



PHOENIX

INTERNATIONAL

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March 23, 2023

This Brochure provides information about the qualifications and business practices of PHOENIX INTERNATIONAL INVESTMENTS, LLC (**Phoenix**). If you have any questions about the contents of this Brochure, please contact Phoenix at (603) 589-4033 or ebazil@phnxintl.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (**SEC**) or by any state securities authority.

Phoenix International Investments, LLC is an investment adviser currently registered with the Securities and Exchange Commission and under the laws of the State of New Hampshire, USA. Registration of an investment adviser does not imply any level of skill or training. Additional information about Phoenix is also available on the SEC's website at www.adviserinfo.sec.gov. Our Firm IARD/CRD number is 170692.

Additional information about Phoenix also is available through the Financial Industry Regulatory Authority (FINRA) at <http://brokercheck.finra.org/> or by calling FINRA toll-free in the USA at (800) 289-9999.

Item 2 Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes

The following material changes to our firm brochure have been made since our last annual updating amendment dated March 28, 2022:

- Our brochure has been updated to reflect that Phoenix International does not have any individual investment advisory clients. At this time our only investment advisory clients are the pooled investment vehicles managed by Phoenix International. We have adjusted the regulatory assets under management in Item 5 reporting only the pooled vehicle assets.
- Item 5 of our brochure has been updated to further clarify the fees and compensation received by Phoenix.

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Item 4 Advisory Business

4. A. Advisory Firm Description

Phoenix International Investments, LLC (Phoenix) was organized as a New Hampshire limited liability company on 7 August 2013 to provide investment advisory and other services to pooled investment vehicles. The investors in these pooled investment vehicles generally are not United States citizens or residents.

Phoenix is owned by Eric S. Bazil and Abdulaziz M. Al-Abdulkader. Eric S. Bazil is the Manager, President, and Chief Compliance Officer of Phoenix.

4. B. Types of Advisory Services

Phoenix provides investment advice on a discretionary basis to pooled investment vehicles, which are invested in by high-net-worth individuals, companies and institutions owned or controlled by high-net-worth individuals and their families, and related trusts and other entities. Phoenix Clients are 100% Non-US Investors.

Phoenix procures bespoke investment solutions that help our clients meet their financial objectives. Phoenix sources global investment and credit opportunities for international clients and assists those investors in managing their offshore investment relationships. Phoenix coordinates partnerships with other investment professionals on specific private equity and real estate opportunities on behalf of its Phoenix' clients. As part of its strategy Phoenix serves as manager (with discretion) over pooled investment vehicles created by Phoenix and in which Phoenix clients invest. These pooled investment vehicles invest in real estate, funds, and other investments and securities, primarily, but not exclusively, based in the United States.

Phoenix also provides non-securities advisory services for certain clients. The terms and conditions upon which these other services are provided and the terms and conditions of the associated fees are individually negotiated with each Client and are set forth in the governing agreements. Other non-securities advisory services include property management, development, leasing, and multifamily residential sales services to real estate assets, loan servicing and workout services to debt investments and operating and administration services to infrastructure portfolio companies.

4. C. Client Investment Objectives/Restrictions

Phoenix will tailor advisory services to meet individual client needs and objectives. Through discussions with clients and their advisers, Phoenix develops and manages client portfolios to meet client and strategy objectives. Relevant factors in this data-gathering process include but are not limited to time horizons, risk tolerance, liquidity needs, and, in the case of individuals, tax issues. Each client account is managed according to the investment objectives of the strategy selected by the client, any restrictions placed on the account by the client, and, for non-discretionary accounts, according to the instructions of the client.

4. D. Wrap Fee Programs

Phoenix does not participate in, nor is it a sponsor of, any wrap fee programs.

4. E. Assets Under Management

We managed approximately \$161,467,535 of client assets on a discretionary basis as of December 31, 2022.

Item 5 Fees and Compensation

5. A. Adviser Compensation

Phoenix' fees and compensation are described generally below. When Phoenix informs investors of an investment opportunity, Phoenix includes a description of Phoenix' compensation arrangement related to that particular opportunity. The shareholder agreements between the Phoenix SPVs and Phoenix investors also describe Phoenix fees and compensation. Phoenix investors should refer to their shareholder agreement for information regarding the specific compensation received by Phoenix for that particular investment. Fees for services may be negotiated with each client on an individual basis.

Fees may vary between clients and may change over time and as discussed below, different fee schedules may apply to different types of clients, strategies, and advisory arrangements. Fees may be negotiated on a basis different from Phoenix's stated fee schedules, if circumstances warrant, and Phoenix reserves the right to waive or reduce the fees charged to a particular client in its sole and absolute discretion (ex. Phoenix is not entitled to receive management fees from Paladin's Cyber Fund I but is entitled to receive such fees from Paladin's Cyber Fund II).

Pooled Investment Compensation.

Phoenix creates and manages investment structures in order to facilitate the investment by its clients in pooled investment vehicles. The fund issuers in which Phoenix clients invest directly or indirectly through single- purpose pooled investment vehicles pay a placement or referral fee to Eric S. Bazil, a principal of Phoenix, through Hudson Capital Advisors (BD), LLC (**Hudson Capital**), a broker-dealer registered with the SEC under the Securities Exchange Act of 1934, as amended (**Securities Act**). Mr. Bazil is a registered representative and associated person of Hudson Capital. These referral fees payable to Hudson Capital generally represent a percentage of the placement fee, the management fee, and the contingent performance fee payable to the managers of the investment funds by Phoenix clients that invest in the funds. Under a fee-sharing agreement between Mr. Bazil and Hudson Capital, Mr. Bazil is paid a percentage of the total fees received by Hudson Capital with respect to investments by Phoenix clients. Mr. Bazil reimburses Phoenix for all costs incurred by Phoenix with respect to client investments in securities as to which Mr. Bazil receives a portion of the referral fees paid to Hudson Capital for such securities. Phoenix also receives compensation in the form of upfront equity raise fees and co-development fees based on investors' capital. Phoenix does not receive compensation related to pooled vehicle investments beyond what it receives through Hudson Capital.

The establishment and offering of these investment vehicles presents a conflict of interest because these arrangements give Phoenix an incentive to recommend investment in these pooled arrangements based in part on the compensation to be received by Phoenix, rather than solely on a client's interests. Phoenix mitigates this conflict by identifying and selecting investment opportunities based on the best interest of the client as opposed to the level of compensation to be received. Phoenix fully discloses the compensatory arrangements of these funds, and, in particular, all compensation and payments (including reimbursements) payable to Phoenix or any Phoenix principal or supervised person.

Non-Securities Advisory Services (Other Services) Fees. Phoenix provides non-securities advisory services for additional compensation. The terms and conditions upon which other services are provided and the terms and conditions of the associated fees are individually negotiated with each Client and are set forth in the governing agreements. For example, Phoenix provides property management, development, leasing, and multifamily residential sales services to real estate assets, loan servicing and workout services to debt investments and operating and administration services to infrastructure portfolio companies. Fees are generally assessed and paid quarterly in arrears. The standard fee schedule (subject to negotiation) for other non-securities advisory services is as follows:

<u>Tier</u>	<u>Rate</u>
The first \$20,000,000 in the account	1.00%/year (100 basis points)
\$20,000,001 to \$50,000,000	0.75%/year (75 basis points)
\$50,000,001 to \$100,000,000	0.50%/year (50 basis points)
over \$100,000,000	0.40%/year (40 basis points).

Phoenix retains the discretion to negotiate or waive fees or vary from the fee schedule on a client-by-client basis. Client facts, circumstances, and needs, and whether an account is discretionary or non-discretionary are considered in determining a negotiated fee schedule. The specific annual fee schedule is identified in the agreement between Phoenix and each client.

Other Fee and Compensation Arrangements

Phoenix may charge a fixed fee for discrete services provided to any client in accordance with the agreement between Phoenix and that client on a fee for services basis.

Mr. Bazil serves on the board of GigNet, participates in quarterly board meetings and is compensated by GigNet for his role as a board member. GigNet is an investment held by one of Phoenix' SPVs (Phoenix Cobalt Holdings). Compensation in the form of shares are paid directly to Phoenix on an annual basis. In addition, Phoenix received an up-front equity raise fee and will receive a performance fee upon liquidation.

5. B. Billing of Advisory Fees

Phoenix clients are billed for non-securities advisory services by invoice for fees incurred. These fees are billed quarterly in arrears but this can be negotiated and may vary on a client-by-client basis. As discussed above, referral compensation for placement of clients into pooled investments is paid to Eric Bazil and Phoenix by Hudson Capital and so clients are not invoiced by Phoenix for those fees.

5. C. Other Fees and Expenses

Phoenix's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses (outside of the placement and referral fees paid to Hudson Capital described above) which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

As disclosed in Item 5.A.ii above, Eric S. Bazil, a principal of Phoenix, paid a portion of these fees as part of a fee-sharing arrangement with Hudson Capital, a registered broker-dealer. Mr. Bazil pays a portion of the amounts so received to reimburse Phoenix for costs incurred with respect to Mr. Bazil's activities on behalf of Hudson Capital.

Clients are advised that if securities transferred into the client's account are sold, there may be transaction costs, fees assessed, including at the mutual fund level (i.e., contingent deferred sales charge), and potential tax ramifications. Phoenix does not provide tax advice as part of its advisory services and is not qualified to do so. Clients are encouraged to consult a qualified tax adviser regarding tax matters.

Item 12 below further describes the factors that Phoenix considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

5. D. Advance Payment of Fees

Advisory fees for non-securities advisory services are billed monthly or quarterly in arrears; but this is also negotiable and may vary.

An advisory agreement may be terminated according to the terms of the agreement and by written notice by either party. If a client terminates prior to the end of a billing period (month or quarter) and has paid a fee in advance for the billing period, Phoenix will reimburse the client for the unearned portion of the fee.

5. E. Compensation for Sale of Securities or Other Investment Products

As disclosed in **Item 5.A, ii**, Phoenix's supervised persons accept compensation for the sale of securities or other investment products.

This practice presents a conflict of interest in that Phoenix and its supervised persons have an incentive to recommend investment products based on the compensation received, rather than solely based on a client's interests. In any instance in which a supervised person of Phoenix is paid compensation for the sale of securities or other investment products, the arrangement is disclosed to Phoenix clients that may be affected by this compensatory arrangement. Phoenix does not charge asset-based advisory fees in circumstances where a supervised person of Phoenix is receiving sales compensation.

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

Phoenix does not charge any performance-based fees (e.g., fees based on a share of capital gains on, or capital appreciation of, the assets of a client).

Item 7 Types of Clients

Phoenix provides investment advice on a discretionary basis to pooled investment vehicles, which are invested in by high-net-worth individuals and companies and institutions owned or controlled by high-net-worth individuals and their families, related trusts, and other entities. Phoenix's investors primarily are ultra-high net worth offshore investors who maintain multiple private banking relationships in Europe and the USA. These investors are sophisticated investors who have considerable experience in the areas of private equity and real estate in the United States and Europe. Eric S. Bazil, the founder of Phoenix has worked with this investor profile for over 23 years during which time he has gained a strong understanding of the various needs and financial objectives of the offshore investor.

All investors in the pooled investment vehicles managed by Phoenix will be "qualified clients" as defined under Rule 205-3 of the Investment Advisers Act of 1940.

In addition to the qualification of each Phoenix investor as a "qualified client" as set forth above, Phoenix has found that Phoenix services and investment advisory strategies are not practical for investors with less than \$1,000,000 of liquidity to invest; and an investor with less than \$1,000,000 in liquid investment assets will find little value in retaining the services of Phoenix.

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

8. A. Methods of Analysis and Investment Strategies

Phoenix works with each client to search for prudent investment opportunities within the USA and Europe focusing on private equity and real estate investment opportunities. Through the network of investment professionals developed by Phoenix, Phoenix endeavors to find investment opportunities that meet the investment objectives of the Phoenix offshore investors. Phoenix conducts due diligence on possible investments for its clients and recommends or selects appropriate investments based on each client's investment objectives and risk tolerance.

Phoenix does not engage in the trading of securities on behalf of clients for whom it advises accounts on a non-discretionary basis; and its activities are limited to the identification of opportunities, the structuring of appropriate investment vehicles, as required, and the active oversight of those investments from inception to maturity.

For any discretionary account, Phoenix and the client will establish a mutually agreed investment strategy as part of the investment advisory agreement, and Phoenix will exercise investment authority, including executing trades of securities, only in accordance with the client-approved strategy. Subject to client input and approval, Phoenix investment strategies generally focus on investments in private equity funds or portfolio companies or in real estate-related investments.

8. B. Material Risks of Investment Strategies

There can be no guarantee of success of the investment strategies offered by Phoenix. Investment portfolios may be adversely affected by general economic and market conditions such as interest rates, foreign currency fluctuations, availability of credit, inflation rates, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of securities pricing and the liquidity of an investment. These strategies may employ limitations on particular sectors, industries, countries, regions, or securities.

Management Risk. Assessments about the value and potential appreciation of a particular security may not be right and there is no guarantee that individual securities will perform as anticipated. The value of an individual security can be more volatile than the market as a whole or Phoenix's investment approach for a client may fail to produce the intended results.

Accuracy of Information. Phoenix selects investments, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to Phoenix by the issuers or through sources other than the issuers. Although Phoenix evaluates all such information and data and typically seeks independent corroboration when Phoenix considers it is appropriate and reasonably available, Phoenix is not in every case in a position to confirm the completeness, genuineness, or accuracy of such information and data, and in some cases, complete and accurate information is not available.

Market Risk. There is the possibility that the value of equity securities may decline due to daily fluctuations in the securities markets. The value of mutual funds and other pooled investment vehicles may fluctuate as a result of many factors, including developments affecting the condition of each individual investment fund and the market in which the fund operates or invests. The price of a security may even be affected by factors unrelated to the value or condition of its issuer, such as changes in interest rates, national and international economic and/or political conditions, and general market conditions. Price fluctuations that may occur at the time of investment of a client account will impact

the performance of the account. Analysis of pricing history or timing of investment in securities is not guaranteed to be accurate and could result in loss due to movements in a security's price and depending upon when action is taken to buy or sell a security.

Non-diversified Risk. Portfolios that have invested a greater portion of their assets in securities of a single issuer or a limited number of issuers than a portfolio with diversification requirements, they may be more susceptible to a single adverse economic or political occurrence affecting one or more of these issuers.

8. C. Material Risks of Securities

Risk factors particular to Phoenix investment strategies could include:

Master Limited Partnership Risk. Holders of the units of master limited partnerships have more limited control and limited rights to vote on matters affecting the partnership. There are also certain tax risks associated with an investment in units of master limited partnerships.

Real Estate Risk. The risk includes among others: possible declines in the value of real estate; risks related to economic conditions; possible shortage of mortgage funds; overbuilding and extended vacancies; increased competition; changes in property taxes, operating expenses or zoning laws; costs of environmental clean-up, or damages from natural disasters; limitations or fluctuations in rent payments; cash-flow fluctuations; and defaults by borrowers. REITs are also subject to the risk of failing to qualify for tax-free pass-through of income under the Internal Revenue Code and/or failing to qualify for an exemption from registration as an investment company under the 1940 Act.

Smaller Company Risk. Clients may invest in micro, small, or mid cap companies. Generally, micro, small, and mid-cap companies, which are often less seasoned, have more potential for rapid growth. However, they often involve greater risk than large cap companies and these risks are passed on to funds that invest in them. These companies may not have the management experience, financial resources, product diversification and competitive strengths of larger companies.

Foreign Securities Risk. Investment in securities of foreign companies can be more volatile than investment in U.S. companies. Diplomatic, political, or economic developments, including nationalization or appropriation, could affect investments in foreign companies. Foreign securities markets generally have less trading volume and less liquidity than U.S. markets. In addition, the value of securities denominated in foreign currencies, and of dividends from such securities, can change significantly when foreign currencies strengthen or weaken relative to the U.S. dollar.

Fixed Income Risk. Yields and principal values of fixed income securities (bonds) will fluctuate. Generally, values of debt securities change inversely with interest rates. For example, as interest rates go up, the value of debt securities tends to go down and, as a result, the value of the Fund may go down. Additionally, fixed income securities are subject to the risk that a bond's issuer might be unable to make timely payments of interest and principal.

High-Yield or Junk Bond Risk. High yield securities, commonly known as "junk bonds," are subject to risk of reduced creditworthiness of issuers, increased risk of default, more limited and less liquid secondary market than higher rated securities, and greater price volatility. Also, they are subject to a greater risk of loss of income and principal than investment grade securities.

Liquidity Risk. Securities that during periods of infrequent trading of such securities cannot be readily sold may prevent Phoenix from disposing of securities at a favorable time or price .

Closed-end and Exchange Traded Fund Risk. Closed-end fund or exchange traded fund may experience many of the same risks associated with individual securities, or are subject to market risk where the market as a whole, or that specific sector, declines, may trade at a discount to the aggregate value of the underlying securities.

Item 9 Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of an adviser or the integrity of their management.

Phoenix has no information applicable to this Item.

Item 10 Other Financial Industry Activities and Affiliations

10. A. Registered Representatives

As disclosed in Item 5.A.ii, Eris S. Bazil, a principal (owner, manager, and officer) of Phoenix is an associated person (a registered representative) of Hudson Capital, a registered broker-dealer.

10. B. No Other Registrations

Phoenix's management persons are not registered, nor do any management persons have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities.

10. C. Material Relationships or Arrangements

Eris S. Bazil, a principal (owner, manager, and officer) of Phoenix is an associated person (registered representative) of Hudson Capital.

As disclosed in **Item 5.A. ii** above, Phoenix principal, Eric S. Bazil, in his capacity as associated person of Hudson Capital, may accept compensation for the sale through Hudson Capital to Phoenix clients of securities or other investment products, including placement fees, management fees, and performance-based fees from the sale of private investment funds. In such instances, Mr. Bazil reimburses Phoenix for costs incurred by Phoenix relative to Mr. Bazil's activities on behalf of Hudson Capital.

This practice presents a conflict of interest and gives Phoenix and Eric S. Bazil an incentive to recommend investment products based on the compensation payable to Mr. Bazil, rather than solely on a client's interests. In any instance in which Eric S. Bazil is paid compensation for the sale to a Phoenix client of securities or other investment products, the arrangement is disclosed to each Phoenix client that may be affected by this compensatory arrangement.

Mr. Bazil serves on the board of GigNet, participates in quarterly board meetings and is compensated for his role as a board member. GigNet is an investment held by one of Phoenix' SPVs (Phoenix Cobalt Holdings). See Item 5 above for additional information.

10. D. Recommendation of Other Investment Advisors

Phoenix recommends or selects other investment advisers for clients. Phoenix conducts due diligence over these advisers as part of its investment recommendations made to Clients.

Item 11 Code of Ethics

11. A. Code of Ethics Document

Phoenix has adopted a Code of Ethics consistent with the requirements of Rule 204A-1 of the Investment Advisers Act of 1940, as amended. A basic tenet of Phoenix's Code of Ethics is that the interests of clients are always placed first. The Code of Ethics includes standards of business conduct requiring covered persons to comply with federal and New Hampshire securities laws and the fiduciary duties an investment adviser owes to its clients. Phoenix will provide a copy of its Code of Ethics to any client or prospective client upon request.

The Code also requires that all access persons comply with ethical restraints relating to clients and their accounts, including restrictions on gifts and provisions intended to prevent violations of laws prohibiting insider trading.

Phoenix is required to treat its clients fairly in relation to potential conflicts of interest or material interests. Phoenix has adequate policies and procedures to protect its clients' interests and to disclose to clients the possibility of conflicts.

11. B. Recommendations of Securities and Material Financial Interests

As a matter of policy, at present, Phoenix does not engage in principal transactions or agency cross transactions. Any exceptions to this policy must be approved in advance by the Chief Compliance Officer or his designee. If Phoenix elects to engage in any principal transaction, the details of the transaction are disclosed to all affected Phoenix clients. Under its Code of Ethics, Phoenix will only participate in principal transactions on terms that are materially similar to the investment terms based on which Phoenix clients invest in the same investment.

11. C. Personal Trading

Phoenix's Code of Ethics is intended, among other things, to ensure that personal investing activities by Phoenix's employees are consistent with Phoenix's fiduciary duty to its clients. The Code of Ethics includes standards of business conduct requiring covered persons to comply with the federal and New Hampshire securities laws and the fiduciary duties an investment adviser owes to its clients. For purposes of its Code of Ethics, Phoenix has determined that all employees are access persons.

Access persons are permitted to buy or sell securities that it also recommends to clients consistent with Phoenix's policies and procedures. All access persons, other than Eric S. Bazil, are required to notify Phoenix's Chief Compliance Officer (CCO) or his designee in order to pre-clear personal securities transactions in Reportable Securities (as defined in Phoenix' Code of Ethics). If any access person (including Mr. Bazil) proposes to buy or sell a security recommended to any Phoenix client or in which any Phoenix client is invested, the client is advised of the access person's activities.

Phoenix access persons may not trade at the same time in the same stock (or related securities like warrants, options and futures) as Phoenix is trading in client accounts. Phoenix access persons are also prohibited from trading the security for a period before the client's account is traded. Phoenix access persons may not buy or sell securities between a client and their personal account. Phoenix access persons are not permitted to take part in initial public offerings.

In order to avoid potential conflicts that could be created by personal trading among Phoenix access persons, access persons must provide quarterly reports of their personal transactions within 30 days of the end of each calendar quarter, which may consist of monthly brokerage statements for all reportable accounts in which they have a beneficial interest, to the CCO. Access persons may direct their brokers to send copies of all brokerage confirmations relating to all reportable personal securities transactions in which they have a beneficial ownership interest. Access persons must also submit statements of their personal holdings in reportable securities as well as information about brokerage accounts to Phoenix' CCO within 10 days after becoming subject to the Code of Ethics and on an annual basis thereafter.

11. D. Timing of Personal Trading

Since Phoenix access persons may invest in the same securities or related securities (e.g., warrants, options or futures) (a **Reportable Security**) that Phoenix recommends to clients, no access person may buy or sell a Reportable Security within seven calendar days prior to, or within seven calendar days after, a client trades in such Reportable Security. The price paid or received by a client account for any security should not be materially affected by a buying or selling interest on the part of an access person, or otherwise result in an inappropriate advantage to the access person.

Item 12 Brokerage Practices

12. A. Recommendation of Broker/Dealers

Phoenix' objective in recommending brokers and dealers and in effecting portfolio transactions is to seek to obtain the "best execution" with respect to its accounts' portfolio transactions. The best net price, giving effect to brokerage commissions, spreads and other costs, is normally an important factor in this decision, but a number of other judgmental factors are considered as they are deemed relevant. In applying these factors, Phoenix recognizes that different broker-dealers may have different execution capabilities with respect to different types of securities. The factors include, but are not limited to:

- Phoenix's knowledge of negotiated commission rates and spreads currently available;
- the nature of the security being traded;
- the size and type of the transaction;
- the nature and character of the markets for the security to be purchased or sold;
- the desired timing of the trade and speed of execution;
- the activity existing and expected in the market for the particular security;
- the broker-dealer's access to primary markets and quotation sources;
- the ability of the broker-dealer to effect transactions when a large block of securities is involved or where liquidity is limited;
- confidentiality;
- the execution, clearance and settlement capabilities and history as well as the reputation and perceived soundness of the broker-dealer selected and others which are considered;
- Phoenix's knowledge of actual or apparent operational problems of any broker-dealer;
- the broker-dealer's execution services rendered on a continuing basis and in other transactions;
- the broker-dealer's access to underwriting offerings and secondary markets;
- the broker-dealer's reliability in executing trades, keeping records and accounting for and correcting trade errors;
- the broker-dealer's ability to accommodate Phoenix's and the client's needs with respect to one or more trades including willingness and ability to maintain quality execution in unusual or volatile market conditions and to commit capital by taking positions in order to complete trades;
- the quality of communication links between Phoenix and the broker-dealer; and

- the reasonableness of spreads or commissions.

Phoenix periodically and systematically will review its policies and procedures regarding broker- dealer recommendations in light of its duty to obtain best execution for its clients. As disclosed in Item 5.A. ii above, Phoenix principal, Eric S. Bazil, in his capacity as associated person of Hudson Capital, may accept compensation for the sale through Hudson Capital to Phoenix clients of securities or other investment products, including placement fees, management fees, and performance-based fees from the sale of investment products. In such instances, Mr. Bazil reimburses Phoenix for costs incurred by Phoenix relative to Mr. Bazil's activities on behalf of Hudson Capital.

Brokerage for Client Referrals. Phoenix does not accept referrals from brokers on either a solicitor basis or under a sub-advisory contract.

12. B. Aggregation of Orders

Because at any one time few or none of Phoenix's client accounts are discretionary, Phoenix does not generally aggregate or "block" orders for the purchase or sale of securities for all such accounts to the extent consistent with best execution and the terms of the relevant investment advisory agreements. Any combined or "blocked" trades may be used to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing overall commission charges.

Trades that span multiple brokers will have different outcomes. In order to minimize differences in these outcomes, Phoenix will submit trades which span multiple brokers nearly simultaneously with care given to not bid against the adviser. Phoenix's investment decisions may be made at the investment strategy level, not the individual account level. This means that Phoenix's decision to trade an account is made simultaneously for all accounts within an objective and any difference in treatment comes from the execution of that decision.

Aggregation of transactions will occur only when Phoenix believes that such aggregation is consistent with Phoenix's duty to seek best execution and best price for clients and is consistent with Phoenix's investment advisory agreement with each client for which trades are being aggregated. Client accounts with certain restrictions and directed brokerage clients may be unable to participate in blocked transactions.

Phoenix generally will not aggregate trades for clients that may have limited Phoenix's brokerage discretion or other client accounts that it manages to the extent that those clients have directed their trading to a particular broker-dealer. Orders for such clients will generally be aggregated only with similar clients and allocated in the same manner as described above.

Item 13 Review of Accounts

13. A. Frequency and Nature of Review

Phoenix will monitor client accounts as part of an ongoing investment advisory process. The review is conducted by the primary investment advisor on the account's investment objective. Phoenix sends a quarterly investment review to all clients. The report, which is essentially a performance report, is tailored to the account's investment objective. It is supplemental to the reports provided by the custodian or issuer and is designed to facilitate communication with Phoenix clients.

13. B. Factors That May Trigger an Account Review Outside of Regular Review

Client-initiated changes to client objectives, including as a result of change in client tax status or position, client restrictions, or other factors may cause Phoenix to revise an investment strategy for a client and, in such case, the client account is reviewed at least monthly during any transition to a new investment strategy or portfolio composition.

13. C. Content and Frequency of Reports

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the issuer, broker-dealer, or custodian for the client accounts. Those clients to whom Phoenix provides investment advisory services will also receive a report from Phoenix that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance on a quarterly basis. Clients should compare the account statements they receive from Phoenix with those they receive from their custodian.

Item 14 Client Referrals and Other Compensation

14. A. Compensation Received by Adviser

Phoenix may maintain cross-marketing agreements with some like-minded firms. Phoenix only enters into these agreements if the products offered by these firms do not create any conflict of interest. For example, if a private equity fund of funds company were to refer clients not suited for their product to Phoenix and should one of Phoenix's clients be interested in private equity, Phoenix may refer that client to the private equity company. Should Phoenix receive direct compensation for referrals such as this or pay for referrals from other firms, these arrangements will be disclosed to the client at the time the referral is made.

14. B. Client Referrals from Solicitors

Phoenix pays referral fees to third-party individuals or firms (Solicitors) for client introductions. Whenever a referral fee is paid, the Solicitor is required to provide the prospective client with a copy of this document, as amended (the Brochure), and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with Phoenix;
- the fact that the Solicitor is being paid a referral fee;
- a description of the fee; and
- whether the fee paid by the client will be increased above the normal fee schedule in order to compensate the Solicitor.

The client must execute and deliver a written acknowledgment of this arrangement and the client's receipt of the Brochure.

In addition, each Solicitor to which Phoenix pays a referral fee will be licensed or registered (unless exempt) with the State of New Hampshire or such other governmental authority as necessary to maintain compliance with applicable laws, including New Hampshire state laws requiring the licensing of solicitors.

Item 15 Custody

In its capacity as manager of single-purpose pooled investment vehicles, Phoenix is deemed to have custody of client funds as well as the underlying investment comprising the pool. Funds and securities are held in the name of the pools by an independent qualified custodian, or are private, un-certificated securities recorded only on the books of the issuer in the name of the pool. The pools are audited annually by an independent accounting firm and the investors in each pool receive audited financial statements within 120 days of fiscal year-end.

Qualified custodians maintain assets in accounts in the name of the client for the accounts managed by Phoenix. Phoenix is deemed to have custody of client assets through situations in which the client has established standing instructions with the custodian for the payment of a Phoenix management fee or other discretionary investment authorizations.

Clients will receive at least quarterly statements from the broker-dealer, bank, or other qualified custodian that holds and maintains client's investment assets. Phoenix takes steps to ensure that any client custodian will send periodic account statements to the client, no less frequently than quarterly, showing all transactions in the account, including fees paid to Phoenix.

Phoenix urges clients to carefully review and compare official custodial records to the account statements that Phoenix provides. Phoenix statements may vary slightly from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 Investment Discretion

Most Phoenix clients grant Phoenix discretionary investment authority; Phoenix invests the assets of these clients with formal client approval.

Where Phoenix is given investment discretion in the advisory agreement between Phoenix and the client Phoenix typically would be authorized to make the following determinations in accordance with the client's specified investment objectives, including any investment strategy approved by the client, without client consultation or consent before a transaction is effected:

- Which securities to buy or sell;
- The total amount of securities to buy or sell;
- The broker-dealer through whom securities are bought or sold;
- The commission rates at which securities transactions for client accounts are affected; and
- The prices at which securities are to be bought or sold, which may include dealer spreads or mark-ups and transaction costs.

Phoenix will only assume discretion over the account upon execution with the client of the advisory agreement that grants discretionary authority and upon notification from the client or custodian that the account is ready to trade.

Item 17 Voting Client Securities

17. A. Proxy Voting Policies and Procedures

Phoenix generally does not vote proxies on behalf of its clients unless directed to do so by a client; however, in situations where clients have directed Phoenix to vote proxies, Phoenix will do so in accordance with the following procedures:

- Phoenix will vote such securities for the exclusive benefit, and in the best economic interest, of those clients and their beneficiaries, as determined by Phoenix in good faith, subject to any restrictions or directions from a client.
- Such voting responsibilities will be exercised in a manner that is consistent with the general antifraud provisions of the Investment Advisers Act of 1940 and applicable state securities laws, as well as with Phoenix's fiduciary duties under federal and state law to act in the best interests of its clients.
- Clients may contact Eric S. Bazil (CCO) at 603-589-4033 if they have questions about proxy information.

Item 18 Financial Information

18. A. Advance Payment of Fees

Phoenix does not require or solicit prepayment of fees of more than \$1,200 from clients, six months or more in advance.

18. B. Financial Condition

There are no financial conditions that are reasonably likely to impair Phoenix's ability to meet contractual commitments to clients.

18. C. No Bankruptcy Proceedings

Phoenix has not been the subject of a bankruptcy proceeding.

Item 19 Requirements for State-Registered Advisers

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

19. A. Principal Executive Officers and Management Persons

Phoenix has one manager, officer, and employee, Eric S. Bazil, who serves Phoenix as Manager, President, Chief Compliance Officer, Treasurer, and Secretary.

Educated in the UK and US, Eric Bazil earned his Master's Degree from Southern NH University in 1988 with an emphasis on Business and Finance. In 1991, Mr. Bazil moved to Los Angeles where he began a seven-year employment with Merrill Lynch, concentrating activities on domestic Investments and asset management for private and corporate investors.

From the beginning of 1999 through 2013, Eric Bazil worked for Citi Private Bank, originally based in the London office and then moving to the New York office in 2000. Throughout his tenure at Citi, Mr. Bazil managed funds for high net worth offshore clients, principally from the Middle East. Mr. Bazil has gained extensive experience in a number of investment and banking disciplines, ranging from private equity to lending.

Over the past twenty years, Eric Bazil also has developed an exceptional network of investment professionals spanning China, India, Europe, and the USA.

19. B. Other Phoenix Business

In addition to providing investment advisory services to its clients, Phoenix offers its clients a wide range of wealth management and support services, tailored to assisting non-US clients in the USA. For example, for a fee, Phoenix has been active in assisting non-USA clients in acquiring and managing luxury real estate in the United States.

These non-advisory services are performed under the terms of agreements between the client and Phoenix that detail the nature of the non-advisory services to be provided and the compensation payable for those services.

19. C. Performance-Based Fees

Phoenix does not currently charge performance-based fees but may do so in the future in accordance with regulatory rules and requirements with respect to such fees.

19.D. Disclosure Requirements for State-Registered Advisers

Neither Phoenix nor any management person of Phoenix has been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
 - a. an investment or an investment-related business or activity;
 - b. fraud, false statement(s), or omissions;
 - c. theft, embezzlement, or other wrongful taking of property;
 - d. bribery, forgery, counterfeiting, or extortion; or
 - e. dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - a. an investment or an investment-related business or activity;
 - b. fraud, false statement(s), or omissions;
 - c. theft, embezzlement, or other wrongful taking of property;
 - d. bribery, forgery, counterfeiting, or extortion; or
 - e. dishonest, unfair, or unethical practices.

19.E. Relationships with Securities Issuers

As disclosed in Item 5.A.ii above, pooled investment vehicles and other third- party issuers may pay a commission or placement fee based on total investment by Phoenix clients, or performance fee based on earnings of Phoenix clients to Hudson Capital, a registered broker-dealer. Hudson Capital has retained Eric S. Bazil, a principal of Phoenix, as an associated person. In such circumstances, Hudson Capital shares the commission, placement, or performance-based-fee with Mr. Bazil under a fee-sharing agreement between Mr. Bazil and the broker-dealer. Mr. Bazil reimburses Phoenix for all costs incurred by Phoenix with respect to Mr. Bazil's activities on behalf of Hudson Capital under these arrangements.

These arrangements create a conflict of interest for Mr. Bazil and Phoenix. As disclosed above, these arrangements are disclosed to Phoenix clients in advance of any client investment in the related securities.