions about the contents of this brochure, please contact Veteri’s Chief Compliance Officer, Michael Hammer, at (973) 952-0405.

Veteri is registered as an investment adviser with the United States Securities and Exchange Commission (the “SEC”) under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training. The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

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

## ITEM 2 MATERIAL CHANGES

Since Veteri's previous annual filing on March 21, 2022, the Company is reporting the following material change:

Item 4 – **Advisory Business:** In 2022, the majority beneficial owners of the Company changed the Trust vehicles that hold the ownership interests in the adviser, Veteri Place Corporation. The Allison Hammer 2016 Trust and Erica Fishman 2016 Trust transferred beneficial ownership interests in the Company to the Allison Hammer 2011 Irrevocable Trust and the Erica Fishman 2011 Irrevocable Trust. There was no impact to the Company's investment advisory business.

Veteri routinely makes changes throughout its brochure in an effort to improve and clarify the description of its business practices and compliance policies and procedures or in response to evolving industry and Firm practices.

We encourage all recipients to read this brochure carefully in its entirety.

Veteri's brochure may be requested, free of charge, by contacting Veteri's Chief Compliance Officer, Michael Hammer, at (973) 952-0405.

### **ITEM 3**

## **TABLE OF CONTENTS**

Item 2 Material Changes .....	2
Item 3 Table of Contents .....	3
Item 4 Advisory Business.....	4
Item 5 Fees and Compensation.....	6
Item 6 Performance Based Fees and Side-by-Side Management.....	7
Item 7 Types of Clients .....	9
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss .....	10
Item 9 Disciplinary Information .....	13
Item 10 Other Financial Industry Activities and Affiliations.....	14
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	15
Item 12 Brokerage Practices.....	17
Item 13 Review of Accounts .....	27
Item 14 Client Referrals and Other Compensation .....	28
Item 15 Custody .....	29
Item 16 Investment Discretion .....	29
Item 17 Voting Client Securities .....	31
Item 18 Financial Information.....	32

## **ITEM 4**

### **ADVISORY BUSINESS**

Veteri is a New Jersey Corporation formed on January 6, 1995 by President and Portfolio Manager Lawrence B. Seidman. Veteri commenced trading and investing operations in January, 1995. The Company is a privately held investment firm that is currently owned by Mr. Seidman, Allison Hammer, and Erica Fishman; however, Mr. Seidman owns 100% of the voting stock. The Company's main operations are located in Parsippany, New Jersey.

Veteri provides investment advisory services to sponsored and non-sponsored private funds which pursue the same investment objective and strategy and are managed on a side-by-side basis (each a "Client" and collectively the "Clients"). These services are offered, indirectly through the Clients, to high net worth individuals, trusts, individual retirement accounts, and institutional investors including foundations. The sponsored and non-sponsored private funds are herein also referred to as Private Funds (each a "Private Fund" and collectively, the "Private Funds"). The Private Funds sponsored by Veteri include Seidman and Associates LLC ("S&A"), a New Jersey limited liability corporation, Seidman Investment Partnership, LP ("SIP"), a New Jersey limited partnership, Seidman Investment Partnership II, LP ("SIP II"), a New Jersey limited partnership and Seidman Investment Partnership III, LP ("SIP III"), a Delaware limited partnership. Veteri also provides investment advisory services to three (3) non-sponsored United States based limited liability corporations and a limited partnership. For the non-sponsored Private Funds, Veteri and Lawrence Seidman act in the capacity of trading advisor for such Private Funds. Veteri may also provide investment advisory services to additional Clients in the future. Both Mr. Seidman and JBRC I, LLC are relying advisers of Veteri as Mr. Seidman provides investment advisory services either directly or indirectly to one or more Clients. JBRC I, LLC is an investment adviser managed by Mr. Seidman and currently owned by two irrevocable trusts each in the name of Allison Hammer and Erica Fishman.

Interests or shares in the Private Funds are not registered under the Securities Act of 1933, as amended, and the Private Funds themselves are not registered under the Investment Company Act of 1940, as amended. Accordingly, interests or shares in the Private Funds are offered and sold exclusively to investors satisfying the applicable eligibility and suitability requirements in private transactions within the United States. Any such offer or solicitation of interests will be made pursuant to the confidential private placement memoranda for the Private Funds (each a "PPM" and collectively, the "PPMs"), which should be read carefully prior to investing for a description of the merits and risks of such an investment.

The Clients are managed according to the terms set forth in their respective offering and organizational documents and/or investment management agreement. Generally, the investment objective of all the Clients is to maximize capital appreciation by long-term and short-term investments in, and the short sale of, securities. Veteri seeks to achieve this goal through investment in what are deemed to be inefficiently priced stocks based on estimates of their future growth rates in earnings or assets and cash flow with a principal focus on the purchase of shares of privately and publicly traded thrifts and banks.

As of December 31, 2022, Veteri managed approximately \$ 169,973,573 of regulatory assets under management on a discretionary basis. Veteri does not manage any assets on a non-discretionary basis.

## **ITEM 5**

### **FEES AND COMPENSATION**

#### Management Fees

Veteri generally charges Clients a quarterly management fee calculated at an annual rate ranging from 1% to 3%, subject to negotiation. The management fee is paid quarterly in arrears, based on the value of the assets of each Client's or underlying investor's account as of the last business day of each calendar quarter. In most cases the management fee is directly debited from the respective Client's account. The management fee will be adjusted for contributions, withdrawals and terminations made during the quarter. Veteri has the sole discretion to waive or reduce any compensation it is entitled to receive with respect to any investor.

With regards to SIP III, the management fee paid by the Fund is shared between the three general partners of the Fund which are JBRC I, LLC, a relying adviser of Veteri, SeySeid, LLC, an unaffiliated entity and BLMH International Holdings, Ltd., an unaffiliated entity.

#### Performance Based Fees

Veteri charges Clients an annual performance based fee, subject to negotiation. Generally, the performance based fee is calculated at an annual rate of 20% of the net profits allocated to a Client or an underlying investor's capital account subject to a high water mark, and this fee is typically directly debited from the Client's account. The performance based fee includes unrealized gains and losses, if any. When calculating the performance based fee, net profits will be reduced by the management fee. Veteri has the sole discretion to waive or reduce any compensation it is entitled to receive with respect to any investor.

Veteri has adopted valuation policies and procedures to govern the valuation of securities held in Client portfolios. Veteri relies on asset prices obtained from prime brokers and/or custodians when valuing Client portfolios.

In the event that an investor redeems from a Private Fund or a Client terminates an investment management agreement with the Company and the date of termination or redemption is not the end of a fiscal year, the performance based fee shall be computed and allocated as though the termination or redemption date were the last day of the fiscal quarter.

With regards to SIP III, the performance fee paid by the Fund is shared between the three general partners of the Fund which are JBRC I, LLC, a relying adviser of Veteri, SeySeid, LLC, an unaffiliated entity and BLMH International Holdings, Ltd., an unaffiliated entity.

#### Expenses

In addition to the fees noted above, investors in the Private Funds will also indirectly bear the fees and expenses charged to the Private Funds. Such fees and expenses will vary but generally include, but not limited to, the following: legal expenses; administrative expenses; audit and accounting expenses including third party accounting services; organizational expenses; brokerage expenses

(discussed further in **Brokerage Practices (Item 12)** below); investment expenses such as commissions, interest on margin accounts and other indebtedness; borrowing charges on securities sold short; custodial fees; bank service fees; and any other expenses reasonably related to the purchase, sale or transmittal of Private Fund assets.

With regards to proxy expenses in the event Veteri takes an activist position in a company, each Client will pay its pro-rata share of such activist expenses based on the number of shares owned by the Client to the total number of shares owned across all of the Clients.

Any fees paid to Veteri are exclusive of custodial and transaction costs paid to custodians, brokers or any other third parties. Clients should review all fees charged and fully understand the total amount of fees to be paid.

Fee and expense information provided in this brochure is not intended to be complete or final and is qualified in its entirety by the PPM and/or the organizational documents for the applicable Private Fund. Investors in the Private Funds should read and review the relevant offering and organizational documents for each Private Fund in which they are invested to fully understand the types of fees and expenses that are paid for by each Private Fund.

The fees Veteri charges for its advisory services may be negotiable depending on the circumstances of the Client's (or an investor in a Client's) account and the service levels provided to the Client (or investor therein).

## **ITEM 6**

### **PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

The Company is entitled to be paid performance based compensation by its Clients as disclosed in **Fees and Compensation (Item 5)**. Veteri has designed a compensation structure that seeks to align the interests of its employees with those of its Clients. Performance based compensation may create an incentive for Veteri to make more speculative investments and make decisions with regard to the timing or manner of the realization of such investments, than would be made in the absence of such performance based compensation. In the allocation of investment opportunities, performance-based fee/allocation arrangements may create an incentive to favor Clients that have greater performance fee/allocation arrangements over other Clients that have lesser or no performance fee/allocation arrangements. In addition, performance based compensation received by the Company is primarily based on realized and unrealized gains and losses. As a result, performance based compensation earned could be based on unrealized gains that the Clients may never realize. Performance based compensation could create a conflict of interest.



## ITEM 7 TYPES OF CLIENTS

Veteri provides investment advisory services to Clients. Veteri's investment advisory services are offered, indirectly through the Clients, to high net worth individuals, trusts, individual retirement accounts, and institutional investors including foundations. Although Veteri has the authority to accept subscriptions for any lesser amount, the minimum investment size for an investment in SIP and SIP II is generally \$100,000. For SIP III it is generally \$250,000.

Depending on the Private Fund, investors must be "qualified purchasers" within the meaning of the Investment Company Act of 1940, as amended, or "accredited investors" within the meaning of Regulation D under the Securities Act of 1933, as amended. In addition, each U.S. Investor in any of the Private Funds that is charged the performance based fee described in **Performance Based Fees and Side-by-Side Management (Item 6)** above, must also satisfy the eligibility requirements of a "qualified client" as set forth in Rule 205-3 under the Advisers Act except for any existing account at the time of Veteri's registration.

## **ITEM 8**

### **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

Investing in any security or investment strategy involves the risk of loss and each Client (and underlying investor therein) should be prepared to bear that loss. There can be no assurance that the investment objective of a Client managed by Veteri will be achieved or that Veteri's strategies will be successful. Clients and/or investors therein must be prepared to lose all or substantially all of their investment.

#### Methods of Analysis and Investment Strategy

The Company's overall investment objective is to maximize capital appreciation by long and short term investments in, and the short sale of, securities. Consistent with its investment strategies, the Company has made mostly long-term investments and very limited short-term investments, but investment strategies are subject to market conditions and could change. Veteri seeks to meet its objective through investment in what are deemed to be inefficiently priced stocks based on estimates of their future growth rates in earnings or assets and cash flow. The Company primarily focuses upon the purchase of shares of private and publicly traded thrifts and banks, but may expand this investment approach depending upon market factors. The Company may affect short sales of securities which it considers to be overpriced or subject to adverse business conditions not currently reflected in their price. The Company may attempt to enhance performance by engaging in short-term trading and by using leverage and certain hedging techniques.

Veteri attempts to maximize capital appreciation through analysis of individual securities, not markets, and believes that over extended periods of time stock selection, not market timing, is the key ingredient of investment success. The Company concentrates its efforts in a "bottoms-up" stock selection process as opposed to a "top-down" macro-economic approach. Securities are selected primarily on the basis of what Veteri deems to be inefficiencies in the pricing of the stock at any given time. These inefficiencies can occur when the market is overlooking the potential of a company's assets, cash flow, brand names or market niche, and securities with these characteristics are often referred to as "value" stocks. Undervaluation can also occur when a company's current or future growth in earnings is not attracting a price/earnings ratio in line with that growth or its assets are not being properly allocated to maximize the return on said assets. Veteri may use shareholder activism as part of its investment strategy and tries to find financial institutions it deems to be acquisition targets.

Generally, Veteri avoids investing in companies which are widely followed by Wall Street analysts as the opportunities for pricing inefficiencies in those companies are rare. The Company may take concentrated positions in companies where it believes extraordinary capital gain potential exists. When the Company owns more than 5% of a company's stock it may be required to make public filings under the federal securities laws disclosing its position and other data. In addition, Veteri may attempt to seek board representation either through a consensual agreement with such companies or through a proxy contest or other take-over litigation.

Generally, the investment team creates and develops a proprietary financial model for each company to determine the earnings potential and underlying intrinsic value. Furthermore, the investment process is iterative, relying on the experience of the entire team. However, Mr. Seidman, as the Portfolio Manager, will be the ultimate decision maker with regards to the Company's investments on behalf of its Clients.

#### Certain Material Risks Regarding Investment Strategies

As part of its investment process, Veteri has developed risk management systems that allow investment personnel to monitor security concentration, Client or underlying investor-imposed investment restrictions, and leverage. Investment personnel review such reports at least weekly. Every investment decision is evaluated with pre-trade consideration of the idea's impact on portfolio risk, and Veteri conducts ongoing analysis of the current portfolio investments.

Below is a non-exhaustive summary of risks relevant to Veteri's investment strategies, which are the same for all Clients. However, there are risks that are specific to the Private Funds so prospective investors in the Private Funds should carefully read the disclosures pertaining to these risks and others in the applicable PPM. The information provided in this brochure is not intended to be complete or final and is qualified in its entirety by the PPM or other governing documents of each Private Fund.

#### **Securities of Banks and Thrifts**

Investing in securities of banks and thrifts (e.g., savings banks and savings and loan associations) presents special risks. Banks and thrifts are subject to extensive governmental regulation which may limit both the types and amounts of loans and other financial commitments that they may make, and the interest rates and fees that they may charge. Changes in state and federal regulations and governmental policies, and the monetary and fiscal policies of various regulatory authorities, can have a significant effect on the operating results of banks and thrifts. The banking and thrift industries are highly competitive, and the profitability of these industries is largely dependent upon the availability and cost of funds for the purpose of financing lending operations under prevailing money market conditions. Also, general economic conditions play an important part in the operation of these industries, and exposure to credit losses arising from possible financial difficulties of borrowers, which may be heightened in the case of banks with international operations, might affect a bank's or thrift's ability to meet its obligations.

#### **Small Cap Stocks**

At any given time, Clients may have significant investments in smaller-to-medium sized companies of a less seasoned nature whose securities are traded in the over-the-counter market. These "secondary" securities often involve significantly greater risks than the securities of larger, better-known companies.

## **Derivative Instruments**

Swaps, derivatives and certain options and other custom derivative or synthetic instruments are subject to the risk of nonperformance by the counterparty to such instrument, including risks relating to the financial soundness and creditworthiness of the counterparty. From time to time, Clients may have limited exposure to such transactions.

## **Risk of Loss**

Investing in securities involves risk of loss that Investors should be prepared to bear. All investments in securities and other financial investments involves substantial risk of volatility arising from numerous factors that are beyond the control of Veteri, including market conditions, changing domestic or international economic or political conditions, changes in tax laws and government regulation and other factors.

## **Economic Conditions**

Changes in economic conditions, including, for example, interest rates, inflation rates, currency and exchange rates, industry conditions, competition, technological developments, trade relationships, supply-chain disruptions, political and diplomatic events and trends, tax laws and innumerable other factors, can affect substantially and adversely the investment performance of clients. Economic, political and financial conditions, or industry or economic trends and developments, may, from time to time, and for varying periods of time, cause volatility, illiquidity or other potentially adverse effects in the financial markets. Economic or political turmoil, a deterioration of diplomatic relations or a natural or man-made disaster in a region or country where Veteri's client assets are invested may result in adverse consequences to such clients. None of these conditions is or will be within the control of Veteri, and no assurances can be given that Veteri will anticipate these developments.

As of the beginning of 2023, there is an especially high degree of economic uncertainty given elevated inflation, a rapid increase in interest rates by Central Banks, and a high level of geopolitical uncertainty in Europe and Asia. The likelihood of a recession, and the magnitude of any such recession, is highly uncertain and would have significant implications across asset classes, particularly if a recession occurs and is of significant magnitude or duration.

In addition, due to the recent bank failures, there is a risk of loss of deposits in excess of \$250,000, risks surrounding liquidity concentration, systemic risk regarding the failure of other banks, and increased compliance costs associated with diversifying deposits among multiple banks.

## **Regulatory/Legislative Developments Risk**

Regulators and/or legislators may promulgate rules or pass legislation that places restrictions on, adds procedural hurdles to, affects the liquidity of, and/or alters the risks associated with certain investment transactions or the securities underlying such investment transactions. Such rules/legislation could adversely affect the value associated with such investment transactions or underlying securities.

Future legal, tax and regulatory changes could occur that may adversely affect business and require additional reporting for registered investment advisors. The SEC, other regulators and self-regulatory organizations and exchanges have taken various extraordinary actions in connection with market events and may take additional actions. Registered investment advisors may also be adversely affected by changes in the enforcement or interpretation of existing laws, rules and regulations, including tax laws, by federal, state and non-U.S. agencies, courts, authorities or regulators.

## **Pay-To-Play**

A number of U.S. states and municipal pension plans have adopted so-called “pay-to-play” laws, regulations, or policies that prohibit, restrict, or require that individuals or entities seeking to do business with state entities, including those seeking investments by public retirement funds, disclose payments to and/or contracts with state officials. The SEC has adopted rules prohibiting investment advisers from providing advisory services for compensation to a government client for two years after the adviser or certain of its executives, employees, or agents makes a contribution to certain elected officials or candidates. If Veteri, any of its employees or affiliates, or any service providers acting on its behalf fail to comply with such laws, regulations, or policies, it could adversely and materially affect Veteri’s business and its ability to manage certain client accounts.

## **Prime Broker and Custody Risk**

There is the possibility that brokerage firms and/or banking institutions at which the Clients maintain custody of their assets may encounter financial difficulties including bankruptcy and/or insolvency. The Clients may therefore have potential exposure to losses as a result of such an institution’s financial difficulties. There can be no assurances as to what effect such a brokerage firm’s or banking institution’s failure would have on Client assets. The Clients will rank as unsecured creditors to their prime brokers in relation to assets that such prime brokers borrow, lends, or otherwise uses and, in the event of the insolvency of a prime broker, the Funds might not be able to recover equivalent assets in full or in part. In addition, if applicable law permits, cash that the prime brokers will hold or receive on the Clients’ behalf may not be treated by the prime brokers as client money, may not be segregated from the prime brokers’ own cash and may be used by the prime brokers in the course of their investment business. In such event, the Clients will rank as one of the prime brokers’ general creditors.

## **Bank Deposit Risk**

Deposits maintained at an FDIC-insured bank are insured up to \$250,000 per depositor, per insured bank, for each account ownership category, in the event of a bank failure. Any deposits over \$250,000 in cash per account at a single bank may be unrecoverable in the event the bank fails. Diversifying banking relationships could serve to mitigate the potential loss of assets and available liquidity.

## **Counterparty Risk**

The Firm and/or its Clients may be subject to credit and liquidity risk with respect to the counterparties. Exposure to credit and liquidity risk from counterparties can occur through a wide range of activities when dealing with, including but not limited to, service providers, banks, brokers, insurance providers, trading counterparties, or other entities. Should a counterparty become bankrupt or otherwise fail to perform its obligations under a contract due to financial difficulties, there may be significant delays in obtaining any or limited recovery under a contract in a bankruptcy court or other reorganization proceeding. The lack of any independent evaluation of such counterparties' financial capabilities, and the absence of a regulated market to facilitate settlement or provide access to capital will increase the potential for losses by the Firm and/or Clients especially during unusually adverse market conditions.

## **High Risk Investments**

Clients may invest in companies involved in (or the target of) acquisition attempts or tender offers or companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of business enterprise, there exists the risk that the transaction in which such business enterprise is involved either will be unsuccessful, take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, a Client may be required to sell its investment at a loss. Because there is a substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which a Client may invest, there is a potential risk of loss by the Client of its entire investment in such companies.

## **Dependence on Key Management Personnel**

The success of the Clients' investment strategies will depend, in large part, upon the skill and expertise of the management of Veteri. All decisions with respect to investments are made exclusively by or under the supervision of Mr. Seidman as the controlling shareholder and President of Veteri. As a result, the success of the Company's investment strategies for the foreseeable future depends largely upon his ability. In the event of the death, disability or departure of Mr. Seidman, the business and the performance of the Clients may be adversely affected.

## **Cybersecurity Risks**

Veteri's information and technology systems could be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltrations by unauthorized persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although Veteri implemented and will continue to implement various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, Veteri will have to make a significant investment to fix or replace them. The failure of these systems and/or disaster recovery plans for any reason could cause

significant interruptions in Veteri's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to Clients. Such a failure could harm Veteri's reputation or subject it or its affiliates to legal claims and otherwise affect their business and financial performance. Additionally, any failure of Veteri's information, technology or security systems could have an adverse impact on its ability to manage the separately managed Client accounts and private investment fund vehicles referred to herein.

### **Business Continuity Risks**

The Firm business operations may be vulnerable to disruption in the case of catastrophic events such as fires, natural disaster, terrorist attacks or other circumstances resulting in property damage, network interruption and/or prolonged power outages. Although the Firm has implemented, or expects to implement, measures to manage risks relating to these types of events, there can be no assurances that all contingencies can be planned for. These risks of loss can be substantial and could have a material adverse effect on the Firm and investments therein.

### **Operational Risk**

Operational risk is the potential for loss caused by a deficiency in information, communication, transaction processing and settlement and accounting systems. Veteri will maintain controls that include systems and procedures to record and reconcile transactions and positions, and to obtain necessary documentation for trading activities.

### **Short-Term Trading**

While not a large part of Veteri's investment strategy on behalf of the Clients, short-term trading may result in significant turnover and transaction costs.

### **Options**

Purchasing and selling of call and put options entail risks. Although an option buyer's risk is limited to the amount of the purchase price of the option, an investment in an option may be subject to greater fluctuation than an investment in the underlying securities. In theory, an uncovered call writer's loss is potentially unlimited, but in practice the loss is limited by the duration of the call. The risk for a writer of a put option is that the price of the underlying security may fall below the exercise price. The Company principally only sells covered calls, buy calls as a part of roll strategy, and sell puts.

The effectiveness of purchasing or selling stock index options as a hedging technique depends upon the extent to which price movements in the portion of the Client's hedged portfolio correlate with price movements of the stock index selected. Because the value of an index option depends upon movements in the level of the index rather than the price of a particular stock, whether the Client realizes a gain or loss from the purchase or writing of options on an index depends upon movements in the level of stock prices in the stock market generally, rather than movements in the price of a particular stock. Successful use of options on stock indexes depends upon the ability of the adviser to predict correctly movements in the direction of the stock market generally. This ability requires



skills and techniques different from those used in predicting changes in the price of individual stocks.

From time to time, Clients may have limited exposure to such transactions.

#### **Exposure to Material, Non-Public Information**

From time to time, Veteri employees receive material, non-public information with respect to an issuer of publicly traded securities resulting from professional and/or personal channels. In such circumstances, Veteri may be prohibited, by law, and policies and procedures for a period of time from (i) unwinding a position in such issuer, (ii) establishing an initial position or taking any greater position in such issuer, and (iii) pursuing other investment opportunities related to such issuer. Veteri will be prohibited from investing in certain securities that it would otherwise invest in, to the extent it receives material non-public information.

**THIS LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED IN CONNECTION WITH THE ADVISER'S INVESTMENT OR THE MANAGEMENT OF CLIENTS. IN ADDITION, PROSPECTIVE INVESTORS SHOULD BE AWARE THAT, AS THE MARKET DEVELOPS AND CHANGES OVER TIME, INVESTMENTS OF BEHALF OF CLIENTS MAY BE SUBJECT TO ADDITIONAL AND DIFFERENT RISKS. INVESTORS INVESTING IN PRIVATE FUNDS SHOULD ALSO CAREFULLY REVIEW THE RISKS DISCLOSURES AND OFFERING DOCUMENTS ASSOCIATED WITH SUCH INVESTMENTS.**

## **ITEM 9**

### **DISCIPLINARY INFORMATION**

Based upon the advice of a compliance consultant, Veteri Place Corporation (“Veteri”) believed it was not required to file Form PF. Veteri, among other federally registered investment advisers, was contacted by the Securities and Exchange Commission (“SEC”) regarding a failure to file Form PF. On June 1, 2018, Veteri submitted an Offer of Settlement, which the SEC accepted, without admitting or denying the findings therein regarding its failure to file Form PF. Pursuant to the Offer of Settlement, Veteri agreed to a censure and cease and desist order and agreed to pay a \$75,000 fine. In addition, Veteri filed all prior Form PFs requested by the SEC and expects to continue to file Form PF in the future.

## ITEM 10

### OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As noted in **Advisory Business (Item 4)** above, Veteri provides investment advisory services to the Private Funds which themselves may be considered related entities of Veteri.

Mr. Seidman, Veteri's President, is a Board Member for Bankwell Financial Group, Inc. and its banking subsidiary, Bankwell Bank (since May 2020), and receives compensation for his position with these financial institutions. Mr. Seidman's term as a Board Member for these financial institutions expires at the 2023 Annual Meeting of the Shareholders of the Company and he will be seeking re-election.

Mr. Seidman, in his individual capacity, is a consultant to ARCTRUST Capital Advisors, L.P., (since October 2020) a private Real Estate Investment Trust and receives compensation for his position.

Mr. Seidman, in his individual capacity, is a consultant Malvern Bancorp, Inc. and its banking subsidiary, Malvern Bank (since March 2021), where he provides capital markets and financial analysis advisory services through September 30, 2023. Mr. Seidman will receive compensation for his position with these financial institutions.

Mr. Seidman also receives compensation for providing investment advisory services as a relying adviser of Veteri.

Michael Hammer, Veteri's Portfolio Manager and Chief Compliance Officer is a Board Member for HV Bancorp, Inc. and its banking subsidiary, Huntingdon Valley Bank (since August 2020), and receives compensation for his position with these financial institutions. Mr. Hammer's term as a Board Member for these financial institutions expires at the 2024 Annual Meeting of the Shareholders of the Company and he will be seeking re-election.

Mr. Hammer, in his individual capacity, is also a registered representative for Western International Securities, Inc., a multi-line financial services firm serving institutional and individual clients and an unaffiliated broker-dealer. As a registered representative for Western International Securities, Inc., Mr. Hammer maintains a book of brokerage business with Western International Securities, Inc. outside of his advisory activities for Veteri. Mr. Hammer receives commission-based compensation for effecting purchases and sales of equities and bonds. Mr. Hammer's compensation as a registered representative for Western International Securities, Inc. is not materially relative to his compensation as an employee of Veteri. Mr. Hammer's activities as a registered representative for Western International Securities, Inc. are separate from his activities with respect to the Clients and the investors therein, however, Mr. Hammer trades bank stocks in the brokerage client accounts that may or may not be recommended to Veteri's clients. Mr. Hammer is required to obtain pre-approval from Mr. Seidman prior to executing trades in securities of companies which are owned by Veteri's Clients for his Western International Securities, Inc. clients.

The relationships Mr. Seidman and Mr. Hammer have with banks and bank holding companies as Members of Boards of Directors or as consultants, and the relationship Mr. Hammer has with

Western International Securities, Inc., could be construed as potential conflicts of interest with Veteri's advisory activities, its Clients or the investors therein. Mr. Seidman and Mr. Hammer serve on Boards of portfolio companies in order to represent the best interests of the investors. Veteri does not believe that these relationships create a material conflict of interest, but has established supervisory procedures and controls to mitigate these risks posed by outside business activities, investment clubs, and prior employment.

## **ITEM 11**

### **CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

Pursuant to Rule 204A-1 under the Advisers Act, Veteri has adopted a written Code of Ethics (the “Code”) that requires the Company to put the interests of its Clients before its own interests and to use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, trading, and engaging in other professional activities. The Code requires that Veteri and its supervised persons comply with the spirit and the letter of the federal securities laws, and rules that govern capital markets, at all times. Clients, investors therein and prospective Clients and/or investors therein may obtain a copy of the Code by contacting Veteri at the address or telephone number listed on the first page of this brochure.

The Code requires Access Persons (as defined in the Code, consistent with Advisers Act) to (i) pre-clear certain personal securities transactions, (ii) report personal securities transactions on at least a quarterly basis, and (iii) provide Veteri with a detailed summary of certain holdings, both initially upon commencement of employment and at least annually thereafter, over which such employees have control and beneficial interest. Veteri’s reporting requirements and restrictions on personal securities trading apply to Access Persons, as well as Access Persons’ immediate family members living in the same household.

As provided herein, Veteri permits employees to trade in securities that are being considered for its Clients, as well as securities already held by the Clients. Any proposed Access Person transaction involving such securities requires preclearance from Veteri’s Chief Compliance Officer or Mr. Seidman if the transaction involves the Chief Compliance Officer. Veteri’s Chief Compliance Officer does not grant preclearance where it would appear that an Access Person’s trading could disadvantage a Client.

The Company or its Access Persons in their individual capacity may invest in securities in which Clients invest. The Company or its Access Persons do not, however, purchase or sell any securities on terms more favorable than those received by the Clients.

Additionally, Mr. Seidman or members of his immediate family may also have rights to acquire securities of financial institutions either through mutual conversions or otherwise; such rights are personal to Mr. Seidman or his family and Clients will have no interest in such rights or otherwise be entitled to participate in such investments. In certain circumstances, however, Clients may participate in the same mutual conversion as Mr. Seidman or members of his immediate family where such mutual conversions are syndicated.

When a bank or savings association converts from mutual to stock form, the financial institution (or its holding company) generally issues stock in an initial public offering (or “IPO”). Historically, individual investors have had a difficult time purchasing shares in IPOs — largely because of the way those deals are structured and sold. With a bank or savings association mutual-to-stock conversion, however, eligible depositors have a unique opportunity to participate and purchase shares because federal and state banking regulations require that the bank or savings association give depositors first priority to purchase the stock over all other interested investors. These priority

subscription rights allow depositors to purchase up to a set amount of shares at the “subscription price,” which is the value the company assigns to its shares before the shares trade publicly. Stock offered as a result of a conversion sometimes generates significant investor interest because of the potential for the stock price to increase. If the IPO is over-subscribed — that is, if depositors and others who have been given priority under federal and state banking regulations collectively sign up to purchase more shares than the converting bank or savings association plans to offer — then the general public will not have a chance to take part in the IPO.

To ensure that only depositors benefit from their priority stock subscription rights, federal and state banking regulations prohibit depositors from transferring ownership of their subscription rights — or of the stock itself — prior to completion of the conversion. These restrictions on depositors — and any additional restrictions that the financial institution imposes — will always appear in the prospectus for the conversion. In addition, converting banks and savings associations typically require depositors to sign a “subscription agreement” or “stock order form” that contains written certification (signed under penalty of perjury) that the depositor is purchasing the conversion stock for his or her “own account” and that he or she has “no agreement or understanding regarding the sale or transfer of” any shares he or she receives.<sup>1</sup>

The Access Persons may own the same securities as one or more of the funds, and the Access Persons may sell a portion of these securities, for example, to pay personal tax liability, while the Private Funds do not sell these securities. Access Persons must obtain pre-clearance to transact in such securities.

Also, Veteri serves as the manager and investment adviser to the Private Funds and employees of the Company may have a material investment in the Private Funds. Therefore, Veteri is generally considered to participate in transactions effected for the Private Funds. The Company does not believe any material conflicts of interest are presented by this arrangement as the interests of its employees are generally aligned with the interest of investors in the Private Funds.

---

<sup>1</sup> Source information: <https://www.sec.gov/reportspubs/investor-publications/investorpubsmutualconversionhtm.html> (accessed October 18, 2018.)

## **ITEM 12**

### **BROKERAGE PRACTICES**

#### Broker Selection and Best Execution

Veteri is authorized to determine the broker-dealer to be used for each transaction for the Clients. In determining the broker-dealer to be used for each transaction, Veteri will act in accordance with the provisions of the relevant Client's offering and organizational documents and/or investment management agreement. In that regard, Veteri need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost when selecting broker-dealers to execute transactions.

Before Veteri begins trading with a broker-dealer, Veteri's Chief Compliance Officer will review, as applicable, the broker-dealer's operational, financial, and regulatory status. Veteri's Chief Compliance Officer will also perform periodic reviews of broker-dealers, which will vary in frequency and intensity based on the perceived counterparty exposure of Veteri and the Clients. In addition, Veteri will, as part of its normal functions, consider the execution quality of each trade to identify any unexpected deviations in price, commission rate, market impact, execution speed, or other aspects of execution quality.

#### Research and other Soft Dollars Benefits

Veteri does not enter into soft dollar arrangements but may receive products or services from broker-dealers and other counterparties that to the best of Veteri's knowledge are generally made available to all institutional clients doing business with these counterparties. These products and services are made available to Veteri on an unsolicited basis and without regard to transaction costs paid by the Clients or the volume of business the Company directs to these counterparties.

Veteri does not cause the Clients to pay higher commissions than those charged by other brokers in return for research, and Veteri uses this research for the benefit of all Clients. Additionally, Veteri receives street research from broker-dealers and other counterparties that it does not do business but may be seeking to do business with Veteri.

#### Brokerage for Client Referrals

Veteri does not consider Client or investor referrals from broker-dealers when making brokerage allocation decisions.

#### Allocation and Aggregation of Orders

Veteri primarily invests in securities on behalf of Clients that are illiquid and thinly traded, which will affect the trading decisions Veteri makes for Clients. However, as a fiduciary, Veteri owes each Client a duty of loyalty, and, therefore, Veteri developed a detailed Trade Allocation Policy, which is herein, in order to prevent giving any Client or group of Clients preferential treatment.

Generally, Veteri will allocate trading decisions on an objective basis that is applied with general consistency and operates fairly. After identifying a security for trading (whether a purchase or sale) that may be appropriate for one or more Clients (“participating clients”), Veteri will place the appropriate order. After the order is executed, Veteri will allocate the shares purchased or sold to each of the participating clients (“Total Amount”). Veteri will allocate the trades pro rata among the participating clients based on their available cash.

However, other procedures may be followed in certain circumstances to affect (a) the acquisition of a particular security for the first time for participating clients, (b) the acquisition of a follow-on investment if all participating clients already own the security to be acquired, (c) the sale of an investment that all participating clients already own where the securities were acquired at different times with different prices but all of the securities are held for less than one year, or (d) the sale of an investment that all participating clients already own where the security to be disposed of does not satisfy the conditions set forth in clause (c) above. In these situations, Veteri has developed specific policies and procedures to avoid preferential treatment of one or more Clients.

Orders for client accounts generally will be aggregated unless aggregation is restricted by Client direction, type of account or other restrictions (such as limited availability of investment opportunities or the ability to divide purchases among Clients). In executing orders, Veteri will use the average price for the same security for all participating Clients when the trades occur on the same day and are traded through the same broker. Absent such circumstances, allocation amounts for clients will be different. Excessive trading commissions will be avoided or mitigated where possible.

However, Veteri may deviate from these standard methodologies for reasons which the Company deems to be necessary to avoid preferential treatment of particular Clients.

#### Cross Trading Among Veteri’s Clients

Veteri does not generally cross trade. However, if a situation would arise whereby a cross trade was warranted, Veteri has procedures in place that would be followed.

Veteri may use an unaffiliated broker-dealer or custodian to cross investments and/or cash between Client accounts when such a transaction is advantageous for each participant. If required pursuant to the Client’s governing documents, Veteri would obtain approval prior to executing a cross trade. However, no accounts subject to ERISA with less than \$100 million in assets may be included in any cross trade.

#### Principal Trades

Veteri, its Access Persons or other affiliates are prohibited from trading with any Client on a principal basis, or from recommending an agency cross trade to both participants, unless Veteri discloses the capacity in which it is acting to each participating Client in writing before completion of the transaction, and obtains each participating Client’s consent to the transaction.



## Trade Errors

The Company has established trade processes and procedures designed to reduce the likelihood of errors and, in its sole discretion, will determine what constitutes a trade error and take corrective action to make the Clients whole if deemed necessary.

Veteri's general policy is to seek to identify and correct any trade errors promptly and in a way that mitigates any losses, and if there should be any incurred costs due to trade errors, they will be borne by Veteri.

## New Issues

As a result of the enactment of NASD Rule 2790, as adopted by the U.S. Financial Industry Regulatory Authority ("FINRA") as Rule 5130 (the "Rule"), Veteri may not allocate profits or losses on "new issues" (as defined in the Rule; generally, initial public offerings of equity securities) to any restricted person, or to any entity in which a restricted person holds a beneficial interest unless the entity qualifies for a general exemption under the Rule. FINRA has also adopted Rule 5131 (together with the Rule, the "Rules"), which further restricts participation in new issues. To ensure compliance with the Rules, Veteri requires Clients to advise as to its status as a restricted person/covered person or exempt person to indicate whether or not the investment is eligible to share in profits or losses of new issues. IPOs will only be allocated to those Clients where there are no restricted investors.

## **TRADE ALLOCATION POLICY**

**Fiduciary.** Veteri Place Corporation ("we" or "Veteri") provides investment advice to private funds ("Private Funds") that pursue the same investment objective and strategy and are generally managed on a side-by-side basis. We primarily invest in securities on behalf of clients that are illiquid and thinly traded, which will affect the trading decisions we make for clients.

We are a fiduciary to our clients. As a fiduciary, we owe each client a duty of loyalty. No client is owed a greater or lesser degree of fiduciary loyalty and, therefore, we will not give any Private Fund preferential treatment.

## **Procedures.**

1. **Initial determination.** Each Private Fund will participate in a purchase of a stock unless (i) there are legal or contractual restrictions that preclude such participation, or (ii) the Private Fund does not have at least \$50,000 of cash. Each Private Fund that holds a position in a stock to be sold will participate in a sale.

2. **Allocation methodology.** We will generally allocate trading decisions on an objective basis that is applied with general consistency and operates fairly. After we have identified a security for trading (whether a purchase or sale) that may be appropriate for the Private Funds, we will place the appropriate order. We will then allocate the shares purchased or sold among each of the Private Funds.

a. **Standard allocation methodology.** We will allocate the purchase or sale of stocks to or from each Private Fund based on the percentage of cash available on the trade date,

provided that no private fund will receive or sell less than 100 shares (an “odd lot”) unless the amount sold represents the balance held in the Private Fund’s account. Under this method, a Private Fund with cash available representing 25% of the aggregate cash available of all Private Funds will receive an allocation representing 25% of the amount purchase or will sell stocks the value of which represents 25% of the total amount sold, each subject to the odd lot limitation.

b. Departures from standard allocation methodology. We may employ a different methodology for other than the standard allocation methodology if we conclude that use of the standard allocation methodology would unfairly disadvantage any Private Fund, in which case we will prepare contemporaneously a trade memorandum explaining the reason for the departure and the basis for the alternative allocation methodology.

3. Selling investments vs. purchase date method. If stocks owned by the Private Funds participating in a sale were acquired at different times and at different prices, then we will dispose of all the securities based upon our determination of the most tax effective treatment, taking into consideration cost basis and length of time to become long term. Because of the illiquid nature of the securities that the Private Funds typically hold, selling securities in reverse order of acquisition may increase the likelihood of converting short-term gains into long-term gains, which benefits the Private Funds.

4. Aggregation and Pricing. We will aggregate trades unless (i) we believe that doing so would conflict with our duty to seek best execution for each Private Fund and/or the governing documents of the Private Funds or other agreements and understandings relating to those Private Funds, or (ii) we cannot divide a single purchase of a security among Private Funds. An aggregated order will participate at the average share price for such an order on a given business day, with transactions costs shared based on each Private Fund’s participation.

5. Covered Call Options. If for any security we have written covered call options, the number of shares covered shall be treated as a reduction of the shares owned when determining an allocation, so that no sale would result in any calls uncovered.

6. Records. We will maintain records which document separately for each Private Fund the securities held by, and bought and sold for, that Private Fund, including any memoranda supporting use of an allocation other than the standard allocation methodology. These records will be maintained for at least six years.

## **ITEM 13**

### **REVIEW OF ACCOUNTS**

Veteri reviews Clients' accounts on an ongoing basis and formally reviews Clients' accounts at least quarterly. Veteri's Chief Compliance Officer will review a sample of Veteri's accounts under management at least quarterly to ensure compliance with Clients' investment objectives and any investment restrictions. Veteri's Chief Compliance Officer will document the date of the review, the accounts reviewed, and any irregularities or other identified issues. Veteri's Chief Compliance Officer will work with investment personnel to determine whether any issues warrant changes to the Company's policies or procedures.

All investment personnel regularly discuss investment ideas, economic developments, current events, and other issues related to current portfolio holdings and potential investment opportunities. However, the Portfolio Manager, Mr. Seidman, has ultimate responsibility for all investment decisions.

For clients that are not sponsored by Veteri, Veteri sends a copy of the brokerage and bank statements to the account owner(s) on a monthly basis. The account owner(s) also get copies of these statements directly from the broker or bank. The clients are urged to compare the copies of the statements received from the brokers and banks with any Veteri generated statements.

Investors in the Veteri sponsored Private Funds receive a quarterly capital account statement from Veteri as well as a quarterly letter summarizing the Company's investment outlook and update on the relevant Veteri sponsored Private Fund's performance. Investors in the Veteri sponsored Private Funds also receive audited financial statements within 120 days of the applicable Veteri sponsored Private Fund's fiscal year.

## **ITEM 14**

### **CLIENT REFERRALS AND OTHER COMPENSATION**

Veteri has adopted Rule 206(4)-1 under the Advisers Act (the “**Marketing Rule**”) including provision of applicable disclosures. Veteri does not compensate any third parties for Client or investor referrals. Veteri does not receive any economic benefits from non-clients relating to the provision of investment advice.

Reference Item 12 for additional information regarding brokerage practices.

## **ITEM 15**

### **CUSTODY**

Veteri is deemed to have custody of Veteri sponsored Client funds and securities because of the authority that Veteri has over those assets. Veteri has the authority to obtain Client funds or securities by deducting advisory fees from a Veteri sponsored Private Fund, requesting checks or wires for investor withdrawals or distributions from the Veteri sponsored Private Fund, or otherwise transferring funds or securities from a Veteri sponsored Private Fund to another account owned by the respective Veteri sponsored Private Fund. Accordingly, Veteri is subject to Rule 206(4)-2 under the Advisers Act (the “Custody Rule”). The Veteri sponsored Private Funds assets are held in custody by unaffiliated, long-standing broker-dealers or banks, all of whom are qualified custodians as the term is defined in the Custody Rule. The Veteri sponsored Private Funds are subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and each Private Fund’s audited financial statements are sent to such Private Fund’s investors within 120 days of the end of the Private Fund’s fiscal year.

The Advisor does not have custody of the non-sponsored funds. Veteri Place Corporation and Lawrence B. Seidman are named trading advisors pursuant to the governing documents with each entity. Veteri Place Corporation and Lawrence B. Seidman do not hold, directly or indirectly, client funds or securities, or have any authority to obtain possession of them. Each entity has provided written authorization and instructions to each qualified custodian and broker restricting movement of funds or securities from these entities unless pursuant to client written instructions. In addition, these entities receive statements directly from the qualified custodians and brokers. For non-Veteri sponsored Client funds, Veteri only has the authority to debit advisory fees directly from Client funds or otherwise transfer funds or securities from Client funds solely to another account owned by the respective Private Fund pursuant to written authorization and instructions provided by the Client to the qualified custodian and/or broker. Veteri also sends a copy of the brokerage and bank statements to the account owner(s) on a monthly basis. Clients should carefully review the qualified custodian’s statements and should compare these statements to any account information provided by Veteri.

## **ITEM 16**

### **INVESTMENT DISCRETION**

When a Client agrees to discretionary management, Veteri will be responsible for selecting the amount of securities to be bought and sold. Discretionary authority will be established through the execution of an investment advisory agreement. The only limitations on the investment authority will be those limitations imposed in writing by the Client.

Each Client's governing document provides that the Company has exclusive and absolute discretion and authority in managing and controlling the business and affairs of such Client, subject only to specific and express limitations provided therein. Therefore, Veteri has discretionary authority to determine, without obtaining specific consent from Clients (or underlying investors therein), the securities and the amounts to be bought or sold on behalf of the Clients.

Veteri does not provide investment management on a non-discretionary basis.

## **ITEM 17**

### **VOTING CLIENT SECURITIES**

In accordance with its fiduciary duty to Clients and Rule 206(4)-6 of the Advisers Act, Veteri has adopted and implemented written policies and procedures governing the voting of Client securities. All proxies that Veteri receives will be treated in accordance with these policies and procedures.

In general, Veteri retains the exclusive authority to vote proxies on behalf of all of its Clients and votes each proxy in accordance with its fiduciary duty to its Clients and will generally seek to vote proxies in a way that maximizes the value of Clients' assets. However, Veteri may abstain from voting a proxy if it determines that abstaining is in its Clients' best interests. For example, Veteri may be unable to vote securities that have been lent by the custodian or the Company may be limited to how much of the outstanding shares it can vote (i.e. Passivity Agreement or Federal Reserve Bank guidelines.) Proxies received after a Client terminates its advisory relationship with Veteri will not be voted.

Veteri will consider whether the Company is subject to any material conflict of interest in connection with each proxy vote. Veteri's supervised persons are required to report any material conflict of interest associated with a proxy vote that they are aware of to Veteri's Chief Compliance Officer for resolution. If Veteri detects a material conflict of interest in connection with a proxy solicitation, the Company will (i) seek instruction, where feasible and practicable (i.e., as to time), from the Investors, or (ii) engage, at Veteri's own expense, an outside proxy voting service or consultant to make a recommendation. Veteri's Chief Compliance Officer will retain documentation of the recommendation and will ensure that the Clients' proxies are voted in accordance with that recommendation.

A copy of Veteri's proxy voting policies and procedures, as well as information about how Veteri voted with respect to a Client's securities, is available upon request by contacting Veteri's Chief Compliance Officer at the telephone number or address found on the initial page of this brochure.

Veteri does not direct Clients' participation in class actions and, on a case by case basis, will either return documentation inadvertently received regarding a Client's participation in class actions to the sender or forward such information to the appropriate Client.

**ITEM 18**  
**FINANCIAL INFORMATION**

Veteri has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage its Clients' assets.