



**Part 2A of Form  
ADV Firm Brochure**

**Goehring & Rozencwajg Associates LLC**

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**March 23, 2023**

**This brochure provides information about the qualifications and business practices of Goehring & Rozencwajg Associates, LLC. You should review this brochure in conjunction with the brochure supplement for certain employees who advise your account for more information on the qualifications of Goehring & Rozencwajg Associates, LLC and its employees. Information herein is provided in response to instructions and guidance issued in connection with Form ADV Part 2A. If you have any questions about the contents of this brochure, please contact us at 1-646-216- 9777. The information contained in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Goehring & Rozencwajg Associates, LLC also is available on the SEC's website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov). An investment adviser's registration with the SEC does not imply a certain level of skill or training.**

## **Item 2: Material Changes**

This Brochure dated March 8, 2023 serves as an annual update to the Brochure dated March 31, 2022. Other than certain routine updates made in connection with the annual update, we have no material changes to report.

## **Item 3: Table of Contents**

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## **Item 4: Advisory Business**

Goehring & Rozenchwajg Associates, LLC (GRA) was established in 2015 and is wholly owned by its two Managing Partners, Leigh R. Goehring and Adam A. Rozenchwajg.

GRA provides investment advisory services to separately managed accounts, private funds and pooled investment vehicles including but not limited to those registered under the Investment Company Act of 1940, as amended (the 1940 Act and, with respect to such fund, the Fund). GRA also provides investment sub-advisory services to a UCITS fund.

GRA seeks to generate superior long-term investment returns by focusing on investments in the Global Natural Resources sector. These investments most often consist of the common equity and fixed income securities of companies that produce or help to support the global natural resource industries, including but not limited to energy, precious and base metal mining, ferrous metal and non-ferrous mining, agriculture and shipping. GRA may also invest in the listed derivative options of natural resource related companies. At times, GRA may seek to generate superior investment returns by investing directly in physical commodities or associated futures and options. At present, GRA expects that its investment advice will be limited to investments in the Global Natural Resources sector.

GRA currently offers investment advisory services on a fully discretionary basis, however on certain occasions it may agree to tailor its services by placing restrictions on certain types of securities (i.e., fixed income, options, physical commodities) or on certain sub-sectors (i.e., coal-related securities) or other restrictions based upon client needs. GRA's willingness to agree to such restrictions will depend upon the nature of the client account, including the type of client, the nature of the restriction imposed, the size of the account and other business considerations. GRA may elect to forego providing investment advisory services in the event that it does not agree to the limitations demanded by a prospective client. Accounts that are subject to such limitations may perform differently (and potentially less successfully) than other accounts managed by GRA that do not have such limitations.

As the investment adviser for its clients, GRA's services include portfolio management, investment research and analysis, and the securities trading capabilities needed for making investment decisions for such clients, as well as managing client assets on an ongoing basis and placing orders for the execution of securities transactions. GRA provides investment advice directly to its clients, subject to the discretion and control of the board of trustees or directors of the Fund or UCITS fund or the owner of the account, as applicable. GRA provides investment advisory services to each account in accordance with the account's investment restrictions and guidelines, which are established in a written advisory agreement with the applicable client. GRA is the investment adviser to the Fund and has entered into an advisory agreement with the Fund that is subject to periodic review and continuance (generally annually) by the Fund's board of

trustees, as required under the 1940 Act. GRA also is the sub-adviser to a UCITS fund and has entered into a sub-advisory agreement with the fund.

GRA may in the future manage other investment funds established in accordance with foreign law or provide non-discretionary or consulting-based investment-related services to investment advisers.

GRA may occasionally speak at industry events and conferences and charge a separate fee for such engagements.

As of December 31, 2022, Goehring & Rozencwajg Associates, LLC managed \$355,564,227 of client assets on a discretionary basis and advised on an additional \$9,682,259.

## **Item 5: Fees and Compensation**

Goehring & Rozencwajg Associates is compensated for its advisory services as follows, depending upon the nature of the client account. Advisory fees are payable in arrears and deducted from the relevant account either monthly or quarterly.

### **Institutional and High-Net Worth Separately Managed Accounts and the UCITS Fund**

GRA is compensated for its advisory services for Institutional and High-Net Worth separately managed accounts by assessing a fee at a specified annual percentage rate of the account's assets under management. GRA's standard fees are listed below. In certain circumstances, GRA may be compensated at a rate that is different from the fees listed below, depending upon the nature of the client, the client's imposed restrictions (if any), the size of the account and other business considerations. In every case, the advisory agreement will stipulate whether fees will be deducted from the client's assets or billed separately. In most circumstances, clients will be billed on a quarterly basis; however, the frequency of billing is subject to negotiation. In addition to the advisory fees listed below, Institutional and High Net-Worth separately managed accounts will be responsible for certain additional fees including: custodial fees, third party advisory fees (primarily in the event that the account is invested in certain ETFs or other pooled investment vehicles), consultant fees, brokerage fees and exchange fees. Further information regarding brokerage policies and procedures can be found in Section 12 of this brochure.

Our current annual fee for advisory services is 0.90% of assets under management or advisement.

### Advisory Fees for the Goehring & Rozencwajg Investment Funds

The Goehring & Rozencwajg Resources Fund (the Fund) pays GRA an advisory fee at a specified annual percent rate of the Fund's average daily net assets under management. Additional information about the fees charged to the Fund can be found in the Prospectus and Statement of Additional Information, available at the Fund's website ([www.gr-funds.com](http://www.gr-funds.com)). Additional information can also be found on the Securities and Exchange Commission ("SEC") website ([www.sec.gov](http://www.sec.gov)).

### Sub-adviser fees for Unaffiliated Registered Funds

GRA plans to offer its investment services to unaffiliated registered funds in a sub-advisory capacity. In these arrangements, the fees payable to GRA and all payment details will be negotiated with the registered fund or its investment adviser.

### Private Funds

The fees and expenses associated with an investment in the private funds for which GRA serves as investment adviser are described in detail in the fund's offering documents. GRA may, in its discretion, manage other private funds with higher or lower fees, different fee structures, different expense payment arrangements and different withdrawal or redemption rights, than the existing fund. GRA in its sole discretion may waive, reduce or modify the advisory fee to be borne by an investor in a private fund for any reason, which may not be disclosed to other investors in the same private fund.

### Negotiation of Advisory Fees

GRA, in its sole discretion, may negotiate alternative fees with other funds or accounts that it manages in the future. Different client facts and circumstances will be considered in determining such advisory fees, including the client's investment strategy, assets under management, account composition, reporting requirements, economies of scale, if any, and any other factors GRA deems relevant. All such fees will be set forth in agreements with such clients.

### Other Expenses

As described in the offering documents and/or the advisory agreement or sub-advisory agreement, as applicable, with each client, GRA is authorized to incur and pay in the name and on behalf of each client all expenses which it deems necessary or advisable. GRA generally is responsible for all of its own overhead expenses of an ordinarily recurring nature such as rent, utilities, supplies, secretarial expenses, stationery, charges for furniture, fixtures and equipment, employee benefits including insurance, payroll and other taxes and compensation (and related costs) of all personnel. Except as otherwise set forth in the offering documents and/or the advisory agreement or sub-advisory agreement, as applicable, clients incur brokerage costs, third-party execution costs (if any) and other transaction costs associated with GRA's management of the accounts' portfolio securities. Please refer to the discussion of GRA's brokerage practices in Item 12, "Brokerage Practices" below.



In addition to the applicable advisory fee and brokerage and transaction costs, the Fund generally is responsible for its proportionate share of certain administrative expenses; transfer and dividend disbursing fees and costs; taxes; accounting services; custodian expenses; federal and state securities registration fees; proxy costs; and the costs of preparing prospectuses and reports sent to shareholders, as will be described in its prospectus, as supplemented from time to time. In addition, the Fund pays other types of fees and expenses, including, but not limited to, distribution fees, fees of the Fund's independent trustees, and insurance expenses. Information regarding these fees and expenses is included in the Prospectus and Statement of Additional Information for the Fund.

Private fund expenses, including expenses associated with any private investments, may include but are not limited to: (a) fees related to accounting, trading, portfolio management and risk management systems, (b) research subscriptions and expenses, (c) legal and consulting fees related to investment research and due diligence, (d) expenses relating to marketing the private fund to prospective investors (including travel costs), (e) expenses to register securities and transfer taxes, (f) U.S. federal, state and local taxes, filing and registration fees of the private fund, (g) all costs, fees and expenses relating to investor communications, relations, bookkeeping, accounting and the preparation and mailing of financial, tax and performance information to investors, (h) administration fees, costs and expenses, (i) all regulatory and compliance fees, costs, and expenses incurred in complying with regulatory requirements that directly result from management of the private fund, and (j) fees for attorneys, accountants, consultants and other professionals or experts arising in connection with the private fund's business. For additional details on expenses of the private funds advised by GRA, please refer to the offering documents for the private fund. Expenses relating to private investments held by private funds will be allocated to investors participating in such investment.

Clients with separately managed accounts typically engage a custodian to custody their assets managed by GRA and are responsible for custodial fees and other expenses charged by their custodian, including relevant trading and brokerage expenses. Separate account clients who engage futures commission merchants or prime brokers similarly are responsible for the fees charged by those service providers.

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

GRA receives from certain of its clients a performance fee, which is based on the performance of the account. These accounts pay performance fees calculated at different rates and there may also be waivers or reductions for certain client accounts. To the extent GRA charges a performance fee, the client must be eligible and the performance fee must comply with the requirements of Section 205 of the Investment Advisers Act of 1940, as amended (the Advisers Act), and Rule 205-3 thereunder. In each case where GRA charges a performance fee, it seeks a contractual representation from the client that it is qualified to be charged such a fee.

The payment of a performance fee by some, but not all, clients (and the payment of performance fees at varying rates) creates an incentive for GRA to disproportionately allocate time, services or functions to clients paying performance fees (or clients paying performance fees at a higher rate), or allocate investment opportunities to such clients. Generally, this conflict will be mitigated by GRA's policies and procedures regarding allocation, including that investment opportunities that are appropriate for more than one client will be allocated on an equitable basis. In addition, payment of a performance fee creates an incentive for GRA to cause an account to make investments that are riskier or more speculative than would be the case if this payment or allocation were not made. It is GRA's intent, however, that all client accounts will be managed in a like fashion, regardless of fee structure.

GRA may give advice or take action with respect to the investments of some clients that may not be given or taken with respect to other clients with similar investment programs, objectives and strategies. For example, certain client accounts may impose trade restrictions or liquidity constraints (i.e., minimum cash holdings) that impact GRA's ability to invest such client accounts consistent with the overall strategy. Accordingly, client accounts with similar strategies may not hold all of the same securities or instruments or achieve the same performance returns. In addition, GRA may advise client accounts with conflicting programs, objectives or strategies. These activities can adversely affect the prices and availability of other securities or instruments held by or potentially considered for one or more client accounts.

GRA also has a conflict of interest in allocating its personnel's time and services among client accounts. GRA devotes as much time to each client account as it deems appropriate to perform its duties in accordance with its advisory agreement or sub-advisory agreement, as applicable. GRA has a fiduciary duty to provide unbiased advice and to disclose any material conflicts of interest to its clients, as mandated under the Advisers Act. GRA seeks to act in good faith and to treat all clients in a fair and equitable manner over time, regardless of the client's fee arrangements or the influence of a client or client's beneficiaries. GRA employs various controls to assist in the disclosure and management of potential conflicts of interest and maintains policies (including a Code of Ethics and a trade allocation policy) that have been designed to mitigate any such conflicts. Item 11 of this Brochure, "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading," provides more detailed information on the Code of Ethics. In instances where unique requirements or restrictions are required due to the identification of different conflicts, GRA may establish additional policies and controls or develop alternate processing requirements to assist in the mitigation of these conflicts. Please also see Item 12, "Brokerage Practices" below regarding trade

aggregation, as well as Item 11, “Potential Trading Conflicts of Interest” below for additional information relating to how conflicts of interest generally will be addressed by GRA.

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

### **Institutional Separately Managed Accounts**

GRA provides investment advice to institutions such as pension funds, endowment funds, public funds, corporate treasuries, mutual funds, foundations and trust companies. Institutional accounts typically require a minimum investment in excess of \$5,000,000 in assets under management, although this minimum may be lowered under certain circumstances including the client type and other business considerations.

### **High Net Worth Separately Managed Accounts**

GRA provides investment advice to High Net Worth individuals through dedicated separately managed accounts. GRA typically will require the minimum investment of High Net Worth Separately Managed Accounts to exceed \$5,000,000 in assets under management, however GRA may accept smaller accounts in its sole discretion.

### **Goehring & Rozencwajg Investment Funds**

GRA provides investment advice to the Fund. Additional information about the Fund can be found in the Fund's Prospectus and Statement of Additional Information, available at the Fund's website ([www.gr-funds.com](http://www.gr-funds.com)). Additional information is also available on the SEC website ([www.sec.gov](http://www.sec.gov)).

### **UCITS Fund**

GRA provides investment sub-advisory services to a UCITS fund, which is available to qualified, non-U.S. investors.

### **Sub-adviser to Unaffiliated Registered Funds**

GRA intends to provide investment services to unaffiliated registered funds. In such circumstances, GRA would serve as a "sub-adviser" to these clients, providing investment advisory services relating to the registered fund's global natural resources investments on a discretionary basis (subject to any client restrictions negotiated as part of the sub-advisory agreement).

### **Private Funds**

GRA provides investment advice to an affiliated private fund. Private fund investors generally must be (1) "accredited investors" under Regulation D under the Securities Act of 1933, as amended (the

Securities Act), or (2) not “U.S. Persons” as defined under Regulation S of the Securities Act. The private fund is exempt from registration under the 1940 Act pursuant to Section 3(c)(1).

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

GRA invests its clients' assets in various securities that are involved in or related to the extraction, processing and transportation of natural resources. GRA's investment strategy relies on both "top-down" analysis to compute an expected future commodity price forecast and "bottoms-up" analysis to determine an intrinsic value for a security given GRA's expected commodity price forecast. GRA seeks to purchase those securities that are mispriced relative to their intrinsic value as estimated using GRA's proprietary commodity price forecasts and corporate models. GRA devotes significant efforts into developing very detailed proprietary supply and demand models across different commodity sectors. Oftentimes these supply models will be on an asset-by-asset basis. GRA's proprietary supply and demand models allow GRA's managers to assess the fundamental dynamics in a given commodity market and ultimately to produce a commodity price forecast. These forecasts are often very different than the futures markets, or the conclusions reached by the broad analytic community. GRA believes it is these contrarian macro forecasts that allow it to make positive investment decisions. Once a commodity price forecast has been made, GRA will seek to use the principals of value investing along with fundamental securities analysis. GRA will often build a net-asset value model or a discounted cash flow model, using GRA's proprietary commodity price forecasts as inputs and will then attempt to purchase those securities that it believes are undervalued based upon these analyses.

GRA's methods are inherently subject to substantial uncertainty. Investing in securities involves the risk of loss that any client or prospective client should be prepared to bear. Some of the principal risks associated with GRA's investment strategy are described below.

### **Macro Risks**

**U.S. Economic Risk:** The United States is a very large commodity consumer and as a result, detrimental economic developments in the U.S. may put downward pressure on many commodities and commodity-related securities. Furthermore, negative economic developments in the United States will likely have a negative impact on many of its trading partners, which may further reduce the demand for commodities and negatively impact the value of commodity-related securities.

**China Risk:** Chinese demand has become a central part of the global natural resources sector. Negative economic developments in China would impact commodity demand and as a result would negatively impact the value of commodity and commodity-related securities.

**Rest-of-World Economic Risk:** Negative economic developments in the global economy (over and above the United States and China) may result in lowered commodity demand which would negatively impact commodity and commodity-related securities.

**Market Disruption and Geopolitical Risk:** The Fund is subject to the risk that geopolitical and other events will disrupt securities markets and adversely affect global economies and markets, thereby decreasing the value of the Fund's investments. War, terrorism, economic uncertainty, and related geopolitical events have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally. Likewise, natural and environmental disasters, and systemic market dislocations like that caused by the COVID-19 pandemic would be highly disruptive to economies and markets, adversely affecting individual companies and industries, securities markets, interest rates, credit ratings, inflation, investor sentiment, and other factors affecting the value of the Funds' investments.

### Commodity Specific Risks

**Commodity Risk:** Commodity prices can be highly volatile and lose substantial value. Commodity prices are subject to changes in the global economy, capital flows, supply-demand and government regulatory policies among other factors. Commodity-related securities may lose value due to adverse changes in global commodity prices, if the cost to store the commodity increases, or interest rates increase.. Moreover, certain commodity-related securities may lose value due to changes in the term structure of commodity prices (i.e., the forward price of crude oil as compared with the spot price).

**Natural Resources Investment Risk:** Investment in companies in natural resources industries can be significantly affected by (often rapid) changes in supply of, or demand for, various natural resources. They may also be affected by changes in energy prices, international political and economic developments, actions to address climate change or other environmental factors, environmental incidents, energy conservation, the success of exploration projects, changes in commodity prices, and tax and other government regulations. Energy prices may decline sharply (as occurred in 2015), and a prolonged slump in energy prices is likely to have a negative effect on companies that extract, process or deliver energy-related commodities.

### General Investment Risks

**Asset Allocation Risk:** GRA focuses on global natural resource investments and seeks to maintain substantial exposure to this sector. GRA does not seek to diversify across other non-natural resource related sectors and as a result, if the global natural resources sector performs poorly, then investors would likely experience poor results. The market value of commodity-related securities may be impacted by many factors including natural disasters, inflationary pressures and international geopolitics. Furthermore, to the extent that global natural resource company assets are located in foreign jurisdictions, they are subject to the risk of operating in foreign countries (including but not limited to expropriation, increased taxation, capital controls and similar restrictions and changes in regulatory requirements).

**Market Risk:** The value of securities depends on many factors including the size and growth of the global economy, the size and growth of corporate revenues, the asset intensity of corporations, the profitability of corporations and the valuation that investors place on corporate securities.

Changes in any of these factors may negatively impact the value of securities and may result in both the loss of value and increased volatility.

### Investment Style Risks

**Investment Style Risk:** GRA seeks to invest using the principals of “value investing.” At times, one investment style may outperform another style. To the extent that GRA’s investment style is out of favor, clients’ portfolios may lose value compared with a portfolio that utilizes a different style.

**Concentration Risk:** If investments are concentrated in an issuer, a country or group of countries, region, market, industry, sector or asset class, then the investments will be more susceptible to loss if the area of concentration underperforms compared with a more diversified portfolio. GRA’s clients may be susceptible to this risk because of GRA’s focus on natural resources investments.

**Non-Diversification Risk:** GRA seeks to invest primarily in securities related to the global-natural resources sector and does not seek to diversify across other sectors. As a result, a negative development in the global natural resources sector may result in a greater loss of value than a portfolio that is more diversified.

### Additional Investment Risks

**Convertible Securities Risk:** Investments in convertible securities are subject to risks that are associated with both equity investments and fixed-income investments (including interest rate risk and credit risk).

**Coronavirus (COVID-19) Pandemic Risk:** The impact of the COVID-19 pandemic has negatively affected the worldwide economy, as well as the economies of individual countries, individual companies and the market in general, in significant and unforeseen ways. The energy and commodity markets have been especially negatively impacted by the economic disruptions caused by COVID-19. Health crises caused by outbreaks, such as the COVID-19 pandemic, may exacerbate other pre-existing political, social and economic risks and disrupt normal market conditions and operations. The near-term impact of the COVID-19 pandemic has resulted in substantial market volatility, which may have an adverse effect on the Fund’s investments.

**Distressed Securities Risk:** Investments in securities that are financially distressed carry additional risks. In particular, these securities may lack liquidity which makes it difficult to transact at favorable prices or times and increase volatility. Furthermore, they may be subject to a lack of information with respect to the issuer, the effects of bankruptcy laws and regulations.

**Equity Securities Risk:** Investments in equity securities are subject to material changes in their value and are often more volatile than other asset classes. In the event of a corporate bankruptcy, holders of equity securities may not be entitled to any reclamation of value. Historically, equities have undergone periods of price volatility and will likely undergo such periods again in the future.



**Interest Rate Risk:** Investments in fixed-income securities are subject to interest rate risk in which the security may lose value due to a change in interest rates. In general, the value of a fixed-income security may decline in value following a rise in interest rates. Additional sources of interest rate risk include pre-payment risk and extension risk. Pre-payment risk is the risk that a fixed-income issuer may choose to prepay its obligation during a falling interest rate environment more quickly than anticipated, leaving GRA to reinvest the proceeds at a lower-than-expected rate of interest. Extension risk is the risk that a fixed-income issuer may repay principal more slowly than anticipated, during a rising interest-rate environment, leaving GRA with less repaid principal to reinvest at a higher rate of interest.

**Credit Risk:** Investments in fixed-income securities may lose value if the financial health of the issuer deteriorates or a rating agency lowers the credit rating. If a fixed-income security's credit rating falls it may preclude certain investors from holding the security and the resulting selling pressure may negatively impact the value of the security.

**Derivatives Risk:** Investments in derivatives carry additional risks. Derivatives include all securities that derive their value based upon the value of another security, and include (but are not limited to): options, futures, options on futures, forwards, warrants, swaps. These securities may be illiquid, and may trade in such ways as to incur counterparty risk. Furthermore, the use of derivatives may have leverage risk, including margin risk that could result in the substantial loss of value. In addition, certain elements of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 introduced a new regulatory framework for derivatives, the ultimate impacts of which are not yet known and may increase the cost or decrease the availability of derivative transactions.

**Small & Mid-Capitalization Company Risk:** Investments in securities of companies with smaller market capitalizations have additional risks, including the potential limitation to raise financing, greater sensitivity to broad business trends, and a greater reliance on corporate counterparties, as compared with larger companies that may lead to the loss of value. Smaller companies are often less liquid than larger companies and may result in the inability to transact at favorable prices or times, and are often more volatile than larger companies.

**Micro-Capitalization Company Risk:** Investments in securities of very small companies have unique risk factors. These risks include the inability to raise either debt or equity capital to finance the business, the lack of institutional investor interest due to their small size, increased volatility due to lower trading volumes and the lack of broker-dealer analyst coverage. All of these risks may lead to a loss of value and substantially increased volatility. These investments may be more susceptible to changes in broad business conditions than larger companies. The lack of trading volume may make it more difficult to transact at favorable times or prices as well.

**Foreign Securities Risk:** Investment in the securities of foreign issuers or domestic issuers with material exposure to foreign markets may entail additional risks. In particular, such markets are often less liquid, less regulated and more volatile than the US markets. The value of such investments may be impacted not only by issues affecting the particular issuer but also by issues affecting the foreign market broadly, such as government actions, political or financial instability and decreased capital

flows. Such markets may suffer from a less favorable legal standards of property ownership as compared with the United States (including bankruptcy protections), currency risks, less favorable reporting or accounting standards, greater risk of expropriation or changes to taxation or regulatory regimes, greater sensitivity to changes in global economic health and the potential for capital controls.

**Currency Risk:** Securities that are denominated in a currency other than the US dollar may lose value if the value of the currency in which it is denominated decreases. Furthermore, securities of companies that are denominated in US dollars, but that generate material revenue or incur material costs abroad will be more susceptible to fluctuations in currency prices than the securities of companies whose prices, revenues and costs are all US dollar denominated.

**Developed Country Risk:** Investments in the developed world may carry certain risks relating to regulatory issues, political, currency and demographic issues. In particular, changes to global trading regulations may disproportionately impact developed countries. Also, developed countries have had slower economic growth than smaller emerging markets in the recent past and may continue to do so.

**Emerging Markets Risk:** Investments in securities that are either listed, domiciled or maintain material operations in emerging market countries may be subject to increased risks. These risks may include, political instability, currency fluctuations, inflation risk and rapid changes in economic conditions. Securities that are listed on emerging market exchanges may be less liquid and more volatile than those in the developed markets and may be subject to political risks such as government intervention in the securities markets. Companies that have substantial assets in emerging market countries are subject to additional risks including expropriation of their assets, increased taxation, changes in regulatory frameworks, and legal systems that do not protect property rights to the same extent as in the developed markets. Oftentimes, emerging markets do not have the same level of uniform accounting and reporting standards and there may be additional risk associated with the custody and valuation of securities from such regions.

**Liquidity Risk:** Investment in securities that are difficult to purchase or sell may result in both increased volatility and lower portfolio performance since it may not be possible to transact quickly and at advantageous times or prices. Investments that are illiquid also tend to be more volatile and may be more difficult to accurately value.

### Security Specific Risks

**Issuer Risk:** Investments in securities may decline in value if the financial condition, future outlook or credit rating of the particular security deteriorates.

**Default Risk / Credit Risk:** Investments in securities of companies that undertake debt obligations may lose value if a deterioration in the financial condition or business outlook causes the company to risk defaulting on any of its obligations. The value of related securities may lose value if the credit quality of the company deteriorates (i.e., the company's debt obligations are downgraded by a rating agency). Such companies may find it difficult or impossible to access the capital markets if its credit quality deteriorates by a significant amount.

## Other Risks

**Management Risk:** Investments in securities may lose value if GRA's analysis or judgements regarding the attractiveness, valuation or underlying market trends impacting a security, industry or broad market are incorrect.

**Operational Risk:** A portfolio may suffer a loss as the result of a failure in the internal processes, people or system or from an external event. Operational risks may be the result of a routine processing error or a more substantial failure in the operating systems. GRA relies on its digital networks to conduct its business. Such networks may be at risk of a cyber-attack that could potentially result in the misappropriation of sensitive information, the corruption of GRA's data, or otherwise disrupt GRA's computer systems.

**Valuation Risk:** The net asset value of a portfolio as of a particular date may differ materially from the value that could be realized if the portfolio was liquidated as of such date. This may occur because of the negative market impact of liquidating a large security position or for other related reasons. Furthermore, periods of large volatility could increase the risk that a portfolio would not be able to be liquidated at the same value as the reported net asset value.

**Counterparty Risk:** In a transaction, there is a risk that the counterparty is unable to perform its obligations. For example, the counterparty may become bankrupt, which would result in significant delays in obtaining any recovery or may result in obtaining no recovery.

**Cybersecurity:** With the increased use of technologies such as the Internet and the dependence on computer systems to perform necessary business functions, investment advisers such as GRA and its service providers are prone to operational and information security risks resulting from cyberattacks. Cyber-attacks, disruptions or failures that affect GRA, its third party service providers, clients' custodians and/or their third party service providers may adversely impact GRA and its clients. Cyber-attacks, disruptions, or failures may cause reputational damage and subject GRA or its service providers to regulatory fines, litigation costs, penalties or financial losses, reimbursement or other compensation costs, and/or additional compliance costs. While GRA and its service providers have established business continuity plans and systems designed to guard against such cyber-attacks or adverse effects of such attacks, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified or that unknown threats may emerge in the future.

## **Item 9: Disciplinary Information**

Neither GRA nor any of its management persons has been the subject of any material legal or disciplinary actions.

## **Item 10: Other Financial Industry Activity and Affiliations**

Neither GRA nor any of its management persons are registered or have an application pending to register as a broker-dealer. Certain personnel of GRA serve as registered representatives of ALPS Distributors Inc., a broker-dealer registered with Financial Industry Regulatory Authority (FINRA). These employees do not earn sales commissions, nor do they receive any compensation from ALPS Distributors, Inc. Their compensation is paid solely by GRA.]

Neither GRA nor any of its management persons are registered or have an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of any of the foregoing entities.

Certain GRA employees have ownership interests in the Fund.

In certain limited circumstances, GRA may select other investment advisers for our clients and receive indirect compensation from these advisers through client referrals. The most likely such circumstance would be if GRA invested a client's assets in an ETF, and the sponsor of such an ETF was affiliated with an entity that referred clients to GRA. This could potentially create a conflict of interest if GRA would not have otherwise selected such an investment. GRA believes it has mitigated such a risk by considering all alternatives before purchasing any ETFs for a client's account and only selecting an ETF investment for a client's account when GRA believes that such investment represents the most efficient way to achieve the desired exposure for our clients.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

GRA has established a Code of Ethics pursuant to Rule 17j-1 under the 1940 Act and Rule 204A-1 under the Advisers Act and Insider Trading Policies and Procedures. A copy of the Code is available to any client or prospective client upon request. The Code of Ethics requires all employees to comply with applicable U.S. federal securities laws at all times as well as the fiduciary responsibilities as it relates to clients' interests.

The Code of Ethics addresses, among other elements, the handling of Material Non-Public Information ("MNPI") and the personal trading policies for all supervised members of the firm. The Code of Ethics requires pre-clearance of each personal investment transaction, subject to certain exemptions set forth in the Code of Ethics

GRA believes its Code of Ethics is of paramount importance and strives to create a culture of integrity. It is incumbent upon any GRA employee to report any violation of the Code in a prompt manner to the Chief Compliance Officer. GRA allows for anonymous reporting of any violation so as to foster open communication and limit any fear of retaliation against persons who may wish to report a violation.

This summary of the Code of Ethics is qualified in its entirety by the Code of Ethics of GRA.

### **Material Non-Public Information**

GRA maintains policies and procedures in place to prevent the misuse of MNPI, including the misuse of information about client securities holdings and transactions. GRA has policies and procedures in place that seek to control the dissemination of sensitive information both within the organization and outside. GRA may at times find itself in possession of MNPI and, as a result, it maintains a "restricted list" of issuers or securities and prohibits any trading (either personal trading or on behalf of clients) in any of the restricted securities. The receipt of MNPI may prevent GRA from trading in certain securities, even if doing so would have been beneficial to our clients.

### **Personal Trading**

As it relates to personal trading, all "access persons" (those supervised persons who may have access to nonpublic information regarding clients' purchase or sale of securities, or are involved in making investment decisions) as well as certain of their household members and dependents are required to, among other things, report personal securities transactions to GRA's Chief Compliance Officer and pre-clear certain securities transactions.

GRA maintains a record of all reported personal securities trading. Personal trading is reviewed against both firm trading and the "restricted list" and any matches are reported to and investigated by the Chief Compliance Officer.

All employees receive annual training regarding our policies and procedures and must attest quarterly to having reviewed and complied with all policies and procedures.

### **Potential Trading Conflicts of Interest**

GRA has a duty to act in the best interests of its clients and to treat them fairly when providing investment services to them. GRA acts as investment adviser to the Fund, private funds and separately managed accounts, as well as investment sub-adviser to a UCITS fund. In some cases, GRA's clients will have similar investment objectives and strategies. From time to time, there will be situations that give rise to a conflict of interest. The material reportable conflicts of interest encountered by GRA's clients include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by a particular client. Other conflicts are disclosed throughout this brochure and in the offering documents of Fund and the governing documents of each other client account, and these materials should be read in their entirety.

**Compensation:** In certain circumstances, there is the potential for a conflict of interest arising from unequal advisory fees paid by different client accounts. For example, a conflict could arise if GRA engaged in actions that unduly increased the value of assets for an account that paid a higher advisory fee to the detriment of the value of assets in a lesser fee paying account. To address such conflicts, GRA has adopted policies to aggregate trading orders wherever possible, as well as supervisory review procedures that are designed to mitigate and monitor potential conflicts. The policies seek to ensure that all accounts are managed in a manner that is consistent with GRA's fiduciary responsibilities to all clients.

**Investments by Clients.** Purchase and sale orders generally will be aggregated for clients, with each entity paying its pro rata share of the total commission and paying or receiving its pro rata share of the total cost or sales proceeds. From the standpoint of the client, simultaneous identical portfolio transactions for the client and the other related clients may decrease the prices received, and increase the prices required to be paid, by the client for its portfolio sales and purchases.

There also is a potential conflict of interest in the allocation of investment opportunities among clients. GRA seeks to allocate investment opportunities in a fair and equitable manner that is believed to be appropriate and in the best interests of all the entities involved, and that will not favor or disfavor any client or class of clients in relation to any other clients. Further, GRA does not allocate investment opportunities based, in whole or in part, on the relative fee structure or amount of fees paid by any client or the profitability of any client.

While allocations among clients generally are made on a pro rata basis in proportion to the relative assets of each account, there can be no assurances that an investment opportunity that comes to the attention of GRA will not be allocated wholly or primarily to other clients, with any particular client being unable to participate in such investment opportunity or participating only on a limited basis. If, in the discretion of GRA, a client should not participate in a particular investment opportunity for tax or regulatory reasons, such investment opportunity will be allocated only to

clients not affected by such tax or regulatory reasons. To the extent an investment is not allocated pro rata, a client could incur a disproportionate amount of income or loss related to such investment relative to the other clients. See Item 12 below for more information regarding GRA's policy on aggregating orders.

A client could be disadvantaged because of activities conducted by GRA for other clients as a result of, among other things: legal restrictions on the combined size of positions which may be taken for all accounts managed by GRA, thereby limiting the size of a client's position; and the difficulty of liquidating an investment for more than one account where the market cannot absorb the sale of the combined positions. GRA is not under any obligation to share any investment, idea or strategy with all or any of its clients. A particular investment may be bought or sold for only one client or in different amounts and at different times for more than one but less than all clients, even though it could have been bought or sold for other clients at the same time. Likewise, a particular investment may be bought for one or more clients when one or more other clients are selling the investment.

In addition, there are circumstances under which GRA will consider participation by a client in investment opportunities in which GRA does not intend to invest, or intends to invest only on a limited basis, on behalf of other clients. Under certain circumstances, GRA will give advice or take action with respect to the assets of one client that may compete with the advice or investment action that GRA takes on behalf of other clients. GRA will evaluate for each client a variety of factors it considers relevant in determining whether a particular situation or strategy is appropriate and feasible for the client at a particular time, including the nature of the investment opportunity taken in the context of the other investments at the time, the liquidity of the investment relative to the needs of the particular client, the investment or regulatory limitations on the particular client and the transaction costs involved. Because these considerations may differ for a client and one or more other clients in the context of any particular investment opportunity, investment activities of the client and other clients may differ considerably from time to time. There can be no assurance that a client will not receive less (or more) of a certain investment than it would otherwise receive if GRA did not have a conflict of interest among clients. In effecting transactions, it may not be possible, or consistent with the investment objectives of GRA's various clients, to purchase or sell securities at the same time or at the same prices. In situations where GRA's personnel are aware of conflicts or potential conflicts among advisory accounts, it is GRA's policy to disclose to the relevant clients the existence of such conflicts or potential conflicts through its Form ADV or otherwise.

**Security Holdings:** In certain limited situations, GRA or its "access persons" may hold material financial interests in assets or securities that are also held in client accounts. In some situations, the interests may be in a differing part of the financial structure than is held in client accounts. In other situations, GRA or its "access persons" may hold material financial interests in securities that are involved in business dealings with companies whose securities are held in client accounts. In both such circumstances, there is the potential that the financial interests of GRA or its "access persons" may not be aligned with the financial interests of GRA's clients. For example, if GRA maintained an investment in a company that was in the process of acquiring another company that



was held in clients' accounts then GRA's proprietary financial interests would not be aligned with the clients' interest. As a second example, if a GRA access person held an interest in a fixed-income security of a company while a client account held an interest in the equity of the same company, there could be certain events (such as early pre-payment of the debt) that would benefit GRA's financial interest to the detriment of the clients' investment. GRA has adopted policies that seek to address such conflicts. While it may be impossible to avoid such conflicts entirely, GRA's policies and procedures seek to provide that, notwithstanding these conflicts, the investments of our clients are originated and maintained in the best interest of the client in keeping with GRA's fiduciary responsibilities.

**Trading of Personal Securities:** There is the potential for a conflict of interest if GRA or its "access persons" trade in the same securities as it does for its clients' accounts. The personal trading policies listed above seek to mitigate such conflicts.

**Research Activities:** In the process of conducting due diligence, GRA employees may be subjected to information that is deemed to be MNPI. In such circumstances, GRA may be unable to trade in a security even though it would be in the clients' best interests to do so. GRA's MNPI policies are designed to mitigate such conflicts.

**Gifts and Entertainment:** In the normal course of business, GRA employees may occasionally receive or give gifts, meals or entertainment of moderate value. In such circumstances there is a potential conflict of interest if it is determined that an employee has influenced business decisions based on such gifts or entertainment. GRA maintains a Gift and Entertainment policy that seeks to minimize such conflicts by requiring all gifts to be of minimal value and all entertainment to be considered "reasonable." All gifts and entertainment received are monitored and recorded by the Chief Compliance Officer.

**Outside Activity:** In order to ensure all members of GRA maintain their duty to act solely in the best interest of GRA's clients, employees must receive prior written permission before engaging in certain outside business activities if either compensation will be offered or the if activity requires more than a de minimis commitment of the employee's time. GRA will consider whether such outside activity creates the possibility for a conflict of interest before granting permission.

**Political Contributions:** There is the potential for a conflict of interest if a GRA employee contributes to a political campaign. As a result, GRA has adopted policies and procedures that are designed to comply with all applicable federal, state and local law. All employees and any immediate family members living in the same household must receive pre-clearance from the Chief Compliance Officer before engaging in any political contributions. This policy also prohibits any GRA employee from making any political contribution with the intent of influencing a public official regarding the award of a contract or mandate to GRA.

**Charitable Contributions:** There is the potential for a conflict of interest if GRA or one of its employees contributes to a charitable organization that is either favored by a GRA client, or that could potentially become a client themselves. A conflict of interest could occur if the contribution is construed as favoring one client over another, or as trying to exert undue influence over the

business decisions of an organization. GRA has adopted policies and procedures that seek to mitigate such risks. The policies seek to limit charitable contributions to those institutions that could present a conflict of interest, as well as monitor and limit the total amount of charitable giving per institution. From time to time we may receive a marketing benefit from contributing to a charitable organization. Such situations are subject to additional review by the Chief Compliance Officer.

**Pricing and Valuation of Securities and Other Investments:** In most cases, GRA relies on pricing data provided by a custodian, broker-dealer or other third-party pricing service. In some cases, a market quotation may not be readily available or GRA may believe in good faith that a quotation is not reliable. In such cases, GRA will attempt to value the position based upon its policies and procedures laid out in its Valuation Guide. To the extent that GRA receives fees that are based upon assets under management and a valuation would impact the value of such assets, there may be a conflict of interest. GRA's valuation policies and procedures are designed to lessen any potential conflicts by outlining "reasonable measures" to determine in good faith the fair market value of a security where a public quotation is either unavailable or determined to be unreliable. When determining the "fair market value" GRA seeks to determine the price that a client might reasonably expect to receive from the current sale of the asset in an arm's-length transaction.

## **Item 12: Brokerage Practices**

Unless specified in the advisory or sub-advisory agreement, GRA will have discretion over the choice of broker-dealer used for client transactions. GRA will seek to achieve the best available price and execution for all portfolio transactions on its clients' behalf. GRA may at times chose to pay a higher (i.e., more than the lowest available) commission in return for brokerage and research services. When selecting broker-dealers to execute transactions, GRA considers such factors as the security price, the commission rate, the size and difficulty of the order, and the reliability, integrity, financial condition, general execution and operational capabilities of the various brokers and dealers. If GRA believes it can achieve better execution through a broker-dealer that has a higher commission rate, it will execute with the broker-dealer despite the higher rate.

GRA routinely evaluates the reasonable nature of the commissions it pays for client transactions by comparing the average commission rate paid over the period to the rates other institutional investors are paying (based on publicly available information) as well the rates quoted by various other brokers and dealers. GRA takes a number of factors into account when comparing commission rates, including the size of a transaction, the complexity of a transaction, the length and level of business conducted with the broker-dealer, whether the broker-dealer has risked capital in the transaction and other business considerations.

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

GRA is not currently a party to any formal soft-dollar arrangements. However, should GRA enter into any such arrangements in the future, it has a brokerage allocation policy that complies with Section 28(e) of the Securities Exchange Act of 1934, as amended. In particular, GRA may, in the future, choose to pay a commission that is in excess of another broker-dealer's rates for the same transaction, if GRA determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services provided. In certain circumstances, GRA may establish relationships with broker-dealers in which GRA pays a commission rate in excess of what is otherwise available in exchange for research products in addition to the brokerage service provided (soft-dollar agreements). The research products may either be generated by the broker-dealer or purchased by them as third-party research. Examples of such research can include but are not limited to:

- Economic research
- Interest rate and bond research
- Financial news and other industry publications
- Industry and company research

- Industry and company computer screening ability
- Commodity research
- Stock and bond quote services.

Such practices could create the potential for a conflict of interest if GRA uses clients' assets to pay a commission rate that is in excess of what would be otherwise available in exchange for additional research that would otherwise cost GRA to produce or acquire. Should such conflicts arise, GRA will seek to mitigate this risk by ensuring that all soft-dollar arrangements pay only for bona fide research that would provide benefit to all client accounts and that any research acquired by "soft-dollars" be directly helpful in making informed investment decisions on behalf of our clients.

#### Brokerage for Client Referrals

GRA does not direct client brokerage through a broker-dealer in exchange for client referrals. In some cases, GRA may choose to direct client brokerage to a broker-dealer that does refer clients, but not in exchange for client referrals and only in the case where the broker is reasonably believed to offer best execution. In order to avoid the potential for a conflict of interest, GRA will monitor all trades that are directed to a broker that refers clients and will conduct periodic reports to ensure that the broker has been providing the best level of execution for GRA's clients and that no brokerage has been directed in exchange for client referrals.

#### Directed Brokerage

GRA typically does not recommend, request or require that any client direct the execution of transactions through a specified broker-dealer. While some advisers do require their clients to direct brokerage, this is not the case with all advisers.

However, under certain circumstances, as outlined in the advisory or sub-advisory agreement, as applicable, GRA may permit clients to direct the execution of transactions through a specified broker-dealer. If such an arrangement is agreed to by all parties in advance, then the client may direct GRA to conduct any trading for that client to a specific individual or set of broker-dealers. Clients should be aware that directing brokerage to a specific individual or set of broker-dealers may result in execution that is not the best-available and may cost the client money. For example, a client may pay a higher-than-necessary transaction cost or a client may not receive the best pricing than would otherwise be available or that is received by other GRA clients.

#### Trade Aggregation and Allocation Policy

GRA has put in place Trade Aggregation and Allocation policies and procedures that seek to produce fairness to all client accounts over time. However, any given transaction may not be mathematically precise in terms of allocation due to the increased transaction costs that would be required to do so. The policies and procedures seek to generally provide "best execution" over time for all accounts under management; however, any given transaction may be more advantageous for some clients than for others.

GRA will seek to aggregate orders for multiple client accounts participating in the order as a single aggregated order where possible to obtain the best execution. In certain cases, GRA may seek to execute orders for both affiliated client accounts and unaffiliated client accounts. In such circumstances, there could be a conflict of interest if GRA favors its affiliated accounts over unaffiliated accounts. In order to mitigate potential conflicts, GRA has adopted the following policies:

- GRA requires that all participating accounts receive the same average price and commission where it is possible to do so.
- GRA maintains proper pre-trade documentation that specifies which accounts are participating in an order and its allocation.
- GRA maintains proper post-trade documentation that details the allocation of an executed order in compliance with the pre-trade documentation, or if the order is partially executed, the allocation on a pro-rata basis.
- GRA maintains all documentation relating to any situations where the post-trade allocation differs in proportion to the pre-trade documentation.

In certain situations, a client may have directed GRA to use or avoid certain brokers that would prevent an account from being aggregated with other account orders. In such a situation, the client's order would be placed at a different time and with a different broker and would likely result in the orders being executed at different prices and with different commission rates.

GRA seeks to allocate orders to purchase or sell securities on behalf of clients' accounts on a pro-rata basis based upon the size of the accounts that are participating in the order. In any situation where the allocation strategy is other than on a pro-rata basis based upon the size of the accounts, a written description of the allocation methodology used and the reasons for the exemption will be maintained. The following are a list of possible exceptions to the following policy where documentation is not required, but is not meant to be exhaustive:

- de minimis allocations
- accounts with cash flows
- investment guidelines or restrictions
- account rebalancing

In no situation will transaction order be determined by the fees paid by the account, account performance, or any proprietary interest GRA or its supervised persons might have in the account.

In some cases, GRA may not be able to purchase a security in sufficient quantity, such as with illiquid stock or in the case of Initial Public Offerings or secondary offerings. In such cases, GRA will allocate the purchased securities to all participating accounts on a pro-rata basis based upon the size of the account or any other basis that GRA deems to be fair and reasonable under the circumstances.

#### Trade and Operational Error Correction Policy

In the event of a trade or operational error, GRA will seek to correct the error as soon as is reasonably possible in a fair and reasonable manner. The financial impact of an error will be calculated in such a way that it attempts to reimburse a client in the case of a loss, but does not provide an undue performance gain or windfall. GRA will promptly notify a client of any error and provide the policy and methodology used in resolving the error. A copy of our error correction policy is available upon request.

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

GRA intends to provide periodic written reports for client accounts, as follows depending on the nature of the account:

### **Institutional and High Net-Worth Separately Managed Accounts**

GRA will provide a written account review and report on a quarterly basis, or as otherwise agreed to with the client, that contains the following information:

- Cash balances
- Type, name and amount of each security
- Account performance
- Current market value of the portfolio
- All transactions during the report period

GRA may provide written account reviews and reports other than on a quarterly basis based upon certain trigger factors that include but are not limited to: major cash inflows or outflows and substantial changes in market levels.

### **Private Funds**

The administrator to the private fund will provide investors with quarterly capital statements.

### **Unaffiliated Registered Fund Accounts**

GRA may provide written reports and account reviews, depending upon the terms of the advisory or sub-advisory agreement. The frequency of the account review and reports as well as any required content will be agreed upon with the client.

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

GRA does not currently nor intends to receive any economic benefits from persons that are not clients in exchange for providing investment advisory services to clients, except to the extent that GRA receives research and other soft dollar services from brokers as discussed in Item 12.

Although it does not currently do so, GRA may in the future directly or indirectly compensate a person other than a GRA supervised person for client referrals. In particular, GRA may enter into written promotional agreements with third party promoters whereby promoters may introduce prospective clients to GRA or engage in other promotional activities in compliance with Rule 206(4)-1 under the Advisers Act. Under these agreements, GRA may agree to pay the promoter a percentage of the management advisory fee for clients that retain GRA under the scope of the agreement. Such a third party may incur a conflict of interest if they recommend the investment advisory services of GRA based upon their payment that they would not otherwise recommend.

Furthermore, GRA may compensate broker-dealers and other entities that distribute the Fund. The Fund's Prospectus and Statement of Additional Information contain details of such compensation arrangements, including payment that may be made to GRA.



## **Item 15: Custody**

GRA does not maintain custody of client funds or securities directly. Client funds and securities are held by a qualified custodian appointed by clients pursuant to a separate custody agreement or may be held by the clients themselves. Clients should expect to receive account statements from the qualified custodian that was outlined in the initial advisory agreement and the client should carefully review these qualified custodian statements. To the extent that GRA provides any account statements as part of the Regular Account Review process (please refer to Item 13), clients are urged to compare these statements with those provided by the qualified custodian.

## **Item 16: Investment Discretion**

GRA enters into an advisory or sub-advisory agreement with all clients, which gives it full and sole authority over the investment discretion of the account. From that point, GRA is no longer required to seek any further consent or authority from the client and may exercise its discretion and buy and sell such assets without restriction.

In some circumstances, clients may impose certain limitations or restrictions on GRA's discretionary authority as determined in advance in the advisory or sub-advisory agreement. GRA reserves the right to not enter into a contract with a prospective client or to terminate an agreement with an existing client if the proposed restrictions are not mutually agreed upon. In certain circumstances GRA may agree to not invest a client's account in certain types of securities, market capitalizations or industry groups, provided such an arrangement is executed in writing in advance as part of the advisory or sub-advisory agreement.

Class action securities litigation can be a potential additional income source for investment portfolios that have had trade activity in a security that subsequently became the source of an organized class action lawsuit. GRA generally disclaims responsibility for addressing class action lawsuits on behalf of its clients unless otherwise explicitly provided for in the advisory or sub-advisory agreement or other such comparable service agreement.

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

In order to ensure GRA fulfills its fiduciary responsibility with regard to voting clients' proxies, it has adopted a comprehensive and detailed set of policies and procedures, which is available to all clients or prospective clients upon request. The policies and procedures are intended to ensure that proxies are voted in the best interest of GRA's client accounts. GRA expects that its portfolio managers will follow the Proxy Voting Policies the majority of the time and believes its policies and procedures will mitigate any potential conflicts of interest. However, a situation may arise in which a portfolio manager disagrees with the Proxy Voting Policies, and in such situations the matter will be brought to the attention of the Chief Compliance Officer who will review and document the issue and make a recommendation. The Chief Compliance Officer reviews the Proxy Voting Policies periodically to help ensure that they are designed to allow GRA to vote proxies in a manner consistent with the best interests of its clients, to determine whether they are implemented effectively, to ensure that they comply with any new applicable rules or guidance and to consider whether different voting policies should be adopted and implemented for certain clients.

GRA has delegated proxy voting authority to Institutional Shareholder Services Inc. (ISS). ISS assists GRA by monitoring proxies issued to the Fund and other clients, making voting recommendations, submitting proxies in a timely manner and maintaining proxy voting records. ISS makes proxy voting recommendations pursuant to the ISS Proxy Voting Guidelines, as amended from time to time.

GRA believes that, as a result of utilizing ISS, conflicts of interest between GRA and a client in the proxy voting context will be rare. However, conflicts of interest may arise (i) when ISS notifies GRA of a conflict of interest involving a proxy recommendation and, as a result, GRA exercises its discretion as to whether following the ISS recommendation is in the best interests of its clients; or (ii) in connection with the selection and retention of ISS as a third-party proxy voting service provider.

The Chief Investment Officer (CIO) will review any such conflict of interest, which will include consideration of whether GRA or its investment professionals have an interest in how a particular proxy is voted. The CIO will use his or her best judgment to address and resolve any such conflict of interest in a manner it believes is consistent with the best interests of GRA clients. When the CIO deems appropriate in his or her sole discretion, unaffiliated third-party service providers may be used to help resolve conflicts.

In certain cases, a client may retain proxy voting authority. In cases where GRA does not have authority to vote client proxies, the client should have arrangements in place with the client's custodian or other third party to have proxies (i) sent to the client to be voted by the client or (ii) voted by the custodian or other third party.

GRA reserves the right, on occasion, to abstain from voting a proxy or a specific proxy item when it concludes that the cost of voting outweighs the potential benefit or when GRA otherwise believes

that voting does not serve its clients' best interests. Clients should also be aware that voting proxies of issuers in non-U.S. markets may give rise to a number of administrative issues that may prevent GRA from voting proxies for certain companies in these jurisdictions. For example, GRA may receive shareholder meeting notices without enough time to fully consider the proxy or after the cut-off date for voting. Other markets may require GRA to provide local agents with power of attorney prior to implementing its voting instructions.

Institutional and High Net-Worth separately managed account clients and the trustees of the Fund may request a written record detailing how GRA voted their proxies. Information about how GRA voted proxies for the Fund during the most recent 12-month period ended June 30 can be obtained on the SEC's website at <http://www.sec.gov>.

This summary is qualified in its entirety by GRA's Proxy Voting Policies.

## **Item 18: Financial Information**

GRA neither requires nor solicits the prepayment of client fees six months or more in advance. GRA is not subject to any financial conditions that are reasonably likely to impair its ability to meet any contractual commitment to its clients, in particular the discretionary authority over clients' accounts as outlined in Item 16.

Neither GRA nor any member of its management has been the subject of a bankruptcy petition at any time, in the past ten years.

## **Item 19: Requirements for State Registered Advisers**

Item 19 is not applicable to GRA as it is not currently registering or registered with any state securities authority.