

NEOS Investment Management, LLC

**13 Riverside Avenue
Westport, CT 06880**

Telephone: 203-298-7300

<https://www.NEOSinvestments.com>

August 3, 2023

FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of NEOS Investment Management, LLC. If you have any questions about the contents of this brochure, contact us at 203-298-7300. 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.

Additional information about NEOS Investment Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

NEOS Investment Management, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Summary of Material Changes

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

Since our initial filing (July 15, 2022), we have no material changes to report.

Item 3 Table of Contents

Item 1 Cover Page	Page 1
Item 2 Summary of Material Changes	Page 2
Item 3 Table of Contents	Page 3
Item 4 Advisory Business	Page 4
Item 5 Fees and Compensation	Page 5
Item 6 Performance-Based Fees and Side-By-Side Management	Page 5
Item 7 Types of Clients	Page 6
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	Page 6
Item 9 Disciplinary Information	Page 9
Item 10 Other Financial Industry Activities and Affiliations	Page 9
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	Page 10
Item 12 Brokerage Practices	Page 11
Item 13 Review of Accounts	Page 13
Item 14 Client Referrals and Other Compensation	Page 13
Item 15 Custody	Page 13
Item 16 Investment Discretion	Page 14
Item 17 Voting Client Securities	Page 14
Item 18 Financial Information	Page 14
Item 19 Requirements for State-Registered Advisers	Page 15
Item 20 Additional Information	Page 15

Item 4 Advisory Business

Description of Firm

NEOS Investment Management, LLC is a registered investment adviser based in Westport, CT. We are organized as a limited liability company ("LLC") under the laws of the state of Delaware. We are a wholly owned subsidiary of NEOS Investments, LLC.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to NEOS Investment Management, LLC and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

Investment Company Advisory Services

We serve as the investment adviser to registered investment companies ("RIC"). For more information, including investment objectives, risks, charges, and expenses, please read the RICs' prospectus and summary prospectuses (collectively, "prospectuses"), statement of additional information, and other reports to shareholders for complete disclosures relating to the RICs before investing. Refer to the *Investment Discretion* section below for additional disclosures on our discretionary authority.

Securities held in separate accounts may also be the same securities as those purchased by the Fund.

Portfolio Management Services

We offer discretionary portfolio management services. Our investment advice is tailored to meet our clients' needs and investment objectives.

If you participate in our discretionary portfolio management services, we require you to grant us discretionary authority to manage your account. Subject to a grant of discretionary authorization, we have the authority and responsibility to formulate investment strategies on your behalf. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without obtaining your approval prior to each transaction. We will also have discretion over the broker or dealer to be used for securities transactions, and over the commission rates to be paid. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm, a power of attorney, or trading authorization forms.

In providing account management services, we do not accept client restrictions on the specific securities or the types of securities that may be held in your account.

Sub-Advisory Services to Registered Investment Advisers

We offer sub-advisory services to unaffiliated third party money managers (the "Primary Investment Adviser"). As part of these services, we will manage assets delegated to our firm, by the Primary Investment Adviser, under a sub-advisory agreement. While we are responsible for the overall management of the assets delegated to our firm, we will not communicate investment recommendations or selections directly to the Primary Investment Adviser's individual clients.

Sub-Advisory Services Offered to Registered Investment Companies (RICs)

We offer sub-advisory services to registered investment companies (RICs). As part of these services, we manage assets delegated to our firm, by the RIC, under a sub-advisory agreement. The Primary Adviser supervises the management of the RIC and is responsible for ensuring that we are managing the RIC's assets consistent with the RIC's investment objectives.

Types of Investments

We offer advice on equity and fixed income securities, RICs (including ETFs), options, swaps, derivatives, and United States government securities.

Additionally, we may advise you on various types of investments based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

Since our investment strategies and advice are based on each client's specific financial situation, the investment advice we provide to you may be different or conflicting with the advice we give to other clients regarding the same security or investment.

Assets Under Management

As of July 31, 2023, we provide continuous management services for \$857,611,739 in client assets on a discretionary basis.

Item 5 Fees and Compensation

Portfolio Management Services

Our annual fee for portfolio management services is equal to a percentage of your assets under management of the market value of your assets under our management. Assets in each of your account(s) are included in the fee assessment unless specifically identified in writing for exclusion.

Our annual portfolio management fee is billed and payable, monthly in arrears, based on the average daily balance.

If the portfolio management agreement is executed at any time other than the first day of a calendar month, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the month for which you are a client.

Sub-Advisory Services for Registered Investment Advisers

Fees and payment arrangements are negotiable and will vary on a case-by-case basis.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, refer to the *Brokerage Practices* section of this brochure.

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

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-

based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

We offer investment advisory services to investment companies, charitable organizations, business entities, state or municipal government entities, ultra high net worth individuals, and other investment advisers.

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

Our Methods of Analysis and Investment Strategies

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

Mutual Funds and Exchange Traded Funds: Mutual funds and exchange traded funds ("ETF") are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely whereas "closed end" funds have a fixed number of shares to sell which can limit their availability to new investors.

ETFs may have tracking error risks. For example, the ETF investment adviser may not be able to cause the ETF's performance to match that of its Underlying Index or other benchmark, which may negatively affect the ETF's performance. In addition, for leveraged and inverse ETFs that seek to track the performance of their Underlying Indices or benchmarks on a daily basis, mathematical compounding may prevent the ETF from correlating with performance of its benchmark. In addition, an ETF may not have investment exposure to all of the securities included in its Underlying Index, or its weighting of investment exposure to such securities may vary from that of the Underlying Index. Some ETFs may invest in securities or financial instruments that are not included in the Underlying Index, but which are expected to yield similar performance.

Derivatives: Derivatives are types of investments where the investor does not own the underlying asset. There are many different types of derivative instruments, including, but not limited to, options, swaps, futures, and forward contracts. Derivatives have numerous uses as well as various risks associated with them, but they are generally considered an alternative way to participate in the market. Investors typically use derivatives for three reasons: to hedge a position, to increase leverage, or to speculate on an asset's movement. The key to making a sound investment is to fully understand the characteristics and risks associated with the derivative, including, but not limited to counter-party, underlying asset, price, and expiration risks. The use of a derivative only makes sense if the investor is

fully aware of the risks and understands the impact of the investment within a portfolio strategy. Due to the variety of available derivatives and the range of potential risks, a detailed explanation of derivatives is beyond the scope of this disclosure.

Recommendation of Particular Types of Securities

We recommend various types of securities and we do not primarily recommend one particular type of security over another since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment. A description of the types of securities we may recommend to you and some of their inherent risks are provided below.

Stocks: There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") are but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Options Contracts: Options are complex securities that involve risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss. It is generally recommended that you only invest in options with risk capital. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date (the "expiration date"). The two types of options are calls and puts:

A call gives the holder the right to buy an asset at a certain price within a specific period of time. Calls are similar to having a long position on a stock. Buyers of calls hope that the stock will increase substantially before the option expires.

A put gives the holder the right to sell an asset at a certain price within a specific period of time. Puts are very similar to having a short position on a stock. Buyers of puts hope that the price of the stock will fall before the option expires.

Selling options is more complicated and can be even riskier.

The option trading risks pertaining to options buyers are:

- Risk of losing your entire investment in a relatively short period of time.
- The risk of losing your entire investment increases if, as expiration nears, the stock is below the strike price of the call (for a call option) or if the stock is higher than the strike price of the put (for a put option).
- European style options which do not have secondary markets on which to sell the options prior to expiration can only realize its value upon expiration.
- Specific exercise provisions of a specific option contract may create risks.
- Regulatory agencies may impose exercise restrictions, which stops you from realizing value.

The option trading risks pertaining to options sellers are:

- Options sold may be exercised at any time before expiration.

- Covered Call traders forgo the right to profit when the underlying stock rises above the strike price of the call options sold and continues to risk a loss due to a decline in the underlying stock.
- Writers of Naked Calls risk unlimited losses if the underlying stock rises.
- Writers of Naked Puts risk substantial losses if the underlying stock drops.
- Writers of naked positions run margin risks if the position goes into significant losses. Such risks may include liquidation by the broker.
- Writers of call options could lose more money than a short seller of that stock could on the same rise on that underlying stock. This is an example of how the leverage in options can work against the option trader.
- Writers of Naked Calls are obligated to deliver shares of the underlying stock if those call options are exercised.
- Call options can be exercised outside of market hours such that effective remedy actions cannot be performed by the writer of those options.
- Writers of stock options are obligated under the options that they sold even if a trading market is not available or that they are unable to perform a closing transaction.
- The value of the underlying stock may surge or decline unexpectedly, leading to automatic exercises.

Other option trading risks are:

- The complexity of some option strategies is a significant risk on its own.
- Option trading exchanges or markets and option contracts themselves are open to changes at all times.
- Options markets have the right to halt the trading of any options, thus preventing investors from realizing value.
- Risk of erroneous reporting of exercise value.
- If an options brokerage firm goes insolvent, investors trading through that firm may be affected.
- Internationally traded options have special risks due to timing across borders.

Risks that are not specific to options trading include market risk, sector risk and individual stock risk. Option trading risks are closely related to stock risks, as stock options are a derivative of stocks.

Tax Considerations

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Custodians and broker-dealers must report the cost basis of equities acquired in client accounts. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Other Risk Considerations

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

Liquidity Risk: The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.

Credit Risk: Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

Inflation and Interest Rate Risk: Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

Horizon and Longevity Risk: The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired, or are nearing retirement.

Cash Management

We do not manage client cash balances.

Item 9 Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

Item 10 Other Financial Industry Activities and Affiliations**Arrangements with Affiliated Entities**

We are affiliated with Harvest Volatility Management, LLC, Faith Investor Services, LLC, and Intersect Capital Management, LLC. We will recommend that you use the services of our affiliate if appropriate and suitable for your needs. Our advisory services are separate and distinct from the fees paid to our affiliate for their services.

Referral arrangements with an affiliated entity present a conflict of interest for us because we may have a direct or indirect financial incentive to recommend an affiliated firm's services. While we believe that compensation charged by an affiliated firm is competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use the services of any firm we recommend, whether affiliated or otherwise, and may obtain comparable services and/or lower fees through other firms.

We act as the investment adviser to a registered investment company (the "RIC"). Except as otherwise required by law for ERISA assets, we do not offset any compensation we receive against fees or expenses you may otherwise pay to us and/or any of our affiliates. Fees charged by the RIC are separate and in addition to our advisory fees as disclosed above at *Fees and Compensation*. You should refer to the prospectus for a complete description of fees, investment objectives, risks and other relevant information associated with investing in the RIC. Refer to the *Investment Discretion* section below for additional disclosures on our discretionary authority to manage your investment account.

Certain of our Associated Persons, including executive officers of our firm, may also serve in a control capacity for the RIC. The compensation of these Associated Persons may be based, in part, upon the profitability of the RIC. Our relationship to the RIC may involve sharing or joint compensation, or separate compensation, subject to proper disclosures and the requirements of applicable law.

We are also affiliated with Slate Hill Partners LLC, SHP Wealth Management Holdings, LLC and Fuller Wealth Management (d/b/a XO Wealth Management). Slate Hill Partners LLC, a holding company, has certain common owners with NEOS Investments LLC. Slate Hill Partners, LLC owns 100% of SHP Wealth Management Holdings LLC, a holding company, that owns 24.9% of Fuller Wealth Management, LLC.

Registrations with Broker-Dealer

Persons providing investment advice on behalf of our firm are registered representatives with Foreside a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. See the *Fees and Compensation* section in this brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

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

Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Item 12 Brokerage Practices

Background

Pursuant to SEC interpretations of the Investment Advisers Act of 1940, an investment adviser has a fiduciary obligation to seek "best execution" of clients' transactions under the circumstances of the particular transaction. The investment adviser must consider the full range and quality of the broker's services in placing a trade with that broker, including, among other things, the value of research provided as well as execution capability, commission rate, financial responsibility, and responsiveness to the investment adviser. The determinative factor is not necessarily the lowest possible commission cost but whether the transaction represents the best qualitative execution for the managed account.

Policies and Procedures

NEOS may engage in various types of permitted activities, as discussed herein related to trading client accounts.

Best Execution

Pursuant to SEC interpretations of the Investment Advisers Act of 1940, an investment adviser has a fiduciary obligation to seek to obtain "best execution" of clients' transactions under the circumstances of the particular transaction. The investment adviser must consider the full range and quality of the broker's services in placing a trade with that broker, including, among other things, the value of research provided as well as execution capability, commission rate, financial responsibility, and responsiveness to the investment adviser. The determinative factor is not necessarily the lowest possible commission cost but whether the transaction represents the best qualitative execution for the managed account.

As a registered investment adviser, the Company recognizes its fiduciary obligation to seek best execution of clients' transactions. Best execution has been defined as the "execution of securities transactions for clients in such a manner that the clients' total cost or proceeds in each transaction is the most favorable under the circumstances." The best execution responsibility applies to the circumstances of each particular transaction and an investment adviser must consider the full range and quality of a broker-dealer's services, including execution capability, commission rates, value of research, and financial responsibility and responsiveness, among other things.

Trading and the CCO evaluate the quality and cost of services received from broker/dealers on a periodic basis (at least annually). As part of the evaluations, the Company will consider the quality and cost of services available from alternative broker/dealers. In addition, consideration will be given to time and cost of changing broker-dealers (cost/benefit) and the impact on clients.

Conflicts of Interests

NEOS is sensitive to various conflicts of interest that may arise when selecting broker-dealers to execute client trades, and where necessary, it shall address such conflicts by disclosure.

The Company is responsible for selecting broker-dealers to effect transactions and is prohibited from taking into account the promotional and sales efforts of those broker-dealers, including those broker-dealers acting as Authorized Participants, with respect to Fund shares. In addition, the Funds and FIS are prohibited from entering into any agreement or understanding under which the Fund or FIS directs brokerage transactions or remuneration generated by those transactions to a broker-dealer to pay for the distribution of the Funds' shares.

The Trust's CCO or Company's CCO may periodically request documentation of brokerage allocations to determine whether there is a significant correlation between sales and the direction of brokerage that may suggest the existence of an informal arrangement.

Selection of Brokers and Dealers and Best Execution

NEOS does not require clients to utilize a specific broker-dealer to effect securities transactions as a condition of doing business. If the client wishes the Company to select the executing broker-dealer, the Company has a fiduciary duty to select a broker-dealer to execute a particular trade which will provide "best execution" for the client.

In selecting brokers, the Company will seek to obtain "best execution" of client transactions under the circumstances of the particular transaction consistent with its fiduciary duty. Unless otherwise instructed by its discretionary clients, and subject to review by the board of any RIC advised by the Company, the Company has the discretionary authority generally to determine the broker or dealer to be used for a purchase or sale of securities for a client's account.

In selecting brokers to execute transactions for RICs advised by the Company, the Company will not give consideration to sales or shares of the RIC as a factor. NEOS shall render to the Board of Trustees such periodic or special reports as the Board may reasonably request.

In selecting brokers, primary consideration will be given to securing the most favorable price and efficient execution. Within the framework of this policy, the reasonableness of commission or other transaction costs is a major factor in the selection of brokers and is considered together with other relevant factors, including, but not limited to, a broker's financial stability, execution capability, responsiveness and commission rates; research and other services offered by a broker; and the size and type of the transaction. NEOS evaluates periodically the execution performance of its brokers.

Research and Other Soft Dollar Benefits

We do not have any soft dollar arrangements.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Aggregated Trades

The Company may follow the practice of aggregating or the blocking of orders of various clients for execution to get the benefit of lower prices or commission rates. However, from time to time, portfolio transactions for client accounts are also completed independently from the "blocked" trade, in order to accommodate additions to, or a withdrawal from, a client account or to re-balance a portfolio to bring it in line with the correlated strategy's representative client account. In certain cases where the aggregate order may be executed in a series of transactions at various prices, the transactions are allocated on a pro-rata basis, so that each receives generally, to the extent practicable, the average price of such transactions.

We do not aggregate trades for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our firm.

Directed Brokerage

Client "directed or restricted brokerage" transactions may result in less than favorable transaction costs. For example, where the client restricts or requires that transactions be effected through specific brokers-dealers or groupings of brokers-dealers meeting certain criteria (e.g., minority- or women owned broker-dealers, or broker-dealers registered or doing business in a certain state) or where the client has specified a particular commission rate restriction or cap for such transactions pursuant to such client's investment guidelines and restrictions or a client directive, the Company may be required to remove the client account(s), from the block trade, and place the trade once the nondirected/discretionary institutional client accounts have been executed.

Principal Transactions

The Company does not participate in principal transactions.

Agency Cross Transactions

The Company does not participate in agency cross transactions.

Item 13 Review of Accounts

A. Account Reviews. Periodically, each account's investment guidelines are reviewed by the portfolio manager, Trading Operations and Compliance. The portfolio manager has the final decision on all investments.

B. Client Reporting. The Company provides each institutional client with information based upon their specific requirements as required by the governing client investment management agreement. Clients are generally furnished periodic monthly, quarterly and/or annual reports as per their request, which outline each securities costs basis, market value and estimated annual income. Performance reviews and capital gain and loss schedules are provided to clients on an annual basis generally or as requested.

Item 14 Client Referrals and Other Compensation

As disclosed under the *Fees and Compensation* section in this brochure, persons providing investment advice on behalf of our firm are registered representatives with Foreside, a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. For information on the conflicts of interest this presents, and how we address these conflicts, refer to the *Fees and Compensation* section.

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

Refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with your account custodian.

Item 15 Custody

We do not directly debit advisory fees from your account and we do not exercise custody over your funds or securities. Your funds and securities will be held with a bank, broker-dealer, or other qualified custodian. You will receive account statements from the qualified custodian(s) holding your funds and securities. If you have a question regarding your account statement or if you did not receive a statement from your custodian, contact your custodian directly.

Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement and the appropriate trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s), the broker or dealer to be used for each transaction, and over the commission rates to be paid without obtaining your consent or approval prior to each transaction. We do not permit clients to impose any restrictions on a grant of discretionary authority. Refer to the *Advisory Business* section in this brochure for more information on our discretionary management services.

Item 17 Voting Client Securities

We will determine how to vote proxies based on our reasonable judgment of the vote most likely to produce favorable financial results for you. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders. Generally, proxy votes will be cast against proposals having the opposite effect. However, we will consider both sides of each proxy issue. Unless we receive specific instructions from you, we will not base votes on social considerations.

Except in the case of a conflict of interest as described below, we do not accept direction from you on voting a particular proxy.

Conflicts of interest between you and our firm, or a principal of our firm, regarding certain proxy issues could arise. If we determine that a material conflict of interest exists, we will take the necessary steps to resolve the conflict before voting the proxies. For example, we may disclose the existence and nature of the conflict to you, and seek direction from you as to how to vote on a particular issue; we may abstain from voting, particularly if there are conflicting interests for you (for example, where your account(s) hold different securities in a competitive merger situation); or, we will take other necessary steps designed to ensure that a decision to vote is in your best interest and was not the product of the conflict.

We keep certain records required by applicable law in connection with our proxy voting activities. You may obtain information on how we voted proxies and/or obtain a full copy of our proxy voting policies and procedures by making a written or oral request to our firm.

Item 18 Financial Information

We have not filed a bankruptcy petition at any time in the past ten years.

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$1,200 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.

Item 19 Requirements for State-Registered Advisers

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

Item 20 Additional Information

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.