
NAVIGATOR ASSET MANAGEMENT LLC

Part 2A of Form ADV Brochure

March 31, 2023

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Part 2A of Form ADV is our “Brochure” as required by the Investment Advisers Act of 1940, as amended, and is a very important document between you as a client and Navigator Asset Management LLC (“Navigator Asset Management” or the “Firm”). This Brochure provides information about the qualifications and business practices of Navigator Asset Management. If you have any questions about this Brochure, please contact us at 215-618-8147 or at cmullan@ccmg.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. For additional information about Navigator Asset Management LLC, please go to the SEC’s website www.adviserinfo.sec.gov (select “Investment Adviser Search,” then select “Investment Adviser Firm” and type in our firm name). You will have access to both Parts 1 and 2 of our Form ADV.

Item 2 – Material Changes

This Brochure dated March 31, 2023 replaces the March 16, 2021 version, which was the Firm's last annual update. There were no material changes since Navigator Asset Management's last annual update.

You can obtain a copy of this Brochure, without charge, by downloading it from the SEC website as indicated on the prior page, or by contacting Conor Mullan at 215-618-8147 or by email to cmullan@ccmg.com.

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Item 4 – Advisory Business

OVERVIEW OF NAVIGATOR ASSET MANAGEMENT

Navigator Asset Management is an investment adviser established in 2019 to manage private hedge funds to which it, or an affiliate, serves as the sponsor. Navigator Asset Management is a wholly-owned subsidiary of Clark Capital Management Group, Inc. (“Clark Capital”), a SEC-registered investment adviser located in Philadelphia, Pennsylvania, with all significant owners currently employed by the firm in key management, operations, portfolio management and sales capacities. The controlling ownership of Clark Capital resides with Harry Clark, the Executive Chairman of Clark Capital. Clark Capital manages mutual funds, separate accounts on behalf of individual clients, and accounts on behalf of clients through third-party wrap fee programs. Clark Capital has been managing investor assets since 1986.

ADVISORY SERVICES

Navigator Asset Management serves as the investment adviser to certain pooled investment vehicles (each a “Fund” and collectively, “the Funds”), which rely on the Section 3(c)(1) exemption from registration under the Investment Company Act of 1940, as amended (the “Investment Company Act”). The Funds, which are organized as a master-feeder structure, are: Clark FITR US Fund LP, a Delaware limited partnership (“FITR Onshore Fund”); Clark FITR US Master Fund LP, a Cayman Islands exempted limited partnership (“FITR Master Fund”); and Clark FITR Fund (Cayman) Ltd., a Cayman Islands exempted company (“FITR Offshore Fund”). Navigator Asset Management’s investment objective is to seek total return. In seeking to achieve the investment objective, the Funds will invest, under normal market conditions, in a portfolio of fixed income and other income producing instruments and equity securities. Navigator Asset Management will use derivatives and similar instruments to gain exposure to such securities and instruments. Navigator Asset Management provides advisory services to the Funds pursuant to investment management agreements that it has entered into with each Fund. Navigator Asset Management has discretionary authority to manage the Funds’ assets, which includes determining the securities and instruments to be bought or sold for each Fund and the broker-dealer or counterparty to be used for the purchase or sale of securities and instruments. In addition, Navigator Asset Management’s services include, without limitation: identifying and screening potential investments; conducting diligence on the Funds’ investments; monitoring the performance of investments; and preparing reports necessary or appropriate for the Funds’ investors. Navigator Asset Management does not participate in wrap fee programs or advise any separate accounts.

Navigator Asset Management’s management of the Funds is governed by each Fund’s offering memorandum, organizational documents and the investment management agreement between Navigator Asset Management and each Fund (collectively, the “Governing Documents”), as applicable. Navigator Asset Management does not customize its investment advice based on the needs of any particular investor in the Fund. Investors in the Funds should refer to the Governing Documents for the Funds for additional information associated with their investment and the management, strategy and risks associated with each of the Funds. Subject to applicable law and the Funds’ Governing Documents, however, Navigator Asset Management may enter into side

letters or other arrangements with specific Fund investors that may provide for terms of investment that are more favorable than the terms provided to other investors in the Funds. Such side letters or other writings may have the effect of establishing rights under, or altering or supplementing, the terms of such investors in the Funds, including with respect to waivers or reductions of the management fee and the incentive allocation (i.e., carried interest), access to information, more favorable transfer rights, and other similar rights and preferences. Any rights established, or any terms altered or supplemented, will govern only that Fund investor and not the Funds or all of its investors as a whole. Investors in the Funds should refer to the Governing Documents for the Funds for additional information associated with their investment and the management, strategy and risks associated with each of the Funds.

TYPES OF INVESTMENTS

Navigator Asset Management's advisory services to the Funds generally include, but are not limited to, investment advice with respect to the following securities and instruments:

- Fixed income investments such as (i) securities or other income-producing instruments issued or guaranteed by the U.S. Government, its agencies, instrumentalities or sponsored corporations (including inflation-protected securities); (ii) short-term investments, such as commercial paper, repurchase agreements and money market funds; and (iii) other fixed-income investments including (but not limited to) municipal securities, corporate debt securities, mortgage and asset backed securities, foreign debt obligations (including emerging market debt securities), loans, collateralized debt obligations and other structured financial products, and high yield debt securities;
- Investments designed to provide exposure to one or more physical commodities or baskets of commodities;
- Investments designed to provide exposure to one or more indices;
- Futures contracts and options on futures contracts, interest rate swaps, total return swaps and credit derivatives (such as credit default swaps ("CDS") and credit default swap indices ("CDX")), put and call options, forward contracts, and exchange-traded and structured notes; and
- Equity securities, including shares of pooled investment vehicles (including, for example, open-end or closed-end investment companies and exchange-traded funds ("ETFs")).

Navigator Asset Management's advisory services are offered through a privately offered family of pooled investment vehicles as described below. As of 12/31/2022, the firm had \$13,114,316 in total regulatory assets under management.

Item 5 - Fees and Compensation

In consideration for the investment management services provided by Navigator Asset Management, the Funds pay Navigator Asset Management a quarterly asset-based management fee (the “Management Fee”). The Management Fee is payable in advance and is deducted from the applicable Fund. The limited partners of each Fund will bear its share of the Management Fee, which will be generally equal to 0.375% (approximately one and one half percent (1.5%) annualized) of each limited partner’s capital account as of the beginning of the then-current calendar quarter, computed prior to the payment or accrual of any performance allocation. For performance reporting purposes, the Management Fee paid in advance will be amortized in three (3) monthly installments each quarter.

Any limited partner admitted to a Fund other than on the first day of a calendar quarter (and a limited partner that makes an additional capital contribution on a day other than the first day of a calendar quarter) will be subject to a pro rata portion of the Management Fee for such calendar quarter based upon the portion of the calendar quarter for which it is a limited partner. Such pro rata portion of the Management Fee will be payable to Navigator Asset Management as of the date of such capital contribution. A limited partner who withdraws at any time other than at the end of a calendar quarter shall not be reimbursed a pro rata portion of the Management Fee.

Navigator Asset Management may, in its discretion, waive, reduce, or rebate the Management Fee with respect to the capital accounts of certain limited partners, including, but not limited to, affiliates and employees of Navigator Asset Management and/or Clark Capital.

Navigator Asset Management will bear all of its own normal and recurring operating expenses and overhead costs incurred in connection with the investment and other management services that it provides to the Funds (other than fund expenses which if paid by Navigator Asset Management, are reimbursable by the Fund). Investors should refer to the Governing Documents of each Fund for additional information regarding the particular expenses associated with each Fund. The Management Fee may exceed the expenses borne by Navigator Asset Management on behalf of the Funds.

Clark Capital Management Group GP LLC (the “General Partner”), as the general partner of each Fund, will receive an annual performance fee, depending on the performance of each Fund. Investors should refer to the Governing Documents of each Fund for additional information regarding the General Partner’s performance fee.

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

The General Partner, as general partner of the FITR Master Fund, receives performance-based compensation from the FITR Master Fund in the form of capital appreciation of the assets of the FITR Master Fund. These fees are measured as a percentage of the profits of the FITR Master Fund and are more fully described in the Funds’ Governing Documents. These performance-based allocation agreements comply with Rule 205-3 under the Advisers Act.

The management of different types of clients and clients with different fee arrangements (“side-by-side” management) gives rise to certain conflicts of interest. The receipt of performance-based fees creates an incentive for Navigator Asset Management and its affiliates, including the General Partner of the Funds, to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Furthermore, Clark Capital, the parent company of Navigator Asset Management and a separately registered investment adviser, has its own clients who do not pay performance-based fees. As a result, Navigator Asset Management and Clark Capital have an incentive to favor accounts that do pay such fees because compensation received from such clients is more directly tied to the performance of their accounts and can be more lucrative to both Navigator Asset Management and Clark Capital. For example, in certain situations, Navigator Asset Management and its employees could have an incentive to allocate better-performing securities to those accounts subject to performance fees rather than to those which are not. Lastly, Navigator Asset Management, Clark Capital and Clark Capital employees are permitted to invest in the Funds, which also creates an incentive for Navigator Asset Management to favor the Funds over other client accounts. To address these conflicts, Navigator Asset Management and Clark Capital have both adopted policies and procedures designed to ensure that all clients are treated fairly and equitably over time. Moreover, Navigator Asset Management and Clark Capital’s policies and procedures state that investment decisions are to be made in accordance with the fiduciary duties owed to each client account and without consideration of Navigator Asset Management or Clark Capital’s (or either of their affiliates and personnel’s) pecuniary, investment or other financial interests.

Item 7 –Types of Clients

Navigator Asset Management is a private fund manager that presently provides investment advisory services only to the Funds, which are private investment funds. The Funds’ limited partnership interests are only offered to individuals and institutional investors who are, at a minimum, “qualified clients,” as that term is defined in Rule 205-3 under the Advisers Act and “accredited investors,” as that term is defined in Regulation D under the Securities Act of 1933, or “knowledgeable employees,” as that term is defined in Rule 3c-5 under the Investment Company Act. Investments in limited partnership interests of each Fund require a minimum initial investment of \$500,000 and minimum subsequent investments of \$100,000.

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

METHODS OF ANALYSIS AND INVESTMENT STRATEGY

Navigator Asset Management’s investment objective is to seek total return. In seeking to achieve the investment objective, the Funds will invest, under normal market conditions, in a portfolio of fixed income and other income producing instruments and equity securities. Navigator Asset Management will use derivatives and similar instruments to gain exposure to such securities and instruments. Navigator Asset Management’s strategy is primarily driven by a momentum-based systematic approach to investing in credit. Using this momentum-based approach, the Funds will tactically shift its holdings and asset allocations accordingly. Navigator Asset Management’s process uses a relative strength approach to determine the Funds’ allocation among different asset

classes. That analysis assists Navigator Asset Management to determine the preferred asset class, which in turn drives the individual security selection.

RISK OF LOSS

All investments in securities include a risk of loss of your principal (invested amount) and any profits that have not been realized (the securities were not sold to “lock in” the profit). Stock markets and fixed income markets fluctuate substantially over time. Different types of investments tend to shift in and out of favor depending on market, economic, and other forces. In addition, performance of any investment is not guaranteed, and your account may experience loss of assets due to a variety of reasons including market movements and global and domestic events affecting the economy. As a result, there is a risk of loss of the assets we manage that may be out of our control. We cannot guarantee any level of performance or that you will not experience a loss of your account assets. Additionally, as further discussed below, the Funds intend to leverage their investment positions by borrowing funds from broker-dealers, banks or other sources. Leverage increases the risk of substantial losses (including the risk of a total loss of capital). In addition, the Funds invest in derivatives and other financial instruments that are inherently leveraged.

General Risks

Competition. The securities industry and the varied strategies engaged in by Navigator Asset Management are extremely competitive and each involves a degree of risk. Navigator Asset Management competes with firms, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staff.

General Economic and Market Conditions. The success of Navigator Asset Management’s activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of Navigator Asset Management’s investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors can affect, among other things, the level and volatility of securities’ prices, the liquidity of the Partnership’s investments and the availability of certain securities’ prices, the liquidity of the Partnership’s investments and the availability of certain securities and investments. Volatility or illiquidity could impair the Partnership’s profitability or result in losses. Navigator Asset Management may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out position against which the markets are moving. Market disruptions may from time to time cause dramatic losses for Navigator Asset Management, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

General Market and Credit Risks of Debt Obligations. Investments in debt obligations are subject to credit risk and interest rate risk. “Credit Risk” refers to the likelihood that an issuer will default in the payment of principal and/or interest on an instrument. Financial strength and

solvency of an issuer are the primary factors influencing credit risk. In addition, inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk.

Management Risk. There is no guarantee that our judgments about the worth and implementation of given strategies, the value of individual securities, and the state of the financial markets is sound and that investments in Navigator Asset Management strategies will be profitable. Navigator Asset Management attempts to execute a complex strategy for certain portfolios and funds using a proprietary quantitative model. Investments selected using this model may perform differently than expected as a result of the factors used in the model, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models (including, for example, data problems or software issues). There is no guarantee that Navigator Asset Management's use of a model will result in effective investment decisions.

Market Disruptions; Governmental Intervention; Dodd-Frank Wall Street Reform and Consumer Protection Act. The global financial markets have in recent years gone through pervasive and fundamental disruptions that have led to extensive governmental intervention. Such intervention was in certain cases implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, certain of these interventions have been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies. The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), which aims to reform various aspects of the U.S. financial markets, covers a broad range of market participants including investment advisers (registered and unregistered) such as the Investment Manager. The Dodd-Frank Act may directly affect the Investment Manager by mandating additional new reporting requirements, including, but not limited to, position information, use of leverage and counterparty and credit risk exposure. Until the SEC implements all of the new reporting requirements, the full burden of such reporting obligations will not be known.

Deflation. Deflation risk is the risk that prices throughout the economy decline over time, which may have an adverse effect on the market value of an investment.

Inflation. Inflation risk is the risk that the value of assets or income from investments will be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of an account and distributions can decline.

Risks Associated with Strategies

Asset Allocation. The success of asset allocation depends upon the manager's ability to make decisions that will achieve an account's objectives. Asset categories may not perform as expected due to economic and market influences both foreign and domestic and anticipated returns may not be realized.

Concentration Risk. This type of risk occurs when a strategy's investments are concentrated in a limited number of securities or specific regions or countries. The value of the account will vary

considerably in response to changes in the value of the security or region/country. This may result in increased volatility.

Counterparty Risk. Transactions, including certain derivative transactions, entered into directly with a counterparty are subject to the risk that the counterparty will fail to perform its obligations in accordance with the agreed terms and conditions of the transaction. A counterparty's bankruptcy or other failure to perform its obligations due to financial difficulties would result in significant delays in obtaining any recovery in a bankruptcy or other reorganization proceeding or no recovery in such circumstances. Some of the markets in which Navigator Asset Management may effect transactions are "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to the credit evaluation and regulatory oversight to which members of "exchange-based" markets are subject. This exposes Navigator Asset Management to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Partnership to suffer a loss.

Hedging. If the hedged investment performs well there is likely to be a loss of upside potential. If the hedge does not perfectly match the underlying portfolio, there is a risk that results will not be as anticipated. If the investment is underhedged, it may not offer the degree of protection anticipated.

Foreign/International Market Risk. International investments involve special risks such as fluctuations in currencies, foreign taxation, economic and political risks, and differences in accounting and financial standards. Investments in emerging markets are generally riskier than investments in developed markets.

Leverage. Navigator Asset Management expects to use leverage through margin and other debt in order to increase the amount of capital available for investments. Although leverage increases returns earned a greater return on the incremental investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns to the Partners if the Partnership fails to earn as much on such incremental investments as it pays for such funds. Leverage increases the risk of substantial losses (including the risk of a total loss of capital), and leverage can significantly magnify the volatility of the Partnership's portfolio.

Limited Diversification; No Formal Diversification Requirements. It is anticipated that Navigator Asset Management will, from time to time, invest primarily in a limited number or type of securities or in any one issuer, industry, sector, strategy or geographic region. Accordingly, such concentration could have a material adverse effect, including in the event that any of the industries, sectors, strategies or geographic regions in which Navigator Asset Management invests experiences adverse events. This limited diversity could expose the Partnership to significantly greater volatility than in a more diversified portfolio.

Proprietary Models. Navigator Asset Management has developed certain proprietary investment models that Navigator Asset Management, in its discretion, may consult with and use to assist Navigator Asset Management with the construction of the Funds' portfolio and to assist Navigator Asset Management with making investment decisions for the Funds. There are numerous risks

associated with the proprietary models used by Navigator Asset Management, certain of which are described below.

The models require significant real-time and historical data to be effectively analyzed. The ability of the Funds to achieve their investment objective is, therefore, based in part on the ability of Navigator Asset Management to continuously receive and analyze such data. In addition, there is no assurance that the models will be effective in all market conditions or that Navigator Asset Management has considered all factors necessary for the models to function properly. There is also no assurance that risk management factors will be accurately or timely determined by Navigator Asset Management given changing market conditions. Accordingly, there are no assurances that the Funds will not be exposed to the risk of significant losses, particularly if the underlying patterns of market behavior studied by Navigator Asset Management and which provide the basis for its investment models change in ways not anticipated by Navigator Asset Management. As the models are proprietary, an investor will not be able to determine the full details of the Funds' investment process or whether the process is being followed. If Navigator Asset Management relies on such models, Navigator Asset Management intends to monitor its models and seek to make enhancements and changes as necessary, but there is no assurance that Navigator Asset Management will be able to modify them to adapt to changing market conditions or other factors. Navigator Asset Management will be required to attract and retain professionals in connection with monitoring and enhancing such models. The competition for attracting and retaining such professionals may be significant and there is no assurance that Navigator Asset Management will be able to continue to do so. The results generated by the proprietary models are just one consideration that Navigator Asset Management takes into account as a part of its investment process for the Funds.

Risk Associated with Securities and Instruments

Credit Default Swaps ("CDS") and Credit Default Index Swaps ("CDX"). Navigator Asset Management enters into credit default swap agreements or credit default index swap agreements as a "buyer" or "seller" of credit protection. Credit default swap agreements involve special risks because they may be difficult to value, are highly susceptible to liquidity and credit risk, and generally pay a return to the party that has paid the premium only in the event of an actual default by the issuer of the underlying obligation (as opposed to a credit downgrade or other indication of financial difficulty).

Commodities. Commodities have risk in that they are affected by global supply and demand; domestic and foreign interest rates; political, economic, financial events, or natural disasters; regulatory and exchange position limits; and concentration within a commodity.

Derivatives. Investments in derivatives, or similar instrument, including but not limited to, options, futures, options on futures, forwards, swaps, structured securities, tender-option bonds and derivatives relating to foreign currency transactions, which can be used to hedge a portfolio's investments or to seek to enhance returns, entail specific risks relating to liquidity, leverage and credit that can reduce returns and/or increase volatility. Losses in a portfolio from investments in derivative instruments can result from the potential illiquidity of the markets for derivative instruments, the failure of the counterparty to fulfill its contractual obligations, the portfolio

receiving cash collateral under the transactions and some or all of that collateral being invested in the market, or the risks arising from margin posting requirements and related leverage factors associated with such transactions. In addition, many jurisdictions continue to review practices and regulations relating to the use of derivatives, or similar instruments. Such reviews could make such instruments more costly, limiting the availability of, or otherwise adversely affecting the value or performance of such instrument.

Exchange Traded Funds (ETFs). ETFs may not accurately track their underlying index and may not have liquidity under severe market conditions.

Exchange Traded Notes (ETNs). ETNs are unsecured debt instruments. As such, exchange traded notes are subject to risk by default by the issuing bank (counterparty risk) as well as market risk. Exchange traded notes may fail to track the index they are designed to track as well as being negatively impacted by a decline in the credit rating of the issuer. They may lack liquidity under severe market conditions.

Fixed Income. Fixed income securities may be affected by interest rate risk as increases or decreases in interest rates occur and also by credit risk in that issuers may not make payment on the securities.

Futures Contracts. The value of futures depends on the price of the securities, commodities, instruments, indices or other financial measures underlying them. The price of futures are highly volatile, and price movements of futures contracts can be influenced by, among other things, interest rates, inflation, foreign exchange rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. Futures positions may be illiquid because certain exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.”

High Yield Securities. High yield securities (including but not limited to bonds, ETFs, ETNs, and open and closed-end funds) tend to be more sensitive to economic conditions than higher-rated securities and generally involve more credit risk. The risk of loss due to default by an issuer of a high yield security is significantly greater than issuers of higher-rated securities because such securities are generally unsecured and are often subordinated to other creditors. An account may have difficulty disposing of certain high yield securities because there may be a thin trading market for such securities. As a result, an account may have to accept a lower price to sell a high yield security, which could have a negative effect on performance.

Index-Linked Securities. It is anticipated that the Funds will invest in index-linked securities, whose prices are indexed to the prices of securities indices, currencies, or other financial statistics. Indexed securities typically are debt securities or deposits whose value at maturity and/or coupon rate is determined by reference to a specific instrument or statistic. The performance of indexed securities fluctuates (either directly or inversely, depending upon the instrument) with the performance of the index, security or currency. At the same time, indexed securities are subject to the credit risks associated with the issuer of the security, and their value may substantially

decline if the issuer's creditworthiness deteriorates. Recent issuers of indexed securities have included banks, corporations and certain US government agencies.

Liquidity Risk. Liquidity risk is the risk that a client's account may not be able to sell or buy a security or close out an investment at a favorable price or time. As a result, the client account may have to accept a lower price to sell a security, which could have a negative effect on performance.

Money Market Instruments. Money market instruments are high quality, short-term fixed-income obligations, which generally have remaining maturities of one year or less, and may include U.S. government securities, commercial paper, certificates of deposit and bankers' acceptances issued by domestic branches of U.S. banks that are members of the Federal Deposit Insurance Corporation, and repurchase agreements. However, there can be no assurances that such investments will not be subject to significant risks.

Mortgage-Backed Securities and Asset-Backed Securities. It is anticipated that the Funds will invest in mortgage and asset-backed securities. The investment characteristics of mortgage-backed securities and asset-backed securities differ from traditional debt securities. Among the major differences are that interest and principal payments are made more frequently, usually monthly, and that principal may be prepaid at any time because the underlying mortgage loans or other assets generally may be prepaid at any time.

Municipal Securities. It is anticipated that the Funds will invest in municipal securities. Municipal issuers may be adversely affected by rising health care costs, increasing unfunded pension liabilities, and the phasing out of federal programs that provide financial support to municipalities. Unfavorable conditions and developments relating to projects financed with municipal securities can result in lower revenues to issuers thereof. Issuers often depend on revenues from these projects to make principal and interest payments. The value of municipal securities also can be adversely affected by changes in the financial condition of insurers of municipal issuers, regulatory and political developments, tax law changes or other legislative actions, and by uncertainties and public perceptions concerning these and other factors.

Mutual Funds. Mutual funds are subject to risks related to the manager's ability to achieve the components' objectives and market conditions affecting the components' assets. Each is subject to different levels of risk, based on the types and sizes of its underlying asset class allocations and strategy.

Options. Investing in options can provide greater potential for profit or loss than an equivalent investment in the underlying asset. The value of an option may decline because of a change in the value of the underlying asset relative to the strike price, the passage of time, changes in the market's perception as to the future price behavior of the underlying asset, or any combination thereof. In the case of the purchase of an option, the risk of loss of an investor's entire investment (i.e., the premium paid plus transaction charges) reflects the nature of an option as a wasting asset that may become worthless when the option expires.

Repurchase and Reverse Repurchase Agreements. It is anticipated that the Funds will enter into repurchase and reverse repurchase agreements. When entering into a repurchase agreement, Navigator Asset Management "sells" securities issued by the U.S. or a non-U.S. government, or

agencies thereof, to a broker-dealer or financial institution, plus interest at a negotiated rate. In reverse repurchase transaction, Navigator Asset Management “buys” securities issued by the U.S. or a non-U.S. government, or agencies thereof, from a broker-dealer or financial institution, subject to the obligation of the broker-dealer or financial institution to repurchase such securities at the price paid by Navigator Asset Management, plus interest at a negotiated rate.

Securities Selected to Reflect Particular U.S. Styles and U.S. Sectors. These securities are subject to risk as an individual segment of the equity market may underperform other segments of the equity market as a whole. Small stocks are more volatile than larger, more established companies and are subject to significant price fluctuations and business risks and are thinly traded. **Sectors.** Sectors may be subject to risk when a substantial portion of assets are devoted to a particular market sector or industry thereby having the potential of greater volatility than with broadly diversified strategies. A market sector or industry may underperform the market as a whole for a variety of reasons.

Stocks. Stocks have risk in that their returns and the principal invested in them is not guaranteed and they are subject to changing market conditions. They may decline in price significantly over short or extended periods in relation to overall market movement or due to factors affecting a segment of the market or factors affecting an individual company, such as a poor earnings report. Small stocks are more volatile than large stocks and are subject to significant price fluctuations and may be thinly traded.

Structured Note Risks. It is anticipated that Navigator Asset Management will invest in fixed income linked structured notes. Structured notes are typically privately negotiated transactions between two or more parties. Structured note transactions may be subject to higher transaction fees than other securities transactions. Additionally, a liquid market may not exist for the structured notes. The lack of a liquid market may make it difficult to see the structured notes at an acceptable price or to accurately value them.

Swap Transactions. It is anticipated that Navigator Asset Management will enter into swap agreements with respect to securities, indexes of securities and other assets or other measures of risk or return. Swap agreements are typically two-party contracts entered into primarily by institutional investors for periods ranging from a few weeks to many years. In a standard “swap” transaction, two parties agree to exchange the returns (or the differential in rates of return) earned or realized on particular predetermined investments, instruments, or indices. The gross returns to be exchanged or “swapped” between the parties are generally calculated with respect to a “notional amount”. Swap transactions may be highly illiquid. Moreover, the Funds bear the risk of loss of the amount expected to be received under a swap agreement in the event of the default or insolvency of its counterparty. Many swap markets are relatively new and still developing. It is possible that developments in the swap markets, including potential government regulation, could adversely affect the Funds’ ability to terminate existing swap transactions or to realize amounts to be received under such transactions. Swaps and certain other custom instruments are subject to the risk of non-performance by the swap counterparty, including risks relating to the creditworthiness of the swap counterparty. Total return swaps are another form of swap transaction that Navigator Asset Management may utilize in its investment program. A total return swap allows the total return receiver to receive the change in market value of an asset (whether a

security, interest rate, form of debt, currency or other asset) from the total return payer in return for paying a floating or fixed interest-rate on a predetermined amount. The total return payer is synthetically short and the total return receiver is synthetically long. Thus, total return swap agreements may effectively add leverage to the Funds' portfolio because, in addition, to its total net assets, the Funds would be subject to investment exposure on the notional amount of the swap agreement.

Item 9 – Disciplinary Information

We are obligated to disclose any disciplinary event that would be material to you when evaluating us when you are considering initiating or continuing a client/advisor relationship with us. We do not have any legal, financial or disciplinary information to report.

Item 10 - Other Financial Industry Activities and Affiliations

REGISTERED REPRESENTATIVES

We permit our employees to serve as registered representatives of broker-dealers. Currently, several of our employees are registered representatives of Grant Williams, LP ("GWLP"), a broker-dealer registered with FINRA. The Funds do not execute any transactions with GWLP and none of our employees receive (directly or indirectly) any compensation from GWLP.

CFTC REGISTRATION

Navigator Asset Management is registered as a commodity pool operator (a "CPO") with the Commodity Futures Trading Commission (the "CFTC") and a member of the National Futures Association (the "NFA"). Certain officers and employees of Navigator Asset Management are also registered with the CFTC as principals and/or associated persons.

INDUSTRY ACTIVITIES AND AFFILIATIONS

Clark Capital Management Group, Inc.

As described in Item 4 above, Navigator Asset Management is a wholly owned subsidiary of Clark Capital, an SEC-registered investment adviser. Navigator Asset Management shares certain personnel and other resources with Clark Capital through a contractual arrangement with Clark Capital. It is possible that Navigator Asset Management will share client information and other information with Clark Capital due to the overlap in personnel and shared office space.

Clark Capital serves as the investment adviser to separately managed accounts and the Navigator Mutual Funds. The Funds do not invest in the Navigator Mutual Funds, and, similarly, the Navigator Mutual Funds do not invest in the Funds. Current or prospective clients that have separately managed accounts with Clark Capital and/or invest in the Navigator Funds may, however, become investors in the Funds.

Clark Capital Management Group GP LLC

Clark Capital Management Group GP LLC (the “General Partner”) serves as the general partner of each of the Funds.

Navigator Mutual Funds

Clark Capital, Navigator Asset Management’s parent company, provides discretionary portfolio management services to the Navigator Tactical Fixed Income Fund, the Navigator Equity Hedged Fund, the Navigator Ultra Short Bond Fund, the Navigator Tactical U.S. Allocation Fund, and the Navigator Tactical Investment Grade Bond Fund (each a “Navigator Mutual Fund” and collectively the “Navigator Mutual Funds”), each a series of Northern Lights Fund Trust, a Delaware statutory trust (the “Trust”). The Trust is registered as an open-end management investment company under the Investment Company Act.

The Navigator Equity Hedged Fund. Clark Capital serves as advisor to the Navigator Equity Hedged Fund, which is registered as an open-end investment company. Navigator Asset Management’s CIO serves as a portfolio manager to the Navigator Equity Hedged Fund.

The Navigator Tactical Fixed Income Fund. Clark Capital serves as advisor to the Navigator Tactical Fixed Income Fund, which is an open-end investment company. Navigator Asset Management’s CIO and other personnel serve as portfolio managers to the Navigator Tactical Fixed Income Fund.

The Navigator Ultra Short Bond Fund. Clark Capital serves as advisor to the Navigator Ultra Short Bond Fund, which is an open-end investment company. Navigator Asset Management personnel serve as portfolio managers to the Navigator Ultra Short Bond Fund.

The Navigator Tactical U.S. Allocation Fund. Clark Capital serves as advisor to the Navigator Tactical U.S. Allocation Fund, which is an open-end investment company. Navigator Asset Management’s CIO and other personnel serve as portfolio managers to the Navigator Tactical U.S. Allocation Fund.

The Navigator Tactical Investment Grade Bond Fund. Clark Capital serves as advisor to the Navigator Tactical Investment Grade Bond Fund, which is an open-end investment company. Navigator Asset Management’s CIO and other personnel serve as portfolio managers to the Navigator Tactical Investment Grade Bond Fund.

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

CODE OF ETHICS

Navigator Asset Management has adopted a code of ethics pursuant to Rule 204A-1 under the Advisers Act (the “Code of Ethics”) that governs a number of conflicts of interest that can arise

when providing our advisory services to you. This Code of Ethics is designed to ensure we meet our fiduciary obligation to you, our client (or prospective client), to detect and prevent violations of securities laws, and to drive home a culture of compliance within Navigator Asset Management.

The Code of Ethics is distributed to each employee at the time of hire and when there are any material changes. On a quarterly basis, employees are required to attest that they have read, understood, and have observed the Code of Ethics. The Code is reinforced with reviews in monthly all-employee meetings, as necessary, and on-going monitoring of employee activity.

Our Code of Ethics includes the following:

- Requirements related to the confidentiality of your personal information;
- Prohibitions on:
 - Insider trading (if we are in possession of material, non-public information);
 - Providing or accepting gifts and entertainment that exceed our policy standards;
 - Political contributions and outside business activities that exceed or are inconsistent with our policy standards;
 - Political contributions that exceed our policy standards;
- Pre-clearance of employee transactions;
- Reporting of investment holdings on an annual basis;
- Quarterly (and annual) reporting of all personal securities transactions;
- Quarterly (and annual) reporting of all personal brokerage accounts; and
- Quarterly reporting of all social media accounts.

Our Code of Ethics does not prohibit personal trading by employees. Our employees are permitted buy or sell securities for their personal accounts identical to or different than those recommended to clients. A conflict of interest arises when an employee buys or sells a security in close proximity to the date of a purchase or sale of the same security on a client's behalf. There could be an incentive for an employee to take advantage of the market effect of a client's trade, or the market effect of an employee's trade can negatively affect a subsequent purchase or sale price obtained for a client. Accordingly, our Code of Ethics subjects all of our employees to various procedures and restrictions relating to their personal securities transactions. These procedures include, among other things, the filing of annual reports of their investment holdings, the filing of quarterly reports of their transactions, and review and pre-approval of trades in covered securities from the Chief Compliance Officer or a designee.

You can request a complete copy of Navigator Asset Management's Code of Ethics by contacting Conor Mullan, Chief Compliance Officer, One Liberty Place, 53rd Floor, 1650 Market St., Philadelphia, PA 19103 or by email at cmullan@ccmg.com.

CONFLICTS OF INTEREST

Navigator Asset Management, Clark Capital, and Clark Capital employees are permitted to invest in the Funds, which creates an incentive for Navigator Asset Management to favor the Funds over other client accounts. To address these conflicts, Navigator Asset Management and Clark Capital

have both adopted policies and procedures designed to ensure that all clients are treated fairly and equitably over time. Moreover, Navigator Asset Management and Clark Capital's policies and procedures state that investment decisions are to be made in accordance with the fiduciary duties owed to each client account and without consideration of Navigator Asset Management or Clark Capital's (or either of their affiliates and personnel's) pecuniary, investment or other financial interests.

In addition, Navigator Asset Management, through the General Partner, may offer discounts on management or performance fees to Clark Capital and its officers and employees or waive them entirely. Currently, Navigator Asset Management is not charging management or performance fees to Clark Capital's investment in the Funds.

Item 12 – Brokerage Practices

BROKER-DEALER SELECTION

We have discretionary authority to select broker-dealers, futures commission merchants ("FCMs"), and other counterparties (collectively, "counterparties") for executing transactions. In selecting counterparties, Navigator Asset Management's policy is to seek the best execution for client transactions. Best execution entails seeking the best overall result for our clients. Accordingly, in deciding what constitutes best execution, the determinative factor is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution. As a result, client transactions will not always be executed at the lowest price, commission or mark-up/mark-down.

When selecting counterparties for trade execution, we may consider several factors, including but not limited to:

- execution quality in light of order size, difficulty of execution and other relevant factors;
- financial strength and stability;
- overall costs of a trade including commissions, mark-ups, mark-downs or spreads and other transaction costs;
- the quality, reliability, responsiveness and value of the services;
- the operational compatibility between the counterparty and Navigator Asset Management;
- ability to provide liquidity and/or commit capital;
- confidentiality of trading activity;
- the ability of a counterparty to execute difficult transactions in unique and/or complex investments, and
- Reputation and any past issues we encountered when using a particular counterparty for similar trades.

Navigator Asset Management has also established a committee to oversee the firm's trading practices, including reviewing counterparty performance and risk (creditworthiness) of counterparties.

RESEARCH SERVICES AND OTHER SOFT DOLLAR BENEFITS

Navigator Asset Management will execute trades for client accounts with counterparties who provide research to Navigator Asset Management. Navigator Asset Management does not use client brokerage commissions to pay for research or any other services or otherwise utilize soft dollars. Nonetheless, Navigator Asset Management has adopted soft dollar policies and procedures in accordance with Section 28(e) of the Securities Exchange Act of 1934, as amended, that it will follow if the firm ever does utilize soft dollars.

BROKERAGE FOR CLIENT REFERRALS

Neither Navigator Asset Management nor any related person receives client referrals from any broker-dealer or third party.

TRADE AGGREGATION AND ALLOCATION

When possible, Navigator Asset Management will aggregate trade orders when we desire to purchase or sell the same securities for different Funds that it manages. Navigator Asset Management and its affiliate, Clark Capital, will also aggregate orders for the Funds managed by Navigator Asset Management with orders for the Navigator Mutual Funds managed by Clark Capital (collectively, “clients”). Navigator Asset Management and Clark Capital aggregate such orders to achieve lower execution costs that are typically associated with larger orders, and for administrative convenience, among other reasons. Navigator Asset Management has adopted policies and procedures designed to ensure that, when multiple trade orders are aggregated, we allocate trades among clients on a reasonable and equitable basis. These policies and procedures require, among other things, that each client that participates in an aggregated trade receives an average share price and that all transaction costs are shared equally. Under Navigator Asset Management’s policies and procedures, the firm will often exclude a client from an aggregated order or otherwise allocate orders on a non-pro-rata basis under the following circumstances:

- when the transaction size is too limited to be effectively allocated pro rata among all eligible clients;
- liquidity requirements, reserves and cash flow considerations;
- diversification requirements;
- portfolio duration;
- amount of capital available for investment by a client;
- variance of the portfolio from models, target weights or indexes;
- risk management considerations;
- the size of the investment relative to the size of the client’s account;
- Account-specific industry and other allocation targets, including each Fund’s target average credit quality, liquidity, sector targets, and composition;
- minimum and maximum investment size requirements;
- tax considerations;
- legal, contractual, or regulatory constraints specific to or imposed by a client; and
- any other relevant limitations imposed by or conditions set forth in the applicable prospectus, offering document or other organizational document associated with a client.

To the extent that the Funds purchase or sell the same position as the Navigator Mutual Funds, the orders are executed concurrently.

Item 13 – Review of Accounts

REVIEW OF ACCOUNTS

Portfolio Management and Trade Operations review the FITR Master Fund’s holdings on a daily basis. Investors are provided with written information regarding their accounts in the form of monthly statements reflecting the net asset value of their investment and annual audited financial statements for the Funds, which are distributed by the Firm’s Administrator. These reports are distributed electronically to investors.

Item 14 – Client Referrals and Other Compensation

SOLICITATION ARRANGEMENTS

Navigator Asset Management does not receive or provide any compensation or other economic benefit for investor referrals.

Item 15 – Custody

Navigator Asset Management is deemed to have custody of the funds and securities within the Funds because its related person serves as general partner of the Funds. It is Navigator Asset Management’s practice to maintain all of the Funds’ funds and securities with qualified custodians. Further, Navigator Asset Management will obtain annual audits of each of the Funds and distribute the audited financial statements of each of the Funds to the limited partners of each Fund within 120 days of the end of each Funds’ fiscal year.

Item 16 – Investment Discretion

INVESTMENT DISCRETION

We have discretionary authority to manage the Funds including determining the securities to be bought or sold for each Fund and the amount of those securities as well as the broker or dealer to be used for purchase or sale of securities for the Fund.

Item 17 – Voting Client Securities (i.e., Proxy Voting)

PROXY VOTING

Navigator Asset Management has adopted written proxy voting policies and procedures pursuant to Rule 206(4)-6 under the Advisers Act (“Proxy Voting Policies and Procedures”). Navigator Asset Management’s policy is to vote (or to refrain from voting, if appropriate) proxy proposals, amendments, consents, or resolutions relating to client securities in a manner that serves the best interest of the Funds, as determined by Navigator Asset Management in its sole discretion.

Our Proxy Voting Policies and Procedures authorize Navigator Asset Management to delegate certain proxy voting functions to service providers, and we have contracted with Broadridge Financial Solutions (“Broadridge”) to utilize their Proxy Edge® platform (“PE”). Under the terms of its arrangement with Broadridge, Navigator Asset Management can instruct PE to vote either for or against a particular type of proposal or Navigator Asset Management can instruct PE to seek instruction with respect to that particular type of proposal from Navigator Asset Management on a case-by-case basis (“Voting Instructions”). PE receives all proxy statements and sorts the proposals according to Navigator Asset Management’s Voting Instructions. Proposals for which a voting decision has been predetermined are automatically voted by PE pursuant to the Voting Instructions. Case-by-case decisions are generally made by the Chief Investment Officer or the Chief Compliance Officer with assistance from Portfolio Managers, as needed. From time to time, a particular proxy vote may pose a conflict of interest between the interests of Navigator Asset Management and our clients. When a conflict of interest arises, Navigator Asset Management will choose one of several options to avoid or minimize the conflict, including: (1) automatic voting by PE in accordance with the Voting Instructions, if it involves little or no discretion; (2) engaging another party to determine how proxies should be voted; (3) “echo” or “mirror” voting the proxies in the same proportion as the votes of other proxy holders that are not Navigator Asset Management clients; or (4) if possible, erecting information barriers around the person or persons making the voting decision sufficient to insulate the decision from the conflict.

Client Requests for Information

Clients can request a copy of Navigator Asset Management’s Proxy Voting Policies and Procedures and/or information about how Navigator Asset Management has voted securities in their account by contacting Navigator Asset Management at 1-800-766-2264.

Item 18 – Financial Information

Navigator Asset Management does not have any financial condition that is likely to impair our ability to meet our contractual or fiduciary commitments to you. Advisers who require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, are required to provide you with a balance sheet for the most recent fiscal year. This requirement does not apply to Navigator Asset Management.