

[NOTE: THIS MODEL COMPLIANCE MANUAL IS DESIGNED TO ASSIST AN SEC-REGISTERED INVESTMENT ADVISER (THE “ADVISER”) WITH DRAFTING ITS COMPLIANCE MANUAL. THIS MODEL COMPLIANCE MANUAL SHOULD NOT BE USED AS THE ADVISER’S OWN COMPLIANCE MANUAL. RATHER, IT SHOULD BE REVISED TO ACCURATELY REFLECT THE ADVISER’S BUSINESS. USE OF THE COMPLIANCE MANUAL WITHOUT CUSTOMIZATION WILL BE INADEQUATE.

A NON-FEDERALLY-REGISTERED INVESTMENT ADVISER, INCLUDING AN EXEMPT REPORTING ADVISER, ADOPTING THIS COMPLIANCE MANUAL MAY WISH TO MAKE CERTAIN MODIFICATIONS TO THE POLICIES AND PROCEDURES HEREIN.

IN FINALIZING THE COMPLIANCE MANUAL, ANY SUGGESTED LANGUAGE IN SQUARE BRACKETS SHOULD BE RESOLVED OR CONFIRMED AND THE BRACKETS REMOVED. ALL SEWARD & KISSEL NOTES WRITTEN IN BOLD AND SQUARE BRACKETS SHOULD BE DELETED.

THIS MODEL COMPLIANCE MANUAL REFERS TO SAMPLE COMPLIANCE FORMS. THESE FORMS ARE CONTAINED IN A SEPARATE “SAMPLE COMPLIANCE FORMS” DOCUMENT.

PLEASE CONTACT YOUR PRIMARY INVESTMENT MANAGEMENT ATTORNEY AT SEWARD & KISSEL FOR ASSISTANCE IN FINALIZING THE POLICIES AND PROCEDURES IN THIS MODEL COMPLIANCE MANUAL.]

[INSERT ADVISER'S NAME]

COMPLIANCE MANUAL

[DATE]

Model compliance manual revised as of ~~May-2024~~February 2025

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[NOTE: CERTAIN OF THE ABOVE LISTED POLICIES AND PROCEDURES ARE NOT REQUIRED (BUT MAY BE CONSIDERED BEST PRACTICES) AND OTHERS MAY NOT APPLY GIVEN THE PARTICULAR NATURE OF AN ADVISER’S BUSINESS.]

I. INTRODUCTION

[NOTE: A non-federally-registered investment adviser, including an exempt reporting adviser (“ERA”), adopting this Compliance Manual may wish to make certain modifications to the policies and procedures herein.]

[INSERT ADVISER'S NAME] (the "Adviser") is an investment adviser registered with the U.S. Securities and Exchange Commission (the "SEC") under Section 203 of the Investment Advisers Act of 1940, as amended (the "Advisers Act"). This Compliance Manual (the "Manual") is designed to assist the Adviser and its [partners, officers, directors (or other person occupying a similar status or performing similar functions)], and employees and any other person who provides advice on behalf of the Adviser and is subject to the Adviser's supervision and control (each, a "Supervised Person"), in preventing violations of the Advisers Act and the rules promulgated thereunder. The Adviser has a copy of or has access to the Advisers Act and the applicable rules, which are available at www.sec.gov.

The Manual sets forth policies and procedures relating to various aspects of the Adviser's business and is designed to meet the requirements of **Rule 206(4)-7** under the Advisers Act. Although each section of the Manual addresses a different compliance issue, procedures relating to certain issues may be found in more than one section.

[ERA ONLY][INSERT ADVISER'S NAME] (the "Adviser") acts solely as an adviser to one or more private funds (each a, "Private Fund") which is exempt from registration as an investment company pursuant to Section 3(c)(1) or 3(c)(7) of the Investment Company Act of 1940, as amended, and has regulatory assets under management in the United States of less than \$150 million. Accordingly, the Adviser qualifies as an exempt reporting adviser that is exempt from registration as an investment adviser with the U.S. Securities and Exchange Commission (the "SEC") under Section 203(m) of the Investment Advisers Act of 1940, as amended (the "Advisers Act"). The Adviser will be required to register with the SEC as an investment adviser prior to acting as an adviser to any clients other than Private Funds. The Adviser will annually confirm that its regulatory assets under management are less than \$150 million to continue its reliance on the exemption under Section 203(m). **[ERA ONLY]**

[ERA ONLY]The Adviser has adopted this Compliance Manual (the "Manual") to apply to the activities of the Adviser and its partners, officers, directors (or other person occupying a similar status or performing similar functions), and employees and any other person who provides advice on behalf of the Adviser and is subject to the Adviser's supervision and control (each, a "Supervised Person"). The Manual sets forth policies and procedures relating to various aspects of the Adviser's business. Although each section of the Manual addresses a different compliance issue, procedures relating to certain issues may be found in more than one section. **[ERA ONLY]**

The Adviser is a fiduciary and therefore owes a duty to act in the best interest of its advisory clients. The Adviser's fiduciary duty is comprised of a duty of care and a duty of loyalty. The duty of care includes: (i) the duty to provide advice that is in the best interest of the client; (ii) the duty to seek best execution of a client's transactions where the Adviser has the responsibility to select brokers to execute client trades; and (iii) the duty to provide advice and monitoring over the course of the relationship. The duty of loyalty requires that the Adviser not place its own interests ahead of its client's interests. To fulfill its duty of loyalty, the Adviser must make full and fair disclosures to its clients of all material facts relating to the advisory relationship and must eliminate or at least disclose through full and fair disclosure all conflicts of interest which might incline the Adviser – consciously or unconsciously – to render advice which is not disinterested. **[NOTE: See Commission Interpretation Regarding Standard of Conduct of Investment Advisers, SEC Release No. IA-5248 (June 5, 2019), 84 FR 33669.]** The Adviser must adhere to the standard of care and diligence in conducting its business activities as is required by law, and must be particularly sensitive

to situations in which the interests of its advisory clients may be directly or indirectly in conflict with those of the Adviser.

The Adviser is dedicated to a culture of compliance. Compliance obligations are a top priority of the Adviser and its Supervised Persons. The failure of a Supervised Person to comply with these procedures may expose the Adviser and such individual to significant consequences, including disciplinary measures, termination of employment with the Adviser, potential monetary sanctions and criminal and civil penalties. [The [Compliance Officer] will maintain records of any violations of the Manual[, which may be taken into consideration in the Adviser's performance evaluations of Supervised Persons].

The Adviser's chief compliance officer (the "Compliance Officer") **[NOTE: An ERA is not required to appoint a Chief Compliance Officer.]** is responsible for ensuring that each Supervised Person receives, or has access to, a copy of the most recently updated Manual as it may be amended, from time to time, and, along with the Compliance Officer's designees, for administering the policies and procedures contained in this Manual. Each Supervised Person is responsible for reading and following the Manual. The Manual includes the related appendices, as they may be revised from time to time. **[NOTE: The SEC's Division of Examinations issued recent risk alerts regarding its Multi-Branch Adviser Initiative, focusing on, among other areas, advisers' implementation of compliance policies and procedures in their main and branch offices, supervisory structure, role and empowerment of compliance personnel who oversee branch offices and accuracy of information regarding branch offices in regulatory filings. See SEC OCIE National Examination Risk Alert, Multi-Branch Adviser Initiative (Dec. 12, 2016) and SEC OCIE National Examination Risk Alert, Observations from OCIE's Examinations of Investment Advisers: Supervision, Compliance and Multiple Branch Offices (Nov. 9, 2020). To the extent the Adviser conducts investment advisory activities in locations outside of its principal office, the Adviser may wish to consider including the following sentence.]** [This Manual applies to Supervised Persons in all offices of the Adviser, including locations outside of the Adviser's principal office.] If you have any questions as to how these procedures relate to a particular situation, consult the Compliance Officer. In addition, if you suspect, or become aware of, a violation (or possible violation) of any policy or procedure contained in this Manual, you are encouraged to notify the Compliance Officer immediately.

Nothing in this Manual should be construed as preventing any employee from providing information relating to potential misconduct to the SEC or any other applicable governmental agency.

[NOTE: The Adviser may, but is not required to, create committees, such as a compliance committee, best execution committee, valuation committee, expenses committee, trade allocation committee, conflicts committee and/or operational and compliance risk committee to review the Adviser's practices. Depending on the size and complexity of an Adviser's business, the creation of these types of committees may be considered a best practice. If created, the corresponding policies and procedures must be amended to reflect these committees and the Adviser should exercise care in documenting the activity of these committees.]

Unless otherwise noted, all citations in this Manual refer either to sections of the Advisers Act or to rules promulgated thereunder.

II. IDENTIFICATION OF CHIEF COMPLIANCE OFFICER, DESIGNEES AND SUPERVISED PERSONS; ADMINISTRATION OF THE COMPLIANCE MANUAL

- A. The Compliance Officer has been identified in **Appendix A** of this Manual (together with the effective date of such designation).

[NOTE: The Chief Compliance Officer of the Adviser should be formally designated by the appropriate person or persons. For example, if the Adviser is a corporation it may be appropriate for the board of directors to make the designation by adoption of a resolution. If the Adviser is a limited liability company, the managing member or managing members may need to take similar action. We advise that if the designation is not to be made by corporate resolution or similar formal action, that it be memorialized and signed by the appropriate party.]

See the Form for Designation of Chief Compliance Officer in Appendix A6 of the Sample Compliance Forms.]

- B. The Compliance Officer is responsible for ensuring the administration of this Manual[, including with respect to Supervised Persons in locations outside of the Adviser's principal office].¹ Certain of the Compliance Officer's responsibilities as stated in this Manual may be accomplished by designees of the Compliance Officer. **[NOTE: See the Chief Compliance Officer Designee Log in Appendix A of the Sample Compliance Forms.]**

While the Compliance Officer is responsible for ensuring the administration of this Manual, the Compliance Officer, as a Supervised Person and Access Person (as defined by the Code) of the Adviser, is also subject to the policies and procedures of this Manual. Accordingly, in order to avoid conflicts of interest, the [Portfolio Manager/Chief Financial Officer] will be responsible for ensuring the administration of this Manual with respect to the activities of the Compliance Officer.

- C. The Compliance Officer will maintain a list of the Adviser's Supervised Persons and Access Persons. **[NOTE: See Identification of Supervised Persons and Access Persons in Appendix A1 of the Sample Compliance Forms.]**

¹ The SEC has said that the Chief Compliance Officer must be empowered with full responsibility, authority, compliance resources, access to critical compliance information, and access to senior management required to develop and enforce appropriate policies and procedures for the Adviser. See Compliance Programs of Investment Companies and Investment Advisers, SEC Release No. 1A-2204 (Dec 17, 2003) and SEC OCIE Risk Alert, OCIE Observations: Investment Adviser Compliance Programs (Nov 19, 2020).

III. COMPLIANCE POLICIES AND PROCEDURES

A. DISCLOSURES/RISK ASSESSMENT/REGISTRATION

1. Form ADV

- a. The Adviser must complete and maintain an accurate Uniform Application for Investment Adviser Registration ("Form ADV"). The Adviser's Form ADV consists of Parts 1A, 2A (the "Firm Brochure") and 2B (the "Brochure Supplement," and together with the Firm Brochure, "Part 2"), as well as a series of Schedules (for Part 1A) and an Appendix (for the Firm Brochure). **[NOTE: Include the following if the Adviser has Retail Investors (as defined below) to whom it must deliver a Form ADV Part 3 Form CRS relationship summary. The Adviser is not required to deliver a relationship summary to investors in pooled investment vehicles managed by the Adviser, such as hedge funds, private equity funds and venture capital funds, unless the Adviser has a separate basis for delivering a relationship summary to these investors, such as separately managed account arrangements. Therefore, if the Adviser only advises these types of pooled investment vehicles, it is not required to prepare, file or deliver a relationship summary, even if those vehicles include Retail Investors. See SEC FAQs on Form CRS.]**² [The Adviser's Form ADV also consists of a Part 3, Form CRS relationship summary ("Relationship Summary"). The Adviser must complete and deliver a Relationship Summary to each of its "Retail Investors." Retail Investors are defined as natural persons, or the legal representatives of such natural persons, who seek to receive or receive services primarily for personal, family or household purposes. Retail Investors do not include investors in pooled investment vehicles managed by the Adviser, such as hedge funds, private equity funds and venture capital funds, unless the Adviser has a separate basis for delivering a Relationship Summary to these investors, such as separately managed account arrangements.]
- b. The Adviser must file Parts 1A and the Firm Brochure of its Form ADV with the SEC via the Investment Adviser Registration Depository ("IARD"), and maintain a copy of the Brochure Supplement in the Adviser's files. **(Rule 203-1). [NOTE: Include the following if the Adviser must complete a Relationship Summary.]** [The Adviser also must file its Relationship Summary with the SEC via IARD.]
- c. The Adviser's current Form ADV Parts 1A and 2A are obtainable via the SEC's Investment Adviser Public Disclosure ("IAPD") website. The Form ADV Part 2B is maintained by the Compliance Officer. **[NOTE: Include the following if the Adviser must complete a Relationship Summary.]** [The Adviser's Relationship Summary also is obtainable via IAPD.] **[NOTE: Include the following if the Adviser must complete a Relationship Summary and has a public website.]** [The Adviser has posted its Relationship Summary prominently on its public website in a location and format that is easily accessible for Retail Investors.]

² It is noted that the SEC has brought numerous enforcement actions against investment advisers for Form CRS filing and delivery failures. See SEC Press Release (July 26, 2021) "SEC Charges 27 Financial Firms for Form CRS Filing and Delivery Failures" available at <https://www.sec.gov/news/press-release/2021-139>.

d. Form ADV Updating Requirements.

(i) Part 1A. The Adviser is responsible for maintaining the accuracy of the information in its Form ADV. The Adviser is required to amend Part 1A and the Firm Brochure of its Form ADV at least annually, within 90 days of its fiscal year end. The Adviser also is required to update Part 1A on an other-than-annual basis as required by the instructions to the Form ADV. **(Rule 204-1).**

(ii) Part 2A and 2B. The Adviser also is required to promptly update its Firm Brochure and Brochure Supplement when the information contained therein becomes materially inaccurate.

(iii) **[NOTE: Include the following if the Adviser must complete a Relationship Summary.]** Part 3 Relationship Summary. The Adviser must update its Relationship Summary and file the updated Relationship Summary with the SEC on IARD within 30 days whenever any information in the Relationship Summary becomes materially inaccurate. The Adviser must communicate any changes in its updated Relationship Summary to Retail Investors who are existing clients within 60 days after the updates are required to be made and without charge. The Adviser can make the communication by delivering the amended Relationship Summary or by communicating the information through another disclosure that is delivered to the Retail Investor. Each amended Relationship Summary that is delivered to a Retail Investor who is an existing client must highlight the most recent changes by, for example, marking the revised text or including a summary of material changes. The additional disclosure showing revised text or summarizing the material changes must be attached as an exhibit to the unmarked amended Relationship Summary.]

2. Form ADV Delivery

a. The Firm Brochure

- (i) The Adviser is required to furnish to each of its advisory clients and prospective advisory clients the Firm Brochure. [The Adviser has also decided to furnish the Firm Brochure (or make it available) to prospective investors and/or investors in private funds managed by the Adviser.] The Adviser must deliver the Firm Brochure to an advisory client or prospective advisory client before or at the time it enters into an advisory contract with the client. **(Rule 204-3)**.
- (ii) The Adviser also is required, on an annual basis no later than 120 days after the end of its fiscal year and without charge, to meet its Firm Brochure delivery requirement. **(Rule 204-3)**. This obligation may be satisfied by delivering either (i) an updated Firm Brochure, including or accompanied by the summary of material changes, or (ii) the summary of material changes to the Firm Brochure, accompanied by (A) an offer to provide a current copy of the Firm Brochure without charge, and (B)(1) the website address (if available), (2) an e-mail address (if available), (3) a telephone number by which a client may obtain the current Firm Brochure from the Adviser, and (4) the website address for obtaining information about the adviser through the IAPD system. If the Adviser has not filed an interim amendment since its last annual amendment and the Firm Brochure remains materially accurate, the Adviser does not have to deliver an updated Firm Brochure or a summary of material changes to its clients.

b. The Brochure Supplement

- (i) A Brochure Supplement is required to be prepared for each Supervised Person who (i) formulates investment advice for a client and has direct client contact or (ii) makes discretionary investment decisions for client assets even if the person has no direct client contact.
- (ii) While there is no obligation to file Brochure Supplements with the SEC, the Adviser is required to furnish the applicable Brochure Supplement to each of its advisory clients and prospective advisory clients before or at the time it enters into an advisory contract with the client. To the extent that the Adviser does not have any client to whom a Brochure Supplement would have to be delivered, the Adviser does not have to prepare a Brochure Supplement.

[NOTE: Include the following if the Adviser must complete a Relationship Summary.]

[c. The Relationship Summary

- (i) **[NOTE: If the Adviser is already registered with the SEC as an investment adviser, the Adviser must (a) begin to deliver its Relationship Summary to new and prospective clients who are Retail Investors as of the date by which the Adviser is first required to electronically file its Relationship Summary with the SEC and (b) deliver its Relationship Summary to each of its existing clients who are Retail Investors within 30 days after the date by which the Adviser is first required to electronically file its Relationship Summary with the SEC.]** The Adviser must deliver its Relationship Summary to each Retail Investor before or at the time the Adviser enters into an investment advisory contract with the Retail Investor.³ The Adviser is not required to deliver its Relationship Summary to Retail Investors in pooled investment vehicles managed by the Adviser, such as hedge funds, private equity funds and venture capital funds, unless the Adviser has a separate basis for delivering its Relationship Summary to these investors, such as separately managed account arrangements.
- (ii) The Adviser also must deliver its most recent Relationship Summary to a Retail Investor who is an existing client before or at the time the Adviser: (A) opens a new account that is different from the Retail Investor's existing account(s); (B) recommends that the Retail Investor roll over assets from a retirement account into a new or existing account or investment; or (C) recommends or provides a new investment advisory service or investment that does not necessarily involve the opening of a new account and would not be held in an existing account (e.g., the first-time purchase of a direct-sold mutual fund or insurance product that is a security through a "check and application" process, i.e., not held directly within an account).
- (iii) The Adviser also must deliver its Relationship Summary to a Retail Investor within 30 days upon the Retail Investor's request.]

3. Disclosure of Financial and Disciplinary Information

- a. The Adviser is required to disclose in the Firm Brochure any financial condition reasonably likely to impair the Adviser's ability to meet contractual commitments to clients if the Adviser (i) has discretionary authority over client assets, (ii) has custody of client funds or securities, or (iii) requires or solicits prepayment of more than \$1,200 in fees per client six months or more in advance. **(Item 18 of the Firm Brochure)**. Further, to the extent the Adviser requires prepayment of fees (in accordance with (iii) above), the Adviser must provide clients with an audited balance sheet showing the Adviser's assets and liabilities at the end of its most recent fiscal year.
- b. The Adviser is required to disclose in Part 1A the Adviser's disciplinary history, as well as the disciplinary history of its advisory affiliates (which includes officers, partners, directors, certain employees and any person who directly or indirectly controls or is controlled by the Adviser). The

³ The Adviser may deliver its Relationship Summary electronically, including updates, consistent with SEC guidance regarding electronic delivery. If the Relationship Summary is delivered electronically, it must be presented prominently in the electronic medium, for example, as a direct link or in the body of an email or message, and must be easily accessible for Retail Investors. If the Relationship Summary is delivered in paper format as part of a package of documents, the Adviser must ensure that the Relationship Summary is the first among any documents that are delivered at that time.

Adviser may limit its disciplinary history disclosure of any event in Part 1A to 10 years following the date of the event.

- c. In addition to the legal and disciplinary disclosures in Part 1A, the Adviser is also required to disclose in the Firm Brochure a description of any legal or disciplinary event that is material to evaluating the integrity of the Adviser or its management personnel. **(Item 9 of the Firm Brochure)**. Certain disciplinary events are presumed to be material, including any convictions for theft, fraud, bribery, perjury, forgery, counterfeiting, extortion or violations of securities laws by the Adviser or one of its executives, if they occurred within the past 10 years. Disciplinary events presumed to be material must be disclosed unless the Adviser: (i) rebuts this presumption based on an analysis using specified factors, (ii) records its analysis, and (iii) retains such analysis in its records. Notwithstanding the fact that a disciplinary event is more than 10 years old, the Adviser is still required to report it if the event remains material to a client's or prospective client's evaluation of the Adviser and the integrity of its management personnel.
- d. The Adviser is also required to disclose disciplinary history material to a client's evaluation of certain Supervised Persons' integrity in the Brochure Supplement relating to the Supervised Person. These disclosures include certain disciplinary events that are presumptively material if they occurred within the past 10 years and any events requiring the Supervised Person to resign or relinquish his or her designation or license, if the Adviser knows or should have known of this fact. The conditions and events set forth in this Section 3 herein are each referred to as a "Disclosure Event."
- e. Senior management and Supervised Persons have an obligation to inform [the Compliance Officer] of the occurrence of a Disclosure Event or any other event that might require disclosure to clients or disclosure on Form ADV. In addition, to the extent not previously completed, each Supervised Person upon the adoption of this Manual, and each subsequent new employee at the time of becoming a Supervised Person, is required to complete and sign a disclosure questionnaire and certification. In addition, the Adviser's management personnel and certain Supervised Persons are required to complete and sign an additional disclosure questionnaire and certification. Supervised Persons are required to [annually] recertify their disclosure questionnaires and certifications. **[NOTE: See the Disclosure Questionnaire and Certification in Appendix A2 and the Additional Disclosure Questionnaire and Certification for Management Personnel and Certain Supervised Persons in Appendix A3 of the Sample Compliance Forms.]**
- f. If a Disclosure Event or other disclosable event is reported to [the Compliance Officer], [the Compliance Officer] will prepare the necessary disclosure and ensure that it is appropriately disseminated.

[NOTE: In its Risk Alert, Observations from Examinations of Investment Advisers: Compliance, Supervision, and Disclosure of Conflicts of Interest (July 23, 2019), the SEC's Division of Examinations suggested compliance and supervisory policies and procedures for advisers that hire or employ supervised persons with disciplinary histories, including requirements prior to hiring supervised persons with disciplinary

histories; enhanced due diligence practices to identify disciplinary events when hiring supervised persons; heightened supervisory practices when overseeing supervised persons with certain disciplinary events; and oversight of supervised persons with disciplinary histories operating in remote offices.]

4. Client Reporting

The Adviser's policies regarding the periodic statements and/or reports that will be delivered to the Adviser's clients (including clients that are investors in private investment funds) are set forth in Item 13 of the Firm Brochure. [The Compliance Officer] will seek to ensure that these reports are sent to clients in accordance with such policies.

5. Identification of Risks

The Adviser should create an inventory and conduct an assessment of the risks that apply to its business, and design and implement safeguards appropriate to address such risks. [The Adviser has established a committee to [be responsible for] / [assist in] ensuring the effective assessment and management of the Adviser's potential operational and compliance risks. The members of the risk committee are [insert titles of committee members].]

[NOTE: The Adviser may, but is not required to, create such a committee. Depending on the size and complexity of the Adviser's business, the creation of such a committee may be considered best practice. If created, an Adviser may wish to amend this section to reflect the role of the committee and the Adviser must exercise care in documenting the activity of the committee.] In assessing whether the policies and procedures adopted by the Adviser in its compliance manual and Code of Ethics adequately address the Adviser's potential risks, [the Compliance Officer] / [risk committee] will periodically [but no less frequently than annually] review its risk assessment. **[NOTE: See the Risk Assessment Questionnaire and Matrix in Appendix A5 of the Sample Compliance Forms.]**

6. Anti-Fraud Provisions/Rule

Section 206 of the Advisers Act, otherwise known as the Anti-Fraud provision, makes it unlawful for any investment adviser, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, (i) to employ any device, scheme, or artifice to defraud any client or prospective client; (ii) to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client; (iii) acting as a principal for his own account, knowingly to sell any security to or purchase any security from a client, or acting as a broker for a person other than such client, knowingly to effect any sale or purchase of any security for the account of such client, without disclosing to such client in writing before the completion of such transaction the capacity in which he is acting and obtaining the consent of the client to such transaction; or (iv) to engage in any act, practice, or course of business which is fraudulent, deceptive, or manipulative. The SEC has adopted a number of rules that identify specific conduct and activities that would constitute a violation of Section 206.

The Adviser has an obligation to make full and adequate disclosure to clients regarding potential and actual conflicts of interest and to keep current all

disclosure and marketing materials provided to the Adviser's clients or investors in private investment funds. In addition, **Rule 206(4)-8** prohibits the Adviser from making false or misleading statements or engaging any fraudulent, deceptive or manipulative conduct with respect to investors and prospective investors in private investment funds advised by the Adviser. **Rule 206(4)-8** applies to any materials or statements prepared or made by the Adviser to any prospective or existing investor in such private investment funds.

7. [Side Letters and Most Favored Nation ("MFN") Clauses

To the extent the Adviser or any of its affiliates have entered into or may enter into agreements or arrangements with a client (or with certain investors in private investment vehicles) which extend special rights or more favorable terms than are provided to or offered to similarly situated clients or other investors in such private investment vehicle (e.g., side letters, MFN clauses, key man redemption rights, special reporting), such arrangements may need to be disclosed in Part 2A of the ADV and other offering materials and will need to be monitored [by the Compliance Officer]].

8. Electronic Delivery of Firm Brochure and Other Reports

The Adviser may provide clients or investors in private investment funds (and/or their designated agents) statements, reports, Form ADV Part 2 (including a summary of material changes), [the Relationship Summary] and other communications relating to their investments, in electronic form, such as e-mail, in lieu of or in addition to sending such communications as hard copies via fax or mail, provided that the client has consented to electronic delivery. **[NOTE: See the Suggested Forms for Consent to Electronic Delivery in Appendix A4 of the Sample Compliance Forms.]**

9. Registration

The Adviser may have an obligation to make notice filings in certain states, and Supervised Persons may be required to be licensed to conduct advisory businesses in certain states. **(Section 203A; Rule 203A-3).**

B. INVESTMENT ADVISORY CONTRACTS

1. [The Compliance Officer] must review each advisory contract entered into with clients ("Advisory Contract"). [The Compliance Officer] must also review the form of Advisory Contract (if any) entered into with private investment vehicles managed by the Adviser or its affiliates. Supervised Persons will provide [the Compliance Officer] with a copy of each new Advisory Contract [prior to execution.]

2. [Before an Advisory Contract is executed on behalf of the Adviser,] [the Compliance Officer] will confirm that the contract includes the following provisions:

a. Assignment Clause

The Adviser may not "assign" the agreement without the client's consent. **(Section 205(a)(2); Rule 202 (a)(1)-1).**

b. [Change of Partners]

If the Adviser is organized as a partnership, the Adviser will notify the client of any change in the membership of the partnership. **(Section 205(a)(3)).** [NOTE: Remove Section 2.b. if the Adviser is not organized as a partnership.]

3. Among other things, the Advisory Contract should:
 - a. set forth the Adviser's authority (discretionary or non-discretionary) over the client's account;
 - b. describe the duties to be performed by the Adviser;
 - c. identify the client's investment objective, guidelines and any account restrictions;
 - d. specify the Adviser's compensation and the manner of payment;
 - e. include provisions for terminating the contract;
 - f. to the extent the Adviser or any of its affiliates derive any benefits, including the receipt of compensation of any kind and/or any form of reimbursement arrangement, such benefits, services and/or arrangements should be fully described and disclosed in the Advisory Contract and it may be appropriate to describe and disclose such benefits, services and/or arrangements in other places, such as in the Firm Brochure or the Brochure Supplement of the ADV[, the Relationship Summary] and other offering materials and will need to be monitored [by the Compliance Officer]; and
 - g. contain the client's acknowledgement of receipt of the Firm Brochure [and Relationship Summary] unless another written acknowledgement of receipt previously has been signed by the client.
4. Whenever the client's investment objectives, guidelines or restrictions or any other term of an Advisory Contract has changed, the Advisory Contract should be amended to reflect the changes.
5. An Advisory Contract may not contain any of the following terms:

- a. Limitation of Liability (“hedge clauses”) – An Advisory Contract may not require that the client waive any rights against the Adviser that the client has under the federal securities laws. Under certain circumstances, it may be permissible for an Advisory Contract to limit the liability of the Adviser (e.g., to cases in which the Adviser does not act with gross negligence, recklessness, or in a willfully improper or in an illegal manner), provided that it is clear that no waiver of rights under federal securities laws is intended. Whether a hedge clause is misleading in violation of the Advisers Act is a facts and circumstances determination that may include consideration of clients’ level of sophistication and whether clients received an adequate explanation to understand the hedge clause.⁴
- b. Termination Penalties – An Advisory Contract may not impose a penalty on the client for terminating the contract or the services of the Adviser.

[NOTE: It is strongly recommended that the adviser enter into an advisory contract with each private fund managed by the adviser. The SEC may not define the term “client” for purposes of paragraphs (1) and (2) of Section 206 (the anti-fraud provisions of the Advisers Act) to include an investor in a private fund managed by an investment adviser if such private fund has entered into an advisory contract with such adviser.]

C. PORTFOLIO MANAGEMENT PROCESSES

1. Allocation of Investment Opportunities Among Clients/Allocation of Securities in Aggregated Orders.

As a fiduciary, the Adviser must allocate investment opportunities among its clients in a fair and equitable manner or as otherwise disclosed to its clients. The Adviser will allocate securities and other investment opportunities among clients and securities in aggregated orders in accordance with the Adviser’s policies and procedures regarding trade allocations, as set forth in **Appendix C**.

2. Consistency with Client Investment Objectives/Restrictions

Each client account (including each private investment vehicle) will be reviewed on a periodic basis by [the Compliance Officer], with the assistance

⁴ See SEC Division of Examinations Risk Alert “Observations from Examinations of Private Fund Advisers” (January 27, 2022) in which the staff of the SEC’s Division of Examinations observed misleading hedge clauses in violation of the Advisers Act. See also In the Matter of Comprehensive Capital Management, Inc., Investment Advisers Act of 1940 Release No. 5943 (January 11, 2022) in which the SEC settled an administrative proceeding against an investment adviser whose advisory agreements contained a hedge clause that stated that the client was waiving “all claims” and that the adviser would not be liable to the client for any act, including acts of gross negligence, willful misconduct and fraud. The SEC found that the hedge clause violated Section 206(2) of the Advisers Act because the adviser had no policies and procedures to assess a client’s sophistication in the law or to explain the meaning of the hedge clause and did not highlight and explain the hedge clause during in-person meetings with clients or provide enhanced disclosure regarding when a client may retain a right of action. **An adviser may not use a hedge clause to attempt to waive its fiduciary duty. See SEC Press Release (September 3, 2024) <https://www.sec.gov/newsroom/press-releases/2024-113>; in which the SEC settled with an investment adviser due to hedge clauses that could have led clients to incorrectly believe that the client was waiving non-waivable causes of action against the adviser with respect to the unwaivable fiduciary duty. Additionally, the SEC has increased enforcement activity regarding hedge clauses in an effort to protect “retail investors” and has discussed this in the SEC Division of Examination’s “FY Year 2025 Examination Priorities” (October 22, 2024) <https://www.sec.gov/files/2025-exam-priorities.pdf>.**

of other appropriate personnel of the Adviser, if necessary, to determine whether the account is being managed in a manner that is consistent with the client's investment objectives, guidelines and/or restrictions, as communicated to the Adviser.⁵ In the case of private investment vehicles, the offering memorandum for each such private investment vehicle should be reviewed for consistency and compliance. **[NOTE: For ESG considerations see the sample Responsible Investing Policy and Procedures in Appendix R of the Sample Compliance Forms.]**

3. Class Action Claims

To the extent that the Adviser has authority, pursuant to the investment management agreement or other governing documents of a client account, to deal with class action claims it will do so on a case-by-case basis. [The Adviser's class action policy and procedures are set forth in **Appendix C3**.]

4. [Comparative Review of the Performance of Similarly Managed Accounts] **[NOTE: Optional]**

[To the extent the Adviser manages multiple client accounts with substantially similar investment objectives, guidelines and restrictions, [the Compliance Officer], with the assistance of other appropriate personnel of the Adviser, if necessary, will compare [periodically] the performance of such accounts. [The Compliance Officer] will report any unexplained significant discrepancies to senior management to determine appropriate action.]

5. Compliance/Consistency with Certain Legal Restrictions[; Risk Management]

a. Section 12(d)(1) of the Investment Company Act and Private Fund Investments in Registered Investment Companies. Section 12(d)(1) of the Investment Company Act of 1940, as amended (the "Investment Company Act") places significant restrictions on a private fund's ability to invest in registered investment companies. Each private fund managed by the Adviser that is relying upon either Section 3(c)(1) or 3(c)(7) of the Investment Company Act (e.g., a hedge fund) and any companies controlled by the private fund are prohibited from purchasing or otherwise acquiring more than 3% of the total outstanding voting securities of a registered investment company. [Periodically], [the Compliance Officer], with the assistance of other appropriate personnel of the Adviser, if necessary, will determine whether each private fund is in compliance with Section 12(d) of the

⁵ [NOTE: To the extent the Adviser considers ESG factors alongside traditional financial considerations in making portfolio investments, or to the extent the Adviser manages an ESG-focused fund, the Adviser should consider adopting a formal policy relating to ESG. See the "Sample Responsible Investing Policy and Procedures" in Appendix R of the Sample Compliance Forms. The SEC has proposed amendments to rules and reporting forms to establish disclosure requirements for advisers that market themselves as having an ESG focus. See SEC Press Release (May 25, 2022) "SEC Proposes to Enhance Disclosures by Certain Investment Advisers and Investment Companies About ESG Investment Practices" available at <https://www.sec.gov/news/press-release/2022-92>. The SEC has settled administrative proceedings for misstatements and omissions regarding ESG policies and procedures. See SEC Press Release (November 22, 2022) "SEC Charges ~~Goldman Sachs Asset Management for Failing to Follow its Policies and Procedures Involving ESG Investments~~" available at <https://www.sec.gov/news/press-release/2022-209>. Invesco Advisers for Making Misleading Statements About Supposed Investment Considerations" available at <https://www.sec.gov/newsroom/press-releases/2024-179>. In addition, the SEC has settled administrative proceedings for failure to adhere to stated ESG investment criteria. See, e.g., SEC Press Release (October 21, 2024) "SEC Charges Advisory Firm WisdomTree with Failing to Adhere to Its Own Investment Criteria for ESG-Marketed Funds" available at <https://www.sec.gov/newsroom/press-releases/2024-173>.]

Investment Company Act of 1940, as set forth in **Appendix C1**. **[NOTE: Remove Section 5.a. and Appendix C1 if the Adviser does not advise private funds.]**

b. Anti-Money Laundering Requirements. The Adviser will monitor compliance with its anti-money laundering procedures, as set forth in **Appendix C2**.

c. Short Sales. Regulation M makes it unlawful to purchase equity securities in a SEC-registered secondary (e.g., follow-on) offering if the person has also sold short the same equity securities during the restricted period set forth in the Regulation. Additionally, Rule 203(b)(1) of Regulation SHO prohibits a broker-dealer from accepting a short sale order in any equity security from another person, or effecting a short sale order for the broker-dealer's own account, unless the broker-dealer has (i) borrowed the security or entered into an arrangement to borrow the security or (ii) "reasonable grounds" to believe that the security can be borrowed so that it can be delivered on the date delivery is due. The Adviser's Regulation M policy and procedures are set forth in **Appendix C4**, and the Adviser's Regulation SHO policy and procedures are set forth in **Appendix C5**.

d. Other Legal Restrictions, Including Section 13, Section 14A and Section 16 of Exchange Act. [The Compliance Officer], with the assistance of other appropriate personnel of the Adviser, if necessary, will also review client accounts to determine whether the Adviser is in compliance with other applicable legal requirements including, but not limited to, Section 13, Section 14A and Section 16 of the Securities Exchange Act of 1934.

e. Form PF Reporting. Rule 204(b)-1 under the Advisers Act requires SEC-registered investment advisers with at least \$150 million in regulatory assets under management attributable to private funds to periodically file Form PF. If the Adviser manages private fund assets of at least \$150 million as of the end of its most recent fiscal year, the Adviser is required to complete and file a report on Form PF. The frequency of an Adviser's filing obligation depends on the level of regulatory assets under management attributable to private funds managed by the Adviser, e.g., quarterly for large hedge fund advisers (defined as those with hedge fund assets under management of at least \$1.5 billion as of the end of any month during the preceding fiscal quarter) and large liquidity fund advisers, as required by the instructions to Form PF. To the extent applicable, the [appropriate personnel of Adviser] will be responsible for ensuring that the Adviser completes and files a report on Form PF. **[NOTE: Remove Section 5.e. if the Adviser does not advise private funds.]**

[NOTE: Optional] *[f. Risk Management.* The Adviser has adopted a portfolio risk management process to monitor [portfolio liquidity, position liquidity, and exposure to high short interest names.] The Adviser utilizes its order management system to monitor and calculate securities position exposure. In addition, on a post-trade basis, an appropriate employee of the Adviser will monitor the Adviser's portfolio net exposure and review daily securities positions reports generated by the order management system.]

D. TRADING AND BROKERAGE PRACTICES

1. Best Execution and Soft Dollar Arrangements
 - a. The Adviser has a duty to obtain “best execution” for its advisory clients’ securities transactions. To fulfill this obligation, the Adviser generally must execute securities transactions in such a manner that the client’s total cost or proceeds in each transaction is the most favorable under the circumstances. The SEC has stated that 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. In seeking best execution, the Adviser should consider the full range of the broker’s services, including the value of research provided and execution capability, commission rate, financial responsibility and responsiveness. The SEC has, however, indicated that an investment manager need not solicit competitive bids on each transaction.
 - b. The [Compliance Officer] will periodically monitor the Adviser’s trading to ensure that the Adviser has obtained best execution in accordance with the policies and procedures attached as **Appendix D**.
 - c. Section 28(e) of the Securities Exchange Act of 1934 permits an adviser to pay more than the lowest available commission rate (or “pay up”) for research and brokerage services if the adviser determines, in good faith, that the brokerage rates charged by the broker are reasonable in light of the services provided. The SEC staff has taken the position that the safe harbor afforded by Section 28(e) is not available for principal transactions (except for certain riskless principal trades in equities) or transactions in futures. Section 28(e) permits the Adviser to obtain research and other products and services that provide lawful and appropriate assistance to the Adviser in carrying out its investment decision-making responsibilities (often referred to as “soft-dollar” arrangements). “Riskless principal” transactions are generally described as trades in which, after receiving an order to buy (or sell) from a customer, the broker-dealer purchases (or sells) the security from (or to) another person in a contemporaneous offsetting transaction. Such transactions may be eligible for the Section 28(e) safe harbor where the fee paid to the broker-dealer and the transaction price are fully disclosed on the confirmation and the transaction is reported in the same manner as an agency transaction. Similarly, certain fixed income security transactions effected on an agency basis may also be eligible for the Section 28(e) safe harbor. If the Adviser intends to stay within the Section 28(e) safe harbor, the Adviser may receive products and services that have both research and non-research uses (“mixed use items”) only if the Adviser makes a good faith allocation of the value of the non-research products and services it receives and pays for such non-research items in hard dollars. Any use of client brokerage to cover non-research items (e.g., rent and other Adviser overhead items, Adviser marketing expenses, including compensation of brokers for introducing private investment vehicle clients) will fall outside of the safe harbor provided by Section 28(e) and raises a number of conflict of interest issues between the Adviser and its clients.

- d. In addition, to the extent that the Adviser has adopted soft dollar arrangements that fall outside the parameters of Section 28(e), specific disclosure must be provided to clients regarding these arrangements and the attendant conflicts of interest. In general, [the Compliance Officer] may not permit soft dollar arrangements outside of Section 28(e) without obtaining specific consent from clients.
 - e. The Adviser must include specific disclosure of its soft dollar policy in its Firm Brochure. The Adviser may also wish to include specific disclosure of its soft dollar policy in its investment advisory agreements and offering materials for private funds.
 - f. All soft dollar arrangements must be reviewed by [the Compliance Officer] before being implemented and will be in accordance with the Adviser's policies and procedures concerning the use of "soft dollars," as set forth in **Appendix D1**.
2. Client Directed Brokerage **[NOTE: An Adviser may remove this Section 2 and the procedures regarding client directed brokerage in Appendix D1 if it will not enter into any directed brokerage arrangements.]**

Certain of the Adviser's clients may direct that the Adviser execute all or a portion of the transactions for such client's account through a specific broker, in return for such broker providing the client with various services. This direction restricts the Adviser's discretion to select brokers and negotiate commission rates and may adversely affect the Adviser's ability to obtain best execution. Accordingly, when a client directs brokerage to a specific broker, the Adviser requires that (i) the client provides such direction in writing to the Adviser and (ii) the Adviser provide the client with appropriate written disclosure, whose receipt is acknowledged by the client.

The Adviser has adopted procedures regarding client directed brokerage, which are included in its soft dollar procedures, attached as **Appendix D1**.

3. Trade Aggregation

The Adviser may aggregate orders for its client accounts for trade execution with the same broker. [When trades are aggregated, each participating account will be allocated securities on an average price basis.] The Adviser's policies and procedures concerning trade aggregation are included in its trade allocation procedures, which are set forth in **Appendix C**.

4. Principal and Cross Transactions
- a. The Adviser or any of its affiliates may not, directly or indirectly, (i) while acting as **principal** for its own account, knowingly sell any security to, or purchase any security from, an advisory client (“**principal transaction**”) or (ii) while acting as **broker** for a person other than such client, knowingly effect any sale or purchase of any security for the account of an advisory client (“**agency cross transaction**”) without, in each case, disclosing to such client in writing, prior to the completion of such transaction, the capacity in which Adviser is acting, and obtaining the consent of the advisory client to the transaction. Blanket consents (prior consent obtained to cover a category of transactions) are not sufficient for this purpose. (**Section 206(3)**). The SEC does not consider an adviser to be acting as a broker for an account when the adviser does not receive additional transaction based compensation.
 - b. **Principal Transactions.** [Each Portfolio Manager should notify [the Compliance Officer] prior to arranging for a cross transaction.] The [Compliance Officer] will determine, with the advice of outside counsel as necessary, whether the cross transaction is a principal transaction. For purposes of determining whether a transaction is a principal transaction, accounts of the Adviser and its affiliates or other accounts controlled by the Adviser or its affiliates (within the meaning of the Advisers Act) may be treated as accounts of the Adviser. Additionally, an account of which the Adviser and/or its controlling persons, in the aggregate, own more than 25% will be deemed an account of the Adviser. [The Compliance Officer] will seek to ensure that the required notice is given and consent is obtained in accordance with **Section 206(3)** for principal transactions.
 - c. **Agency Cross Transactions.** An agency cross transaction is a transaction in which an investment adviser acts as the broker for both the seller and purchaser of a security (and either the seller or the purchaser is a client). The Adviser or any of its affiliates may engage in agency cross transactions without obtaining the specific consent of the client if the conditions of **Rule 206(3)-2** have been met. [However, as neither the Adviser nor any affiliate is a broker, it is not anticipated that any such transactions will be entered into.] **[NOTE: Appendix D2 is optional if neither the Adviser nor any affiliate will serve as a broker. Such Advisers may choose to remove Appendix D2 and the following two paragraphs.]** [Appendix D2 sets forth procedures for agency cross transactions that are based upon the Rule.]
 - i. [Each Portfolio Manager should notify [the Compliance Officer] prior to arranging for an agency cross transaction. [The Compliance Officer] will be responsible for reviewing all agency cross transactions for compliance with applicable procedures.]
 - ii. [No agency cross transactions may be effected when the Adviser, or any person controlling, controlled by, or under common control with the Adviser, recommended the transaction to both the seller and the purchaser.]

- b. **Transactions Between Client Accounts.** From time to time, the Adviser may seek to execute transactions between client accounts (including rebalancing trades between client accounts). Transactions between client accounts are not permitted if they would constitute principal trades or trades for which the Adviser or its affiliates are compensated as brokers unless client consent has been obtained. In addition, such trades are generally prohibited by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and should not be conducted with an ERISA account (including a private investment vehicle that has substantial benefit plan investors and is subject to ERISA) unless it has been determined that an exemption is available. [The Compliance Officer] will be responsible for monitoring transactions between client accounts to determine that such transactions are not principal transactions or agency cross transactions and that adequate disclosure has been provided to clients. If the Adviser may execute transactions between client accounts, [the Compliance Officer] should consider whether disclosure is necessary of the potential for such transactions, any relevant conditions or restrictions and any related conflicts of interest in the following documents: (i) the Firm Brochure, (ii) any offering documents (for investment vehicles), and (iii) any investment management agreements (for separately managed accounts). [Cross trades will be conducted with a client that is registered as an investment company only in accordance with the policies and procedures duly adopted by such investment company client.] **[NOTE: An Adviser may remove this sentence if it does not advise a registered investment company.]** [The Adviser’s policy and procedures concerning cross trades are set forth in **Appendix D4.**] **[NOTE: Appendix D4 is optional. An Adviser may choose to remove Appendix D4 and this Section 4.c. if the Adviser’s clients will not engage in cross trades.]**

5. Trading Errors

Consistent with its fiduciary duties, the Adviser’s policy is to take the utmost care in making and implementing investment decisions for its client accounts. To the extent trading errors occur, the Adviser seeks to ensure that its clients’ best interests are served. The Adviser’s policies and procedures concerning trading errors are set forth in **Appendix D3.**

E. VALUATION AND EXPENSE ALLOCATION

1. Client account assets must be valued for all purposes in accordance with the Adviser’s procedures regarding valuation, set forth as **Appendix E.**
2. If a Supervised Person believes that the existing valuation procedures do not provide for an accurate valuation of a particular asset or class of assets in a client’s account, he or she must report this matter immediately to [the Compliance Officer].
3. [At least annually,] [the Compliance Officer] will meet with the Adviser’s portfolio personnel to review the valuation procedures to determine whether any revisions are necessary.
4. All expenses should be allocated in accordance with client arrangements and disclosures to clients. **Appendix E1** sets forth the Adviser’s policy and

procedures concerning the allocation of expenses between the Adviser and its clients and, separately, among clients.

F. INVESTMENT ADVISORY FEES

1. Investment advisory fees should be accurately described in the Form ADV and documented in each client's written contract. Any changes to fee arrangements with a client should be in writing.

2. The bills and invoices of the Adviser to clients **and the deduction of fees and expenses** should be reviewed to ensure that all advisory fees[, including any fee discounts, tiered fee structures, assets that are to be excluded from advisory fees, advisory fee offsets [for 12b-1 fees from mutual fund purchases, and portfolio company fees (e.g., monitoring fees, board fees, deal fees or other compensation received by the Adviser’s personnel from portfolio companies)]] are properly calculated.⁶
3. Performance-based compensation is only permitted in accordance with the Advisers Act and the applicable rules. **(Section 205; Rule 205-3)**. All such arrangements must be reviewed by [the Compliance Officer].
4. Special requirements may apply to prepaid advisory fees, including a potential refund of fees if a client’s advisory contract with the Adviser is terminated before the end of the billing period, and such arrangements must be reviewed by [the Compliance Officer].

G. PROCEDURES TO PREVENT INSIDER TRADING

1. The Adviser has adopted and implemented written policies and procedures that are designed to prevent the misuse of material nonpublic information and insider trading by the Adviser or persons associated with the Adviser. **(Section 204A)**. [The Compliance Officer] is responsible for the implementation of such procedures.
2. The Adviser's current written policies and procedures to detect and prevent insider trading are attached as **Appendix G**.

H. CODE OF ETHICS – PERSONAL TRADING PROCEDURES; [GIFTS AND BUSINESS ENTERTAINMENT POLICY;] POLITICAL CONTRIBUTIONS; [WHISTLEBLOWER POLICY]; [FOREIGN CORRUPT PRACTICES ACT POLICY]

1. The Adviser and its personnel may effect transactions for their own accounts in the same securities purchased and sold for the accounts of the Adviser’s clients. To ensure that trading by the Adviser’s personnel is conducted in a manner that does not adversely affect the Adviser’s clients and in a manner consistent with the fiduciary duty owed by the Adviser to its clients, the Adviser has adopted a code of ethics (the “Code”) and policies governing personal securities transactions attached as **Appendix H. (Rule 204A-1)**.

⁶ See SEC Division of Enforcement’s Press Release “SEC Charges Private Equity Fund Adviser for Overcharging Fees and Failing to Disclose Fee Calculation Conflict” (June 20, 2023) available at <https://www.sec.gov/newsroom/press-releases/2023-112>, in which the SEC charged and settled with the adviser for charging excess management fees by inaccurately calculating management fees based on aggregated invested capital at the portfolio company level instead of at the individual portfolio investment security level as was required by the limited partnership agreement. See Division of Examinations Risk Alert on Investment Advisers’ Fee Calculations (Nov. 10, 2021) available at <https://www.sec.gov/files/exams-risk-alert-fee-calculations.pdf>.

2. [The Adviser may, from time to time, engage third party consultants and other types of temporary workers[, including interns] to provide various services. Accordingly, the Adviser has adopted policies and procedures attached as **Appendix H1** with respect to certain third party consultants and temporary workers, including procedures to determine whether any such persons should be made subject to the Adviser's compliance policies and procedures, including the Code.]
3. **[NOTE: There is no requirement that either the code of ethics or the compliance manual contain a gift and entertainment policy. However, the SEC has focused on this issue and our experience is that the SEC examinations staff regularly requests that registered advisers provide information about gifts and entertainment practices during examinations.]** The Adviser and its personnel may give gifts, services or other items to any person or entity that does business with or potentially could conduct business with or on behalf of the Adviser. Additionally, the Adviser and its personnel may receive gifts, services, entertainment or other items from any person or entity that does business with or potentially could conduct business with or on behalf of the Adviser. To ensure that these exchanges are conducted in a manner that does not adversely affect the Adviser's clients and in a manner consistent with the fiduciary duty owed by the Adviser to its clients, the Adviser has adopted policies and procedures governing gifts and business entertainment attached as **Appendix H2**.
4. The Adviser is prohibited from receiving compensation for providing advisory services to a government entity for two years following any contribution, other than certain *de minimis* contributions, by the Adviser or its covered associates to an official of a government entity who is or will be in a position to influence the award of advisory business. In addition, the Adviser is also prohibited from coordinating, or soliciting others to make, contributions for an official of a government entity to which the Adviser is providing or seeking to provide advisory services. **(Rule 206(4)-5).**⁷ The Adviser's policies and procedures governing political contributions are attached as **Appendix H3**.
5. [The Adviser's "whistleblower" policy and procedures for the reporting of a possible securities law violation in connection with the Adviser's business or operations are set forth in **Appendix H4**.]
6. The Foreign Corrupt Practices Act ("FCPA") prohibits persons subject to the FCPA from offering to pay, paying, promising to pay, offering, or authorizing the payment, directly or indirectly through a third party, of anything of value to any "foreign official" in order to influence any act or decision of the foreign official in his or her official capacity or to secure an improper advantage in order to obtain or retain business. [The Adviser's policies and procedures for compliance with the FCPA are set forth in **Appendix H5**.] **[NOTE: An adviser may remove Appendix H5 if it does not anticipate engaging in the above described activities with respect to foreign officials. If**

⁷ Rule 206(4)-5 under the Advisers Act is known as the "Pay-to-Play Rule". The Pay-to-Play Rule prohibits an adviser from receiving compensation for providing investment advisory services to a government entity – directly or through a pooled investment vehicle – for two years following a contribution made by the adviser or a covered associate to an official or candidate for an elective office of the government entity, if the office can influence the selection of investment advisers (e.g., to manage assets of public pension funds or other public entities). See e.g., SEC Administrative Proceeding Summary, *SEC Charges Investment Adviser for Pay-to-Play Violation Involving a Campaign Contribution* (Apr. 15, 2024), available at <https://www.sec.gov/enforcement-litigation/administrative-proceedings/ia-6590-s>.

Appendix H5 is removed, an adviser may consider adding the following language to this Section H.6.] [The Adviser's Supervised Persons are prohibited from making a payment of anything of value to a foreign official with the intent to induce the recipient to misuse his or her official position, to obtain any improper advantage or to direct business wrongfully to the Adviser or any other person.]

I. CUSTODY - SAFEGUARDING OF CLIENT ASSETS

1. If the Adviser holds or is deemed to hold, directly or indirectly client securities or funds (“client assets”), and, accordingly, has custody of such client assets, the Adviser must comply with the requirements of the applicable rule (**Rule 206(4)-2**), including the following requirements (unless an exception to such requirement is available):
 - a. client assets must be maintained with a qualified custodian [Additional requirements apply if the Adviser or a related person serve as a qualified custodian];
 - b. if the Adviser opens an account with a qualified custodian on its client’s behalf, either under the client’s name or under the Adviser’s name as agent, the Adviser must notify the client in writing of the qualified custodian’s name, address, and the manner in which the client assets are maintained, promptly when the account is opened and following any changes to the information required in that notification;
 - c. the Adviser must have a reasonable basis, after due inquiry, to believe that the qualified custodian sends at least quarterly account statements to clients; and
 - d. the Adviser must undergo an annual surprise examination or audit to verify securities over which the Adviser has custody.
2. Examples of circumstances in which an investment adviser will have custody of client assets pursuant to **Rule 206(4)-2** include the following:
 - a. the Adviser (or a related person of the Adviser in connection with advisory services the Adviser provides to clients) holds, directly or indirectly client assets or has authority to obtain possession of them;
 - b. the Adviser or any related person acts in any legal capacity (such as general partner of a limited partnership, managing member of a limited liability company, or a comparable position for another type of pooled investment vehicle) that gives it legal ownership of or access to client assets;
 - c. the Adviser or any related person is (i) a trustee of a trust for the benefit of a client or (ii) a trustee of a participant-directed defined contribution plan established for the Adviser’s employees and the Adviser acts as investment adviser to the plan or any investment plan option;
 - d. the Adviser or any related person is permitted or authorized (including by general power of attorney or the custodial agreement between the client and the custodian) to withdraw client assets maintained with a custodian upon instruction to the custodian other than for authorized trading (e.g., authority to write checks, pay bills, pay taxes, etc.); and
 - e. the Adviser calculates its advisory fee, bills the custodian and the custodian automatically deducts fees from client accounts (through arrangements with clients and the qualified custodian).

3. The Adviser has adopted custody procedures attached as **Appendix I**.

[NOTE: The SEC has proposed to amend and redesignate Rule 206(4)-2 (the “Custody Rule”) as new Rule 223-1 (the “Safeguarding Rule”). The Safeguarding Rule would significantly expand the scope of the Custody Rule and add several new requirements for investment advisers.]⁶⁸

J. MARKETING[; MEDIA RELATIONS]

1. Rule 206(4)-1 under the Advisers Act (the “Marketing Rule”) regulates the Adviser’s marketing practices. The Marketing Rule sets forth general prohibitions with respect to advertisements and imposes conditions and requirements on the use of testimonials and endorsements (which include but are not limited to third-party solicitation arrangements) and the inclusion of third-party ratings and certain performance advertising in advertisements. [In addition, marketing materials and performance information provided to investors or prospective investors in private investment funds are subject to the Anti-Fraud provision of the Advisers Act. **(Rule 206(4)-8).**] [The Adviser’s Marketing Policy and Procedures are set forth in **Appendix J**.]
2. [The Adviser’s policy and procedures regarding media relations are set forth in **Appendix J1**.]

⁶⁸ [NOTE: The Safeguarding Rule would, among other things, (i) broaden the Custody Rule’s scope beyond “client funds and securities” to include any “funds, securities, or other positions held in a client’s account” (e.g., crypto assets); (ii) explicitly include discretionary trading authority to trade within the definition of custody; (iii) require that a qualified custodian have “possession or control” of client assets; (iv) require the Adviser to enter into a written agreement with and receive certain assurances from the qualified custodian; (v) modify the Custody Rule’s privately offered securities exception from the obligation to maintain client assets with a qualified custodian for certain privately offered securities, including by expanding the exception to include certain physical assets and by modifying the conditions for relying on the exception; and (vi) expand the availability of the Custody Rule’s audit provision from “pooled investment vehicles” to all entities that undergo a financial statement audit.]

K. [RESERVED]

L. **PRIVACY POLICY AND PROCEDURES AND PROGRAM FOR PROTECTING CLIENT INFORMATION; IDENTITY THEFT PREVENTION POLICY; CYBERSECURITY POLICY AND PROCEDURES**

1. The Adviser is required to adopt and implement a privacy policy as well as procedures that address administrative, technical, and physical safeguards for the protection of customer records and information and the dissemination to certain clients of a summary of such policies. **(Regulation S-P (17 CFR Part 248.30))**. [ERA ONLY: Replace “(Regulation S-P (17 CFR Part 248.30))” with “(Regulation P (16 CFR Part 313))”]
2. The Adviser's privacy policy and procedures for protecting client information[, including its policy and procedures for compliance with the California Consumer Privacy Act,] is set forth in **Appendix L** [and **Appendix L1**]. [The Adviser's policy and procedures with respect to Regulation S-AM is set forth in **Appendix L2**].

[NOTE: There is no federal requirement that a registered adviser adopt the optional policy set forth in Appendix L1. This policy incorporates the SEC's 2008 proposed amendments to Regulation S-P, which have not been adopted, and certain requirements imposed by the State of Massachusetts.

Appendix L2 addresses policies mandated under Regulation S-AM when affiliates may use information about a consumer received by the Adviser or vice versa.]

3. A registered adviser that is a “financial institution” or “creditor” is required to adopt a written program that is designed to detect, prevent and mitigate identity theft in connection with opening and maintaining "covered accounts" (as defined in Regulation S-ID). [The Adviser has determined that it is a [financial institution][and][creditor] that offers and maintains one or more covered accounts under Regulation S-ID. The Adviser's Identity Theft Prevention Policy and Procedures are attached as **Appendix L3**] **[OR]** [A registered adviser that is a “financial institution” or “creditor” is required to adopt a written program that is designed to detect, prevent and mitigate identity theft in connection with opening and maintaining "covered accounts" (as defined in Regulation S-ID). The Adviser has determined that it does not meet the definition of a "financial institution" or "creditor", and accordingly, is not required to adopt an identity theft prevention program. The Adviser will periodically reassess its status as a "financial institution" or "creditor", taking into account any changes to its business and other practices. To assist with this determination, the Adviser should complete the worksheet attached as **Appendix L3A**. The Adviser will adopt procedures to prevent identity theft that are based upon Regulation S-ID if and when it becomes applicable to the Adviser's business.]
4. The Adviser is committed to seeking to protect its business and customer records and information against cyber risks. **Appendix L4** sets forth the Adviser's cybersecurity policies and procedures. **[NOTE: The SEC has proposed new Rule 206(4)-9, which would require adoption and**

implementation of cybersecurity policies and procedures that are reasonably designed to address cybersecurity risks.]⁷⁹

⁷⁹ [NOTE: The proposed new rule, and corresponding amendments to related rules, would require the Adviser to (i) adopt and implement written policies and procedures that are reasonably designed to address cybersecurity risks; (ii) report significant cybersecurity incidents affecting the Adviser, or its fund or private fund clients, to the SEC on a newly proposed Form ADV-C; and (iii) maintain, make, and retain certain cybersecurity-related books and records. The proposal would also amend Form ADV Part 2A to require disclosure of significant cybersecurity risks and incidents that affect the Adviser and its clients.]

M. PROXY VOTING POLICY AND PROCEDURES

1. If the Adviser exercises proxy voting authority with respect to client securities, the Adviser is required to adopt and implement written policies and procedures that are reasonably designed to ensure that the Adviser votes proxies relating to client securities in a manner consistent with the best interests of such client. **(Rule 206(4)-6)**. The SEC has indicated that a discretionary investment manager is required to exercise proxy voting authority with respect to client securities, even if the investment advisory agreement is silent on this point, unless the client has specifically consented otherwise.
2. The Adviser's proxy voting policy and procedures is set forth in **Appendix M**.

N. IDENTIFICATION OF CONFLICTS OF INTEREST

1. As a fiduciary, the Adviser owes its clients a duty of loyalty. Accordingly, the Adviser should examine its business practices to identify business practices that may cause a conflict of interest between the Adviser and its clients, disclose such conflicts of interest to its clients and develop policies and procedures to deal with such conflicts and to ensure that the Adviser always acts in the best interests of its clients.
2. [The Compliance Officer] is responsible for conducting a review of the Adviser's business practices [at least annually] to ensure that (a) relevant disclosure is provided to its clients, and (b) necessary policies and procedures are maintained and implemented.
3. In conducting the [annual] review, [the Compliance Officer] will consider, among other things, those business practices, conflicts of interest and other issues described in **Appendix N**.
4. [The Adviser requires Supervised Persons to disclose certain family [and close, personal] relationships that may give rise to conflicts of interest, and will seek to identify and address any potential conflicts of interest arising from these relationships. The Adviser's policies and procedures for disclosure of personal connections are attached as **Appendix N1**.]**[NOTE: Monitoring conflicts that may arise from personal relationships is a common best practice and recommendation of the SEC staff. An Adviser may choose to monitor family relationships but exclude close, personal relationships.]**
5. [[Additionally,] the Adviser requires Supervised Persons to obtain approval from [the Compliance Officer] prior to engaging in any outside business activities and to submit certifications regarding their outside business activities. The Adviser's policies and procedures relating to outside business activities are attached as **Appendix N2**.]

O. BUSINESS CONTINUITY PLAN

1. The Adviser is committed to providing for its business continuity and disaster recovery in light of the occurrence of any natural or unnatural event that might cause a significant business disruption. The Adviser's Business Continuity Plan is set forth as **Appendix O**.

P. BOOKS AND RECORDS[; ELECTRONIC COMMUNICATIONS; SOCIAL MEDIA]

1. The Adviser is required to make and keep true, accurate and current certain books and records for specified periods of time. **(Rule 204-2)**. [The Compliance Officer] will seek to ensure that the Adviser complies with the applicable provisions of **Rule 204-2**. The Adviser may choose to maintain some or all of its books and records in electronic format. **(Rule 204-2(g))**.
2. A description of the books and records that the Adviser is required to create and maintain is set forth in **Appendix P**. [The Adviser's policies concerning electronic communications are set forth in **Appendix P1**.] [The Adviser's policies concerning the use of social media are set forth in **Appendix P2**.]
3. The Adviser is permitted to preserve its records on electronic storage media subject to certain conditions. A more detailed description of the requirements for maintaining and preserving records on electronic storage media is set forth in **Appendix P**.

Q. SELECTIVE PORTFOLIO DISCLOSURE

1. The Adviser has a fiduciary duty to protect the confidential portfolio information related to its client accounts. In the event that the Adviser discloses confidential portfolio information to any person (including investors or third party service providers), the Adviser will take reasonable measures to protect the confidentiality of such information, which may include entering into a confidentiality agreement with the recipient or ensuring that the recipient may only disclose such confidential portfolio information to the extent such additional recipients agree to maintain the confidentiality of such portfolio information. **[NOTE: See the Sample Third Party Confidentiality Agreement in Appendix Q of the Sample Compliance Forms.]**

R. OVERSIGHT OF THIRD PARTY SERVICE PROVIDERS

1. To the extent that the Adviser retains or is involved in the selection of [certain critical] third party service providers of its client accounts[, such as sub-advisers, administrators, custodians or prime brokers,] the Adviser will conduct, and may assist such advisory clients in conducting due diligence and providing oversight of such service providers. **[NOTE: The SEC has proposed new Rule 206(4)-11, which would require the Adviser to conduct due diligence on third party service providers before outsourcing certain functions, and to periodically monitor the performance and reassess the retention of such service providers.]⁸¹⁰**
2. [The Adviser's policies concerning oversight of third party service providers are set forth in **Appendix Q**.] **[NOTE: This policy is not required but is**

⁸¹⁰ **[NOTE: The proposed new Rule 206(4)-11 would require the Adviser to conduct due diligence before outsourcing certain covered functions to service providers. Corresponding proposed amendments would require the Adviser to report information about its use of service providers and, if the Adviser relies on third party recordkeepers, require the Adviser to obtain reasonable assurances that the third-party recordkeeper will meet certain standards. The proposed rule would define a "covered function" as a function or service that: (i) is necessary for the Adviser to provide its advisory services in compliance with the federal securities laws; and (ii) if not performed or performed negligently, would be reasonably likely to cause a material negative impact on the Adviser's clients or on the Adviser's ability to provide investment advisory services. Additionally, the proposed rule would define a "service provider" as a person or entity that: (i) performs one or more covered functions; and (ii) is not a supervised person of the Adviser.]**

considered a best practice and a common recommendation of the SEC staff.]

S. COMPLAINTS

All [written] complaints from clients will be forwarded to [the Compliance Officer], who will keep a record of such complaints. [The Compliance Officer] will confirm with appropriate personnel how such complaints should be resolved and will keep a record of such resolution or other disposition.

T. RUMORS

No person associated with the Adviser shall originate, or circulate in any manner outside the Adviser, a rumor concerning any security that such person knows or has reasonable grounds for believing is false or misleading and is likely to influence the market price of such security. A statement will not be considered a “rumor” if it is an expression of an individual’s or firm’s opinion, such as an analyst’s view of the prospects of a company.

[U. DEATH OR INCAPACITY OF A CLIENT OR INVESTOR] [OPTIONAL]

Employees must promptly notify the Compliance Officer upon becoming aware of the death or incapacity of a client or investor. Any communications from account beneficiaries, family members, trustees, custodians, probate judges, or others regarding the death or incapacity of a client or investor must be promptly forwarded to the [the Compliance Officer].] The [Compliance Officer], with the advice of counsel as necessary, will determine the appropriate course of action following the death or incapacity of a client or investor.

IV. ANNUAL REVIEW OF COMPLIANCE POLICIES AND PROCEDURES

1. The Adviser will review this Manual and all related policies and procedures at least annually and upon the occurrence of: (i) any significant compliance event; (ii) any meaningful change in the Adviser's business arrangements; or (iii) any applicable regulatory developments. **Rule 206(4)-7**. The purpose of the annual review will be to evaluate the adequacy of these policies and procedures and the effectiveness of their implementation. **[NOTE: See the Annual Compliance Review Matrix in Appendix IV-1 of the Sample Compliance Forms]**
2. [The Compliance Officer] will seek to ensure that the annual review is conducted and necessary changes are implemented. [The Compliance Officer] will also make interim changes as appropriate.
3. [The Compliance Officer] will document the annual review.
4. [[The Compliance Officer] will distribute this Manual, including the Code, to each Supervised Person at the commencement of his or her employment and upon each amendment of the Manual or the Code thereafter. All employees will be required to acknowledge in writing their receipt of this Manual, including the Code, upon becoming a Supervised Person of the Adviser and upon each amendment of the Manual or the Code thereafter.] **[NOTE: See the Code of Ethics Acknowledgement in Appendix H, Attachment D of the Sample Compliance Forms and the Compliance**

Manual Acknowledgement in Appendix IV-4 of the Sample Compliance Forms.]

V. APPENDICES

[Last S&K revision: December 2016]

IDENTIFICATION OF CHIEF COMPLIANCE OFFICER
[SUPERVISED PERSONS AND ACCESS PERSONS]

Adopted [Insert Date]

[Revised as of]

<u>CHIEF COMPLIANCE OFFICER</u>		
<u>NAME</u>	<u>START DATE</u>	<u>END DATE</u>

[NOTE: Rule 204-2(A)(13)(ii) requires Advisers to make and keep a record of the names of persons who are currently, or within the past five years were, access persons (as defined by the Code) of the Adviser. Place a (1) in the Start Date column next to any supervised person that was an employee of the Adviser prior to the adoption of the Compliance Manual.]

[NOTE: An Adviser may choose to remove the chart below and keep its list of supervised persons and access persons in a separate document from the Compliance Manual. See “Identification of Supervised Persons and Access Persons” in Appendix A1 of the Sample Compliance Forms.]

<u>SUPERVISED PERSONS AND ACCESS PERSONS</u> (Access Persons are marked with an asterisk (*))		
<u>NAME</u>	<u>START DATE</u>	<u>END DATE</u>

(1) For supervised persons listed in this Appendix A1, the start date is the later of the date of the initial adoption of the Adviser’s Compliance Manual (as of [Insert Date]) or the date on which the person became an employee or supervised person of the Adviser. All persons for whom the start date is the adoption date were employees of the Adviser prior to that date.

[Last S&K revision: January 2021]

[NOTE: These are basic aggregation and allocation procedures that assume no one client or group of clients has a preference with respect to investment opportunities. If IPOs or other scarce opportunities are allocated in a manner that differs from the basic policy (such as if the Adviser allocates trade opportunities on a rotation basis), the basic allocation policy below must be tailored to reflect such policies. These procedures also assume that when orders are aggregated, all participants in the transaction will receive the same (or an average) price and transaction costs will be shared pro rata based on each client's participation in the transaction.]

[NOTE: The aggregation policy presented below is pro rata based on the order (or allocation statement at the time the order is placed). The pro rata policy has been recognized by the SEC as an acceptable (although not exclusively required) practice in the SMC Capital SEC Staff No-Action Letter (September 5, 1995) and the Pretzel & Stouffer SEC Staff No-Action Letter (December 1, 1995) but is not the only reasonable aggregation policy.]

POLICY AND PROCEDURES REGARDING
ALLOCATION OF INVESTMENT OPPORTUNITIES AND
AGGREGATION OF TRANSACTIONS AMONG INVESTMENT ADVISORY CLIENTS

Adopted **[Insert Date]**

[Revised as of]

This Statement of Policy and Procedures (the "Policy") sets forth the Adviser's basic policy regarding the allocation of purchases and sales of securities among investment advisory client accounts managed by the Adviser and the aggregation of transactions for those accounts.

I. Statement of Policy

It is the Adviser's basic policy that no client for which the Adviser has investment decision responsibility shall receive preferential treatment over any other client other than as described in Section II.A. of this Policy. In allocating investment opportunities among clients, it is the Adviser's policy that all clients should be treated fairly and that, to the extent possible, all clients should receive equivalent treatment.

[The Adviser has established an investment allocation committee to [be responsible for] / [assist in] ensuring the effective implementation of this Policy. The members of the investment allocation committee are [insert titles of committee members].] **[NOTE: The Adviser may, but is not required to, create an investment allocation committee. Depending on the size and complexity of the Adviser's business, the creation of the committee may be considered best practice. If created, an Adviser may wish to amend this policy to reflect the role of the committee and the Adviser must exercise care in documenting the activity of the committee.]**

II. Procedures

A. Allocation of Investment Opportunities

Because of the differences in client investment objectives, strategies, guidelines, restrictions, risk tolerances, tax status and other criteria, there will, however, be differences among clients in invested positions and investment opportunities held. The following factors may be taken into account by the Adviser in allocating investment opportunities among investment advisory clients:

- client's investment objective and strategies;
- client's risk profile;
- client's tax status;
- any restrictions placed on a client's portfolio by the client or by virtue of federal or state law (such as the Employee Retirement Income Security Act of 1974, as amended);
- size of client account;
- total portfolio invested position;
- nature and liquidity of the security to be allocated;
- size of available position;
- supply or demand for a security at a given price level;
- current market conditions;
- timing of cash flows and account liquidity; and
- any other information determined to be relevant to the fair allocation of investment opportunities.

[Although it is the Adviser's policy to allocate investment opportunities to eligible client accounts with the same or substantially similar investment objectives, strategies, guidelines, and restrictions on a pro rata basis (based on the value of the assets of each participating account relative to value of the assets of all participating accounts), the above listed factors may lead the Adviser to allocate securities to client accounts in varying amounts.] **[NOTE: If the Adviser determines to allocate orders in accordance with a pre-determined method, that method should be reflected in this Policy and in the Adviser's Form ADV Part 2A and other documents (e.g., offering materials) as applicable. For example, the suggested language provided above assumes that the Adviser will allocate orders among accounts with the same or substantially similar investment mandate and strategy on a pro rata basis based on the value of the assets of each participating account relative to value of the assets of all participating accounts.]**

B. Allocation of Securities in Aggregated Orders

When the Adviser has determined that an investment opportunity is appropriate for multiple clients [at or near the same time], the Adviser may, in its sole discretion, aggregate client orders for the purchase or sale of [the same] securities [at or near the same time] with the same broker-dealer. The Adviser will generally follow the guidelines set forth below in aggregating client orders for securities at the same broker-dealer, including any orders placed for private investment vehicles:

- The Adviser's policies for the aggregation of transactions must be fully disclosed in Form ADV [and separate disclosure will be made to existing investment advisory clients as of the date of this Policy].
- The Adviser will not aggregate transactions unless it believes that aggregation is consistent with its duty to seek best execution for its clients and is consistent with the terms of the Adviser's investment advisory agreement with each client for which trades are being aggregated.

- No investment advisory client, including those clients in which the Adviser or persons associated with the Adviser have a direct or indirect beneficial interest or those clients that pay higher fees to the Adviser, will be favored over any other investment advisory client other than as permitted under this Policy.
- Each client that participates in an aggregated order will participate at the average share price for all the Adviser's transactions in that security [on a given business day][or such shorter period, as applicable] and transaction costs will be shared pro rata based on each client's participation in the aggregated order.
- [NOTE: With respect to an investment adviser that is subject (either directly or contractually) to requirements of the European Union's revised Markets in Financial Instruments Directive ("MiFID II"), the SEC staff has stated in the Investment Company Institute, SEC Staff No-Action Letter (October 26, 2017) that it would not recommend enforcement action against an investment adviser that aggregates orders for the sale or purchase of securities on behalf of its clients in reliance on the position taken in the SMC Capital Staff No-Action Letter while accommodating the differing arrangements regarding the payment for research that will be required by MiFID II provided that such advisers will adopt policies and procedures reasonably designed to ensure that (1) each client in an aggregated order pays the average price for the security and the same cost of execution (measured by rate), (2) the payment for research in connection with the aggregated order will be consistent with each applicable jurisdiction's regulatory requirements and disclosures to the client, and (3) subsequent allocation of such trade will conform to the adviser's allocation statement and/or the adviser's allocation procedures. Accordingly, an adviser that is subject to MiFID II may wish to consider including the following language.][Each client that participates in an aggregated order will pay the same cost of execution (measured by rate). Notwithstanding the above, payment for research in connection with the aggregated order may differ due to applicable jurisdictional regulatory requirements, including without limitation, regulatory requirements of the European Union's revised Markets in Financial Instruments Directive ("MiFID II") and disclosures to the client. As described below, subsequent allocation of the aggregated trade will conform to the Adviser's [aggregated order/allocation statement] and/or the Adviser's allocation procedures.]
- If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the [aggregated order/allocation statement], or, if the order is partially filled, it will be allocated pro rata based on the [aggregated order/allocation statement], subject to the exceptions provided below.

[Notwithstanding the foregoing, an aggregated order may be allocated following execution on a basis different from that specified in the [aggregated order/allocation statement], if all client accounts receive fair and equitable treatment and the reason for the different allocation is explained and approved in writing by [the Compliance Officer] no later than one hour after the opening of the markets on the trading day following the day on which the order was executed. Reasons for allocation on a basis different from that specified in the [aggregated order/allocation statement] may include: to avoid odd lots or excessively small allocations.]¹

¹ [NOTE: In addition to the procedures in sub-section II.B. of this Policy, the SEC staff stated in the SMC Capital SEC Staff No-Action Letter (September 5, 1995) that it would not recommend enforcement action against an adviser that aggregates client orders in accordance with the procedures below.

- The Adviser will prepare, before entering an aggregated order, a written allocation statement specifying the participating client accounts and how it intends to allocate the order among those clients.
- The Adviser's books and records will separately reflect, for each client account the orders of which are aggregated, the securities held by, and bought or sold for, that account.
- Funds and securities of clients whose orders are aggregated will be deposited with one or more banks or

C. Monitoring and Review

[The Compliance Officer] is responsible for monitoring the Adviser's client trading for compliance with this Policy. Additionally, [the Compliance Officer] is responsible for monitoring certain employee trading under the Code of Ethics. [At least periodically, [the Compliance Officer], with the assistance of Portfolio Managers, if necessary, will compare the performance of the Adviser's client accounts with the same or substantially similar investment objectives, strategies, guidelines and restrictions.] [To the extent the Adviser permits employees to trade in client securities through the Adviser's trading desk at the same time as clients, the employees' trades executed through the Adviser's trading desk will be aggregated and included in aggregated orders/allocation statements in accordance with this Policy. **[NOTE: This can be removed if the Adviser does not permit employees to trade in client securities or does not permit employees to trade at the same time as clients.]**]

In addition, the Policy will be reviewed [at least annually] by [the Compliance Officer] to ensure that certain accounts are not unfairly favored in the allocation or aggregation process and that the procedures set forth in the Policy are adequate and consistent with the Adviser's practices.

[III. Allocation of Co-Investment Opportunities] [NOTE: These procedures are optional.]

[To the extent the Adviser, in its sole discretion, determines that there is excess capacity with respect to a particular investment or that a particular investment is not an appropriate investment for one or more client accounts, the Adviser may allocate such investment or a portion thereof to any persons selected by the Adviser in its sole discretion, including, without limitation, the Adviser, its members, principals, affiliates and employees, investors in the Adviser's private investment funds and other third parties.

When exercising its discretion to allocate co-investment opportunities to potential co-investors, the Adviser may consider some or all of a wide range of factors, including but not limited to, one or more of the following:

- Whether the co-investor may provide strategic value to the Adviser or its clients, the Adviser's prior experience with the co-investor (if any), legal, tax and regulatory matters;
- Whether such party has previously expressed an interest in participating in co-investment opportunities;
- The size and financial resources of the potential co-investor and the ability of that potential co-investor to efficiently and expeditiously participate in the investment opportunity;

broker-dealers, and neither the clients' cash nor their securities will be held collectively any longer than is necessary to settle the purchase or sale in question on a delivery versus payment basis; cash or securities held collectively for clients will be delivered out to the custodian bank or broker-dealer as soon as practicable following the settlement.

- **The Adviser will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation.**
- **Individual investment advice and treatment will be accorded to each client.**
- **If an aggregated order is partially executed and allocated on a basis different from that specified in the allocation statement, no client that is benefitted by the different allocation may effect any purchase or sale, for a reasonable period following the execution of the aggregated order, that would result in its receiving or selling more shares than the number of shares it would have received or sold had the aggregated order been fully executed.]**

- The Adviser's past experiences and relationship with the potential co-investor, such as the willingness or ability of the potential co-investor to respond promptly and/or affirmatively to potential co-investment opportunities;
- The potential co-investment amount;
- Whether the investment opportunity may subject the potential co-investor to legal, regulatory, competitive, reporting, public relations, media or other burdens;
- Whether allocating investment opportunities to a potential co-investor will help establish or strengthen relationships that may provide indirectly longer-term benefits (including strategic, sourcing or other similar benefits);
- Whether a particular potential co-investment party has provided value in the sourcing, establishing relationships, participating in diligence and/or negotiations for such potential transaction or is expected to provide value to the business or operations of a portfolio company post-closing; and
- Any confidentiality concerns the Adviser has that may arise in connection with providing the potential co-investor with information relating to the investment opportunity.

The terms applicable to any co-investment opportunity will be established in the sole discretion of the Adviser, and co-investors may not be subject to any fee in relation to the co-investment opportunity.

The [Compliance Officer] will seek to ensure that the Adviser has disclosed its practices with respect to co-investment opportunities in Form ADV[, private fund offering documents] and other applicable marketing material.]

[Last S&K revision: December 2019]

POLICY AND PROCEDURES REGARDING INVESTMENTS BY A PRIVATE FUND IN A REGISTERED INVESTMENT COMPANY

Adopted **[Insert Date]**

[Revised as of]

Policy Statement

Each private fund managed by the Adviser relying upon either Section 3(c)(1) or 3(c)(7) of the Investment Company Act of 1940, as amended (the "Investment Company Act"), (e.g., a hedge fund) and any companies controlled by the private fund are prohibited from *purchasing* or otherwise *acquiring* more than 3% of the total outstanding voting securities of a registered investment company. Examples of registered investment companies include mutual funds, closed-end investment companies and exchange-traded funds ("ETFs") such as iSHARES and SPDRs. This prohibition is required by Section 12(d) of the Investment Company Act and is intended to prevent a private fund from acquiring a controlling interest in and exerting undue influence over a registered investment company. **Rule 12d1-1** under the Investment Company Act allows private funds to invest an unlimited amount in shares of money market funds registered under the Investment Company Act, provided that (i) the private fund pays no sales load, distribution fee, or service fee on the money market fund shares, or (ii) the private fund's investment adviser waives a sufficient amount of its advisory fee to offset the cost of the sales load, distribution fee or service fee. ~~Certain ETFs may have obtained exemptive relief permitting certain persons to exceed this 3% limitation.~~

Procedures

On a [monthly/periodic] basis, [the Compliance Officer], with the assistance of Supervised Persons of the Adviser, if necessary, will monitor investments by each private fund managed by the Adviser and any companies controlled by the private fund for compliance with the prohibition set forth in the above Policy Statement. Any violation of the prohibition set forth in the Policy Statement will be reported promptly to [the Compliance Officer].

After an investigation into the circumstances surrounding the violation, [the Compliance Officer] will, at his or her discretion, direct the Adviser to correct or otherwise resolve the violation.

[[The Compliance Officer] will document [and report to the Adviser's senior management/board of directors or managers] any violation of the Policy Statement and the resolution of such violation.]

[Last S&K revision: ~~December 2018~~February 2025]

[NOTE: In September 2024, the Financial Crimes Enforcement Network (“FinCEN”) issued a final rule (the “Rule”) that subjects certain SEC-registered investment advisers (“RIAs”) and exempt reporting advisers (“ERAs”) to anti-money laundering and countering the financing of terrorism (“AML/CFT”) requirements. The Rule requires the Adviser to develop and implement an AML/CFT program that is “risk-based” and “reasonably designed” – that means the Adviser has flexibility to design its AML/CFT program so that it is commensurate with the specific risks of its advisory services and its customers. Accordingly, the Adviser may focus aspects of its AML/CFT program on activities or customers that it considers higher risk and may comply with the AML/CFT requirements by applying more limited measures to those customers or activities that it identifies as lower risk.

The Rule’s compliance date is January 1, 2026.]

[NOTE: To the extent that an adviser delegates any of these responsibilities to a third party with respect to any individual or fund client accounts, the adviser should take these steps to ensure that the delegated responsibilities are completed. These procedures are drafted broadly to cover either funds which are clients or individual investors of funds. Certain of the adviser’s clients may be subject to anti-money laundering laws (e.g., U.S.-registered investment companies or pooled investment vehicles that are domiciled in certain non-U.S. jurisdictions, such as the Cayman Islands). The adviser should consult with counsel on the applicability of any such anti-money laundering laws to the adviser.]

ANTI-MONEY LAUNDERING POLICY AND PROCEDURES

Adopted *[Insert Date]*

[Revised as of]

I. STATEMENT OF POLICY

The Adviser is strongly committed to preventing the use of its operations for money laundering or any activity which facilitates money laundering or the funding of terrorist or criminal activities. Accordingly, the Adviser will seek to comply with all applicable laws and regulations designed to combat money laundering activity and terrorist financing, including the USA Patriot Act, and will cooperate with the appropriate authorities in efforts to prevent any such misuse of the securities markets. Every employee is required to act in furtherance of this policy statement to protect the Adviser from exploitation by money launderers or terrorists. The Adviser is establishing this Anti-Money Laundering Policy & Procedures (the “Procedures”) pursuant to Section 352 of the USA Patriot Act.

II. DESIGNATION OF AN AML COMPLIANCE OFFICER

The Adviser has designated [the Compliance Officer] [alternate individual] as the AML Compliance Officer. The AML Compliance Officer has the overall responsibility for the Adviser’s Anti-Money Laundering Program (the “AML Program”). The AML Compliance Officer is responsible for, among other things: (i) coordinating and monitoring the Adviser’s day-to-day compliance with applicable anti-money laundering laws and regulations and with the AML Program; (ii) updating the AML Program as and when necessary; (iii) providing for employee AML training programs so that employees have the knowledge necessary to comply with the AML Program; and (iv) reviewing all reports from employees of suspicious activity and taking suitable action with respect to such reports. Any suspicious questions from or

disclosure by, or activities of, existing or prospective investors in pooled investment vehicles (“Investors”) that are managed by the Adviser or its affiliates, as well as any questions regarding the Procedures should be brought promptly to the attention of the AML Compliance Officer.

III. PROCEDURES

The Adviser has taken appropriate steps to prevent money laundering and to comply with applicable law and regulations. **[NOTE: The following procedures are suggested best practices. An Adviser should tailor these procedures to its actual practices.]** In furtherance of these goals, the Adviser [or a designee of the Adviser (such as the fund administrator with respect to the Adviser’s private funds)] has implemented the following procedures:

- A. Check the names of all clients and any third parties involved in wire transfers against the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”) (which may be accessed on the web at <http://www.treas.gov/ofac>), and refuse to accept investments from any such listed parties.
- B. Review agreements with and AML Programs of third party service providers (such as fund administrators and prime brokers) to ensure that they have adopted appropriate AML Programs and have assumed responsibility for aspects of the Adviser’s AML Program where appropriate.
- C. **[Optional]** [Require that appropriate Adviser personnel, as assigned, will monitor activity in client accounts for suspicious financial activities and bring such information to the attention of the AML Compliance Officer immediately, including the following:
 - transactions in cash or money orders;
 - transactions with foreign shell banks, banks with post office box addresses or banks located in countries without AML laws;
 - transactions with an Investor in which monies are received from a non-subscribing third party;
 - excessive frequency of contributions and withdrawals by an Investor;
 - transactions by or for the benefit of senior foreign political figures, their immediate family members and/or close associates;
 - distributions to a client through any account other than the original wiring account of such Investor; and
 - reluctance to provide additional information, including information regarding the identity of beneficial owners, or to answer questions when requested.]

Although no single activity or factor is necessarily indicative of suspicious activity, all such instances should be reported to the AML Compliance Officer. The AML Compliance Officer will evaluate such activities together with other factors, such as the length of time the Adviser has known the Investor, and any other relationships the Adviser or its senior management or employees have

with such Investor. It is the ultimate responsibility of the AML Compliance Officer to determine whether or not any such reported activity warrants further action.¹

IV. AML TRAINING

[The AML Compliance Officer will provide Supervised Persons with AML training at the adoption of these Procedures and, thereafter, at the commencement of any employee's employment, and at least annually to augment this AML Policy. The AML training program will consist of a review of these Procedures and any additional programs and materials as the AML Compliance Officer deems necessary or appropriate from time to time.] OR [The AML Compliance Officer will provide appropriate Supervised Persons with AML training as part of the Adviser's annual compliance training.]

[Optional] [Supervised Persons are also encouraged to educate themselves on current money laundering detection and prevention trends and techniques, and to suggest any changes or additions to these Procedures and the AML training program based on their findings.]

V. INDEPENDENT AUDIT [NOTE: Optional - This section may be omitted in the adviser's discretion.]

There will be a periodic independent audit to test and evaluate compliance with, and the effectiveness of, the Adviser's AML Program.

The AML Compliance Officer will circulate copies of these Procedures periodically and whenever changes are made.

¹ Further action may include, for example, suspicious activity reports or other filings with banking and security regulators, such as currency transaction reports.

[Last S&K revision: December 2016]

[NOTE: These model procedures are drafted for an Adviser that intends to respond to class action claims. An Adviser that has adopted a policy of not responding to class action claims, such as an Adviser that uses a quantitative investment strategy, must disclose its class action policy in its client disclosures.]

CLASS ACTION POLICY AND PROCEDURES

Adopted **[Insert Date]**

[Revised as of]

I. STATEMENT OF POLICY

To the extent that the Adviser has authority, pursuant to the governing documents of a client account, to deal with class action claims ("Claims") it will do so on a case-by-case basis in accordance with the following policy.

II. CLASS ACTION PROCEDURES

Once the Adviser receives a Claim, [the Compliance Officer] [with the assistance of a third party service provider retained to process Claims] will determine whether any clients or former clients of the Adviser owned the security during the period covered by the Claim. [The Compliance Officer] will consult with the appropriate Portfolio Manager to determine if he agrees with the basis of the Claim. In evaluating the Claim, [the Compliance Officer], in consultation with the Portfolio Manager, will decide whether or not to participate in the Claim depending upon (i) the nature of the Claim; (ii) prospects for recovery; (iii) resources required to pursue the Claim and (iv) other relevant factors pertaining to the particular Claim.

If [the Compliance Officer] determines to participate in the Claim, the Adviser [or a third party service provider on its behalf] will take the following steps:

1. Identify the client accounts that held shares during the period covered by the Claim, the amount of shares held and the acquisition and disposition prices.
2. File proof of claim form generated by the class action lawyer. The proof of claim form will typically request trade dates and prices substantiated by confirms or broker statements.
3. The Adviser should receive a claim number and letter stating that the Claim is being processed.
4. The Adviser will periodically check to see if the Claim has been settled and the proceeds received.

If the client is a pooled investment vehicle, any profits derived from the Claim shall be allocated in accordance with the governing documents of the pooled investment vehicle.

To the extent that the Adviser does not have authority to deal with Claims, it will forward any Claims it receives to the client.

[Last S&K revision: December 2016]

[NOTE: In various settlements/SEC staff alerts, the SEC staff has stressed the importance of training appropriate personnel on the requirements of Rule 105 of Regulation M. Although not reflected in this template policy, it is recommended that the adviser implement appropriate training for applicable personnel.]

This template policy does not establish procedures for relying on one or more of the Rule 105 exceptions identified below and described in Attachment A. If the adviser regularly engages in short selling and in offerings covered by Rule 105 and intends to rely on one or more of the Rule 105 exceptions, the adviser should adopt additional procedures to address compliance with each condition of any applicable Rule 105 exception.]

POLICY AND PROCEDURES RELATING TO RULE 105 OF REGULATION M

Adopted [Insert Date]

[Revised as of _____]

I. Background

A. Rule 105 – In General.

Rule 105 of Regulation M makes it unlawful for a person to purchase securities in a firm commitment equity offering from an underwriter or broker-dealer participating in the offering if that person has also sold short the security that is the subject of the offering during the Rule 105 restricted period, absent an available exception. The Rule 105 restricted period is the shorter of the period:

- beginning five business days before the pricing of the offered securities and ending with such pricing; or
- beginning with the initial filing of the registration statement relating to such offering or notification on Form 1-A or Form 1-E and ending with such pricing.

For purposes of Rule 105, a “short sale” is defined as any sale of a security which the seller does not own or any sale which is consummated by the delivery of a security borrowed by, or for the account of, the seller. Rule 105 applies to registered secondary or follow-on offerings of equity securities for cash that are conducted on a firm commitment basis (each, a “Covered Offering”). Rule 105 is not applicable to offerings that are not registered under the Securities Act or to best efforts offerings.

B. Rule 105 – Exceptions.

Rule 105 provides three exceptions to the prohibition on purchasing securities in a Covered Offering if such securities have been sold short during the Rule 105 restricted period: (i) the “bona fide purchase” exception; (ii) the separate account exception; and (iii) the investment company exception. Each of these exceptions is described in Attachment A.

II. Policy and Procedures

A. Policy

It is the Adviser's policy to seek to comply with the requirements of Rule 105 of Regulation M.

B. Procedures

1. *Notice of Participation in a Covered Offering and Pre-Clearance.* Each Portfolio Manager must notify the [Head Trader][Trader] of the manager's intention to participate in a Covered Offering and obtain the prior written approval of the [Head Trader][Trader] and [the Compliance Officer] prior to purchasing securities in a Covered Offering. Prior to pre-clearing any purchase of securities in a Covered Offering, the [Head Trader][Trader] and [the Compliance Officer] must review all existing short positions and any pending short orders placed within the Rule 105 restricted period to determine whether the security that is the subject of the Covered Offering is restricted and, if so, whether the transaction qualifies for one of the Rule 105 exceptions. [[The Compliance Officer] will record the basis for pre-clearance of any transaction in a Covered Offering security.]

2. *Pre-Cleared Transaction.* When a transaction is pre-cleared, [the Compliance Officer] will add the security that is the subject of the pre-clearance to the Adviser's short restricted list. This will prevent short sales in that security for the Rule 105 restricted period in all accounts except those relying on the separate account exception or investment company exception of Rule 105.

III. Compliance Monitoring

Periodically, [the Compliance Officer] will check whether the Adviser purchased any securities in a Covered Offering that were not pre-cleared in accordance with these procedures.

RULE 105 EXCEPTIONS

Certain short sales may be excepted from the Rule 105 prohibition as follows:

1. **Bona Fide Purchase Exception** – This exception permits a person who has effected a short sale during the Rule 105 restricted period to purchase shares in a Covered Offering if the following requirements are met:
 - the purchase of the security that is subject to the Covered Offering must be at least equivalent in quantity to the restricted period short sale;
 - the purchase must be completed during regular trading hours;
 - the purchase must be reported pursuant to an “effective transaction reporting plan”¹ (e.g., the consolidated tape);
 - the purchase must be made after the last restricted period short sale and no later than the business day (i.e., trading day) prior to the day of pricing²; and
 - the latest restricted period short sale was not made within 30 minutes of the close of regular trading hours on the business day prior to the day of pricing.

A transaction that is technically compliant with this exception, but that is part of a plan to evade Rule 105, would not be treated as a bona fide purchase. The SEC has issued interpretive guidance concerning certain “sham” transactions that the SEC believes may be structured to give the appearance that pre-pricing short sales are being covered with shares purchased in the open market, as opposed to shares received in the offering.³ Transactions that would cause a violation include: (i) covering short sales effected in the pre-pricing restricted period with securities obtained via an arrangement with a third-party that acquires the securities in the Covered Offering; and (ii) covering short sales effected in the pre-pricing restricted period through a series of wash sales (i.e., by selling the shares subject to the Covered Offering purchased in the open market and contemporaneously purchasing an equivalent number of shares, that are then used to cover the short sales).

2. **Separate Accounts Exception** – This exception permits a person who has effected a short sale during the restricted period in one account to purchase the same security subject to a Covered Offering in another account, provided that the trading decisions with respect to such accounts are made separately and without coordination or cooperation among or between them. Such accounts are generally considered separate if:
 - the accounts have separate and distinct investment and trading strategies and objectives;

¹ An “effective transaction reporting plan” is any transaction reporting plan approved by the SEC pursuant to Sec. 242.601 and filed by a national securities exchange.

² Pricing occurring prior to the open of a trading day would be deemed to have occurred on the prior business day. If a pricing occurs during trading hours on a business day, the Adviser should observe a 24-hour cooling off period between the time of the last bona fide purchase and the pricing of the offering, and the five business day restricted period should be moved back one day to exclude the business day of pricing.

³ Securities Exchange Act Release No. 50103.

- personnel for each account do not coordinate trading among or between the accounts;
- information barriers separate the accounts and information about securities positions or investment decisions is not shared between accounts;
- each account maintains a separate profit and loss statement;
- there is no allocation of securities between or among accounts; and
- personnel with oversight or managerial responsibility over multiple accounts in a single entity or affiliated entities and account owners of multiple accounts (i) do not have authority to execute trades in individual securities in the accounts and do not execute trades in the accounts and (ii) do not have the authority to pre-approve trading decisions for the accounts and do not pre-approve trading decisions for the accounts.

3. Investment Company Exception – This exception permits investment companies registered under Section 8 of the Investment Company Act of 1940, as amended, or any series of such investment company, to purchase an equity security in a Covered Offering following a restricted period short sale by a separate series of such investment company or an affiliate of such investment company (or a series of such affiliated investment company). Generally, funds in the same investment company complex will be considered affiliates of each other.

[Last S&K revision: February 20232025]

**POLICY AND PROCEDURES RELATING TO SHORT SELLING
AND APPLICABLE “LOCATE” REQUIREMENTS**

Adopted *[Insert Date]*

[Revised as of]

I. Background

Short selling involves a sale of (i) a security that is consummated by the delivery of a security borrowed by, or for the account of, the seller or (ii) a security that the seller does not both own and have a net long position in. In order to deliver the security to the purchaser, the short seller will borrow the security, usually from a broker-dealer or an institutional investor. Typically, the short seller later closes out the position by purchasing equivalent securities on the open market and returning the security to the lender.

Although short selling serves useful market purposes, short selling may be used to drive down the price of a security or as a tool to accelerate a declining market in a security. In addition, short selling may be used to illegally manipulate stock prices. Consequently, there are a number of federal regulatory requirements aimed at preventing manipulative short selling.¹

Section 10(b) makes it unlawful for any person to use or employ, in connection with the purchase or sale of any security, any manipulative or deception device or contrivance in contravention of rules adopted by the SEC. Rule 10b-21 adopted under Section 10(b) makes it unlawful for any person to submit an order to sell a security if that person deceives a broker-dealer or a purchaser about the person’s intention or ability to deliver the security on or before the settlement date, and such person fails to deliver the security on or before the settlement date.

Regulation SHO² defines ownership of securities for short sale purposes²³ and requires broker-dealers effecting short sales of equity securities to ensure before selling them that the securities will be available for delivery at settlement. Rule 203(b)(1) of Regulation SHO prohibits a broker-dealer from accepting a short sale order in any equity security from another person, or effecting a short sale order for the broker-dealer’s own account, unless the broker-dealer has (i) borrowed the security or entered into an arrangement to borrow the security or (ii) “reasonable grounds” to believe that the security can be borrowed so that it can be delivered on the date delivery is due.³⁴ There are certain exceptions to these conditions. These exceptions and additional information relating to Rule 203(b)(1) are set forth in Attachment A.

¹ Note: There are many foreign jurisdictions that have unique rules and regulations relating to short sale transactions.

² **[NOTE: The SEC has adopted Rule 13f-2 under the Securities Exchange Act of 1934 (the “Exchange Act”), which relates to the new Form SHO filing requirement. Rule 13f-2 requires institutional investment managers that meet or exceed specific thresholds to file monthly reports using the Form SHO for specified gross short positions and related activity. The Form SHO initial filing requirement has been deferred until February 17, 2026.]**

²³ The Regulation SHO definition of ownership/short sales includes specific criteria that should be reviewed when determining when these policies apply.

³⁴ These requirements were designed, in part, to prohibit “naked short selling.” Naked short selling, which generally refers to selling equities short without having stock available for delivery and intentionally failing to deliver stock within the standard **two** day settlement cycle, is an illegal manipulative device. ~~[NOTE: Effective as of May 28, 2024, the standard settlement cycle will become one day.]~~

The requirements of Rule 10b-21 and Rule 203(b)(1) of Regulation SHO effectively prohibit investment adviser from engaging in manipulative short selling activities.

II. Policy and Procedures

A. Policy

It is the Adviser's policy to seek to comply with SEC rules applicable to it that are designed to prevent manipulative short selling.

B. Procedures

The applicable Portfolio Manager will, for each short sale order, provide via [trade ticket][the Adviser's order management system] information about the short sale, including the name of issuer, the CUSIP number, and the amount of the security sold short and the date of the order. Before seeking execution of the short sale order, the applicable Portfolio Manager or Trader, as the case may be, will seek an affirmative indication from the executing broker-dealer that it has a bona fide borrow on the securities to be shorted. **[NOTE: An Adviser may choose to include additional details regarding its borrow locate procedures based on whether the security to be shorted is easy to borrow or hard to borrow.]** [Alternatively, the Adviser may obtain a locate on its own (*i.e.*, away from the executing broker-dealer), in which case the Portfolio Manager or Trader involved should indicate (i) the entity (or source) lending the securities and (ii) to the extent appropriate, the person with whom the locate was arranged.]

[NOTE: The SEC settled an enforcement action against an investment adviser for providing inaccurate daily trade files to its prime brokers, causing those brokers to record inaccurate data concerning whether a sale of shares by the adviser was a long sale or a short sale. The adviser failed to inform the brokers that it characterized sales not on a net basis, but based on whether it was long or short with respect to securities held in accounts with those prime brokers. As a result, the adviser caused the prime brokers to make and keep inaccurate ledgers, and to furnish faulty blue sheets, thereby causing the prime brokers to violate Section 17(a) of the Exchange Act and the rules thereunder. See In the matter of OZ Management, LP, Securities Exchange Act of 1934 Release No. 75445 (July 14, 2015).]

III. Compliance Monitoring

Periodically, the [Compliance Officer] will check whether the short sale orders have been administered in accordance with this policy. =

Rule 203(b)(1) of Regulation SHO and Related Guidance

Rule 203(b)(1) of Regulation SHO prohibits a broker-dealer from accepting a short sale order in an equity security from another person, or effecting a short sale order for the broker-dealer's own account, unless the broker-dealer has:

- (i) borrowed the security, or entered into a bona fide arrangement to borrow the security; or
- (ii) "reasonable grounds" to believe that the security can be borrowed so that it can be delivered on the date delivery is due; and
- (iii) documented compliance with these requirements.

The foregoing requirements are generally referred to as the "locate" requirements. A "locate" must be obtained and documented by the broker-dealer before effecting every short sale, regardless of the fact that the short position may be bought back by the end of the day.

A broker-dealer may satisfy the "reasonable grounds" determination by relying on one of the following:

- An "Easy to Borrow" list provided by the client's clearing broker, provided the information that the clearing broker uses to generate the list is less than 24-hours old, and securities on the list are so readily available that fails to deliver are unlikely (absent adequately documented mitigating circumstances, repeated fails to deliver securities included on such list would indicate that the reasonable grounds requirement was not met). If a security is not on the "hard to borrow" list, it does not mean that such security is necessarily easy to borrow.
- Assurances from the client that the client can obtain securities from another identified source in time to settle the trade, provided the broker-dealer documents the identified source, and has not received prior assurances from such person that has resulted in fails to deliver. Thus, if a person is submitting a short sale order to an executing broker, it may inform the executing broker that the person has been provided a locate by its prime broker or another source.

For purposes of Rule 203(b)(1), a security convertible into an equity security is an equity security and is subject to the locate requirement.

Exceptions

There are several exceptions from the locate requirement of Rule 203(b)(1) as follows:

- A broker-dealer that has accepted a short sale order from another registered broker-dealer that is required to comply with Rule 203(b)(1), unless the accepting broker-dealer relying on this exception contractually undertook to perform the locate.
- Short sales of a security that a person is deemed to own, but will not be able to deliver by settlement date are excepted from Rule 203(b)(1); provided, however, that the broker-dealer has been reasonably informed that the person intends to deliver the security within at least 35 days after the trade date. If the security cannot be delivered within 35 days after the trade date, the person's broker-dealer will have to borrow shares to cover the open position or purchase securities to close out such position (this exception would cover sales of formerly-restricted securities, where, due to processing delays, the security is not expected to

be delivered by settlement date) **[NOTE: The SEC recently settled an administrative proceeding against a private fund sub-adviser, and its control person and trader, for causing the private fund to violate Rule 200(g) and Rule 203(b)(1) of Regulation SHO by placing “long” sale orders with brokers when the private fund was not “deemed to own” the stock being sold and did not have a net long position in the stock. See *In re Murchinson Ltd., Marc Bistricker, and Paul Zogala, Exchange Act Release No. 92684 (August 17, 2021).*]**

- Short sales by market makers in connection with bona fide market making activities are excepted from Rule 203(b)(1). Trading activities that do not constitute bona fide market making include (i) activity that is related to speculative selling strategies or investment purposes of the broker-dealer and is disproportionate to the broker-dealer’s usual market making patterns or practices in the security in question, (ii) activity whereby the market maker posts continually at or near the best offer but does not also post at or near the best bid and (iii) transactions whereby the market maker enters into an arrangement with another broker-dealer or customer to use the market maker’s exception to avoid compliance with the locate requirement.
- The transaction is in securities futures.

[Last S&K revision: December 2018]

BEST EXECUTION POLICY AND REVIEW PROCEDURES

Adopted ***[Insert Date]***

[Revised as of]

I. STATEMENT OF POLICY

The Adviser has a duty to obtain "best execution" of the securities transactions being effected for its clients' accounts. To fulfill this obligation, the Adviser generally must execute securities transactions in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances. The SEC has stated that 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. In seeking best execution, the Adviser should consider the full range of the broker's services, including the value of research provided and execution capability, commission rate, financial responsibility and responsiveness. The SEC has, however, indicated that an adviser need not solicit competitive bids on each transaction.

[The Adviser has established a best execution committee to [be responsible for] / [assist in] ensuring the effective implementation of the Adviser's best execution policy and procedures. The members of the best execution committee are [insert titles of committee members].] **[NOTE: The Adviser may, but is not required to, create a best execution committee. Depending on the size and complexity of the Adviser's business, the creation of the committee may be considered best practice. If created, an Adviser may wish to amend this policy to reflect the role of the committee and the Adviser must exercise care in documenting the activity of the committee.]**

II. PROCEDURES TO REVIEW BEST EXECUTION

Use of Qualified Brokers

The Adviser's clients generally authorize the Adviser to select brokers to effect transactions on their behalf. The Adviser has established general criteria to determine which brokers are qualified to provide brokerage services to its clients, and considers, among others, the following relevant factors:

- financial stability of the broker;
- the actual executed price of the security and the broker's commission rates;
- research (including economic forecasts, investment strategy advice, fundamental and technical advice on individual securities, valuation advice and market analysis), custodial and other services provided by such brokers and/or dealers that are expected to enhance the Adviser's general portfolio management capabilities;
- the size and type of the transaction;
- the difficulty of execution and the ability to handle difficult trades;
- the operational facilities of the brokers and/or dealers involved (including back office efficiency); and
- the ability to handle a block order for securities and distribution capabilities.

[Consider adding only if applicable: Spot Checks

The Adviser periodically spot checks execution prices against electronic pricing service data and runs times and sales reports to ensure that brokers are obtaining market prices.]

Best Execution Review

At least [quarterly/annually], [selected employees of the Adviser including the Adviser's Traders and Portfolio Managers]/[the Adviser's best execution committee] will meet to evaluate systematically the execution performance of its brokers. [The best execution committee will solicit and review input from the Adviser's Traders and Portfolio Managers when conducting best execution reviews]. **[NOTE: It is considered a best practice to review best execution at least quarterly.]**

The review of brokers will consist of various factors, including, as applicable, the factors set forth below, and any other factors that the reviewers think necessary for the Adviser to make a reasonable decision about its best execution determinations:

- average commission rate charged by each broker;
- the services provided by the broker other than execution (as described in the Adviser's policies and procedures related to soft dollars);
- the value of research provided by each broker;
- whether the execution and other services provided by the broker were satisfactory (taking into account such factors as the speed of execution, access to the broker's traders, availability of the types of securities traded by the Adviser, the certainty of execution, and the ability to handle large orders or orders requiring special handling);
- reason for using that broker (i.e., research, execution only, etc.);
- unusual trends (such as higher than usual commission rates or a large volume of business directed to an unknown broker); and
- potential conflicts of interest (such as directing brokerage to a broker who makes client referrals to the Adviser).

[The Adviser may also consider these factors in conducting best execution reviews: the broker's responsiveness to the Adviser; comparisons with competing broker-dealers to consider the quality and costs of their services; and the broker's financial responsibility.] **[NOTE: See SEC OCIE National Exam Program Risk Alert, Compliance Issues Related to Best Execution by Investment Advisers (Jul. 11, 2018).]**

[NOTE: In evaluating best execution, the Adviser may wish to measure execution prices against an objective criteria (e.g., daily or interval VWAP or arrival price) which may be available from the broker or trading platform or retain an independent third party to perform trade cost analysis.]

[The Compliance Officer] will document the Adviser's best execution reviews. **[NOTE: See the Best Execution Review Meeting Report in Appendix D of the Sample Compliance Forms.]**

[NOTE: These procedures assume that, to the extent the Adviser uses soft dollars, such use is within the "safe harbor" provided by Section 28(e) of the Securities Exchange Act of 1934, as amended. To the extent the Adviser is permitted to go outside Section 28(e) by an Advisory Contract or the offering materials of a private investment fund, the Adviser may take any other factor into account in determining whether the Adviser has received "best execution". In this

regard, the Adviser may consider services such as whether the broker provides office space for below-market rent, whether the broker provides the Adviser (or an affiliate) with the opportunity to participate in capital introduction events sponsored by the broker-dealer, whether the broker provides the Adviser with the opportunity to refer investors to investment funds or other products advised by the Adviser (or an affiliate), etc.]

III. CLIENT DISCLOSURES

The [Compliance Officer] will seek to ensure that the Adviser has disclosed its best execution practices in Form ADV[, private fund offering documents] and other relevant marketing material.

[Last S&K revision: December 2017]

**POLICY AND PROCEDURES RELATING TO
SOFT DOLLAR AND DIRECTED BROKERAGE ARRANGEMENTS**

Adopted *[Insert Date]*

[Revised as of]

I. STATEMENT OF POLICY

The Adviser may use client brokerage commissions, or “soft dollars,” to obtain research and brokerage services that provide lawful and appropriate assistance to the Adviser in carrying out its investment decision-making responsibilities, as permitted under the safe harbor of Section 28(e) of the Securities Exchange Act of 1934 (“Section 28(e)”) [as well as to pay certain client expenses or expenses of the Adviser.] **[NOTE: This should only be included if the Adviser intends to, or wishes to reserve the ability to, go outside of Section 28(e).]**

[NOTE: An Adviser may consider including this language if the Adviser only receives proprietary broker research and has no other soft dollar arrangements and does not have any “mixed use” of the research.] [Currently, the Adviser’s only soft dollar arrangement is to receive proprietary research from [certain of] its qualified execution brokers. This research is used exclusively by the Adviser in its investment decision-making process. The Adviser has determined that all such research is within the definition of “research” as defined in the Section 28(e) safe harbor. To the extent the Adviser enters into a commission sharing or similar arrangement, the procedures herein would apply to such arrangements.]

II. DEFINITIONS

Soft Dollars refers to the practice of using client commission dollars to compensate a broker-dealer for investment research, including proprietary broker research and third party research, and brokerage execution services [and other products and services] provided by the broker to a discretionary money manager.

Research refers to advice provided either directly, electronically, or in hard copy as to the value of securities, the advisability of investing in, purchasing or selling securities and the availability of securities or purchasers or sellers of securities. Research also includes research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services and other information that assists a Portfolio Manager in making investment decisions or evaluating the performance of accounts.

Brokerage refers to services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an Investment Manager and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade

matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

Directed Brokerage refers to instances in which a client retains the discretion to choose brokers and instructs the Adviser to direct portfolio transactions to a particular broker-dealer.

III. SOFT DOLLAR PROCEDURES

The Adviser's use of client commissions to obtain research and brokerage services creates a conflict of interest for the Adviser. The Adviser will not, for example, have to pay for the research and brokerage services itself. This creates an incentive for the Adviser to select a broker to effect client securities transactions based on the Adviser's interests in obtaining the research or brokerage services, rather than on the client's interest in paying the lowest available commission rate on the transaction.

The following procedures have been adopted by the Adviser to address this conflict and the Adviser's use of soft dollars to obtain research and brokerage services.

A. Approval Process

1. All requests for payment with soft dollars must be approved by [the Compliance Officer] [and the Portfolio Manager/Head Trader]. Written documentation (including an invoice) may suffice. A brief description of the purpose of the payment should be included. Any contracts or other written agreements related to such requests should be attached to the document and forwarded to [the Compliance Officer]. **[NOTE: See the Soft Dollar Request Form in Appendix D1 of the Sample Compliance Forms.]**

2. [The Compliance Officer] will determine whether the particular service qualifies as an eligible research or brokerage service under Section 28(e) and, accordingly, whether such service may be paid with soft dollars. [The Compliance Officer] will consult with the Head Trader regarding the capabilities of relevant brokers. [The Adviser may establish commission "goals" with each broker providing soft dollar services, but the contract will not include any firm commitments to such brokers regarding the actual amounts of commissions that will be generated.]

3. [The Compliance Officer] must review and approve any contracts and invoices related to a payment with soft dollars or soft dollar arrangement. [The Compliance Officer] will be responsible for ensuring that appropriate documentation is obtained and attached to the contract, as needed.

B. Criteria for Approval

The [Compliance Officer] [and Portfolio Manager/Head Trader] must consider a number of criteria in approving soft dollar allocations, including the broker-dealer's business reputation and financial position and its ability to consistently execute orders professionally and on a cost effective basis, provide prompt and accurate execution reports, prepare timely and accurate confirms, deliver securities or cash proceeds promptly and provide meaningful research services that are useful to the Adviser in investment decision-making or other desired and appropriate services.

As a fiduciary, the Adviser has an obligation to obtain "best execution" of clients' transactions under the circumstances of the particular transaction. Consequently, notwithstanding the safe harbor provided under Section 28(e), the [Compliance Officer] [and Portfolio Manager/Head Trader] will not approve an allocation for soft dollar payments unless best execution of the transaction is reasonably expected to be obtained.

[NOTE: In a no-action letter to the Securities Industry and Financial Markets Association (“SIFMA”), the SEC staff stated that it will not recommend enforcement action against an adviser seeking to operate in reliance on Section 28(e) if, in connection with a client commission arrangement, the adviser pays for research through the use of a research payment account (“RPA”) that conforms to the requirements of the European Union’s revised Markets in Financial Instruments Directive (“MiFID II”), provided, that all other conditions of Section 28(e) and certain other requirements of the no-action letter are met. To the extent the Adviser uses an RPA, it should adopt policies and procedures in accordance with the SIFMA SEC Staff No-Action Letter. See Securities Industry and Financial Markets Association, Asset Management Group, SEC Staff No-Action Letter (October 26, 2017).]

D. Section 28(e) Determinations

The Adviser’s [best execution/soft dollar committee][designated portfolio management and trading personnel] will meet at least [monthly/quarterly] to review the research and brokerage services obtained with client commissions and to determine that the amount of commissions paid for each service was reasonable in relation to the value of that service, viewed in terms of either the particular transaction or the Adviser’s overall responsibilities with respect to the accounts for which it exercises investment discretion.

IV. ALLOCATIONS FOR “MIXED USE” SERVICES

At times, a product may have a "mixed use", meaning that a portion of the product is used to provide bona fide research as part of the investment decision-making process and part of it may be used for a non-research purpose. [For example, pricing information may be used in the investment decision-making process and also by the Adviser for client reporting or marketing purposes.]

In these situations, the Adviser must make an allocation of the cost of such product or service based on its evaluation of the research and non-research uses of the product. The cost of the product must be paid using both hard and soft dollars, the hard dollars being paid by the Adviser for the non-investment decision-making use of the research and soft dollars for the investment decision-making use of the research.

1. For services that have a "mixed use", the Adviser will make a fair and reasonable determination as to how much of the cost may be paid with soft dollars.¹ The basis for such determination shall be documented and will include an explanation as to how the computation of such percentage was reached. The computation shall be attached to the request for soft dollars payment [and retained in the Adviser’s files] along with any records used to determine the “mixed use” percentages.

2. [The Compliance Officer]/[The Adviser’s best execution/soft dollars committee] will reevaluate such “mixed use” services and percentages during the periodic review of the Adviser’s compliance with Section 28(e) and upon any substantial change in their use.

3. Providers of services that have a "mixed use" will be directed to either bill the paying broker for such service and the broker will be directed to bill the Adviser for the non-research portion, or to send separate bills to the Adviser and the paying broker for the appropriate amounts.

[NOTE: The following is an example of a possible methodology that the Adviser may use. To the extent the Adviser does not adhere to the following method, such example should be removed.] [Example: The Head Trader will periodically survey the Adviser’s personnel using the product or service and obtain information as to their average time of use of the product or service for Section 28(e) eligible purposes and for other purposes. The Head Trader will then determine a mixed-use allocation percentage for the product based on the aggregate weighted average of the average time of use for 28(e) eligible purposes in relation to aggregate weighted average of the average time of use for all purposes.]

V. DIRECTED BROKERAGE

In certain instances, clients may seek to limit or restrict the Adviser's discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected. Clients may seek to limit the Adviser's authority in this area by directing that transactions (or some specified percentage of transactions) be executed through specified brokers in return for portfolio evaluation or other services deemed by the client to be of value. Any such client direction must be in writing, and should contain a representation from the client that the arrangement is permissible under its governing laws and documents.

The Adviser will make appropriate disclosure in writing to clients who direct trades to particular brokers, that with respect to their directed trades, they will be treated as if they have retained the investment discretion that the Adviser otherwise would have in selecting brokers to effect transactions and in negotiating commissions and that such direction may adversely affect the Adviser's ability to obtain best execution. In addition, the Adviser will inform the client in writing that its orders may not be aggregated with other orders and may be submitted after other orders have been filled and that the direction may otherwise hinder best execution.

If the client is subject to ERISA, the Adviser will request that the client represent that the products or services obtained for soft dollars will be used exclusively for the benefit of the plan's participants and their beneficiaries.

VI. SPECIAL CONSIDERATIONS FOR ERISA CLIENTS

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay, [and provided that the allocation is consistent with the Adviser being able to obtain best execution.] However, ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, the Adviser will request that plan sponsors who direct plan brokerage to provide a letter documenting that this arrangement will be for the exclusive benefit of the plan.

VII. BOOKS AND RECORDS

A. List of Soft Dollar Arrangements

[The Compliance Officer] will maintain a list of all soft dollar arrangements, which will include:

- the name and a brief description of the purpose of the payment;
- the user(s);
- whether the research or services is provided by the broker or a third party;
- the identity of the third party provider, as applicable;
- the amount of the soft dollar commitment;
- the soft dollar/hard dollar ratio and the basis for the Adviser's mixed use determination; and

- information regarding the terms of the contract, if any.

B. Quarterly Reports/Broker Statements

1. The [Trading System/Portfolio Manager/Head Trader] will generate periodic reports of commission use, which will be reviewed by [the Compliance Officer] [and the Portfolio Manager/Head Trader]. For each broker that has received commissions on advisory client trades, the report will show the total amount of commissions year-to-date (including soft dollar commissions), and, as applicable, the annual commission goal and percentage of the goal currently achieved.

2. The periodic reports generated by the Adviser will be compared to any soft dollar summaries provided by the brokers to verify whether there are any discrepancies between the services provided and those received.

[3. The Adviser's [best execution/soft dollar committee][designated portfolio management and trading personnel] [may][will] maintain appropriate documentation of [its/their][monthly/quarterly] Section 28(e) determinations, including the Adviser's review of mixed used services and allocations.]

VIII. ANNUAL REVIEW

1. [Each year, [the Compliance Officer] [and the Portfolio Manager/Head Trader]/[the Adviser's best execution/soft dollars committee] will establish an estimated soft dollar budget and will review the list of brokers with whom the Adviser is transacting business. [The Compliance Officer] will review the summary annually to assure that all products that are paid in soft dollars are included on the list.][NOTE: Remove if the Adviser only receives proprietary research from brokers or does not maintain a soft dollar budget.]

2. [The Compliance Officer] will review the commission totals directed to each broker for the previous year and [, with the advice of the Head Trader,] determine whether adjustments to such direction need to be made based on additional soft dollar arrangements. Alternate arrangements for payment of services to the broker may be made if necessary.

3. The summary will be revised as needed and will be distributed to the investment staff annually for review and updating.

4. [The Compliance Officer] will review the soft dollar disclosure set forth in Part 2 of Form ADV, investment advisory agreements and offering materials for clients that are private investment funds and update such disclosure as necessary, making sure that all use of soft dollars is disclosed with specificity.

[NOTE: These procedures assume that, to the extent the Adviser uses soft dollars, such use is within the "safe harbor" provided by Section 28(e) of the Securities Exchange Act of 1934, as amended. To the extent the Adviser is permitted to go outside Section 28(e) by an Advisory Contract or the offering materials of a private investment fund, the Adviser may take any other factor into account in determining whether the Adviser has received "best execution." In this regard, the Adviser may consider services such as whether a broker provides office space for below-market rent, whether the broker provides the Adviser (or an affiliate) with the opportunity to participate in capital introduction events sponsored by the broker-dealer or referring investors to investment funds or other products advised by the Adviser (or an affiliate), etc.]

[NOTE: These procedures below are optional if neither the adviser nor any affiliates will act as the broker to client transactions.]

PROCEDURES REGARDING AGENCY CROSS TRANSACTIONS

Adopted *[Insert Date]*

[Revised as of]

I. STATEMENT OF POLICY

The Adviser will effect “agency cross transactions” only after obtaining the consent of its clients as required by **Rule 206(3)-2** under the Advisers Act, in accordance with the following procedures.

II. PROCEDURES

An agency cross transaction is a transaction in which an investment adviser (or an affiliate) acts as the broker for both the seller and purchaser of a security (and either the seller or the purchaser is an advisory client). The Adviser or its affiliate may engage in agency cross transactions without obtaining the specific consent of the client to each transaction if:

1. the client has prospectively consented in writing to such trades, and the Adviser has disclosed, if applicable, that the Adviser will act as broker for, receive commissions from, and have a potentially conflicting division of loyalties and responsibilities regarding, both parties to such transactions;

2. the Adviser sends to each such client a written confirmation at or before the completion of the transaction. The confirmation must include:

- a statement of the nature of the transaction;
- the date the transaction took place;
- an offer to furnish upon request, the time when the transaction took place; and
- the source and amount of any other remuneration received or to be received by the Adviser; provided that if, in the case of a purchase, the Adviser was not participating in a distribution, or in the case of a sale, the Adviser was not participating in a tender offer, the confirmation may state whether any remuneration has been or will be received and that the source and amount of such other remuneration will be furnished upon written request of the client; and

3. the Adviser sends to each client [annually] a written disclosure statement identifying the total number of such transactions during the period of the statement and the total amount of all commissions or other remuneration received or to be received by the Adviser in connection with such transactions during the period.

[The Compliance Officer] is responsible for reviewing all such trades for compliance with applicable procedures. Each written disclosure statement and confirmation includes a conspicuous statement that the client’s consent may be revoked at any time by written notice to Adviser.

No agency cross transactions may be effected when the Adviser, or any person controlling, controlled by or under common control with the Adviser, recommended the transaction to both the seller and the purchaser.

[Last S&K revision: February 2022]

[NOTE: While there is no statutory or regulatory requirement to do so, the SEC has taken the view that the Adviser should be responsible for losses due to trading errors and the client account should benefit from any gains due to trading errors. The Adviser may want to take a different approach, which the SEC may not accept, where trading errors are borne by the client in the absence of gross negligence on the part of the portfolio manager or under certain other circumstances as articulated in the Adviser’s trading error policy. Please note that the procedures below must be consistent with the Adviser’s disclosure in its Form ADV, investment management agreements and fund offering documents.]

[NOTE: In light of the February 3, 2011 order by the SEC against Axa Rosenberg Group LLC, Axa Rosenberg Investment Management LLC and Barr Rosenberg Research Center LLC, quantitative advisers should consider adopting additional policies regarding systems or model errors in addition to a trading error policy. (Advisers Act Release No. 3149)]

TRADING ERROR PROCEDURES

Adopted *[Insert Date]*

[Revised as of]

I. STATEMENT OF POLICY

When an error is made on behalf of a client account, the Adviser will use its best efforts to break or otherwise correct the trade.

II. ERROR CORRECTION PROCEDURE

Trading errors (i.e., when an order is not executed according to the Portfolio Manager's instructions due to a mistake of fact, processing error or other similar reason) and **order errors** (i.e., when an order is not suitable and appropriate for the client because of investment restrictions or regulatory limitations, changed circumstances, inadvertent duplication or other similar reason) that are attributable to the Adviser shall be corrected in accordance with the following principles:

1. The Adviser will use its best efforts to assure that orders are entered correctly; however, to the extent that an error occurs, it is to be corrected as soon as practicable; and reported to [the Compliance Officer]. [In the event that a client account incurs a trade error as a result of the Adviser’s violation of the standard of care that is applicable to the client account, the Adviser will reimburse the client for losses attributable to such violation. Losses attributable to trade errors that do not result from the Adviser’s violation of the standard of care applicable to a client account will be borne by the client account.] **[NOTE: If an Adviser has adequately disclosed to investors in a private investment fund that trade errors will be governed by the standard of care set forth in the governing documents of the private investment funds managed by the Adviser (or in the advisory contract), that standard should be identified in the Adviser’s error policy (see sample bracketed language above). If an Adviser takes this approach, it must be disclosed in Part 2A of its Form ADV.]** The Adviser is not responsible for the errors of other persons, including third party brokers and custodians, unless otherwise expressly agreed to by the Adviser.

2. Trades that are simply misallocated to the wrong account (“trade misallocations”) and are discovered prior to settlement date shall be reallocated to the originally intended account at the price of the original trade.

3. If an error (other than a trade misallocation) is discovered on the trade date or thereafter, the trade shall be broken, if possible. If the executing broker cannot break the trade, the error should be reported to [the Compliance Officer], who will investigate the matter and determine an appropriate resolution, which may include allocating the trade (and its correcting trade) to the Adviser's error account maintained at the executing broker or to a client account.

4. After a complete investigation and evaluation of the circumstances surrounding an error, [the Compliance Officer] has discretion to resolve a particular error in a manner other than specified in these procedures. Any errors resulting from unique circumstances shall be resolved on a case-by-case basis. In either event, an explanatory memorandum will be prepared and maintained by [the Compliance Officer].

5. Broker-dealers may not be permitted to assume responsibility for trading error losses caused by the Adviser, nor may there be any reciprocal arrangements with respect to the trade in question or any other trade(s) to encourage the broker to assume responsibility for such losses. In cases where the error is attributable to the broker or other third party, adequate records of the trade and its correction must be maintained together with an indication in such records of the reason for such correction, e.g., "broker error."

[Last S&K Revision: April 2020]

[NOTE: This policy is intended for advisers that engage in, or may engage in, cross transactions. Please note that advisers that engage in, or may engage in, cross transactions with respect to clients that are registered investment companies fall outside the scope of this policy, as such transactions are governed by alternate procedures under the Investment Company Act of 1940, as amended. See, e.g., In the Matter of Palmer Square Capital Management LLC, Investment Advisers Act of 1940 Release No. 5586, Investment Company Act of 1940 Release No. 34017 (September 21, 2020).]

POLICY AND PROCEDURES REGARDING CROSS TRANSACTIONS

Adopted *[Insert Date]*

[Revised as of]

Statement of Policy

The Adviser may, from time to time, wish to effect the purchase or sale of a security between client accounts (a so-called “cross trade”). The Adviser may effect a cross trade between certain clients only when such trade is consistent with applicable law and this policy and the Adviser has determined that such trade is in the best interest of each client.

Procedures and Guidelines

1) A cross trade may generally be effected if:

- (a) neither the Adviser nor any of its controlling persons, individually or in the aggregate, owns more than 25% of any account for which a cross trade is contemplated (an “Account”);
- (b) neither Account is subject to ERISA, unless the proposed cross trade otherwise complies with an exemption under ERISA;¹ and
- (c) the proposed cross trade is consistent with the investment objectives and policies of each Account;
- (d) the transaction is effected at the security’s independent current market price, which is readily available or may be determined in accordance with the applicable policies and procedures; and
- (e) neither the Adviser nor any of its affiliates receives additional compensation for effecting the cross trade.

2. To the extent that the Adviser may, from time to time, effect cross trades, adequate disclosure of its practices will be made in the following documents: (i) the Firm Brochure, (ii) any offering documents (for investment vehicles), and (iii) any investment management agreements (for separately managed accounts).

¹ For Accounts that are subject to ERISA, the Adviser should determine whether the proposed cross trade would comply with an exemption under ERISA.

[[] has been designated by the Adviser to be responsible for reviewing and approving proposed cross trades.]

[The Compliance Officer] shall review this policy at least annually to determine whether it is still appropriate given the Adviser's then-current business and operations.

[Last S&K revision: July 2023]

[NOTE: The procedures set forth below are only an example, and will need to be tailored for each Adviser. In formulating its valuation procedures, the Adviser should consider the types of securities and financial instruments in client accounts, types of clients, potential pricing and information sources for various types of investments, the availability of market quotations for particular securities, fair value methodologies, potential conflicts and personnel that should be involved in the valuation process and the roles of internal and/or external parties. Please review all of the Adviser’s valuation methodologies and the other factors noted above and make conforming changes to the procedures below.]

[NOTE: The SEC adopted Rule 2a-5 under the Investment Company Act of 1940, as amended (the “1940 Act”), the compliance date for which was September 8, 2022. Rule 2a-5: (i) provides requirements for determining fair value in good faith with respect to a registered investment company (“registered fund”); (ii) permits a registered fund’s board of directors/trustees to designate a “valuation designee” to perform fair value determinations, subject to board oversight and certain other conditions; and (iii) defines when market quotations are “readily available” for purposes of the 1940 Act. If the Adviser provides advice to a registered fund and the registered fund’s board has designated the Adviser as a “valuation designee” pursuant to Rule 2a-5, the Adviser must adopt and implement valuation policies and procedures that are approved by the board. If the Adviser provides advice to a registered fund and other client accounts, the Adviser should consider whether revisions to its valuation policies and procedures would be appropriate. The procedures set forth below do not fully comply with Rule 2a-5.]

**STATEMENT OF PROCEDURES FOR
THE VALUATION OF PORTFOLIO SECURITIES
 (“VALUATION PROCEDURES”)**

Adopted *[Insert Date]*

[Revised as of]

It is important that the Adviser accurately value client securities. The Adviser’s fee is based on a percentage of the client’s account value and inaccurate security valuations could cause the Adviser to over- or undercharge the client. In addition, inaccurate security valuations could cause the Adviser’s performance presentations to be misleading.

[The Adviser has established a valuation committee to [be responsible for] / [assist in] ensuring the effective implementation of the Adviser’s valuation procedures. The members of the valuation committee are [insert titles of committee members].] **[NOTE: The Adviser may, but is not required to, create a valuation committee. Depending on the size and complexity of the Adviser’s business, the creation of the committee may be considered best practice. If created, an Adviser may wish to amend this policy to reflect the role of the committee and the Adviser must exercise care in documenting the activity of the committee.]**

I. USE OF AGREED UPON OR DISCLOSED VALUATION METHODOLOGIES

When determining security valuations for any particular account, the Adviser must follow any valuation methodologies that have been agreed to with the client. Any proposed special methodologies shall be reviewed for reasonableness by [the Compliance Officer] and the Portfolio Manager for the account and set forth in the advisory agreement with the client. Valuation methodologies for private funds should be set forth in the offering memorandum for the fund or its organizational documents. To the

extent security valuations are determined by the administrator of a private fund, the Adviser will review the accuracy of the administrator's valuations at least annually.

II. STANDARD VALUATION METHODOLOGIES

In the absence of a particular agreed-upon method for valuing securities, the Adviser will price securities in accordance with the following methodology:

[A. Publicly Traded Equities: the Adviser will generally value exchange traded securities at the last sales price as reported on the exchange where the issuer's securities are primarily traded. If no sales for those securities are reported on a particular day, the securities will be valued based upon their composite bid prices for securities held long, or their composite ask prices for securities sold short, as reported by the exchange. Securities traded primarily on NASDAQ will be valued at the NASDAQ Official Closing Price.]

[NOTE: An Adviser should include standard valuation methodologies with respect to any other applicable securities, such as fixed income securities, listed options on equities, futures contracts and over-the-counter and derivative contracts in the absence of an agreed upon methodology.]

III. SPECIAL VALUATIONS

In any case where a Portfolio Manager believes that (i) the agreed upon valuation methodology is not appropriate or (ii) market quotations for a security are unavailable, unreliable, or not reflective of the security's market value, [[the Compliance Officer] in consultation with the Portfolio Manager] / [the Adviser's valuation committee or such other party or parties as determined by the Adviser] shall determine the fair value of the security by taking into account such factors as deemed to be relevant, including all readily-available information concerning such security. **[NOTE: To avoid potential conflicts of interests, it is considered a best practice for fair value determinations to be made by a non-investment professional, such as the Chief Financial Officer, or by a Valuation Committee, taking into account input from the Portfolio Manager or analysts.]** Such factors may include:

- The cost of the security
- Analytical data regarding the security
- The value of derivative securities or related securities
- Values of baskets of securities traded on other markets
- Interest rates
- Observations from financial institutions
- Government actions or pronouncements
- News events
- Information with respect to any transactions or offers with respect to the security
- Price and extent of trading in similar securities or comparable companies

- Nature and expected duration of the event
- Pricing history of the security
- Relative size of the position in the portfolio
- Input from third party valuation agents
- Other relevant information

With respect to foreign securities, the following factors also may be relevant:

- The value of foreign securities traded on other markets
- ADR trading
- Closed-end fund trading
- Foreign currency exchange activity
- The trading of financial products that are tied to baskets of foreign securities, such as exchange traded index funds.

IV. DOCUMENTATION OF SPECIAL VALUATIONS

[The Compliance Officer] shall document the circumstances requiring a special valuation and the reasoning supporting the valuation assigned by the [Adviser]/[valuation committee].

EXPENSE ALLOCATION POLICY AND PROCEDURES

Adopted **[Insert Date]**

[Revised as of]

I. STATEMENT OF POLICY

The Adviser has a fiduciary duty to its clients, owing them an affirmative duty of utmost good faith and full and fair disclosure of all material facts. Accordingly, the Adviser has adopted this Expense Allocation Policy and accompanying procedures to seek to ensure that expenses are allocated in accordance with client arrangements and disclosures to clients.

[The Adviser has established an expense allocation committee to [be responsible for] / [assist in] ensuring the effective implementation of this Expense Allocation Policy. The members of the expense allocation committee are [insert titles of committee members].] **[NOTE: The Adviser may, but is not required to, create an expenses allocation committee. Depending on the size and complexity of the Adviser’s business, the creation of the committee may be considered best practice. If created, an Adviser may wish to amend this policy to reflect the role of the committee and the Adviser must exercise care in documenting the activity of the committee.]**

II. PROCEDURES

A. Allocating Expenses between Adviser and Clients

In a manner consistent with client arrangements (e.g., investment management agreements, limited partnership agreements) or other organizational documents, and/or disclosure documents, the [Adviser][the Adviser’s chief financial officer or other similar supervised person] will determine whether each expense will be borne by the client or the Adviser. The [Chief Financial Officer] will maintain a list of all expenses (the “General Expense List”), indicating whether each expense is generally borne by clients or the Adviser, the applicable allocation percentages and the rationale for the allocation of each expense.

The [Chief Financial Officer] will also maintain a list of client arrangements, if any, where the Adviser has agreed to pay for an expense that would otherwise be a client expense under the contract with the client. In addition, the [Chief Financial Officer] will maintain a list of expenses for products and services, if any, that are shared between the Adviser and one or more clients, and will allocate those expenses in a fair and reasonable manner.

B. Allocating Expenses among Clients

On a [monthly/quarterly/periodic] basis, the Adviser will allocate common client expenses from the General Expense List among multiple clients [*pro rata*] based on [gross] assets under management as of the beginning of the [month][quarter] in which the expenses are [incurred][paid]; provided, however, that the Adviser may deviate from *pro rata* allocations with respect to expenses that, in the Adviser’s view, disproportionately benefit a particular client or group of clients. When considering whether to allocate in different manner with respect to a particular expense, the Adviser may consider the following factors, among others: transaction-related expenses; frequency of trading; [List other relevant factors]. Where the Adviser determines that an expense disproportionately benefits a particular client, the Adviser may charge all or part of the expense to that client.

C. Monitoring Expense Allocations

The Adviser's [Compliance Officer] is responsible for reviewing the Expense Allocation Policy and will periodically review allocations of expenses between the Adviser and its clients and, separately, among clients.

D. Disclosure to Clients

The Adviser will include appropriate disclosure in its Form ADV and any other relevant disclosure documents concerning the allocation of expenses. [In addition, as applicable, each private fund's offering documents will include a general description of how the Adviser allocates expenses.] **[NOTE: See sample expense allocation language in Appendix E1 of the Sample Compliance Forms.]**

E. Recordkeeping

The Adviser will keep appropriate records reflecting its adherence to this Expense Allocation Policy.

**POLICY AND PROCEDURES
TO DETECT AND PREVENT INSIDER TRADING**

Adopted *[Insert Date]*

[Revised as of]

I. POLICY STATEMENT ON INSIDER TRADING

1. Policy Statement on Insider Trading

Persons associated with the Adviser (including but not limited to shareholders, partners, members, officers, directors, employees, consultants and independent contractors) are prohibited from trading, either personally or on behalf of others, including client accounts managed by the Adviser (“Client Accounts”), in any security or security-based derivative position on the basis of material, ~~nonpublic~~ information in violation of the law. In addition, persons associated with the Adviser are prohibited from communicating material, ~~nonpublic~~ information to any person (including Adviser personnel) in violation of the law. This prohibited conduct is frequently referred to as “insider trading.” The Adviser’s policy applies to the Adviser and persons associated with the Adviser, and extends to activities within and outside their duties at the Adviser. Every Supervised Person must read and retain this policy. Any questions regarding the Adviser’s policy should be referred to [the Compliance Officer].

The term “insider trading” is not defined in the federal securities laws, but generally is used to refer to ~~the use~~ **trading securities while in possession** of material, ~~nonpublic~~ information ~~to trade in securities~~ (whether or not one is an “insider”) or to communications of material, ~~nonpublic~~ information to others.

While the law concerning insider trading is not static, it is generally understood that the law prohibits:

- ~~a. (i) trading by an insider, while in possession of material, nonpublic information, or (ii) trading by a non-insider, while in possession of material, nonpublic information, where the information either was disclosed to the non-insider in violation of an insider’s duty to keep it confidential or was misappropriated and the non-insider knew that the insider disclosed confidential information in exchange for a personal benefit; and~~
- a. trading by an insider, while in possession of material nonpublic information;**
- b. trading while in possession of material nonpublic information that was misappropriated by another person;**
- c. trading while in possession of material nonpublic information received from an insider or other person in violation of their duty to keep it confidential, with knowledge that the insider or other person disclosed the information in exchange for a personal benefit; or**

bd. communicating material, — nonpublic information to others under certain circumstances.

The elements of insider trading and the penalties for such unlawful conduct are discussed below.

2. Who is an Insider?

The concept of “insider” is broad. It includes officers, directors and employees of a company (and any personnel of such company serving in similar functions). In addition, a person may be deemed an insider if he or she enters into a special confidential relationship in the conduct of a company’s affairs and as a result is given access to information solely for the company’s purposes. Insiders may include, among others, a company’s attorneys, accountants, consultants, bank lending officers, members of a creditors committee, and the employees of such organizations. In addition, the Adviser may become an insider of a company it advises or for which it performs other services.

3. What is Material Information?

Trading on nonpublic information is not a basis for liability unless the information is material. “Material information” generally is defined as information for which there is a substantial likelihood that a reasonable investor would consider it important in making his or her investment decisions, or information that is reasonably certain to have a substantial effect on the price of a company’s securities. Information that Supervised Persons should consider material includes, but is not limited to:

- earnings information;
- mergers, acquisitions, tender offers, joint ventures, or changes in assets;
- new products or discoveries, or developments regarding customers or suppliers (e.g., the acquisition or loss of a contract);
- changes in control or in the board of directors or executive management;
- change in auditors or auditor notification that the issuer may no longer rely on an auditor’s audit report;
- events regarding the issuer’s securities -- e.g., defaults on senior securities, calls of securities for redemption, repurchase plans, stock splits or changes in dividends, changes to the rights of security holders, public or private sales of additional securities;
- bankruptcies or receiverships; or
- information concerning a proposed private offering (private investment in public equity or “PIPE”).

Material information does not have to relate directly to a company's operations. For example, the Supreme Court¹ considered as material, certain information about the contents of a forthcoming newspaper column that was expected to affect the market price of a security. In that case, a *Wall Street Journal* reporter was found criminally liable for disclosing to others the dates that reports on various companies would appear in the Journal and whether those reports would be favorable or not.

Nonpublic information may be material as to an issuer that is not the source of the information or more than one issuer.²

Nonpublic information as to one or more assets in a diversified pool of assets, for example, a CLO or ETF, may be deemed material as to the pooled security.³

4. What is Nonpublic Information?

Information is nonpublic until it has been effectively disseminated to the market place. For example, information found in a report filed with the SEC, a court docket, or appearing in Bloomberg, Dow Jones, *The Wall Street Journal* or other publications of general circulation or posted by the issuer on an internet website would be considered public. Issuer communications made through social media channels (e.g., Facebook or Twitter) may be considered effectively disseminated provided that the issuer has given advance notice to investors that it may use such channels to disseminate information.

5. Establishing Insider Trading Liability.

There are two main theories with respect to establishing insider trading liability.

Fiduciary Duty Theory

Insider trading liability is established when trading while in possession of material, nonpublic information about an issuer of securities that was obtained in breach of a fiduciary duty or other relationship of trust and confidence. There are alternate theories under which non-insiders can acquire the fiduciary duties of insiders: they can enter into a confidential relationship with the company through which they gain information (e.g., attorneys, accountants), or they can acquire a fiduciary duty to the company's shareholders as "tippees" if they are aware or should have been aware that confidential information came from an insider who has violated his fiduciary duty to the company's shareholders and the non-insider knew that the insider disclosed confidential information in exchange for a personal benefit.²⁴

Misappropriation Theory

¹ Carpenter v. U.S., 18 U.S. 316 (1987).

² In SEC v. Panuwat, 702 F. Supp. 3d 883 (N.D. Cal. 2023), the SEC's first "shadow trading" case, the defendant was found liable for insider trading in the securities of his employer's main competitor, based on confidential information learned in the course of his employment, in breach of his employer's insider trading policy and other duties. The term shadow trading is now commonly used to refer to trading in the securities of Company B (or C) based on confidential information from Company A.

³ See In the Matter of Sound Point Capital Management, LP, Adv. Act Release No. 6666 (Aug. 26, 2024).

²⁴ In Salman v. U.S., No. 15-628 (2016), the United States Supreme Court held that a gift of material nonpublic information to a family member constitutes a personal benefit.

Insider trading liability is also established when trading occurs on material, nonpublic information that was stolen or misappropriated from any other person in breach of a duty owed to the source of the information. For example, the Supreme Court³⁵ found that an attorney misappropriated information from his law firm and its client when he traded on knowledge of an imminent tender offer while representing the company planning to make the offer. Rather than premising liability on a direct fiduciary relationship between the company insider and the attorney, the Court based misappropriation liability on the attorney's deception of those who entrusted him with access to confidential information. The misappropriation theory can be used to reach a variety of individuals not previously thought to be encompassed under the fiduciary duty theory.

6. Tender Offers.

The SEC has adopted a rule which expressly forbids trading while in possession of material, nonpublic information regarding a tender offer received from the tender offeror, the target company or anyone acting on behalf of either until the information is publicly disclosed by press release or otherwise. There is no requirement to prove that there has been a breach of fiduciary duty when establishing insider trading liability in the context of tender offers. As a result, Supervised Persons should exercise particular caution any time they become aware of nonpublic information relating to a tender offer.

7. Circumstances in Which You May Obtain Material, Nonpublic Information.

Material, nonpublic information may be obtained in a variety of situations. For example, a person might obtain material, nonpublic information through:

- meetings with company representatives (such as "one-on-one" or other discussions with company executives or directors);
- serving as a director or being a board observer of a company;
- participation in industry meetings;
- discussions with insider employees or industry consultants or experts (e.g., "expert networks");
- interaction with third-party service providers such as legal, banking, brokerage, administrative and printing firms;
- family or personal relationships with insiders or others in the financial services industry;
- participation on creditor committees;
- brokerage relationships providing invitations and access to "PIPE" transactions;
- investments in private securities (e.g., private debt) and secondary offerings of public issuers;

³⁵ U.S. v. O'Hagan, 117 S. Ct. 2199 (1997).

- the ownership of debt and equity securities of the same issuer;
- interaction with clients (including private fund investors) who are corporate insiders;
- interaction with employees of sell-side broker-dealers and independent research providers;
- interaction with other persons in the financial services industry; or
- interaction with public officials.

US public companies are subject to Regulation FD, which provides that when an issuer, or person acting on its behalf, discloses material, ~~nonpublic~~ information to certain persons (in general, securities market professionals and holders of the issuer's securities who may well trade on the basis of the information), it must make public disclosure of that information. Notwithstanding an issuer's responsibilities pursuant to Regulation FD, the Adviser and its personnel should make an independent evaluation of all information received from issuers and their insiders to determine whether the information is material, ~~nonpublic~~ information.

Notwithstanding the fact that sell-side broker-dealers are required to adopt and implement policies and procedures to safeguard material ~~non-public~~ **nonpublic** information generated by its research analysts, including yet-to-be-published views, analyses and reports, changes in estimates, and short-term trade recommendations during morning calls, trading day squawks, idea dinners, and non-deal road shows, the Adviser and its personnel should exercise caution in their interaction with employees of sell-side broker-dealers[, including making such persons aware that the Adviser and its personnel are public side investors who do not wish to receive material ~~non-public~~ **nonpublic** information,] in order to avoid receipt of such material nonpublic information.

The Stop Trading on Congressional Knowledge Act of 2012, also known as the "STOCK Act", makes explicit the fact that there is no exemption from the "insider trading" laws and regulations for Members of Congress, employees of Congress, Executive branch employees, Judicial officers and Judicial employees. **[126 Stat. 291]**

8. Penalties for Insider Trading.

Penalties for trading on or communicating material, ~~nonpublic~~ information are severe, both for individuals involved in such unlawful conduct and their employers. A person can be subject to some or all of the penalties below even if he or she does not personally benefit from the violation. Civil penalties include:

- civil injunctions;
- treble damages;
- disgorgement of profits;
- fines for the person who committed the violation of up to three times the profit ~~gain~~ **gained** or loss avoided, whether or not the person actually benefited;

- fines for the employer or other controlling person of up to the greater of \$1,000,000 or three times the amount of the profit gained (or loss avoided), if the employer either fails to maintain compliance procedures or fails to take appropriate steps to prevent the likely commission of acts constituting a violation; and
- prohibition (which may be permanent) from any business or venture which relates directly or indirectly to securities, including investment management.

Criminal penalties include:

- up to 20 years in prison and/or fines of up to \$5 million for each violation for individuals; and
- fines of up to \$25 million for corporate entities.

II. PROCEDURES TO IMPLEMENT THE ADVISER'S POLICY

Every Supervised Person must follow these procedures or risk serious sanctions, including dismissal, substantial personal liability and/or criminal penalties. If you have any questions about these procedures, you should consult [the Compliance Officer].

1. Risk Assessment

In order to develop, implement and maintain a comprehensive program to prevent insider trading, [the Compliance Officer] shall assess and evaluate the circumstances, including but not limited to the circumstances discussed in Section I.7 of this policy, that may increase the Adviser's and its Supervised Persons' exposure to potential insider trading liability (the "Risk Assessment"). **[NOTE: See the Risk Assessment Questionnaire and Matrix in Appendix A5 of the Sample Compliance Forms.]** Additional procedures should be designed and implemented, as appropriate, to address the risks identified through the Risk Assessment, and the effectiveness of this policy will be regularly tested or otherwise monitored, and revised as necessary.

2. Special Circumstances under which the Adviser's Supervised Persons May Come Into Possession of Material Nonpublic Information

A. [Use of Expert Networks and Industry Consultants]

The Adviser engages expert networks, matching services or other industry consultants[, including but not limited to those specializing in political intelligence,] who are compensated by the Adviser for providing research, analysis or other data ("Consultants"). Each Consultant relationship will be discussed with [the Compliance Officer], and [the Compliance Officer] will determine the extent to which any of the measures identified in **Attachment A** of this appendix should be taken. **[NOTE: To the extent the Adviser does not use expert networks, matching services or industry consultants, the Adviser should remove this paragraph II.2 and Attachment A.]**

B. [Meetings with [Public] Company Insiders]

[To the extent that a Supervised Person participates in a scheduled [one-on-one or small group] call or meeting with a [public] company insider, the Supervised Person will be required to enter certain details about the meeting, such as [the date, time and

location of the meeting, the name of the issuer, the identity of the participants from the Adviser and the issuer, and a general description of the topic discussed], into a calendar or other program that is accessible by [the Compliance Officer]. [[The Compliance Officer] will monitor these meetings and may, on a sample basis, [chaperone and] review information provided at these meetings as deemed appropriate.]]

[NOTE: These procedures for meetings with public company insiders are optional and should be considered if the Adviser's personnel regularly engage in meetings with public company insiders, including on a one-on-one or small group basis. In determining how often and the extent to which the relevant compliance personnel should review information about these meetings, the Adviser should take into account the frequency of such meetings and the level of risk involved.]

C. [Value-Added Investors]

[The Adviser may become aware that certain clients or private fund investors (sometimes referred to as "value-added investors") have access or potential access to sensitive confidential information, including by virtue of their current or former association with a [publicly-traded] company or participation in the financial services industry. If applicable, the [Compliance Officer] will maintain a list of value-added investors of which the Adviser has become aware and the [publicly-traded] companies associated with such investors. The [Compliance Officer] or a designee will monitor, on a sample basis, (i) client and personal account trading in companies associated with value-added investors and (ii) electronic communications with value-added investors.]

[NOTE: These procedures for Value-Added Investors are optional. However, examiners from the SEC's Division of Examinations have recommended advisers to adopt procedures to identify and monitor supervised persons' interactions with Value-Added Investors.]

D. [Insider Positions with Issuers]

[The Adviser's supervised persons may come into possession of material nonpublic information in connection with an insider position ("Insider Position") with an issuer, such as an officer, director or board observer position. A supervised person may not accept an Insider Position without the [Compliance Officer's] prior approval.⁴⁶ To the extent the Insider Position is approved, the issuer will be added to the Adviser's Restricted List (as further discussed in Section II.5 below).]

E. [Special Positions with Issuers]

[The Adviser's supervised persons may come into possession of material nonpublic information in connection with a special position ("Special Position") with an issuer, such as becoming a member of a creditor committee that engages in material negotiations with the issuer. A supervised person may not accept a Special Position without the [Compliance Officer's] prior approval.⁵⁷ To the extent the Special Position

⁴⁶ The supervised person may also be required to obtain pre-approval of the Insider Position under the Adviser's outside business activities policies and procedures.

⁵⁷ The supervised person may also be required to obtain pre-approval of the Special Position under the Adviser's outside business activities policies and procedures.

is approved, the [Compliance Officer] will determine, based on the [Compliance Officer's] independent assessment of the risk that the supervised person may come into possession of material nonpublic information on the issuer due to the Special Position, whether to add the issuer to the Adviser's Restricted List (as further discussed in Section II.5 below).]

F. [Access to Issuer Information in connection with Certain Investments or Arrangements]

[The Adviser may come into possession of material nonpublic information regarding an issuer in connection with certain investments in the issuer's securities, including but not limited to investments in private securities and secondary offerings of public issuers, and Client Accounts owning the debt and equity securities of the same issuer. Further, the Adviser may enter into arrangements, such as a confidentiality agreement with the issuer or its representatives, pursuant to which the Adviser may be provided with material nonpublic information on an issuer. [Supervised persons must [obtain the [Compliance Officer's] approval / notify the Compliance Officer] prior to entering into any such [investments or arrangements].] To the extent the [Compliance Officer], with the assistance of external legal counsel as necessary, determines that the Adviser will or may receive material nonpublic information pursuant to such investments or arrangements, the [Compliance Officer] will add the issuer to the Adviser's Restricted List (as further discussed in Section II.5 below).]

G. [Affiliate of the Adviser Possesses Material Nonpublic Information]

~~[An affiliate (“If an Affiliate”)]~~ of the Adviser possesses material nonpublic information, the [Compliance Officer] will add the issuer to the Adviser’s Restricted List (as further discussed in Section II.5 below. [NOTE: If the Adviser adopts policies and procedures establishing information barriers pursuant to Rule 10b5-1, insert the following: The Adviser and the Affiliate have adopted information barrier policies and procedures, including [restricting the Adviser’s electronic access to the Affiliate’s systems and physical access to the Affiliate office space], designed to ensure that the Adviser’s employees do not come into possession of the material nonpublic information possessed by the Affiliate.]]

3. [Use of Alternative Data Providers]

[The Adviser engages third-party non-traditional or alternative data providers (“Data Providers”) as part of its investment research process. [[NOTE: If the Adviser adopts the “Alternative Data Arrangements” policy in Attachment B of this Appendix G, insert the following:] [The Adviser’s use of Data Providers is subject to the “Alternative Data Arrangements” policy in Attachment B.] / [NOTE: Alternatively, if the Adviser does not adopt a separate policy with respect to alternative data arrangements, insert the following.] [Prior to the Adviser entering into a contract with a Data Provider, the [Compliance Officer], in consultation with other supervised persons of the Adviser as necessary, will conduct due diligence on the Data Provider that may include among other considerations a review of (i) the types of data collected by the Data Provider, (ii) the Data Provider’s process for reviewing and compiling data, (iii) the types of data to be provided by the Data Provider to the Adviser and a sample of such data, and (iv) the adequacy of the Data Provider’s policies and procedures regarding material nonpublic information. Thereafter, the [Compliance Officer] will conduct [annual / periodic] due diligence on the Data Provider.]]

4. Steps to Take if in Possession of Potential Material Nonpublic Information

If you believe that information in your possession is material and nonpublic, or if you have questions as to whether the information is material and nonpublic, you should take the following steps to the extent the [Compliance Officer] has not already been notified and the issuer has not been added to the Restricted List.

- Report the matter immediately to [the Compliance Officer], including the circumstances under which you came into possession of the information and the specific information you received.⁶⁸
- Do not purchase or sell the security (including derivatives, swaps or other types of financial instruments relating to the security) on behalf of yourself or others, including Client Accounts.
- Do not communicate the information inside or outside the Adviser (including to existing or prospective clients), other than to [the Compliance Officer].

After [the Compliance Officer] has reviewed the situation and the information received and consulted with external legal counsel as appropriate, you will be instructed as to

⁶⁸ There may be circumstances (such as when a supervised person serves as a member of an issuer’s board of directors and has agreed not to disclose any material nonpublic information to third parties including to the Compliance Officer) when the supervised person is restricted from disclosing to the Compliance Officer the specific material nonpublic information in the supervised person’s possession. In these circumstances, the Compliance Officer may add the issuer to the Restricted List without requiring the supervised person to disclose the specific material nonpublic information received.

any further prohibitions on trading the issuer's securities, including whether the issuer has been added to the Restricted List, and restrictions on communicating the information.

5. Restricted List

As discussed above, from time to time, the Adviser's supervised persons may, in the course of their investment management and other activities, come into possession of material nonpublic information. As a result of these and other circumstances, the [Compliance Officer] will maintain a "Restricted List" containing the names of issuers, including issuers with respect to which the Adviser's supervised persons have, or may be deemed to have, come into possession of material nonpublic information, whose securities are not eligible for purchase or sale by the Adviser or its supervised persons on behalf of personal accounts or Client Accounts [without the [Compliance Officer's] prior written approval].⁷⁹ **[NOTE: An Adviser may choose to maintain separate restricted lists based on different restrictions, such as material non-public nonpublic information or legal or regulatory position limits.]** [The [Compliance Officer] must reflect in writing the [Compliance Officer's] approval of a transaction in a security on the Restricted List for personal accounts and/or Client Accounts.]

[The Compliance Officer] is responsible for maintaining and updating the Restricted List and will advise the Trading Desk [and all personnel of the Adviser] [in writing] when any issuer is added to or deleted from the Restricted List. [The [Compliance Officer] will place a "hold" in the Adviser's portfolio management system on trading the securities of issuers on the Restricted List.] Prior to removing an issuer from the Restricted List, the [Compliance Officer] must make an independent determination ("MNPI Determination"), in consultation with other supervised persons of the Adviser as necessary, that the Adviser's supervised persons are not in possession of material nonpublic information on the issuer. The [Compliance Officer] will maintain appropriate documentation of the MNPI Determination.

[NOTE: The SEC settled an enforcement action against an adviser for failing to implement and enforce written policies and procedures designed to prevent the misuse of potentially material nonpublic information that it had obtained (i) as an insider, by virtue of its representation on the board of directors of a publicly-listed issuer in its investment portfolio, and (ii) pursuant to confidentiality provisions in a loan agreement between the adviser and the issuer. See In the Matter of Ares Management LLC, Release No. 5510 (May 26, 2020). The following optional procedures are designed to address certain of the issues raised in the Ares Management enforcement action.] [The [Compliance Officer's] MNPI Determination may include, among other aspects and considerations:

- identifying the supervised persons who potentially may have come into possession of material nonpublic information on the issuer;

⁷⁹ [There may be circumstances in which the [Compliance Officer] may approve trading by the Adviser or its supervised persons in the securities of an issuer on the Restricted List. [These circumstances may include, for example, an issuer that was added to the Restricted List for a reason other than material nonpublic information, such as other legal or contractual restrictions or reporting requirements; a transaction between the Adviser and a purchasercounterparty in which the purchasercounterparty agrees that the Adviser may be in possession of material nonpublic information not known to the purchasercounterparty; or a transaction directly between the Adviser and the issuer in which the issuer has provided material nonpublic information to the Adviser.]]

- to the extent necessary, requesting relevant supervised persons to provide the specific information related to the issuer that is in their possession, and other information necessary to determine whether the information that is in their possession is material and nonpublic;
- in addition to the [Compliance Officer's] assessment of whether the information in the supervised persons' possession is material nonpublic information, requesting relevant supervised persons to confirm whether or not they are in possession of material nonpublic information on the issuer; and
- to the extent one or more of the Adviser's supervised persons has established an Insider Position with the issuer, confirming with the issuer that it has opened a trading window to allow insiders, including specifically the Adviser's supervised persons, to trade in the securities of the issuer[, and obtaining the issuer's confirmation that such supervised persons are not in possession of material nonpublic information on the issuer].]

6. Restricting Access to Material, ~~–~~ Nonpublic Information

Information in your possession that has been identified as material and nonpublic may not be communicated to anyone, including persons within or outside the Adviser, except to the [Compliance Officer] or as otherwise permitted by the [Compliance Officer]. In addition, care should be taken so that such information is secure. The Adviser should take appropriate measures to prevent the flow of such material, ~~–~~ nonpublic information from personnel of the Adviser to others within the Adviser's organization to the extent possible. Such measures may include:

- Sealing files containing material, ~~–~~ nonpublic information;
- Physically isolating from other personnel of the Adviser the person or persons who have or who may be in receipt of material, ~~–~~ nonpublic information; and
- Restricting access to computer files containing material, ~~–~~ nonpublic information.

[For clarification, such steps may not be sufficient and trading in a particular company may need to be restricted.] If a confidentiality agreement has been executed with respect to material, ~~–~~ nonpublic information, then [the Compliance Officer] should ensure that the terms of such confidentiality agreement are followed.

7. Personal Securities Trading

The Adviser's Code of Ethics (See **Appendix H**) contains restrictions on the personal securities trading of persons subject to the Code. A personal securities transaction that would be permissible under the Code of Ethics is nevertheless still subject to this policy.

8. Education

[Supervised Persons will be required to attend [periodic][annual] mandatory training sessions in order to learn about insider trading and any developments in the regulatory environment.] / [Supervised Persons will be required to attend compliance training that includes training on this Policy.]

[If the Adviser engages Consultants, the training will address the specific policies and disclosures required of the Adviser and Supervised Persons set forth in Section II.2 above.]

9. Record Keeping

The Adviser shall maintain records relating to this policy, including:

- a written report detailing any matter reported to [the Compliance Officer] in accordance with this policy, and the resolution thereof;
- results of the Risk Assessment and any resulting modifications to this policy;
- [any agreement with a Consultant and certifications from the Consultant and its personnel required under Section II.2 above;]
- [documentation of the [Compliance Officer's] MNPI Determinations;
- attendance of and material related to any training sessions; and
- [the Restricted List and amendments thereto].

[Last S&K revision: February 20222025]

PROCEDURES REGARDING OVERSIGHT OF EXPERT NETWORK ARRANGEMENTS

The Adviser [may]/[will] enter into arrangements with expert networks, matching services, [research firms] ~~or other industry~~ (“Expert Networks”) to engage expert consultants, or independently source expert consultants [(including but not limited to those specializing in political intelligence)], ~~(collectively,~~ “Expert Consultants”) under which the Adviser obtains research, analysis or other data. [In an effort to prevent the receipt or misuse of material nonpublic information,] the Adviser [will consider implementing] / [has implemented] some or all of the suggested measures identified below. Any contact between Supervised Persons and an Expert Network or Expert Consultant must be conducted in compliance with these procedures. **[NOTE: The procedures below are intended to serve as suggestions. The Adviser should consider how such procedures might apply to each Expert Network or Expert Consultant relationship and whether they are administratively practicable.]**

Diligence

Prior to entering into a contract with an Expert ConsultantNetwork, the [Compliance Officer] will determine whether the Expert Consultant, ~~or the Expert Consultant’s expert network firm,~~ Network has policies and procedures in place to address ~~safeguard against~~ violations by the Expert Network or Expert Consultant(s) engaged through the Expert Network of applicable laws and regulations. Thereafter, the Adviser will [annually] [periodically] review the adequacy of such policies and procedures and its contracts with Expert ConsultantsNetworks.

Prior to a call or meeting between the Adviser’s personnel and a particular Expert Consultant, the [Compliance Officer] [will/may] require the prospective Expert Consultant to complete a due diligence questionnaire, which may include without limitation questions on the Expert Consultant’s disciplinary history, prior work experience (including any involvement with public companies and government entities), outside business activities (including membership on boards of directors and creditor’s committees), involvement in clinical trials or other regulatory approvals, and possession of material nonpublic information.

Restrictions

The Adviser [may]/[will] place restrictions on its ~~relationships with~~ engagement of Expert Networks or Expert Consultants. In particular, the Adviser [may]/[will]:

- restrict the Adviser’s employees from communicating or meeting with an Expert Consultant without the prior [written] approval of [the Compliance Officer]; and
- restrict the Adviser’s employees from communicating with an Expert Consultant who, within a certain timeframe (e.g., six months) has been an executive, officer or director of a company that is the subject of the Adviser’s research [or has been involved with or has knowledge of a nonpublic clinical trial or other regulatory approval] / [or has been an employee of a governmental entity, agency or authority or other government owned or majority controlled company].

Discussion Representations:

[At the beginning of each meeting or discussion][Initially and periodically thereafter], the Supervised Person [or, if present, the Compliance Officer] will communicate the following statements to the Expert Consultant [and the Expert Consultant will acknowledge such statements in writing]:

[“[Adviser] may consider the information that [Expert Consultant/you] provide when deciding whether to purchase or sell stock or other investments. [Adviser] does not want to receive material, ~~non-public~~ **nonpublic** information or information that is confidential and not permitted to be disclosed. As a result, prior to our discussion with [Expert Consultant/you] regarding [SPECIFIC INDUSTRY][SPECIFIC ISSUER][PARTICULAR TOPIC], you must make the following [written] certifications to us:”]

1. [Expert Consultant/You] will not provide any material ~~non-public~~**nonpublic** information to us.
2. [Expert Consultant’s/Your] service as a consultant to us and your participation in any meeting or discussion with us does not violate any confidentiality agreement or other obligation you have with your employer, **former employer**, or any other person or entity.
3. [Expert Consultant/You] will not communicate to us any information that you are obligated to keep confidential.”]

Contractual Representations

The Adviser may incorporate contractual representations into its contracts with Expert **Networks [and Expert Consultants]**, including but not limited to the following: **[Note: the following provisions are drafted for contracts with Expert Networks but may be adopted for use with independently sourced Expert Consultants]:**

1. [Expert ~~Consultant~~**Network**] represents, warrants and agrees (i) that ~~it is~~**Expert Consultants made available on its platform are** in compliance with the laws and regulations of each country, political subdivision, and regulatory, self-regulatory or membership organization that has jurisdiction over ~~Expert Consultant~~**them** or of which ~~it is~~**they are** a member (each a “Regulator”), (ii) that ~~it~~**[Expert Network]** has in place and enforces written policies and procedures designed to prevent violations by [Expert ~~Consultant~~**Consultants made available on its platform**] and its employees of any laws or regulations of each country, political subdivision, and regulatory, self-regulatory or membership organization that has jurisdiction over **such** Expert ~~Consultant~~**Consultants** or of which ~~it is~~**they are** a member, and (iii) that [Expert ~~Consultant’s~~**Network’s**] policies and procedures are in compliance with the requirements and guidelines of each Regulator.
2. [Expert ~~Consultant~~**Network**] represents, warrants and agrees that no information provided to [Adviser] (i) will be based on ~~[Expert Consultant’s] or~~ any [Expert Consultant’s] or [Expert Network] employee’s knowledge of any material ~~non-public~~**nonpublic** information or constitute material, ~~non-public~~ **nonpublic** information or (ii) will be part of an effort to manipulate any market or price, including through subsequent dissemination of the information.
3. [Expert ~~Consultant~~**Network**] represents and warrants that the execution, delivery and performance of and under this Agreement by ~~[Expert Consultant]~~**Consultants made available on its platform** or any [Expert ~~Consultant~~**Network**] employee will not violate any contractual right or other obligation to which **such Expert Consultants and/or any of** [Expert ~~Consultant~~**and any of its** ~~its~~**Network**] employees are subject.

Monitoring

All calls and meetings between the Adviser’s Supervised Persons and Expert Consultants must be entered into a centralized calendar to which the Compliance Officer has ready access. [The

Compliance Officer may from time to time chaperone such calls or meetings with Expert Consultants as the Compliance Officer deems necessary to ensure compliance with the Adviser's policy and procedures against insider trading, including the procedures set forth herein.]

[The Compliance Officer will periodically monitor relevant trading activity in the securities of public companies traded in close proximity to Expert Consultant calls or meetings.]

[S&K version: ~~January 2024~~February 2025]

[NOTE: This policy is optional. An adviser that will use alternative data providers should consider adopting this policy as a best practice. To the extent an adviser has adopted a policy regarding the selection and review of third party service providers, the procedures herein generally should be consistent with that policy. See the “Selection and Review of Third Party Service Providers” policy in Appendix Q.]

ALTERNATIVE DATA ARRANGEMENTS

The Adviser may enter into arrangements with alternative data providers (“Data Providers”) under which the Adviser obtains data, research, analysis or other forms of information that is not within traditional data sources, such as financial statements, SEC filings, management presentations, press releases, or any information used to augment traditional asset allocation models by providing additional insight into investment opportunities or risk management procedures. Examples of alternative data (“Data”) include but are not limited to geolocation (e.g., foot traffic), credit card transactions, email receipts, point-of-sale transactions, web site usage, mobile app or app store analytics, satellite images, social media posts, online browsing activity, shipping container receipts, product reviews, price trackers, shipping trackers, internet activity and quality data. The Adviser has implemented the following measures that are designed to address the risks associated with receiving Data from Data Providers. These risks include that the Data contains or is derived from information about a publicly-traded issuer which is non-public and material or that the Data contains personally identifiable information. [Additionally, the Adviser has taken into account the strategic risk associated with using Data, such as incorrect or irregular incorporation of Data, improper output models built around Data, and the evolving regulatory landscape surrounding Data.]

Policy

In providing advisory services to its clients, the Adviser seeks to comply with applicable law, including [Section 204A of the Advisers Act,] [Regulation S-P/Regulation P,] [the California Consumer Privacy Act] and [the General Data Protection Regulation.]

Procedures

Prior to obtaining Data from a Data Provider, the Adviser will (i) conduct diligence on the Data Provider and the types of Data made available to the Adviser; (ii) enter into a contract with the Data Provider for the Data; (iii) to extent necessary, implement restrictions on its receipt of Data; and (iv) [annually/periodically] review the Data received from the Data Provider and the terms of the contract.

A. Diligence

1. Initial Diligence of the Data Provider. Prior to the Adviser entering into a contract with a Data Provider, [appropriate supervised persons of the Adviser, in consultation with the [Compliance Officer],] will conduct due diligence on the Data Provider that may include, among other considerations, a review of:

- The Data collected by the Data Provider, including:
 - whether the Data is originated by the Data Provider or collected from third parties;
 - the types of Data collected by the Data Provider;

- the sources of the Data (e.g., whether the Data Provider engages in web scraping);
 - whether the Data may include personally identifiable information or nonpublic information; **[NOTE: This information will assist the Adviser in assessing whether using the Data would be consistent with privacy and insider trading laws.]**
 - the Data Provider's process for reviewing and compiling the Data;
 - the Data Provider's process for storing the Data; and
 - the Data Provider's legal rights to access, obtain and provide the Data.
- The Data to be provided by the Data Provider to the Adviser, including:
 - the types of Data to be provided by the Data Provider to the Adviser;
 - a sample of the Data to be provided,¹ including reviewing the level of accuracy and validity of such Data; and
 - the number and types of other persons (including investment advisers) that receive Data from the Data Provider. **[NOTE: This information will assist the Adviser in assessing whether and to what extent the Adviser will have exclusive access to the Data.]**
 - The adequacy of the Data Provider's policies and procedures, including those regarding material nonpublic information, personally identifiable information, and data security.

2. Periodic Diligence. After entering into a contract with a Data Provider, the [Compliance Officer] will conduct [annual/periodic] due diligence on the Data Provider.

3. Documentation. [Personnel engaged in the diligence of the Data Provider and its Data will document their review of the Data Provider and the information provided by the Data Provider.]

B. Agreement with the Data Provider

The Adviser will enter into a contract with each Data Provider. Depending on determinations made during its diligence, the Adviser may seek to incorporate contractual representations into its contract with a Data Provider such as:

- The Data Provider hereby represents, warrants and covenants that (i) the provision of services hereunder by the Data Provider and its employees and consultants to the Adviser does not and will not conflict with or violate any obligation or duty the Data Provider or its employees or consultants may have to any entity, company, institution (including but not limited to associations, trusts or government instrumentalities) or individual, whether such obligation or duty results from a current or prior affiliation as a stockholder, owner, officer, director, employee, consultant, by contract or otherwise; and (ii) the Data Provider and its employees and consultants shall not provide any material ~~non-public~~**nonpublic** information to the Adviser and all information that is provided shall (a) be based upon information available to the public from sources reasonably believed to be reliable, (b) not have been obtained

¹ The Adviser may wish to quarantine sample Data or request old or stale sample Data sets as part of the diligence process.

through any act of misappropriation or unlawful means by any person and (c) not violate any obligation of confidentiality or other duty owed to the source thereof.

- The Data Provider represents and warrants that (i) it is authorized to provide the services described herein, and has obtained any authorization or license required from any individuals and any third party whose information is used as a source for such services; and (ii) the Adviser's receipt and use of the services and/or other information as contemplated by this Agreement will not subject the Adviser to any liability under any privacy, data sharing, or data protection laws or regulations, and that the data provided by the Data Provider to the Adviser does not contain the personally identifiable information of any third party.
- If the Data Provider is not the original source of the underlying information provided to the Adviser pursuant to this Agreement (the "Information"), in whole or in part, the Data Provider represents and warrants that (i) it has the right to convey the Information to the Adviser, (ii) each underlying source of the Information has represented and warranted that he, she, or it had the right to convey such information to the Data Provider, and (iii) the underlying source of the Information is aware of his, her or its information being collected and used to compile the Information, and has given express permission for such Information to be provided and/or sold to financial services firms and/or investment firms that may use such information for the purpose of making investment decisions. The Data Provider represents and warrants that it has conducted appropriate due diligence on each source of the Information and will update its due diligence on each source [annually/periodically].

C. Restrictions

The Adviser may adopt restrictions with respect to a Data Provider, which may include requiring the [Compliance Officer's] prior written approval to communicate or meet with the Data Provider, or receive information from the Data Provider.

[D. Review of Policy]

[The Adviser will review its Data Provider policy [annually/periodically] to ensure that best practices are being followed.]

[Last S&K revision: December 2019]

[NOTE: Rule 204A-1 requires an adviser to adopt and implement a written Code of Ethics that applies certain reporting and pre-approval requirements to all of the Adviser’s “Access Persons” as defined by the rule. An Adviser, however, may choose to apply such requirements to all, or certain additional, “Supervised Persons” (as defined in Section 202(a)(25)) regardless of whether the Supervised Person meets the definition of an Access Person. The definition of “Covered Person” below must be tailored to accurately reflect the persons to whom such reporting and pre-approval requirements will apply.]

[NOTE: This model Code of Ethics contains provisions that would be considered best practices and go beyond what is required by Rule 204A-1. Such best practices are annotated below.]

CODE OF ETHICS

Adopted ***[Insert Date]***

[Revised as of]

I. INTRODUCTION

High ethical standards are essential for the success of the Adviser and to maintain the confidence of clients [and investors in investment funds managed by the Adviser] (“clients”). The Adviser’s long-term business interests are best served by adherence to the principle that the interests of clients come first. We have a fiduciary duty to clients to act solely for the benefit of our clients. All personnel of the Adviser, including directors, officers and employees of the Adviser, must put the interests of the Adviser’s clients before their own personal interests and must act honestly and fairly in all respects in dealings with clients. All personnel of the Adviser must also comply with all federal securities laws. In recognition of the Adviser’s fiduciary duty to its clients and the Adviser’s desire to maintain its high ethical standards, the Adviser has adopted this Code of Ethics (the “Code”) containing provisions designed to prevent improper personal trading, identify conflicts of interest and provide a means to resolve any actual or potential conflicts in favor of the Adviser’s clients.

Adherence to the Code and the related restrictions on personal investing is considered a basic condition of employment by the Adviser. If you have any doubt as to the propriety of any activity, you should consult with the Compliance Officer.

The Compliance Officer is responsible for the overall administration of the Code except with respect to the trading activity of the Personal Accounts (as defined below) related to the Compliance Officer, which will be administered by the [Portfolio Manager/Head Trader/Chief Financial Officer].

II. DEFINITIONS

1. Access Person means any of the Adviser’s Supervised Persons (i) who has access to nonpublic information regarding any clients’ purchase or sale of securities, or nonpublic information regarding portfolio holdings of any reportable fund or (ii) who is involved in making securities recommendations to clients (or who has access to such recommendations that are nonpublic).

[NOTE: If providing investment advice is the Adviser's primary business, all of the Adviser's directors, officers and partners are presumed to be Access Persons. Rule 204A-1(e)(1)]

[NOTE: The Adviser or Compliance Officer may determine that certain of the Adviser's individual consultants and temporary employees are Access Persons for purposes of the Code based on a consideration of factors including their level of access to information about client transactions or holdings, or the Adviser's securities recommendations. See the model Policies and Procedures Regarding Temporary Workers and Third Party Consultants in Appendix H1.]

2. Automatic Investment Plan means a program in which regular periodic purchases (or withdrawals) are made automatically in (or from) investment accounts in accordance with a predetermined schedule and allocation, including a dividend reinvestment plan.
3. Beneficial ownership includes ownership by any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares a direct or indirect financial interest other than the receipt of an advisory fee. **[NOTE: Beneficial ownership is interpreted in the same manner as it would be under Rule 16a-1(a)(2) under the Securities Exchange Act of 1934. See, e.g., Rule 204A-1(e)(3).]**
4. Covered Person means any [Supervised Person] / [Access Person] of the Adviser [and any other persons as may be designated by the Compliance Officer].
5. Personal Account means any account (except for a pooled investment vehicle managed by the Adviser that is deemed to be a client) that may hold a Reportable Security:
 - (i) In which a Covered Person has any beneficial ownership; or
 - (ii) That is maintained by or for:
 - A Covered Person's spouse (other than a legally separated or divorced spouse of the Covered Person for which the Covered Person provides no financial support), domestic partner (of the same or opposite gender) and minor children;
 - Any other immediate family members (e.g., siblings, parents and in-laws) who live in the Covered Person's household;
 - Any person (i) who is financially dependent on the Covered Person, including those persons residing with the Covered Person and those not residing with the Covered Person, such as financially dependent children away at college, or (ii) for whom the Covered Person provides discretionary advisory services; and
 - Any partnership, corporation or other entity in which the Covered Person has a 25% or greater beneficial interest, or in which the Covered Person exercises effective control. **[NOTE: The determination of whether a pooled investment vehicle managed by the Adviser is a Personal Account or a client will depend on the facts and circumstances of each case. The Adviser may wish to maintain a list of pooled**

investment vehicles managed by the Adviser that are deemed to be clients and the rationale for its determinations.]

[Personal Account includes the accounts of investment clubs and other similar forms of investment entities where a Covered Person votes or otherwise has a say in the investment decision.]

[Personal Account does not include qualified tuition programs established pursuant to Section 529 of the Internal Revenue Code of 1986 (“529 Plans”) provided that (1) the Adviser or a control affiliate does not manage, distribute, market or underwrite the 529 Plan or the investments and strategies underlying the 529 Plan that is a college savings plan and (2) the 529 Plans are either (a) prepaid college tuition plans where the account holder does not participate in investment decisions regarding contributions to the account or (b) college savings plans where the account holder does not have the ability to change investment strategies more than once a year or when the designated beneficiary of the 529 Plan is changed, and may not change the mix of investments underlying the account holder’s chosen investment strategy (see WilmerHale, LLP SEC Staff No-Action Letter (July 28, 2010).]

6. Restricted List shall have the meaning given to it in Section IV.3 of the Code.
7. Reportable Security means a security as defined in Section 202(a)(18) of the Advisers Act (15 U.S.C. 80b-2(a)(18)) and any derivative, commodities, options or forward contracts relating thereto, securities-based swaps, interests in limited partnerships and other private funds, shares of exchange-traded funds (“ETFs”) and exchange traded notes (“ETNs”) [(unless the ETFs and ETNs reference a broad-based index (e.g., S&P 500), a volatility index, currency or currencies, or a commodity or commodity index)], and shares of registered funds managed by the Adviser or registered funds whose adviser or principal underwriter controls the Adviser, is controlled by the Adviser, or is under common control with the Adviser (each a “Reportable Fund”), [and cryptocurrencies [that may be deemed to be securities].] **[NOTE: In light of the SEC staff’s statement that certain initial coin offerings of cryptocurrencies may involve the offer and sale of securities, an adviser may wish to include cryptocurrencies in the definition of Reportable Security. See SEC Office of Investor Education and Advocacy, Investor Bulletin: Initial Coin Offerings (July 15, 2017).]** except that Reportable Security does not include:
 - (i) Direct obligations of the Government of the United States;
 - (ii) Bankers' acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments, including repurchase agreements;
 - (iii) Shares issued by money market funds;
 - (iv) Shares issued by registered open-end funds other than Reportable Funds; and
 - (v) Shares issued by unit investment trusts that are invested exclusively in one or more registered open-end funds, none of which is a Reportable Fund.

[NOTE: Some Advisers may wish to exclude items (iv) and (v) from the list of exceptions, so that all holdings of and transactions in mutual funds are reportable.]

7. Short Sale means the sale of securities that the seller does not own.
8. Supervised Person means any partner, officer, director (or other person occupying a similar status or performing similar functions), or employee of the Adviser, or other person who provides investment advice on behalf of the Adviser and is subject to the supervision and control of the Adviser.

III. APPLICABILITY OF CODE OF ETHICS

Unless otherwise specified, this Code applies to all Covered Persons and Personal Accounts.

IV. RESTRICTIONS ON PERSONAL INVESTING ACTIVITIES

1. General. It is the responsibility of each Covered Person to ensure that a particular securities transaction being considered for a Personal Account is not subject to a restriction contained in this Code or otherwise prohibited by any applicable laws. Personal securities transactions for Covered Persons may be effected only in accordance with the provisions of this Section.
2. Preclearance of Transactions in Personal Account. A Covered Person **must obtain the prior written approval** of [the Compliance Officer] before engaging in any transaction in a Reportable Security in his or her Personal Account. [The Compliance Officer] may approve the transaction if [the Compliance Officer] concludes that the transaction would comply with the provisions of this Code and is not likely to have any adverse economic impact on clients.

[NOTE: The following paragraph is optional. An Adviser may choose to note, whether in a separate document or within the Code, certain Personal Account transactions that will not be approved.][For example, it should be noted that the [Compliance Officer] will not approve: [(i) a personal trade request for any security of an issuer on the Adviser's Restricted List (see Section IV.3. of the Code); or] [(ii) a personal trade request that may be deemed, in the [Compliance Officer's] discretion, to be based on confidential information regarding a past or pending client trade.] **OR** [(ii) a personal trade request for any security of an issuer [with a market capitalization below \$[] billion] that was traded by the Adviser for clients within the past [five (5)] trading days or is under consideration for client trading [within the next [five (5)] trading days]. [The [Compliance Officer] will review the [trade blotter/order management system] for past trading activity and consult the [Portfolio Manager] to determine whether a security is under consideration for client trading.]]

[NOTE: Rule 204A-1 requires preclearance by Access Persons for proposed transactions in "limited offerings" and "initial public offerings." General preclearance is not required. Preclearance is recommended as an effective internal control and is especially useful for detecting and preventing potential conflicts of interest involving securities that are eligible for purchase by clients at the same time. To the extent that an adviser determines to adopt a limited preclearance policy, it should consider adopting a regular post-trade monitoring procedure.]

[NOTE: See the Personal Trading Preclearance Form in Appendix H, Attachment A of the Sample Compliance Forms.]

Any approval given under this paragraph will remain in effect for [the same trading day as the date of approval / [] hours].

3. Prohibitions on Trading in Securities on the Restricted List. Trading of any security of an issuer appearing on the Restricted List (as defined in this Section IV.3) in a Personal Account is prohibited absent [the Compliance Officer's] prior approval. The "Restricted List" will consist of (i) issuers with respect to which the Adviser or a Supervised Person has come into possession of material nonpublic information and (ii) any other issuers as determined by the [Compliance Officer]. **[NOTE: This procedure is not required.]**
4. Short Sales. A Covered Person may not engage in any short sale in a Personal Account of a security on the Restricted List [or a security that is held long in a client account] [even if the short position is held "against the box"]. **[NOTE: This restriction is not required, however, it does operate to prevent a potential conflict of interest.]**
5. Initial Public Offerings. A Covered Person may not acquire any direct or indirect beneficial ownership in **any** securities in any initial public offering without prior written approval of [the Compliance Officer]. **[NOTE: Many advisers restrict employees from participating in IPOs so that the employees are not "competing" with clients for scarce securities. Rule 204A-1 requires Access Persons to obtain preclearance of proposed transactions in IPOs.]**
6. Private Placements and Investment Opportunities of Limited Availability. A Covered Person may not acquire any beneficial ownership in any securities in any private placement of securities (including private investment funds such as hedge funds, private equity funds or venture capital funds) (collectively, "Private Placement Interests") or investment opportunity of limited availability unless [the Compliance Officer] has given express prior written approval. [The [Compliance Officer], in determining whether approval should be given, will take into account, among other factors, whether the investment opportunity should be reserved for clients and whether the opportunity is being offered to the Covered Person by virtue of his or her position with the Adviser.] **[NOTE: Rule 204A-1 requires Access Persons to obtain preclearance of proposed transactions in Private Placements, however, this specific determination is not required.]** [In the case of a Covered Person's acquisition of Private Placement Interests in a private investment fund managed by the Adviser, the Adviser or its affiliate's agreement to accept an investment by the Covered Person into the fund shall constitute prior written approval.]

[NOTE: Rule 204-2(a)(13)(iii) requires the Adviser to keep a record of any decision, and the reasons supporting the decision, to approve the acquisition of IPOs and Limited Offerings after at least five years after the end of the fiscal year in which the approval is granted.]
7. [Short Term or Excessive Trading. No Covered Person may purchase and sell the securities of the same issuer within [30] days or engage in more than [20] personal securities transactions during any 30 day period.] **[NOTE: This provision is not required. This provision is designed to limit personal investing and the compliance burden caused by active traders. At the same time, Advisers should consider the administrative burden of monitoring compliance with a holding period and transaction limit.]**
8. Management of Non-Adviser Accounts. Covered Persons are prohibited from managing accounts for third parties who are not clients of the Adviser or serving as a trustee for third parties unless [the Compliance Officer] preclears the arrangement and finds that the arrangement would not harm any client. [The Compliance Officer]

may require the Covered Person to report transactions for such account and may impose such conditions or restrictions as are warranted under the circumstances.

V. EXCEPTIONS FROM PRECLEARANCE PROVISIONS

This section sets forth limited exceptions to the preclearance requirements. The following transactions are excepted from the preclearance requirements of Section IV.2:

1. Purchases or sales that are non-volitional on the part of the Covered Person such as purchases or acquisitions arising from stock dividends, dividend reinvestments, stock splits, mergers, consolidations, tender offers or exercise of rights;
2. Purchases or sales pursuant to an Automatic Investment Plan; and
3. Subject to compliance with Section VI.4 below, transactions effected in any account over which the Covered Person has no direct or indirect influence or control (e.g., blind trust, discretionary account or trust managed by a third party).

[Notwithstanding the above exceptions to the preclearance requirements, unless otherwise noted herein, the restrictions and reporting obligations of the Code continue to apply to any transaction excepted from preclearance pursuant to this Section.]

VI. REPORTING AND OTHER MATTERS

1. New Accounts. A Covered Person must notify [the Compliance Officer] promptly of any new Personal Accounts or existing Personal Accounts that have been moved to a different broker or custodian. [The Adviser requires [any new]/[all] Personal Accounts to be maintained at one of the Adviser's approved personal trading brokers. The [Compliance Officer] will maintain the Adviser's list of approved personal trading brokers.]
2. Initial and Annual Holdings Reports. A Covered Person must submit initial and annual holdings reports to [the Compliance Officer] as follows:

- *Contents of Holdings Reports.*

Initial and annual holdings reports must contain, at a minimum:

- a. the title and type of security, and, as applicable, the exchange ticker symbol or CUSIP number, number of shares and principal amount of each Reportable Security in which the Covered Person has any beneficial ownership;
- b. the name of any broker, dealer or bank with which the Covered Person maintains an account in which **any** securities are held for the Covered Person's benefit; and
- c. the date that the Covered Person submits the report.

- *Timing of Holdings Reports.*
 - a. Initial Holdings Report. A Covered Person must submit to [the Compliance Officer] an initial holdings report within 10 days of the date of becoming a Covered Person. The information contained in the initial holdings report must be current as of a date no more than 45 days prior to such employment commencement date.
 - b. Annual Holdings Report. A Covered Person must submit to [the Compliance Officer] an annual holdings report at least once each 12-month period after submitting the initial holdings report. The information contained in the annual holdings report must be current as of a date no more than 45 days prior to the date the report was submitted.

[NOTE: See the Initial Holdings Report and Annual Holdings Report in Appendix H, Attachment B of the Sample Compliance Forms.]

[NOTE: Rule 204A-1 requires the initial and annual reporting of reportable securities and Personal Accounts. Section VI.1 above is not specifically required by the Rule, but is designed to address disclosure lapses that have been the subject of SEC enforcement actions.]

3. Quarterly Transaction Reporting. A Covered Person must submit to [the Compliance Officer] quarterly transaction reports.

- *Content of Transaction Reports.*

Each transaction report must contain, at a minimum, the following information about each transaction involving a Reportable Security during the quarter in which the Covered Person had, or as a result of the transaction acquired, any beneficial ownership:

- a. the date of the transaction, the title, and, as applicable, the exchange ticker symbol or CUSIP number, interest rate and maturity date, number of shares and principal amount of each Reportable Security involved;
- b. the nature of the transaction (i.e., the purchase, sale or any other type of acquisition or disposition);
- c. the price of the security at which the transaction was effected;
- d. the name of the broker, dealer or bank with or through which the transaction was effected; and
- e. the date the Covered Person submits the report.

- *Timing of Transaction Reports.*

A Covered Person must submit a transaction report no later than 30 days after the end of each calendar quarter.

[NOTE: See the Personal Trading Quarterly Transaction Report in Appendix H, Attachment C of the Sample Compliance Forms.]

[NOTE: The Adviser may permit Covered Persons to direct their brokers to submit duplicate trade confirmations and account statements to [the Compliance Officer] on their behalf in lieu of providing quarterly transaction reports if the trade confirmations and/or account statements contain the required information outlined above. See Rules 204-2(a)(13) and 204A-1. If an Adviser selects this option and will not accept quarterly transactions reports, insert the following and remove the previous bullet point.]

- *Transaction and Account Statements from Broker-Dealers and Banks.*

A Covered Person who complies with the transaction reporting requirements of the Code by directing his or her intermediaries to provide the Adviser with copies of transaction and account statements must direct each broker and bank where such Covered Person maintains an account that he or she has direct or indirect influence or control to transmit to [the Compliance Officer] each and every trade confirmation and account statement no later than 30 days after the end of each calendar quarter. The Covered Person is required to execute a [quarterly/periodic] certification affirming that all transactions in Reportable Securities in which the Covered Person had any beneficial ownership during the period are reflected by such trade confirmations and account statements.]

[NOTE: Rule 204-2(a)(13) requires the Adviser to keep records of each holdings report and transaction report made by an Access Person.]

4. Exceptions to Reporting Requirements. A Covered Person need not submit any report otherwise required under the Code (e.g., quarterly transactions reports or initial and annual holdings reports) with respect to securities held in accounts over which the Covered Person has no direct or indirect influence or control (each, a “Non-Control Account”) or transaction reports with respect to transactions effected pursuant to an automatic investment plan.

[NOTE: While not required, the SEC staff has stated on examinations that the following procedures should be followed with respect to Non-Control Accounts.]

[Prior to relying on the reporting exception for a Non-Control Account, the Covered Person must obtain the approval of the [Compliance Officer] that the account qualifies as a Non-Control Account. In connection with seeking and maintaining such approval, the Covered Person may be required to submit additional supporting documentation to the Compliance Officer which, in the Compliance Officer’s discretion, may include:

(i) an executed certification that the Covered Person has no direct or indirect influence or control over the account (i.e., the Covered Person has not and may not (i) direct the purchase or sale of investments in the account; (ii) suggest purchases or sales of investments for the accounts to the manager of the account; or (iii) consult with the manager of the account as to the particular allocation of investments to be made in the account) at the time of the initial request for approval and [quarterly][semi-annually][annually] thereafter; **[NOTE: See the Non-Control Personal Accounts Certification Form in Appendix H, Attachment E of the Sample Compliance Forms.]**

(ii) information about the relationship between the trustee or manager of the account and the Covered Person (e.g., third party versus family member or other close, personal relationship) [; and]

(iii) to the extent reasonably practicable, a certification from the manager or trustee of the account that the Covered Person has no direct or indirect influence or control over the account[; and]

(iv) notwithstanding the exception otherwise available under this Section VI.4., any reports (e.g., annual or periodic holdings or transactions reports) or other requirements that may be imposed by the Adviser or Compliance Officer with respect to the account.

5. Violations of the Code. Supervised Persons must report any [suspected or actual] violations of the Code promptly to the Compliance Officer. The [Compliance Officer] will keep records of any violation of the Code and of any action taken as a result. **[NOTE: Rule 204A-1(a)(4) requires all “Supervised Persons” to report any violations of the Code promptly to the Compliance Officer. Rule 204-2(a)(12)(ii) requires the Adviser to keep records of any violation of the Code and of any action taken as a result.]**

VII. RECORDKEEPING

[The Compliance Officer] will keep in an easily accessible place for at least five (5) years copies of this Code, all trade confirmations, account statements, periodic statements and reports of Covered Persons, copies of all preclearance forms, [certifications and other information relating to Non-Control Accounts,] records of violations and actions taken as a result of violations, acknowledgments and other memoranda relating to the administration of this Code. **[NOTE: Rule 204-2(a)(12)(iii) requires the Adviser to keep a record of all written acknowledgements of their receipt of the Code and any amendments from each person who is currently or within the past five years was a supervised person of the Adviser.]**

[The Compliance Officer] will maintain a list of all [Covered Persons] / [Access Persons] of the Adviser currently and for the last five (5) years. **[NOTE: Rule 204-2(a)(13) requires the Adviser to keep a record of the names of persons who are currently, or within the past five years were, Access Persons of the Adviser. An Adviser may wish to maintain a record of all Covered Persons regardless of whether a Covered Person is an Access Person.]**

All trade confirmations, account statements and/or periodic statements of Covered Persons may be kept electronically in a computer database.

VIII. OVERSIGHT OF CODE OF ETHICS

1. Acknowledgment. [The Compliance Officer] will annually distribute a copy of the Code to all Supervised Persons. [The Compliance Officer] will also distribute promptly all amendments to the Code to all Supervised Persons. All Supervised Persons are required to acknowledge in writing their receipt of this Code annually and upon any amendments. **[NOTE: Rule 204A-1(a)(5) requires the Code to be provided to all “Supervised Persons”.]**
2. Review of Transactions. [The Compliance Officer] will review each Covered Person's Reportable Securities transactions in Personal Accounts against the Restricted List [and preclearance records]. [Any personal transactions that the [Compliance Officer] has determined to be a [material] violation of this Code will be reported promptly to the Adviser's senior management.]
3. Sanctions. Adviser's management, with advice of legal counsel, at their discretion, will consider reports made to them and upon determining that a violation of this Code

has occurred, may impose such sanctions or remedial action as they deem appropriate or to the extent required by law. These sanctions may include, among other things, disgorgement of profits, suspension or termination of employment and/or criminal or civil penalties.

4. Authority to Exempt Transactions. [The Compliance Officer] has the authority to exempt any Covered Person or any personal securities transaction of a Covered Person from any or all of the provisions of this Code if [the Compliance Officer] determines that such exemption would not contravene (i) any interests of a client or (ii) any of the provisions of Rule 204A-1 or other applicable law. **[NOTE: The authority to exempt personnel or transactions does not include the authority to waive any provision of the Code required by Rule 204A-1.]** [The Compliance Officer] will document any exceptions or exemptions granted to this Code[, describing the circumstances and reasons for the exemption].
5. ADV Disclosure. [The Compliance Officer] will seek to ensure that the Adviser's Form ADV (i) describes the Code in Item 11 of Part 2A and (ii) offers to provide a copy of the Code to any client or prospective client upon request.

IX. CONFIDENTIALITY

All reports of personal securities transactions and any other information filed pursuant to this Code will be treated as confidential to the extent permitted by law.

[NOTE: This policy is not required by the Advisers Act. However, in an SEC administrative proceeding, an investment adviser was sanctioned for failing to establish and maintain policies and procedures designed to prevent the misuse of material nonpublic information by third party consultants. The adviser lacked policies and procedures to identify outside consultants who, based on their functional roles and whether they had access to confidential information regarding the adviser’s clients, should be made subject to the adviser’s oversight and controls. The adviser was therefore unable to enforce its code of ethics or other procedures, as to outside consultants, which would have required such consultants to disclose conflicts of interests and pre-approve serving on a public company board of directors. (Federated Global Investment Corp., SEC File No. 3-17264 (May 27, 2016))]

**POLICY AND PROCEDURES REGARDING
TEMPORARY WORKERS AND THIRD PARTY CONSULTANTS**

Adopted *[Insert Date]*

[Revised as of]

I. Statement of Policy

The Adviser may, from time to time, engage third party consultants and other types of temporary workers[, including interns] to provide various services. These engagements vary in terms and structure. This policy applies to individual third party consultants (“Consultants”) and temporary workers and interns (collectively, “Temporary Workers”). To the extent that the Adviser engages a Consultant or Temporary Worker employed by a third party organization that employs multiple persons (e.g., consulting firms or temporary employment agencies), the [Compliance Officer] will determine whether and to what extent the following procedures will be applied to such Consultant or Temporary Worker.

II. Initial Due Diligence

- A. Prior to entering into an arrangement with a Consultant or Temporary Worker [for an employment term of more than six months], the [Compliance Officer] [in consultation with other appropriate employees of the Adviser] will conduct general due diligence on the Consultant or Temporary Worker, which may include the completion of a due diligence questionnaire. **[NOTE: See the Temporary Worker/Third Party Consultant Due Diligence Questionnaire in Appendix H1 of the Sample Compliance Forms.]**
- B. In conducting due diligence on a prospective Consultant or Temporary Worker, the [Compliance Officer] may [conduct a background and credit check and] review other publicly available information about the Consultant or Temporary Worker that is readily available if the [Compliance Officer] deems it necessary to ensure that the Consultant or Temporary Worker has provided all requested information and evaluate any potential conflicts of interest.

III. Procedures for Consultants

A. Retention of Consultants

- (i) All consulting arrangements must be approved by the [Compliance Officer] prior to initial communications or meetings with a Consultant (other than preliminary non-substantive communications).
- (ii) Depending on the circumstances of the consulting arrangement, the Adviser may determine that it is appropriate to enter into a written consulting agreement or other documentation with a Consultant prior to retaining or providing compensation to such Consultant. All written agreements with a Consultant must be approved by the [Compliance Officer].

B. Consultant Representations

To the extent practicable, the Adviser may seek to obtain the following representations from a Consultant:

- (i) an affirmative statement that the Consultant will not violate any third-party agreements or confidentiality obligations in the course of providing services to the Adviser;
- (ii) confirmation that the Consultant adheres to compliance policies and procedures reasonably designed to prevent the misuse and disclosure of material nonpublic information; and/or
- (iii) confirmation that the Consultant will take measures to protect all information provided by the Adviser or that the Consultant otherwise has about the Adviser and its clients.

IV. Applicability of Policies and Procedures

A. After completing the due diligence process, the [Compliance Officer] [in consultation with other appropriate employees of the Adviser] will determine whether a Consultant or Temporary Worker will be required to adhere to the Adviser's compliance manual, or select policies and procedures thereof, including, without limitation, its code of ethics. The [Compliance Officer's] determination will be based upon a consideration of factors that may include, without limitation:

- (i) whether the Consultant or Temporary Worker will have access to nonpublic information regarding the Adviser's purchase or sale of securities, or nonpublic information regarding the Adviser's client portfolio holdings;
- (ii) whether the Consultant or Temporary Worker will be involved in making securities recommendations to clients, or has access to such recommendations that are not public;
- (iii) whether the Consultant or Temporary Worker's will have access to the Adviser's systems and files;
- (iv) the length of the term of the Consultant or Temporary Worker's engagement with the Adviser;
- (v) the Consultant or Temporary Worker's job requirements during the engagement;

(vi) the extent to which the Consultant or Temporary Worker will be present at the Adviser's offices.

B. All Consultants and Temporary Workers will be required to execute a form of a confidentiality agreement (which may be provided for in a consulting or employment agreement).

[V. Training

Those Consultants and Temporary Workers who have been made subject to the Adviser's policies and procedures will be required to attend applicable compliance training sessions.]

[Last S&K revision: December 2019]

[NOTE: There is no requirement that either the Code of Ethics or the compliance manual contain a gifts and business entertainment policy. However, the SEC has focused on this issue and our experience is that the SEC examinations staff regularly requests that registered advisers provide information about gifts and entertainment practices during examinations. The Adviser may adopt either of the sample policies set forth below. Please note that the Adviser may want its policy to apply to both the giving and receiving of gifts and entertainment. If this is the case, the Adviser may want to treat the giving and receiving of gifts differently under its policy.]

GIFTS AND BUSINESS ENTERTAINMENT POLICY AND PROCEDURES

Adopted ***[Insert Date]***

[Revised as of]

- I. **[Model A] Gifts and Business Entertainment Policy.** A Supervised Person is prohibited from using his or her position at the Adviser to obtain an item of value from any person or company that does business with the Adviser. Supervised Persons are prohibited from accepting [(i) any gift in the form of cash or a cash equivalent or (ii)] any gifts greater than [\$100] in value per calendar year from any person or company that does business with the Adviser [or a private investment vehicle managed by the Adviser].

[NOTE: An Adviser that advises an account that is subject to ERISA, including a private investment vehicle that has substantial benefit plan investors and is subject to ERISA, may consider adding the following procedure.] [Additionally, a Supervised Person may not give any gifts greater than \$250 in value per calendar year to any person who is an ERISA plan fiduciary (such as, among others, trustees and individuals exercising discretion in the administration of the plan and members of a plan's administrative committee).]

Unsolicited business entertainment, including meals or tickets to cultural and sporting events are permitted if: a) they are not so frequent or of such high value as to raise a question of impropriety and b) the person providing the entertainment is present at the event.

- I. **[Model B] Gifts and Business Entertainment Policy.** In order to address conflicts of interest that may arise when a Supervised Person accepts [or gives] a gift, favor, special accommodation, or other items of value, the Adviser places restrictions on gifts and certain types of business entertainment. Set forth below is the Adviser's policy relating to gifts and business entertainment:

Gifts

- *General* - No Supervised Person may [give or] receive any gifts, service, or other items of more than *de minimis* value, which for the purpose of this Policy is [\$100] per calendar year, [to or] from any person or entity that does business with or potentially could conduct business with or on behalf of the Adviser [or a private investment vehicle managed by the Adviser].
- *Preclearance* - No Supervised Person may [give or offer][or keep] any gift of more than *de minimis* value to existing investors, prospective investors, or any entity that does business with or potentially could conduct business with or on behalf of the Adviser [or a

private investment vehicle managed by the Adviser] without the prior written approval of [the Compliance Officer].]

- *Solicited Gifts* - No Supervised Person may use his or her position with the Adviser to obtain anything of value from a client, supplier, person to whom the Supervised Person refers business, or any other entity with which the Adviser [or a private investment vehicle managed by the Adviser] does business.
- *Cash Gifts* - No Supervised Person may [give or] accept cash gifts or cash equivalents [to or] from an investor, prospective investor, or any entity that does business with or potentially could conduct business with or on behalf of the Adviser [or a private investment vehicle managed by the Adviser].

Business Entertainment

- *General* – Supervised Persons may [provide or] accept a business entertainment event, such as dinner or a sporting event, of reasonable value, if the person or entity providing the entertainment is present.
- [*Preclearance* - No Supervised Person may [provide or] accept entertainment that is, or may be viewed as, so extravagant, excessive, frequent or of such a high value as to raise a question of impropriety [to or] from an investor, prospective investor, or any person or entity that does or potentially could do business with or on behalf of the Adviser [or a private investment vehicle managed by the Adviser] without the prior written approval of [the Compliance Officer].]

II. Reporting

- *Gifts* - Each Supervised Person must [promptly] report any gifts in excess of *de minimis* value received in connection with the Supervised Person's employment to [the Compliance Officer]. [[The Compliance Officer] may require that any such gift be returned to the provider or that an expense be repaid by the Supervised Person.]
- *Business Entertainment* – Each Supervised Person must [promptly] report any event likely to be viewed as so frequent or of such high value as to raise a question of impropriety to the [Compliance Officer].
- [*Quarterly Transaction Reports* – Each Supervised Person must include any previously unreported or prospective gift in excess of the *de minimis* value or business entertainment event above a reasonable value on a quarterly gifts and entertainment transaction report.] **[NOTE: See the Gifts and Entertainment Transaction Report in Appendix H2 of the Sample Compliance Forms.]**
 - [NOTE: An Adviser may wish to require each Supervised Person to report gifts or business entertainment events contemporaneously with their receipt or occurrence.]
 - [NOTE: If the nature of the Adviser's business may require that it comply with the Labor-Management Reporting and Disclosure Act (LMRDA) which is summarized below, the Adviser should impose reporting obligations on Supervised Persons in order that the Adviser will be able to fulfill its reporting obligation under the LMRDA.]
- [*LM-10 Reporting* – The Labor-Management Reporting and Disclosure Act (LMRDA) requires that investment managers report gifts and entertainment expenses provided to union personnel, including personnel associated with union sponsored pension plans,

annually on Form LM-10 with the Department of Labor's Office of Labor-Management Standards.

- There is an annual *de minimis* exemption for \$250 or less provided that:
- Benefits provided to the same union official by different employees of the same investment manager are to be aggregated;
- Benefits provided to different union officials are not aggregated;
- When an investment manager pays for a union official to attend an educational conference, the costs of the official's meals, refreshments, travel, and lodging are counted towards reportable benefits, the costs of conference rooms and audio-visual equipment are not.
- Special Rules for Widely-Attended Gatherings:
 - If the cost of the gathering, excluding facility rental, security, and staff time, is \$20 or less per person, no Form LM-10 reporting is required;

If the cost of the gathering, as described above, is \$125 or less per person (but more than \$20), an investment manager may have the same union officials in attendance at two such gatherings during its fiscal year without any Form LM-10 reporting. If the same union official attends three or more such gatherings, the cost attributable to all such gatherings during the fiscal year must be reported.]

- III. **Monitoring.** The [Compliance Officer] will periodically monitor reimbursement requests for gifts and business entertainment [and electronic communications] of Supervised Persons to review compliance with this policy.
- IV. **Recordkeeping.** [The Compliance Officer] will maintain records of any gifts and/or business entertainment events so reported.

[Last S&K revision: February 2022]

**POLICY AND PROCEDURES RELATING TO POLITICAL CONTRIBUTIONS
AND PAYMENTS TO THIRD PARTY SOLICITORS**

Adopted *[Insert Date]*

[Revised as of]

I. Statement of Policy

To the extent the Adviser provides or seeks to provide investment advisory services to a *government entity*,¹ the Adviser will take the measures described herein to seek to ensure that *contributions* to an *official* of such *government entity* and *payments* to any third party who is engaged to *solicit* advisory business from such *government entity* are not made with the purpose of influencing the award of an advisory contract or the decision to invest in a *covered investment pool* managed by the Adviser. All italicized terms used in these procedures are defined in Section III, “Definitions”.

In this regard, the Adviser has adopted policies and procedures in order to comply with **Rule 206(4)-5** under the Advisers Act (the “Rule”).² The Rule, with certain exceptions, prohibits the Adviser from:

(i) receiving compensation for providing investment advisory services to a *government entity*, directly or indirectly, for two years after the Adviser or any of its *covered associates* makes a *contribution* to an *official* of such *government entity*;

(ii) coordinating, or soliciting any person or political action committee to make, (a) *contributions* to an *official* of a *government entity* to which the Adviser is providing or seeking to provide advisory services or (b) *payments* to a political party of a state or locality where the Adviser is providing or seeking to provide advisory services to a *government entity*; and

(iii) making or agreeing to make *payments* to third parties to *solicit* advisory business from a *government entity* on behalf of the Adviser unless such third parties are registered investment advisers or registered broker-dealers who are themselves subject to similar restrictions regarding *contributions* to *officials* of *government entities* as the Adviser.

The Rule applies only to the extent that the Adviser provides or seeks to provide investment advisory services to a *government entity*, either directly or through a *government entity*’s investment in a *covered investment pool* managed by the Adviser.

¹ The Adviser will be deemed to be seeking to provide investment advisory services to a government entity when it responds to a request for proposal, communicates with the government entity regarding the entity’s formal selection process for investment advisers or engages in some other solicitation of the government entity for the purpose of providing advisory services to such government entity, either directly or through a government entity’s investment in a covered investment pool managed by the Adviser.

² The Adviser may have additional responsibilities under the code of conduct of a government program or plan it manages and/or the laws of the state or city in which such program or plan is located. (See, for example, the Code of Conduct of the New York State and Local Employees’ Retirement System, the New York State and Local Police and Fire Retirement System and the New York State Common Retirement Fund at www.osc.state.ny.us/pension/codeofconduct.pdf.)

II. Procedures

These procedures seek to ensure that neither the Adviser nor any of its *covered associates* makes or has made a *contribution* in violation of the restrictions on political contributions that the Adviser has adopted herein. In addition, these procedures prohibit the Adviser from paying or entering into an agreement to pay a third party to *solicit* advisory business from a *government entity* on its behalf unless such third party has affirmed its status as a *regulated person*.

Any preclearance, approval or reporting requirements involving contributions, payments or other activity of the Compliance Officer pursuant to this political contributions policy and procedures shall be administered by the [Portfolio Manager/Chief Financial Officer].

A. Political Contributions

[NOTE: The Adviser may wish to apply the following procedures more expansively (for example, to all of the Adviser's employees or to immediate family members of covered associates), given the Rule's restrictions regarding acquisition of Covered Associate status and status of indirect contributions which, if made directly, would result in serious adverse consequences to the Adviser.]

- (i) (a) Preclearance of Political Contributions: The Adviser and each *covered associate* must obtain the prior written approval of [the Compliance Officer] before making a *contribution* to any person (including any election committee for the person) who is an incumbent, candidate or successful candidate for state or local office, including any such person who is running for federal office (a "Candidate"). [Any approval granted under this sub-section II.A.(i)(a) shall remain in effect for [30] days from the date of approval.] **[NOTE: See the Political Contribution Preclearance Form in Appendix H3, Attachment A of the Sample Compliance Forms.]**
- (b) Certain De Minimis Contributions: As a matter of policy, [the Compliance Officer] expects to approve a *contribution* by a *covered associate* per election of up to \$350 in the case of a *contribution* to an *official* for whom such *covered associate* is entitled to vote and up to \$150 in the case of a *contribution* to an *official* for whom such *covered associate* is not entitled to vote, provided that [the Compliance Officer] concludes that such *contribution* is not made with the purpose of influencing the award of an advisory contract or the decision to invest in a fund managed by the Adviser and is not likely to have the effect of influencing the award of an advisory contract or the decision to invest in a fund managed by the Adviser. Notwithstanding the foregoing, [the Compliance Officer] will not approve any *contribution* that would result in serious adverse consequences to the Adviser under the Rule.
- (ii) Preclearance of Coordination and Solicitation of Contributions and Payments: The Adviser and each *covered associate* must obtain the prior written approval of [the Compliance Officer] prior to coordinating or *soliciting* any person or political action committee to make (a) a *contribution* to a Candidate, or (b) a *payment* to a political party of a state or locality. In this regard, the Adviser and each *covered associate* must obtain the prior written approval of [the Compliance Officer] prior to consenting to the use of its name on any fundraising literature for a Candidate or sponsoring a meeting or conference which features a Candidate as an attendee or guest speaker and which involves fundraising for such person.
- (iii) Preclearance of Contributions to Political Action Committees and State and Local Political Parties: The Adviser and each *covered associate* must obtain the prior

written approval of [the Compliance Officer] prior to making any *contribution* to a political action committee or a state or local political party. [The Compliance Officer] will inquire as to how the *contribution* will be used in order to determine whether the political action committee or political party is closely associated with an *official* of a *government entity*. In the event [the Compliance Officer] determines that the political action committee or political party is closely associated with an *official* of a *government entity*, [the Compliance Officer] will make a determination as to whether to permit the Adviser or the *covered associate* to make a *contribution* to such political action committee or political party. As a matter of policy, [the Compliance Officer] expects to approve a *contribution* by a *covered associate* to a political action committee or a state or local political party if the *contribution* is not more than \$350 or \$150, as applicable.

- (iv) Special Disclosure Prior to Hire, Promotion or Transfer: Prior to the hiring, promotion or transfer of a person that would result in such person serving as a *covered associate* of the Adviser, such person will be required to disclose, as a condition of the hiring, promotion or transfer, all of the *contributions* and *payments* made by such person to Candidates, political action committees and state and local political parties within the preceding two years (if the person will solicit clients for the Adviser) or six months (if the person will not solicit clients for the Adviser). To the extent the Adviser is aware that the person has made a *contribution* or *payment* in violation of these procedures, the Adviser will make a determination as to whether to hire, promote or transfer such person to serve as a *covered associate*.
- (v) Exception for Certain Returned Contributions:³ The prohibition of the Rule (on receiving compensation for providing advisory services to a *government entity* for two years after the Adviser or a *covered associate* has made a *contribution* to an *official* of such *government entity*) will not apply in certain instances where the triggering *contribution* is returned. In the event [the Compliance Officer] discovers that a *covered associate* has made a *contribution* in violation of these procedures, [the Compliance Officer] will make a determination as to whether it will require the *covered associate* to seek to obtain a return of the *contribution*. In the event [the Compliance Officer] determines that it is necessary to require the *covered associate* to seek to obtain a return of the *contribution*, it will, within four months after the date of the *contribution* and 60 days after discovering the *contribution*, take all available steps to cause the contributing *covered associate* to seek to obtain a return of such *contribution* and will take such other remedial or preventive measures that it determines are appropriate under the circumstances. The Adviser's reliance on this exception for returned *contributions* is limited to no more than [two]/[three] times per a 12-month period and no more than once for each *covered associate*, regardless of the time period.

[NOTE: An Adviser that has reported in response to Item 5.A. on its most recently filed Form ADV, Part 1A that it has more than 50 employees may rely on this exception three times per a 12-month period.]

³ In addition to the limited exceptions for certain returned contributions provided for in Rule 206(4)-5(a)(3), the SEC has the authority to grant and in very limited circumstances has granted exemptions from the prohibitions set forth in Rule 206(4)-5(a)(1). See In the Matter of Davidson Kempner Capital Mgmt. LLC, Release No. IA-3715/603-00215 (Nov. 13, 2013); see also In the Matter of T. Rowe Price Assoc., Inc. and T. Rowe Price Intl. Ltd., Release No. IA-4058/803-00224 (Apr. 8, 2015); In the Matter of Crestview Advisors, L.L.C., Release No. IA-3997 (Jan. 14, 2015); In the Matter of Ares Real Estate Mgmt. Holdings, LLC, Release No. IA-3969/803-00221 (Nov. 18, 2014).

- (vi) Indirect Violations: Neither the Adviser nor any of its *covered associates* may do anything indirectly that would result in a violation of these procedures.
- (vii) Reporting of Political Contributions and Payments: In the event that the Adviser or a *covered associate* makes a direct or indirect *contribution* or *payment* to a Candidate, a political action committee or a political party of a state or political subdivision thereof, the [Compliance Officer]/[Chief Financial Officer] (on behalf of the Adviser) or such *covered associate*, as applicable, must submit a written report to [the Compliance Officer] as soon as possible, and in no event later than 30 days after the date such *contribution* or *payment* was made, disclosing the amount and date of such *contribution* or *payment* and the name and title of the recipient. **[NOTE: See the Political Contribution Report in Appendix H3, Attachment B of the Sample Compliance Forms.]**
- (viii) **[NOTE: The procedures in this paragraph are optional.]**Periodic Monitoring and Policy Violations: The [Compliance Officer] will seek to monitor the political contributions of its *covered associates* by searching publicly-available political donation databases [quarterly/periodically]. In the event that the Adviser becomes aware of a contribution by one of its *covered associates* in violation of Rule 206(4)-5 or this policy, the Adviser shall: (a) take appropriate disciplinary action against the *covered associate*, (b) take all available steps to cause the *covered associate* involved in making the contribution which resulted in the violation to obtain a return of the contribution, and (c) take other remedial or preventative measures as may be appropriate under the circumstances, including additional compliance training. The Adviser may also apply for exemptive relief from the SEC pursuant to Rule 206(4)-5(e).]
- (ix) Recordkeeping: [The Compliance Officer] will compile and keep a list of (a) the names, titles and business and residence addresses of all *covered associates* of the Adviser, (b) all *government entities* to which the Adviser provides or has provided investment advisory services, or which are or were investors in any *covered investment pool* to which the Adviser provides or has provided investment advisory services, as applicable, in the past five years, and (c) all direct or indirect *contributions* made by the Adviser or any of its *covered associates* to an *official* of a *government entity*, or direct or indirect *payments* to a political party of a state or political subdivision thereof, or a political action committee. The records described in (c) above will be listed in chronological order and will indicate (1) the name and title of each contributor, (2) the name and title (including any city/county/state or other political subdivision) of each recipient of a *contribution* or *payment*, (3) the amounts and date of each *contribution* or *payment*, and (4) whether any such *contribution* was the subject of the exception for certain returned *contributions*.

[NOTE: An Adviser that serves as investment adviser to a registered investment company in which a government entity may hold shares through an omnibus account may wish to add the following:]

[With respect to any *covered investment pool* client that is a registered investment company in which a government entity may invest through an omnibus account (each, a “registered covered investment pool”), the Adviser may make and keep, as an alternative to the records relating to a *covered investment pool* described in (viii)(b) above, a list or other record that includes:

- (a) Each *government entity* that invests in a registered covered investment pool, where the account of such *government entity* can reasonably be identified as being held in the name of or for the benefit of the

government entity on the records of the registered covered investment pool or its transfer agent;

- (b) Each *government entity*, the account of which was identified as that of a *government entity* – at or around the time of the initial investment – to the Adviser or one of its client servicing employees, *regulated persons* or *covered associates*;
- (c) Each government entity that sponsors or establishes a 529 Plan and has selected a specific registered covered investment pool as an option to be offered by such 529 Plan;
- (d) Each government entity that has been solicited to invest in a registered covered investment pool either (1) by a *covered associate* or *regulated person* of the Adviser; or (2) by an intermediary or affiliate of the registered covered investment pool if a *covered associate*, *regulated person* or client servicing employee of the Adviser participated in or was involved in such solicitation, regardless of whether such *government entity* invested in the registered covered investment pool; and
- (e) A list of each *government entity* to which the Adviser markets, whether successfully or not.]

[The Adviser may select one or more employees to be responsible for maintaining this alternative set of records.]

B. Payments to Third Parties to Solicit Advisory Business from Government Entities

- (i) Review and Approval of Third Party Solicitation Agreements: [The Compliance Officer] will review and approve each third party solicitation agreement or arrangement prior to the Adviser entering into such agreement or arrangement. __
- (ii) Required Disclosure by Regulated Persons: Prior to the Adviser providing or agreeing to provide *payment* to a third party to *solicit* advisory business from a *government entity* on its behalf, [the Compliance Officer] will require the third party to provide, as a condition to the Adviser engaging such third party, a written representation regarding its status as a *regulated person*. In addition, [the Compliance Officer] will take any additional measures it deems necessary to verify such third party's status as a *regulated person*.
- (iii) Ongoing Review of Regulated Person Status: In the event the Adviser provides or agrees to provide payment to a third party to *solicit* advisory business from a *government entity*, the Adviser will require such third party to provide the Adviser with satisfactory representations that the third party meets and will continue to meet the definition of a *regulated person* as of such date or will obtain such other evidence as the Adviser deems satisfactory to verify such third party's status as a *regulated person* as of such date.
- (iv) Recordkeeping: The Adviser will keep a list of the name and business address of each *regulated person* to whom the Adviser provides or agrees to provide, on or after a date to be specified by the SEC, directly or indirectly, *payment* to *solicit* a *government entity* for investment advisory services on its behalf.

C. Sub-Advisory Arrangements

- (i) Serving as Subadviser: In the event the Adviser enters into an agreement or other arrangement with a third party whereby the Adviser will serve as a subadviser to an account or a *covered investment pool* managed by such third party, [the Compliance Officer] will obtain all necessary information from the third party in order to determine whether a *government entity* invests in such account or *covered investment pool*. In the event a *government entity* does invest in such account or *covered investment pool*, [the Compliance Officer] will take appropriate measures with respect to such *government entity* in order to ensure compliance with these procedures. In addition, [the Compliance Officer] will use reasonable efforts to require the third party to obtain the prior written approval of the Adviser prior to admitting a *government entity* as an investor in a *covered investment pool* to which the Adviser is providing subadvisory services.
- (ii) Hiring of Subadviser: In the event the Adviser hires a third party to serve as a subadviser to an account or a *covered investment pool* in which a *government entity* invests, [the Compliance Officer] will require such third party to disclose whether it or any of its *covered associates* has made a *contribution* or *payment* that would result in a serious adverse consequence to such third party under the Rule. In addition, [the Compliance Officer] will require the third party to verify on an ongoing basis that neither the third party nor any of its covered associates has made a *contribution* or *payment* that would result in a serious adverse consequence to such third party under the Rule.

III. Definitions

“*Contributions*” means gifts, subscriptions, loans, advances, deposits of money, or anything of value made for: (i) the purpose of influencing any election for federal, state or local office; (ii) payments of debt incurred in connection with any such election; or (iii) transition or inaugural expenses of the successful candidate for state or local office.

“*Covered associates*” means (i) the Adviser’s general partners, managing members, executive officers and other individuals with a similar status or function; (ii) the Adviser’s employees who solicit a government entity for the Adviser and persons who supervise, directly or indirectly, such employees; and (iii) any political action committee controlled by the Adviser or by any person described in (i) or (ii) above. An “executive officer” of the Adviser means the president, any vice president in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer of the Adviser who performs a policy-making function or any other person who performs similar policy-making functions for the Adviser.

“*Covered Investment Pool*” means (i) an investment company registered under the Investment Company Act of 1940 that is an investment option of a plan or program of a government entity or (ii) any company that would be an investment company under Section 3(a) of the Investment Company Act of 1940, but for the exclusion provided from that definition by either Section 3(c)(1), Section 3(c)(7) or Section 3(c)(11) of that Act.

“*Government entity*” means any state or political subdivision of a state, including (i) any agency, authority or instrumentality of the state or political subdivision; (ii) a pool of assets sponsored or established by the state or political subdivision or any agency, authority or instrumentality thereof, including, but not limited to, a “defined benefit plan” as defined in Section 414(j) of the Internal Revenue Code, or a state general fund; (iii) a plan or program of a government entity; and (iv) officers, agents or employees of the state or political subdivision or any agency, authority or instrumentality thereof, acting in their official capacity.

“Official” means any person (including any election committee for the person) who was, at the time of the contribution, an incumbent, candidate or successful candidate for elective office of a government entity if the office (i) is directly or indirectly responsible for, or can influence the outcome of, the hiring of the Adviser by the government entity or (ii) has the authority to appoint any person who is directly or indirectly responsible for, or can influence the outcome of, the hiring of the Adviser by the government entity.

“Payments” means gifts, subscriptions, loans, advances or deposits of money or anything of value.

“Regulated person” means

(i) an investment adviser registered with the SEC that has not, and whose covered associates have not, within two years of soliciting a government entity, (A) made a contribution to an official of that government entity other than as permitted by Rule 206(4)-5(b)(1), and (B) coordinated or solicited any person or political action committee to make any contribution to an official of a government entity to which the Adviser is providing or seeking to provide investment advisory services or payment to a political party of a state or locality where the Adviser is providing or seeking to provide investment advisory services;

(ii) a “broker”, as defined in Section 3(a)(4) of the Securities Exchange Act of 1934 (the “Exchange Act”), or a “dealer”, as defined in Section 3(a)(5) of that Act, that is registered with the SEC and is a member of a national securities association registered under Section 15A of that Act (e.g., FINRA), provided that (A) the rules of the association prohibit members from engaging in distribution or solicitation activities if certain political contributions have been made and (B) the SEC, by order, finds that such rules impose substantially equivalent or more stringent restrictions on broker-dealers than the restrictions imposed by Rule 206(4)-5 of the Advisers Act and that such rules are consistent with the objectives of such Rule; or

(iii) a “municipal advisor” registered with the SEC under Section 15B of the Exchange Act and subject to the rules of the Municipal Securities Rulemaking Board, provided that (A) such rules prohibit municipal advisors from engaging in distribution or solicitation activities if certain political contributions have been made and (B) the SEC, by order, finds that such rules impose substantially equivalent or more stringent restrictions on municipal advisors than the restrictions imposed by Rule 206(4)-5 of the Advisers Act and that such rules are consistent with the objectives of such Rule.

“Solicit” means (i) with respect to investment advisory services, to communicate, directly or indirectly, for the purpose of obtaining or retaining a client for, or referring a client to, the Adviser, and (ii) with respect to a contribution or payment, to communicate, directly or indirectly, for the purpose of obtaining or arranging a contribution or payment.

WHISTLEBLOWER POLICY AND PROCEDURESAdopted *[Insert Date]*

[Revised as of]

Statement of Policy

The Adviser strives to maintain an environment that encourages compliance with securities laws and internal reporting of any possible violation thereof. [The Adviser will not under any circumstances prohibit an employee from reporting a possible securities law violation in connection with the Adviser's business or operations (referred to herein as "Misconduct").] **[NOTE: The SEC charged seven public companies for using employment, separation, and other agreements that violated rules prohibiting actions to impede whistleblowers from reporting potential misconduct to the SEC. An Adviser should review and determine that its agreements do not contain provisions that may have a similar effect. See SEC Press Release (Sept. 9, 2024) "SEC Charges Seven Public Companies with Violations of Whistleblower Protection Rule" available at <https://www.sec.gov/newsroom/press-releases/2024-118>. The SEC announced penalties against two companies that used severance agreements that required outgoing employees to waive their rights to monetary recovery should they file a charge or complaint with the SEC or other federal agencies. An Adviser should ensure review and determine that its severance agreements do not contain provisions that may have a similar effect. See e.g., In the Matter of BlueLinx Holdings Inc., Release No. IA-78528 (Aug. 10, 2016) and In the Matter of Health Net, Inc., Release No. IA-78590 (Aug. 16, 2016). Additionally, the SEC's Division of Examinations issued a risk alert on October 24, 2016, regarding its examination of compliance with whistleblower rules under the Dodd-Frank Act, and in particular, confidentiality agreements, employment agreements, severance agreements, compliance manuals and codes of ethics that impede employees and former employees from communicating with the SEC concerning possible securities law violations.]** Each employee is encouraged to immediately report any possible Misconduct that the employee believes has occurred, is ongoing or is about to occur in accordance with these procedures. The Adviser has established the following procedures (commonly referred to as "whistleblower procedures") for the receipt of, and response to, such reports. In addition, an employee may at any time report any Misconduct to the SEC or any other applicable governmental agency without prior notice to the Adviser. Retaliation against any employee who reports possible Misconduct to the SEC or any other applicable governmental agency is prohibited.

Procedures*Making a Report*

Any employee who believes that possible Misconduct by one or more employees or other representatives of the Adviser has occurred, is ongoing or is about to occur, is encouraged to bring the concern to the attention of [the Compliance Officer] or [] (the "Contact Person"). A report of possible Misconduct (each, a "Report") may be made orally or in writing. Any Report involving the possible misconduct of a Contact Person must be made to another Contact Person or member of the Adviser's senior management.

[NOTE: Although it is not required to do so, the Adviser may wish to consider establishing mechanisms designed to permit employees to make Reports anonymously (e.g., by calling a telephone hotline). An Adviser that currently has or wants to implement such mechanisms may supplement this procedure by adding any or all of the following options, as applicable.] [The

Adviser has established a toll-free telephone hotline (_____) that employees may call to make Reports.] [Employees may, on an anonymous basis, make Reports electronically by addressing e-mail to _____.] [Employees may, on an anonymous basis, make Reports online by accessing [www._____] and following the website's instructions.]]

Addressing a Report

Upon receiving a Report, the Contact Person will review the information and consider all appropriate actions to address the Report, which may include involving the Compliance Officer, internal or outside counsel, accounting firms or other personnel or third parties. The Contact Person may determine, in his or her discretion, whether or not it is appropriate to investigate the issues raised in the Report and, if so, the course of any investigation.

[Last S&K revision: December 2016]

[NOTE: This is a basic FCPA policy and procedures for an SEC registered investment adviser. This procedure assumes that the adviser is not an "issuer" (i.e., it does not have a class of securities registered under the Securities Exchange Act of 1934), and is not an affiliate or subsidiary of an issuer.]

[NOTE: The SEC settled an enforcement action against an investment adviser, and its CEO and CFO, for violations of the FCPA. According to the SEC's order, the adviser entered into transactions and investments in which bribes were paid through intermediaries, agents and business partners to government officials in multiple African countries to corruptly influence officials and obtain or retain business. These transactions often used the capital of investor funds rather than the adviser's capital. The adviser's executives ignored red flags and corruption risks and permitted these transactions to proceed. The CEO had final decision making authority on all private investments, and personally approved the expenditure of funds in two transactions in which bribes were paid. The CFO was responsible for maintaining the accuracy of books and records and maintaining internal accounting controls. The CFO also approved the expenditure of funds in transactions in which bribes or improper payments were made. The adviser and its affiliate were ordered to pay \$199,045,067 in civil fines and interest and the CEO was ordered to pay \$2,173,718 in disgorgement and prejudgment interest. See In the Matter of Och-Ziff Capital Management Group LLC, Oz Management LP, Daniel S. Och, and Joel M. Frank., Administrative Proceeding File No. 3-17595 (September 29, 2016). The Department of Justice brought a separate action against the investment adviser for FCPA violations, which resulted in a deferred prosecution agreement and a \$213,000,000 criminal fine.]

FOREIGN CORRUPT PRACTICES ACT POLICY AND PROCEDURES

Adopted *[insert date]*

[Revised as of]

POLICY STATEMENT

The Foreign Corrupt Practices Act of 1997, as amended ("FCPA"), is a U.S. criminal statute that prohibits improper payment to, or other improper transactions with, foreign government officials to influence performance of official duties. More specifically, the FCPA prohibits offering to pay, paying, promising to pay, or authorizing the payment, directly or indirectly through a third party, of money or "anything of value" to any "foreign official" in order to influence any act or decision of the foreign official in his or her official capacity or to secure any other improper advantage in order to obtain or retain business.

The Adviser is committed to complying with applicable provisions of the FCPA [and all other equivalent anti-corruption and/or anti-bribery legislation applicable to the Adviser]. Failure to comply with this Policy may lead to disciplinary action, including dismissal, demotion or reprimand and other serious consequences, including possible criminal penalties.

RISK ASSESSMENT

In order to develop, implement and maintain reasonable procedures to prevent violations of the FCPA, the Adviser shall conduct a risk assessment to evaluate the circumstances that may increase the exposure of the Adviser and its FCPA Covered Persons (as defined below) to potential FCPA liability. In this regard, the [Compliance Officer] will conduct an FCPA risk assessment that will consider the Adviser's affiliates outside the U.S. (if any), government interactions and geographic risks. **[NOTE: See the Risk Assessment Questionnaire and Matrix in Appendix A5 of the Sample Compliance Forms.]** [The

assessment will also address the nature and extent of transactions with foreign governments, including payments to foreign officials; use of third parties; involvement in joint ventures or portfolio investment outside of the U.S.; gifts, travel and entertainment expenses; charitable or political donations; and facilitating and expediting payments]. These procedures are intended to be designed and implemented, as appropriate, to address the risks identified through the risk assessment, and the effectiveness of this policy will be regularly tested or otherwise monitored, and revised as necessary.

SCOPE OF THE FCPA AND THIS POLICY

The FCPA applies to U.S. entities and persons and their officers, directors and employees, regardless of nationality. Non-U.S. persons are also subject to the FCPA to the extent they carry out any part of any prohibited activity in or from in the U.S.

Business and client-related investment activities of the Adviser that may raise issues under the FCPA include:

- raising funds or capital or seeking investment management clients outside the U.S. (including from foreign government or state-owned investment entities or sovereign wealth funds);
- acquisition of a significant or controlling interest in a non-U.S. company;
- investment in an entity or joint venture owned or partially owned by a foreign government; and
- use of consultants, agents, or other third parties in soliciting non-U.S. investors or clients or in seeking or making non-U.S. investments.

This Policy applies to the Adviser and to all of the Adviser's Supervised Persons (collectively, "FCPA Covered Persons"). For purposes of this Policy, the term "Adviser" refers to the Adviser and all of its control affiliates and any subsidiaries.

Definitions

Foreign Official means any officer or employee of a foreign government or any department, agency or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency or instrumentality, or for or on behalf of any such public international organization. The definition of Foreign Official should be interpreted broadly, and also includes:

- officials in the executive, legislative or judicial branches of a foreign government whether at federal (national), state or local level;
- employees and officers of state-owned, state-controlled, or state-operated enterprises;
- employees and officers of foreign-government controlled funds, such as pension funds or sovereign-wealth funds;
- political parties, political party officials and candidates for political office; and
- employees of public international organizations (e.g., the World Bank, IMF and EU)

Payment of Anything of Value includes paying, offering to pay or promising to pay money or anything of value, including but not limited to cash, gifts, entertainment or travel-related expenses. Additional examples of the types of payments that may be considered payments of value that can violate the FCPA include:

- in-kind contributions;

- investment opportunities;
- subcontracts;
- positions in joint ventures;
- favorable contracts;
- consulting fees;
- business opportunities;
- political contributions; and
- charitable donations and sponsorships.

POLICIES AND PROCEDURES

Prohibition

FCPA Covered Persons are prohibited from making to a Foreign Official a *Payment of Anything of Value* with the intent to induce the recipient to misuse his or her official position, to obtain any improper advantage or to direct business wrongfully to the Adviser or any other person (a "Prohibited Payment"). FCPA Covered Persons are also prohibited from making any Prohibited Payment to a family member, charitable organization of choice, political campaign, political party or political organization of a Foreign Official.

Pre-Clearance

[NOTE: This policy includes two preclearance alternatives: (i) preclearance of any payment of anything of value to a Foreign Official, regardless of whether the proposed payment raises a FCPA issue; and (ii) pre-clearance of certain types of activities and transactions that are determined to be of higher risk based on the Adviser's business, but not necessarily pre-approval of specific payments. An Adviser selecting the first alternative should ensure that it has adequate resources to effectively pre-clear all payments.]

[Alternative One]

[Each FCPA Covered Person will obtain written approval from [the Compliance Officer] prior to making any payment to a *Foreign Official*, his or her family member, charitable organization of choice, political campaign, political party or political organization. It is important to remember that pre-clearance must be obtained prior to the offer or promise of any *payment* and without regard to the purpose or motivation behind the giving of such payment].

[Alternative Two]

[Each FCPA Covered Person will obtain written approval from the Compliance Officer prior to:

- [entering into an arrangement on behalf of the Adviser or any of its clients with a Third Party Intermediary (as defined below) who will act as placement agent or otherwise assist in the solicitation of investors or clients outside the U.S.];
- [entering into a transaction on behalf of the Adviser or any of its clients for the acquisition of a significant or controlling interest in a non-U.S. company];

- [entering into a joint venture on behalf of the Adviser or any of its clients to be owned or to be partially owned by a foreign government] or Foreign Official;
- [giving a gift of more than a de minimis value to a Foreign Official]; and
- **[NOTE: add other items (including approval of certain types of payments, if appropriate) based on particular risks associated with the Adviser's business]**

Any payment or transaction that receives pre-clearance will not be considered a Prohibited Payment for purposes of this Policy.]

[Permissible Payments

The FCPA permits certain small "facilitating" or "expediting" payments to *Foreign Officials* to ensure that they perform routine, nondiscretionary governmental duties (e.g. expediting permits, licenses, or other official documents; processing governmental papers, such as visas and work orders; providing police protection, mail pick-up and delivery; providing phone service, power and water supply, or protecting perishable products; and scheduling inspections associated with contract performance or transit of goods across country). The FCPA also permits payment or reimbursement of reasonable and bona fide expenses of a foreign official (e.g., travel and lodging expenses) relating to the promotion, demonstration or explanation of a product or service or to the execution or performance of a contract with a foreign government. Facilitating or expediting payments will not be considered Prohibited Payments under this Policy.]

THIRD PARTY INTERMEDIARIES

From time to time the Adviser may enter into arrangements with third party intermediaries such as brokers, promoters, finders, agents (including placement agents), consultants, lobbyists, advisors, business partners or other intermediaries that provide the Adviser with assistance related to the procurement of foreign investors or assistance related to foreign investments to be made by the Adviser's clients. Because of the risk that third parties may seek to secure business for the Adviser through violations of the FCPA or other applicable laws and subject the Adviser to liability, a third party intermediary [who it is anticipated may interact with Foreign Officials] should not be retained to provide services to the Adviser or any client of the Adviser unless:

- due diligence has been conducted into the transaction or arrangement and the business reputation and integrity of the Third Party Intermediary (including an assessment of the business qualifications and reputation of the Third Party Intermediary, business rationale for why the payment is being made and why the Third Party Intermediary is included in the transaction, as well as whether the Third Party Intermediary has professional or personal ties to a foreign government);
- the Third Party Intermediary] [any Third Party Intermediary considered high risk] is retained pursuant to a written agreement that is approved by [the Compliance Officer]; and
- the agreement includes appropriate covenants, representations or provisions, including any or all of the following:
 - o the Third Party Intermediary has reviewed and will comply with the FCPA and any local applicable laws related to anti-corruption;
 - o the Third Party Intermediary has adopted and implemented a policy designed to comply with the FCPA and all other applicable equivalent anti-corruption and/or bribery laws:

- o the Adviser has the ability to terminate the arrangement as a result of any breach of the FCPA or any other anti-corruption laws.

Due diligence¹ of Third Party Intermediaries will be documented in writing and reasonably designed under the circumstances to identify the existence of warning signs or "red flags" which may warrant further investigation. Examples of red flags include:

- The Third Party Intermediary is located in a country with a reputation for government corruption;
- The Third Party Intermediary has the potential to interact with Foreign Officials;
- The country in which the activity will take place or investment will be made has a reputation for corruption;
- Requests by the Third Party Intermediary for unusual method or amount of payment;
- The Third Party Intermediary's commission or fee exceeds customary levels;
- The qualifications of the Third Party Intermediary don't appear to relate to the nature of the transaction contemplated;
- A *Foreign Official* has indicated that the Third Party is required to complete the transaction;
- The Third Party Intermediary objects to FCPA representations or other contractual safeguards; and
- The Third party Intermediary requires that his or her identity, or if the third party is a company, the identity of the company's owners, principals or employees, not be disclosed or requires a lack of transparency in the transactions.

Red Flags will be reviewed by [the Compliance Officer] or other appropriate personnel as part of the due diligence process.

SEEKING GUIDANCE

Compliance with this Policy is mandatory and is the responsibility of each FCPA Covered Person. Accordingly, all FCPA Covered Persons are expected to familiarize themselves with the policies and procedures above and to seek advice from [the Compliance Officer] if any questions arise. Any suspected misconduct or payments should be reported immediately to [the Compliance Officer].

[ANTI-CORRUPTION TRAINING

FCPA Covered Persons will be required to attend periodic mandatory training sessions in order to learn about the FCPA and any developments in the regulatory environment.]

¹ The Adviser should identify the person or persons within the Adviser (or identify outside resources) most appropriate to conduct the due diligence of Third Party Intermediaries.

[ACKNOWLEDGEMENT

All FCPA Covered Persons are required to acknowledge in writing their receipt of the Manual, which includes this FCPA policy and procedures.] **[NOTE: See the FCPA Policies and Procedures Employee Acknowledgement Form in Appendix H4 of the Sample Compliance Forms.]**

RECORD-KEEPING

The Adviser shall maintain records relating to this Policy, including:

- results of the Adviser's FCPA risk assessment
- copies of all pre-clearance approvals of [the Compliance Officer], records of violations of this Policy and actions taken as a result of those violations, and other memoranda relating to the administration of this Policy;
- any modifications to this policy;
- attendance of and material related to any training sessions
- copies of written agreements with Third Party Intermediaries and any approval by [the Compliance Officer];
- description of red flags, any analysis of those red flags and ultimate determinations; and
- acknowledgement by FCPA Covered Persons of their receipt of this FCPA policy and procedures.

[NOTE: The SEC has proposed to amend and redesignate Rule 206(4)-2 (the “Custody Rule”) as new Rule 223-1 (the “Safeguarding Rule”). The Safeguarding Rule would significantly expand the scope of the Custody Rule and add several new requirements for investment advisers.]¹

CUSTODY POLICY AND PROCEDURES

Adopted *[Insert Date]*

[Revised as of]

I. STATEMENT OF POLICY

To the extent it has custody of client funds or securities (“client assets”), the Adviser is committed to maintaining controls that are reasonably designed to protect client assets from being lost, misused or misappropriated and complying with the requirements of **Rule 206(4)-2**.

II. PROCEDURES TO COMPLY WITH RULE 206(4)-2

(A) Custody Determination

- i. The Compliance Officer or his or her designee, in consultation with appropriate personnel of the Adviser, will monitor client arrangements periodically[, but no less often than [quarterly].] to determine whether the Adviser has custody of client assets. **[NOTE: An Adviser should choose one of the following provisions depending on whether the Adviser has custody of client assets.]** [The Compliance Officer has determined that the Adviser currently does not have custody of client assets. In the event that the Adviser is determined to have custody of client assets, the following procedures would apply.] **OR** [With respect to the Adviser, custody of client assets means: **[NOTE: Remove any of the circumstances below that do not apply to the Adviser.]**
 - a. [the Adviser (or a related person of the Adviser in connection with advisory services the Adviser provides to clients) holds, directly or indirectly client assets or has authority to obtain possession of them;]
 - b. [the Adviser or any related person acts in any legal capacity (such as general partner of a limited partnership, managing member of a limited liability company, or a comparable position for another type of pooled investment vehicle) that gives it legal ownership of or access to client assets;]

¹ **[NOTE: The Safeguarding Rule would, among other things, (i) broaden the Custody Rule’s scope beyond “client funds and securities” to include any “funds, securities, or other positions held in a client’s account” (e.g., crypto assets); (ii) explicitly include discretionary trading authority to trade within the definition of custody; (iii) require that a qualified custodian have “possession or control” of client assets; (iv) require the Adviser to enter into a written agreement with and receive certain assurances from the qualified custodian; (v) modify the Custody Rule’s privately offered securities exception from the obligation to maintain client assets with a qualified custodian for certain privately offered securities, including by expanding the exception to include certain physical assets and by modifying the conditions for relying on the exception; and (vi) expand the availability of the Custody Rule’s audit provision from “pooled investment vehicles” to all entities that undergo a financial statement audit.]**

- c. [the Adviser or any related person is (i) a trustee of a trust for the benefit of a client or (ii) a trustee of a participant-directed defined contribution plan established for the Adviser's employees and the Adviser acts as investment adviser to the plan or any investment plan option;]
- d. [the Adviser or any related person is permitted or authorized (including by general power of attorney or the custodial agreement between the client and the custodian) to withdraw client assets maintained with a custodian upon instruction to the custodian other than for authorized trading (e.g., authority to write checks, pay bills, pay taxes, etc.); and]
- e. [the Adviser calculates its advisory fee, bills the custodian and the custodian automatically deducts fees from client accounts (through arrangements with clients and the qualified custodian).]

Notwithstanding the above, the staff of the SEC's Division of Investment Management has stated that it does not interpret custody of client assets to include the limited authority to transfer a client's assets between the client's accounts maintained at one or more qualified custodians if the client has authorized the adviser in writing to make such transfers and a copy of that authorization is provided to the qualified custodians, specifying the client accounts maintained with qualified custodians (see SEC Division of Investment Management, Staff Responses to Questions About the Custody Rule, Question II.4 (modified February 21, 2017)). Further, the SEC staff has stated that an adviser that does not have a copy of a client's custodial agreement, and does not know, or have reason to know whether the custodial agreement would give the adviser custody, need not comply with **Rule 206(4)-2** with respect to that client's account if the custodial agreement would be the sole basis for custody (see SEC Division of Investment Management, Staff Responses to Questions About the Custody Rule, Question II.11 (modified June 5, 2018)).

(B) Qualified Custodian

- i. With respect to those clients for which the Adviser has custody of client assets, the Compliance Officer or his or her designee will confirm periodically that such client assets are maintained with a qualified custodian.² The following client assets are not required to be maintained with a qualified custodian:
 - (a) shares of an open-end investment company as defined in Section 5(a)(1) of the Investment Company Act of 1940 (a mutual fund); or
 - (b) certain "privately offered securities"²³.

² The SEC charged a crypto-focused advisory firm for failure to ensure that certain crypto assets held by a private fund advised by the firm were maintained with a qualified custodian, as required by Rule 206(4)-2. According to the order, the crypto assets held by the fund were to be treated as securities, and the crypto trading platforms used by the advisory firm did not meet the definition of a qualified custodian. The order provides insights on how the SEC and its staff interpret the Custody Rule as it pertains to crypto assets that are offered and sold as securities. See *In the Matter of Galois Capital Management LLC*, Release No. 6670 (Sept. 3, 2024). See SEC Press Release (Sept. 3, 2024) "SEC Charges Crypto-Focused Advisory Firm Galois Capital for Custody Failures" available at <https://www.sec.gov/newsroom/press-releases/2024-111>.

²³ Rule 206(4)-2 defines privately offered securities as securities that are: (i) acquired from the issuer in a transaction or chain of transactions not involving any public offering; (ii) uncertificated and ownership thereof is recorded only on the books of the issuer or its transfer agent in the name of the client; and (iii) transferable only with the prior consent of the issuer or the holders of the outstanding securities of the issuer.

(C) Quarterly Account Statements; Annual Audit Provision

- i. In order to form a reasonable belief, after due inquiry, that the qualified custodian has sent quarterly statements identifying the amount of funds and each security and reflecting all transactions in the relevant client account during the quarter, including the deduction of fees, to those clients for which the Adviser has custody of client assets, the Compliance Officer or his or her designee will [obtain a copy of the quarterly statements delivered by the qualified custodian to the client]/[obtain a certification from the qualified custodian that the quarterly statements were delivered by the qualified custodian to the clients identified in the certification]/[ensure that the Adviser is copied on email notifications of account statement postings sent to clients and has access to client statements on the custodian's website]. **[NOTE: Alternative methods can satisfy the due inquiry requirement. However, an adviser accessing the quarterly statements through the qualified custodian's website would not permit the adviser to form a reasonable belief that the statements were actually sent.]**
 - (a) If the Adviser elects to send quarterly statements directly to clients in addition to those sent by the qualified custodian, the Compliance Officer or his or her designee will seek to ensure that the Adviser includes a legend or other disclosure when notifying clients upon opening a custodial account, following any changes to the information required in that notification and in any subsequent quarterly account statements delivered to clients. The legend must urge clients to compare quarterly statements they receive from the custodian with those received from the Adviser.
- ii. If the client is a Pool³⁴, the Compliance Officer or his or her designee will seek to ensure annually that the Pool provided audited financial statements to its investors prepared in accordance with generally accepted accounting principles and delivered within 120 [180] days after the end of the Pool's fiscal year (the "Annual Audit Provision"). **[NOTE: Use 180 days if preparing the manual for an adviser to a fund of funds. Use 260 days if preparing the manual for an adviser to a fund of fund of funds.]**
 - (a) The Compliance Officer or his or her designee should ensure that the independent public accountant retained to perform the annual audit is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board ("PCAOB-Registered") as of the commencement of the professional engagement period, and as of each calendar year-end, in accordance with its rules. For example, the Adviser may seek to obtain representations to that effect from the independent public accountant in its engagement letter.
 - (b) If the Pool liquidates at a time other than the end of its fiscal year, the Compliance Officer or his or her designee will seek to ensure that the Pool obtains a final audit and distributes audited financial statements prepared in accordance with generally accepted accounting principles to its investors promptly after completion of such audit.
 - (c) In addition, the Adviser is required to provide information on Form ADV about the status of whether the audited financials of a particular Pool

³⁴ A "Pool" is a limited partnership, limited liability company, or other type of pooled investment vehicle.

have been delivered to investors in accordance with the above requirements of the Custody Rule. If the Adviser checked 'Report Not Yet Received' on its Form ADV, the Adviser must promptly file an amendment to such form to update its response when the report is available, in accordance with the instructions to Form ADV, Part 1A, Schedule D, Section 7.B.23.(h).⁴⁵

(D) Surprise Examination Requirement

- i. With respect to those clients for which the Adviser has custody of client assets, the Compliance Officer or his or her designee will seek to ensure that the Adviser has entered into a written agreement with an independent public accountant to undergo an annual surprise examination of client assets (the "Surprise Examination Requirement") unless one of the following exceptions is applicable:
 - (a) The client is a Pool in compliance with the Annual Audit Provision;
 - (b) The Adviser has custody of client assets solely as a consequence of its authority to deduct advisory fees from client accounts;
 - (c) The Adviser is deemed to have custody solely as a result of certain of its related persons holding client assets and a determination has been made that the Adviser is "operationally independent" of the affiliated custodian. The Compliance Officer or his or her designee will make and keep a memorandum describing the basis upon which he or she has determined that the presumption that any related person is not operationally independent has been overcome; or
 - (d) **[NOTE: The SEC staff has stated that it would not recommend enforcement action against an investment adviser if the adviser does not obtain an annual surprise examination of client assets where it acts pursuant to a standing letter of instruction or other similar third party asset transfer authorization arrangement established by a client with a qualified custodian ("SLOA") under the circumstances described below. See Investment Adviser Association, SEC Staff No-Action Letter (February 21, 2017).]** The Adviser acts pursuant to a standing letter of instruction or other similar third party asset transfer authorization arrangement established by a client with a qualified custodian under the following circumstances:
 - (i) The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed;
 - (ii) The client authorizes the Adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time;

⁴⁵ The SEC has settled administrative proceedings for failure to comply with the Custody Rule and the related Form ADV reporting and amending obligations. See SEC Press Release (September 9, 2022) "SEC Charges Two Advisory Firms for Custody Rule Violations, One for Form ADV Violations, and Six for Both" available at <https://www.sec.gov/news/press-release/2022-156>.

- (iii) The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer;
- (iv) The client has the ability to terminate or change the instruction to the client's qualified custodian;
- (v) The Adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction;
- (vi) The Adviser maintains records showing that the third party is not a related party of the Adviser or located at the same address as the Adviser; and
- (vii) The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

ii. To the extent that the Adviser is subject to the Surprise Examination Requirement, the Compliance Officer or his or her designee will be responsible for ensuring that a written agreement is in place for each applicable year that specifies the duties to be performed. The written agreement must require the accountant to do the following:

- (a) File a certificate on Form ADV-E with the SEC within 120 days of the time chosen by the accountant (without prior notice or announcement to the Adviser) to conduct the surprise examination of client asset, stating that it has examined the funds and securities and describing the nature and extent of the examination;
- (b) Upon finding any material discrepancies during the course of the examination, notify the SEC within one business day of the finding;
- (c) Upon resignation or dismissal from, or other termination of, the engagement, or upon removing itself or being removed from consideration for being reappointed, file within four business day Form ADV-E accompanied by a statement that includes:
 - (i) the date of such resignation, dismissal, removal, or other termination, and the name, address and contact information of the accountant; and
 - (ii) an explanation of any problems relating to examination scope or procedure that contributed to such resignation, dismissal, removal, or other termination.

(E) Internal Control Report

i. With respect to those clients for which the Adviser or a related person, rather than an independent custodian, serves as the qualified custodian of client assets in connection with advisory services provided by the Adviser, the Compliance Officer or his or her designee will obtain, or receive from its related person within six months of becoming subject to the requirement and at least annually

thereafter, a written internal control report (the “ICR”) prepared by an independent public accountant that is PCAOB-Registered as of the commencement of the engagement and of each calendar year-end.⁵⁶

- ii. The Compliance Officer or his or her designee will review each ICR to confirm that the independent public account has (i) included an opinion as to whether controls have been placed in operation as of a specific date, and are suitably designed and are operating effectively to meet control objectives relating to custodial services, including the safeguarding of funds and securities held by either the Adviser or a related person on behalf of the Adviser’s advisory clients, during the year, and (ii) verified that the client assets are reconciled to a custodian other than the Adviser or its related person. The Compliance Officer or his or her designee will maintain a copy of any ICR obtained or received in the Adviser’s records and make it available to the SEC staff upon request.

(F) Advisers to Special Purposes Vehicles

If the Adviser or an affiliate is a general partner or managing member of a Pool that uses either a master fund or “special purpose vehicle” to facilitate its investments, the Compliance Officer or his or her designee will seek to ensure that the Adviser either (i) complies with **Rule 206(4)-2** separately with respect to the master fund or special purpose vehicle, as applicable, or (ii) includes the assets of the master fund or special purpose vehicle within the scope of the Pool’s financial statement audit. If the Adviser chooses to comply with **Rule 206(4)-2** separately, the Compliance Officer or his or her designee will seek to ensure that the quarterly statements or audited financial statements of the master fund or special purpose vehicle, as applicable, are distributed to the beneficial owners of the Pool. For this purpose, a “special purpose vehicle” means a limited liability company, trust, partnership, corporation or other similar vehicle that (i) has no owners other than the adviser, the adviser’s related person(s) or Pools controlled by the adviser or the adviser’s related person(s), and (ii) is used to acquire one or more investments on behalf of those owners. Investment vehicles that have investors other than those identified in item (ii) of the immediately preceding sentence do not fall within the definition of “special purpose vehicle” and must be treated as separate clients for purposes of **Rule 206(4)-2**.

III. SPECIAL CIRCUMSTANCES

- (A) If personnel of the Adviser inadvertently receive securities or funds from a client, such personnel must promptly advise [the Compliance Officer] who will arrange for the return the securities or funds to the client promptly, which in any event must be within 3 business days of receipt.
- (B) Additionally, if the personnel of the Adviser inadvertently receive client funds or securities from non-clients, such as (i) from the Internal Revenue Service, state or other governmental taxing authorities in the form of client tax refunds, (ii) from administrators of funds established to distribute settlement proceeds of class action lawsuits or other legal actions, or (iii) from an issuer in the form of stock certificates or dividend checks as a result of a class action lawsuit involving bankruptcy where shares are issued in a newly organized entity, or as a result of a business reorganization of the issuer (such non-clients are collectively referred to as “Third Parties”), such personnel must promptly advise the Compliance Officer. In such event, the Compliance Officer will (i) promptly identify client funds or securities, (ii) promptly identify the client (or former client) to whom such client

⁵⁶ An adviser required to obtain or receive an ICR must obtain or receive the ICR within six months of becoming subject to the requirement.

funds or securities are attributable, (iii) promptly forward such client funds or securities to its client (or former client) or a qualified custodian, but in no event later than 5 business days following the Adviser's receipt of such assets, (iv) promptly return to the appropriate Third Party any inadvertently received client funds or securities that the Adviser does not forward to its client (or former client) or a qualified custodian, but in no event later than 5 business days following the Adviser's receipt of such assets, and (v) maintain and preserve appropriate records of all client assets inadvertently received by it, including a written explanation of whether (and if so, when) the client funds or securities were forwarded to its client (or former client) or a qualified custodian, or returned to Third Parties.

IV SUGGESTED ADDITIONAL PROCEDURES

[NOTE: Rule 206(4)-2 does not require an adviser to adopt and implement the following procedures. However, in the adopting release for the amended custody rule, the SEC provided guidance regarding the types of policies and procedures relating to the safekeeping of client assets that it believes advisers should consider including in their compliance program. *Custody of Funds or Securities of Clients by Investment Advisers, Advisers Act Release No. 2968 (December 30, 2009).*] The Adviser should take appropriate steps to prevent misappropriation or misuse of client assets, develop systems or procedures to assure prompt detection of any misuse, and take appropriate action if misuse does occur. In furtherance of these goals, the Adviser has implemented the following procedures: **[NOTE: Eliminate suggested procedures that are not applicable or are not being adopted.]**

(A) Internal Controls

- i. Conduct background and credit checks on employees who have access (or can acquire access) to client assets to determine whether it is appropriate for those employees to have such access;
- ii. Require authorization from more than one employee before (i) the movement of assets within a client's account, (ii) the withdrawal or transfer of assets from a client's account, and (iii) any changes are made in account ownership information;
- iii. Limit the number of employees who are permitted to interact with custodians with respect to client assets and rotate them on [a periodic] [an annual] basis;
- iv. Segregate the duties of its advisory personnel from those of custodial personnel; **[NOTE: This is only necessary if the Adviser also serves as a qualified custodian for client assets.]**
- v. [Preclude individual employees from obtaining custody of client assets (i.e., serving as trustee or obtaining a power of attorney for a client separate and apart from the Adviser).] **[NOTE: When a Supervised Person serves as executor, conservator or trustee for an estate, conservatorship or trust solely because the Supervised Person has been appointed in these capacities as a result of a family or personal relationship with the decedent, beneficiary or grantor (not as the result of employment with the Adviser), the Adviser is not deemed to have custody of the funds or securities of the estate, conservatorship or trust.]**

- vi. The [Compliance Officer or his or her designee] tests the reconciliation of account statements prepared by the Adviser with account statements as reported by the qualified custodian on a [quarterly/periodic] basis;
- vii. The [Compliance Officer or his or her designee] compares, on a sample basis, client addresses obtained from the qualified custodian with client addresses maintained by the Adviser on a [quarterly/periodic] basis;

(B) Procedures for Advisers with Authority to Deduct Fees

- i. The [Compliance Officer or his or her designee] tests, on a sample basis, the fee calculations for client accounts to determine their accuracy;
- ii. The [Compliance Officer or his or her designee] reviews the amount of fees deducted from all client accounts for a period of time based on the Adviser's aggregate assets under management to detect any potential inaccuracies;
- iii. Segregate duties between those personnel responsible for processing billing invoices or listings of fees due from client accounts and those personnel responsible for reviewing the invoices or listings for accuracy, as well as the employees responsible for reconciling those invoices and listings with deposits of advisory fees by the custodians into the Adviser's proprietary bank account.

[Last S&K Revision: ~~September 2022~~February 2025]

[NOTE: These template Marketing Policies and Procedures (collectively, the “Policy”) is divided into the following parts:

- Introduction and Policy
- Part I – Definition of Advertisement and General Prohibitions
- Part II – Testimonial and Endorsement Policy and Procedures
- Part III – Performance Advertising Policy and Procedures
- Part IV – Third-Party Ratings Policy and Procedures
- Attachment A – Marketing Policies and Procedures Glossary of Terms
- Attachment B – Responsible Personnel

The Introduction and Policy, Part I, Attachment A, and Attachment B are applicable generally and should be adopted by all advisers. An adviser should review its advertising communications and practices, placement agent, solicitation, and other arrangements, to determine the applicability of Parts II, III, and IV. This template Policy must be customized to the policies and practices of the adviser (the “Adviser”). Additionally, this Policy includes guidance notes from the SEC Marketing Rule adopting release (the “Adopting Release”) which may be removed at the Adviser’s discretion.

Sections of this Policy that appear in bold typeface, other than bracketed notes, represent relevant portions of the Marketing Rule or paraphrases of relevant parts of the Marketing Rule and may be unbolded at the Adviser’s discretion.]

[NOTE: The SEC has been engaged in an ongoing enforcement sweep since 2023 and has charged more than twenty-five investment advisers for Marketing Rule violations. These violations included: publishing hypothetical performance information online without adopting or implementing the requisite policies and procedures¹; publishing false and misleading statements about their alleged use of Artificial Intelligence; circulating advertisements including untrue or unverified statements of material fact, testimonials, endorsements, or third-party ratings without the required disclosures²; and publishing ads that included paid endorsements from professional athletes, including one with a material conflict of interest, without the required disclosures.

Along with the enforcement sweep, the SEC’s Division of Examinations issued a Risk Alert regarding Marketing Rule compliance. The Risk Alert highlighted deficiencies with the Compliance Rule, the Books and Records Rule, and the Marketing Rule under the Advisers Act. The Division of Examinations encouraged investment advisers to review current policies and procedures and

¹ In April 2024, the SEC charged five advisers for failing to adopt and implement the required policies and procedures surrounding published hypothetical performance information. Four of the five advisers charged received reduced penalties for adopting corrective measures before being contacted by the SEC. See SEC Press Release (April 12, 2024) “SEC Charges Five Investment Advisers for Marketing Rule Violations” available at <https://www.sec.gov/newsroom/press-releases/2024-46>.

² See SEC Press Release (Sept. 9, 2024) “SEC Charges Nine Investment Advisers in Ongoing Sweep into Marketing Rule Violations” available at <https://www.sec.gov/newsroom/press-releases/2024-121>.

make any necessary revisions to training, supervisory or compliance programs to avoid any Marketing Rule deficiencies. See SEC Division of Examinations Risk Alert, Initial Observations Regarding Advisers Act Marketing Rule Compliance (April 17, 2024).

Based on the Risk Alert and the SEC enforcement sweep, the Adviser should ensure that it properly tailors its policies and procedures prior to publishing or disseminating advertisements; and in the case of a Marketing Rule violation, the Adviser should attempt to undertake corrective measures to mitigate any harm to investors and reduce any possible penalties.]

APPENDIX J

MARKETING POLICIES AND PROCEDURES

Adopted [Insert Date]

[Revised as of _____]

INTRODUCTION

Rule 206(4)-1 under the *Advisers Act* (the “Marketing Rule” or “Rule”) regulates the marketing and advertising practices of SEC-registered investment advisers and makes it unlawful for advisers, directly or indirectly, to disseminate any *Advertisement* that violates the Marketing Rule. [In addition, all communications to investors or prospective investors in *Private Funds*, including marketing materials and performance information, are subject to the anti-fraud provision of Rule 206(4)-8 under the *Advisers Act*.]

Italicized terms used in these policies and procedures (the “Policy”) have the meaning given to them in this Policy or the meaning set forth in the *Marketing Policies and Procedures Glossary of Terms* in **Attachment A**.

I. STATEMENT OF POLICY

The Adviser seeks to comply with the requirements of the Marketing Rule and has adopted this Policy to address its compliance with the Marketing Rule.

II. PROCEDURES FOR COMPLYING WITH THE MARKETING RULE

[The Adviser has designated the individuals set forth in **Attachment B** as the personnel responsible for ensuring the effective implementation of this Policy (collectively, the “Responsible Personnel”).] [or] [The Adviser has established an advertising committee (the “Committee”) to [be responsible for] / [assist in] ensuring the effective implementation of this Policy. The members of the Committee are the individuals set forth in **Attachment B** (collectively, the “Responsible Personnel”).] **[NOTE: The Adviser may, but is not required to, create an advertising committee. Depending on the size and complexity of the Adviser’s business, the creation of the committee may be considered best practice.]**

The Responsible Personnel are responsible for making the various determinations set forth in this Policy. In connection with such responsibilities, the Responsible Personnel will consider the following sections of this Policy, as deemed applicable to the communications and other activities (collectively, “Relevant Communications”) being reviewed:

- Part I – Definition of Advertisement and General Prohibitions
- [Part II – Testimonial and Endorsement Policy and Procedures]

- [Part III – Performance Advertising Policy and Procedures]
- [Part IV – Third-Party Ratings Policy and Procedures]

Supervised Persons of the Adviser are responsible for providing Relevant Communications, any material which might be considered Relevant Communications and related information to the Responsible Personnel for review. **[NOTE: Depending on the Adviser’s approach, the Adviser may not wish to give *Supervised Persons* the discretion to determine whether a particular communication constitutes a Relevant Communication, in which case the Adviser should establish guidelines for when such communications should be submitted.]**

[It is the Adviser’s policy not to distribute or engage in any Relevant Communication unless such material [or a form thereof] has been approved by the Responsible Personnel.] The Responsible Personnel must approve any Relevant Communication [or a form thereof] intended for distribution by the Adviser prior to the Adviser distributing or engaging in such Relevant Communication.

III. TRAINING

The Responsible Personnel will provide or arrange to provide *Supervised Persons* with training on this Policy at least [annually].

IV. RECORDKEEPING

The Adviser will maintain records in accordance with the recordkeeping obligations applicable to *Advertisements* in Rule 204-2 under the *Advisers Act*. **[NOTE: The Adviser should exercise care in documenting all activities under this Policy and in connection with adopting this Policy should review and update, as necessary, its recordkeeping policies and procedures.]**

Definition of Advertisement and General Prohibitions

I. Definition of Advertisement

Advertisement is defined under the Marketing Rule as:

1. Any direct or indirect communication an adviser makes to more than one person, or to one or more persons if the communication includes *Hypothetical Performance*, that offers the adviser's investment advisory services with regard to securities to prospective clients or investors in a *Private Fund* advised by the adviser, or offers new investment advisory services with regard to securities to current clients or investors in a *Private Fund* advised by the adviser.

2. Any *Testimonial or Endorsement* for which the adviser provides compensation, directly or indirectly, but does not include any information contained in a statutory or regulatory notice, filing, or other required communication, provided that such information is reasonably designed to satisfy the requirements of such notice, filing, or other required communication. [NOTE: Insert the following if the Adviser is adopting Part 2 of this Policy regarding *Testimonials and Endorsements*.] [(See Part II of this Policy regarding *Testimonials and Endorsements*.)]

II. Scope of *Relevant Communications*

The Responsible Personnel must determine whether Relevant Communications are *Advertisements*. Subject to certain exceptions, the following types of communications would not be *Advertisements*:

- one-on-one communications tailored to a single client or prospective investor unless the communication contains *Hypothetical Performance*
- private placement memoranda
- account statements and similar reports
- white papers, educational materials and market updates
- extemporaneous, live, oral communications
- regulatory filings

NOTE: *The Marketing Rule Adopting Release provides certain guidance on communications that would not be Advertisements.*

One-on-One Communications Exclusion

- Multiple persons that constitute a single entity or account will be considered a single person for purposes of the one-on-one communication exclusion. If the adviser's prospective investor is an entity, the exclusion permits the adviser to provide communications to multiple natural persons employed by or owning the entity without those communications being subject to the Marketing Rule.

- A communication nominally directed to a single person can be deemed to be a communication to more than one person. While communications such as bulk emails or algorithm-based messages are nominally directed at or “addressed to” only one person, they are in fact widely disseminated to numerous investors and therefore would be subject to the Marketing Rule. Similarly, customizing a template presentation or mass mailing by filling in the name of an investor and/or including other basic information about the investor would not result in a one-on-one communication.
- *Hypothetical Performance* information would not qualify for the one-on-one exclusion unless provided in response to an unsolicited investor request, or to a *Private Fund* investor.

Communications to Current Clients or Private Fund Investors

- With respect to communications to current clients or *Private Fund* investors, the definition of *Advertisement* includes only those communications of the adviser that offer new or additional investment advisory services with regard to securities.

Special issues that the Adviser should consider in determining whether Relevant Communications constitute *Advertisements*:

- An *Advertisement* about the Adviser that is distributed and/or prepared by a related person would be viewed as an indirect communication by the Adviser, and thus subject to the Marketing Rule.
- Communications made through or disseminated by a third party (such as a placement agent or fund-of-funds manager) may be deemed an indirect communication by the Adviser that constitutes an *Advertisement*.
- The extent to which a third-party communication is deemed an indirect communication by the Adviser will be a facts and circumstances analysis turning on the extent to which the Adviser participated in the creation or dissemination of the communication, or otherwise endorsed or approved the communication. For example, if the Adviser provides marketing materials to a placement agent or solicitor who then is authorized to use the materials in some format, the Adviser would be responsible for Marketing Rule compliance with respect to the materials. A similar analysis would apply if an underlying fund provides marketing materials to the adviser of a fund-of-funds (or feeder fund), and the adviser to the fund-of-funds (or feeder fund) provides those materials to investors.
- If the Adviser includes a hyperlink to third-party content in an *Advertisement*, the Adviser may be deemed to have implicitly approved the content.
- Employee social media activity may be attributed to the Adviser. If the Adviser adopts and implements policies and procedures reasonably designed to prevent the use of *Supervised Persons*’ social media accounts for marketing the Adviser’s advisory services, such communications would generally not be viewed as the Adviser marketing its advisory services.

III. Determination Whether Communications Will Constitute Advertisements.

[ADVISER ACTION POINT: CUSTOMIZATION REQUIRED] [The Adviser will need to customize this part of the policies and procedures based on its business and compliance program. The Responsible Personnel will review various direct and indirect Relevant Communications to determine whether they constitute *Advertisements*.] [Insert description of the procedures the Adviser will utilize to make this determination.] [e.g., the Responsible Personnel will review each

Relevant Communication or establish guidelines to categorize certain types of communications to determine that they are *Advertisements*.]

In conducting this review, the Responsible Personnel should consider the following, among other considerations:

- Whether the proposed communication is directed to more than one person and offers advisory services to prospective clients or *Private Fund* investors.
- Whether the proposed one-on-one communications qualifies for the one-on-one exclusion from the definition of *Advertisement*.
- Whether it includes *Hypothetical Performance* information.
- Whether it contains template presentation, charts, graphs, pages or text that is repeatedly used by the Adviser without material change.
- Whether the offering materials (e.g., private placement memoranda) contain performance information, targeted or projected return information or any information which might constitute an *Advertisement*.
- The content and manner of dissemination of *Private Fund* communications (e.g., whether the materials distributed are solely to existing investors or shared with prospective investors or consultants).
- Whether there are written materials (e.g., scripts) relating to extemporaneous live communications.
- Whether there are sufficient controls in place to allow the Adviser to monitor materials and other information provided to third parties on behalf of the Adviser.
- The restrictions if any, that limit third parties from disseminating any materials concerning the Adviser that it has not approved.
- Whether any *Supervised Person's* social media accounts are being used for marketing the Adviser's investment advisory services [in compliance with the Adviser's social media policies and procedures.]

IV. General Prohibitions

The Marketing Rule imposes the seven general prohibitions (the "General Prohibitions") set forth below to all communications that constitute *Advertisements*. Accordingly, all of the Adviser's communications and activities that constitute *Advertisements*, whether or not expressly provided in this Policy, must comply with the General Prohibitions.

Specifically, an *Advertisement* may not:

- 1) Include any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statement made, in the light of the circumstances under which it was made, not misleading;**
- 2) Include a material statement of fact that the adviser does not have a reasonable basis for believing it will be able to substantiate upon demand by the SEC;**

- 3) **Include information that would reasonably be likely to cause an untrue or misleading implication or inference to be drawn concerning a material fact relating to the adviser;**
- 4) **Discuss any potential benefits to clients or investors connected with or resulting from the adviser's services or methods of operation without providing fair and balanced treatment of any material risks or material limitations associated with the potential benefits;**
- 5) **Include a reference to specific investment advice provided by the adviser where such investment advice is not presented in a manner that is fair and balanced;**
- 6) **Include or exclude performance results, or present performance time periods, in a manner that is not fair and balanced; or**
- 7) **Otherwise be materially misleading.**

NOTE: *The Marketing Rule Adopting Release provides certain examples and guidance on the General Prohibitions.*

General Prohibition 1: Untrue Statements and Omissions

- Whether a statement or omission is false or misleading depends on the context in which the statement or omission is made. For example, advertising that the adviser's performance was positive during the last fiscal year may be misleading if the adviser omitted that an index or benchmark consisting of a substantively comparable *Portfolio* of securities experienced significantly higher returns during the same period. To avoid making a misleading statement, the adviser in this example could include the relevant index or benchmark or otherwise disclose that the adviser's performance, although positive, significantly underperformed the applicable market.
- It would be misleading for the adviser to compensate a person to refer investors to the adviser by stating that the person had a "positive experience" with the adviser when such person is not an advisory or *Private Fund* investor of the adviser. To avoid making such a statement misleading, the adviser could disclose that the experience does not relate to any advisory services.
- It would be misleading for the adviser to use a promoter's *Testimonial* or *Endorsement* that the adviser knows or reasonably should know to be fraudulent, misleading, or untrue, regardless of whether the adviser compensates the promoter. For instance, the adviser may not provide a *Testimonial* on its website where a client falsely claims that the client has worked with the adviser for over 20 years when the adviser has only been in business for five years.
- While the Marketing Rule does not have an explicit prohibition on *Advertisements* that contain statements to the effect that a report, analysis, or other service will be furnished free of charge, unless the analysis or service is actually free and without condition, the SEC believes this practice is captured by this general prohibition.
- Depending on the disclosures provided and the extent to which the adviser in fact does provide investment advice solely based on such materials, it may be false or misleading to represent, directly or indirectly, in an *Advertisement* that any graph, chart, or formula can by itself be used to determine which securities to buy or sell.

General Prohibition 2: Unsubstantiated Material Statements of Facts

- Material statements of fact might include a statement that each of the adviser's portfolio managers holds a particular certification; that it offers a certain type or number of investment

products; or claims about performance, whereas statements that clearly provide an opinion would not be statements of material fact.

- An adviser can demonstrate a reasonable belief in a number of ways. For example, an adviser could make a record contemporaneous with the *Advertisement* demonstrating the basis for their belief. A contemporaneous record is not required as long as an adviser has a reasonable basis for believing it will be able to substantiate the information upon demand by the SEC.

General Prohibition 3: Untrue or Misleading Implications or Inferences

- The “reasonableness” standard applies to both implications and inferences.
- An adviser is prohibited from making a statement or series of statements in an *Advertisement* that literally are true when read individually, but whose overall effect is reasonably likely to create an untrue or misleading inference or implication about the adviser.
- Examples of statements that would create untrue or misleading implications or inferences include (i) if an adviser were to state accurately that it has “more than a hundred clients that have stuck with me for more than ten years,” if the adviser actually has a very high turnover rate of clients and (ii) if an adviser states that all of its clients have seen profits, even if true, without providing appropriate disclosures if it only has two clients, as it may be reasonably likely to cause a misleading inference by potential clients that they would have a high chance of profit by hiring the adviser as well.
- This general prohibition does not require an adviser to present an equal number of negative *Testimonials* alongside positive *Testimonials* in an *Advertisement*, or balance *Endorsements* with negative statements in order to avoid giving rise to a misleading inference. Rather, an adviser is required to consider the context and totality of information presented such that it would not reasonably be likely to cause any misleading implication or inference.
- General disclaimer language (e.g., “these results may not be typical of all investors”) would not be sufficient to overcome this general prohibition. However, one approach that the SEC believes would generally be consistent with the General Prohibitions would be for an adviser to include a disclaimer that the *Testimonial* provided was not representative, and then provide a link to, or other means of accessing (such as oral directions to go to the relevant parts of an adviser’s website), all or a representative sample of the *Testimonials* about the adviser.
- While an adviser is not prohibited from stating it is registered with the SEC as an investment adviser if such statement is true and if the effect of its registration is not misrepresented, an adviser’s use of the phrase “registered investment adviser” (or the initials “RIA” or “R.I.A.”) to state or imply that it has a level of professional competence, education or other special training could be misleading under the Marketing Rule.

General Prohibition 4: Failure to Provide Fair and Balanced Treatment of Material Risks or Material Limitations

- An adviser need not discuss every potential risk or limitation in detail, but must instead discuss the material risks and material limitations associated with the benefits in a fair and balanced manner. For example, if an adviser states that it will reduce an investor’s taxes through its tax-loss harvesting strategies, the adviser should also discuss the associated material risks or material limitations, including that any reduction in taxes would depend on an investor’s tax situation.
- An *Advertisement* could comply with this requirement by identifying one benefit of an adviser’s services, accompany the discussion of the benefit with fair and balanced treatment of material risks associated with that benefit within the four corners of that *Advertisement*, and then include a hyperlink to additional content that discusses additional benefits and additional risks of the adviser’s services in a fair and balanced manner. So long as each layer of a layered *Advertisement* complies with the requirement to provide benefits and risks in a fair and balanced manner, providing hyperlinks to additional content would meet the requirement of this

General Prohibition. In addition to hyperlinks, an adviser may use other tools to provide investors with layered disclosure, including QR codes or mouse-over windows.

- However, an adviser should not use layered disclosure or hyperlinks to obscure important information. For instance, it would not be sufficient to advertise only an adviser's past profits on a webpage and then include a hyperlink to another page that included all material risks and material limitations as that would violate the fair and balanced presentation requirement.

General Prohibition 5: References to Specific Investment Advice

- The SEC noted that an adviser may wish to consider FINRA's interpretations related to the meaning of "fair and balanced" for issues it has not specifically addressed, but FINRA Rule 2210 and its body of decisions are not controlling or authoritative interpretations with respect to the Marketing Rule.
- The factors relevant to when an *Advertisement's* presentation of specific investment advice is fair and balanced will vary depending on the facts and circumstances. For selecting and presenting performance information, these factors are in addition to the requirements and restrictions on presentation of performance in Paragraph (c) of the Marketing Rule. In addition, other provisions of the General Prohibitions may prohibit a reference to specific investment advice, depending on the facts and circumstances.
- An *Advertisement* that references favorable or profitable past specific investment advice without providing sufficient information and context to evaluate the merits of that advice is not fair and balanced.
- An adviser may wish to share a "thought piece" to describe the specific investment advice it provided in response to a major market event. This would be permissible under the Marketing Rule, provided the *Advertisement* includes disclosures with appropriate contextual information for investors to evaluate those recommendations (e.g., the circumstances of the market event, such as its nature and timing, and any relevant investment constraints, such as liquidity constraints, during that time).
- An adviser may provide unfavorable or unprofitable past specific investment advice in addition to the favorable or profitable advice, but this is not the only method of complying with this General Prohibition.
- An adviser may consider listing some, or all, of the specific investment advice of the same type, kind, grade, or classification as those specific investments presented in the *Advertisement*. For example, an adviser might provide a list of certain investments it recommended based upon certain selection criteria, such as the top holdings by value in a given strategy at a given point in time. The criteria the adviser uses to determine such lists in an *Advertisement*, as well as how the criteria are applied, should produce fair and balanced results. The SEC continues to believe that consistent application of the same selection criteria across measurement periods limits an adviser's ability to reference specific investment advice in a manner that unfairly reflects only positive or favorable results. For example, in deciding what to include in an *Advertisement*, an adviser may wish to apply non-performance related selection criteria across portfolio holdings, such as listing them on an alphabetical or rotational basis.
- The SEC believes case studies and any other similar information about the performance of portfolio companies are specific investment advice, subject to this general prohibition. For example, it would not be fair and balanced for an adviser to present, in an *Advertisement*, case studies only reflecting profitable investments when there are also similar unprofitable investments. To meet the fair and balanced standard, an adviser may, for example, disclose the overall performance of the relevant investment strategy or *Private Fund* for at least the relevant period covered by the list of investments. Case studies that include performance information are subject to the Marketing Rule's restrictions and requirements for performance advertising.
- In determining how to present information in a fair and balanced manner, an adviser should

consider the facts and circumstances of the *Advertisement*, including the nature and sophistication of the audience. For example, in an *Advertisement* intended for a retail investor, an adviser may include certain disclosures to help the investor understand that past specific investment advice does not guarantee future results such as an explanation of the particular or unique circumstances of the previous investment advice and how those circumstances are no longer relevant. Less detailed disclosure may be needed in an *Advertisement* solely for sophisticated institutional investors, who more likely understand the risks associated with past specific investment advice.

- In past no-action letters, the SEC staff has stated that it would not recommend enforcement action under the former marketing rule (i) with respect to charts in an *Advertisement* containing an adviser's best and worst performers in certain circumstances and (ii) relating to an *Advertisement* that includes performance-based past specific recommendations if the adviser uses objective, non-performance based criteria to select the specific securities that it lists and discusses in the *Advertisement* in certain circumstances. These methods described in past SEC no-action letters are not the only way to meet the fair and balanced standard.
- This general prohibition applies to any reference in an *Advertisement* to specific investment advice given by the adviser, regardless of whether the investment advice is current or occurred in the past, and regardless of whether the advice was acted upon, or reflected actual portfolio holdings, or was profitable. In addition, the prohibition applies to discretionary investments, as the SEC believes an adviser is implementing its recommendation or advice in such a context.

General Prohibition 6: References to Presentation of Performance Results

- The factors that are relevant to whether an *Advertisement's* reference to performance information is presented in a fair and balanced manner will vary based on the facts and circumstances. For example, presenting performance results over a very short period of time (e.g., two months), or over inconsistent periods of time, may result in performance portrayals that are not reflective of the adviser's general results and thus generally would not be fair and balanced. Additionally, an *Advertisement* that highlights one period of extraordinary performance with only a footnote disclosure of unusual circumstances that have contributed to such performance may not be fair and balanced, depending on whether there are other sufficient clear and prominent disclosures.
- In cases where additional information is necessary for an investor to assess performance results, failure to provide such information in an *Advertisement* is not consistent with the fair and balanced standard. For example, in order to provide investors with a fair and balanced portrayal of its performance results, an adviser should consider providing information related to the state of the market at the time, any unusual circumstances, and other material factors that contributed to such performance.
- The adviser should evaluate the particular facts and circumstances that may be relevant to investors, including the assumptions, factors, and conditions that contributed to the performance, and include appropriate disclosures or other information such that the advertisement does not violate the General Prohibitions of the Marketing Rule. Depending on the facts and circumstances, such disclosures may include: (1) the material conditions, objectives, and investment strategies used to obtain the results portrayed; (2) whether and to what extent the results portrayed reflect the reinvestment of dividends and other earnings; (3) the effect of material market or economic conditions on the results portrayed; (4) the possibility of loss; and (5) the material facts relevant to any comparison made to the results of an index or the benchmark.

General Prohibition 7: Otherwise Materially Misleading

- For example, an *Advertisement* would be materially misleading and prohibited if an adviser provides accurate disclosures but presents them in an unreadable font.

[ADVISER ACTION POINT; CUSTOMIZATION REQUIRED] [The Adviser will need to customize this part of the policies and procedures based on its business and compliance program.] The Responsible Personnel will review the Adviser's *Advertisements* based on the above considerations. **[Insert description of the procedures the Adviser will utilize to ensure compliance with the General Prohibitions.]** [e.g., internal pre-review and approval of *Advertisements*, reviewing a sample of *Advertisements* based on risk or pre-approving templates, spot checking *Advertisements*, and periodic reviews].

TESTIMONIAL AND ENDORSEMENT POLICY AND PROCEDURES

Adopted ***[Insert Date]***

[Revised as of _____]

In addition to complying with other applicable sections of the Marketing Rule, including without limitation, the General Prohibitions, any *Testimonials* and *Endorsements* are subject to the following policies and procedures.

I. STATEMENT OF POLICY

Under the Marketing Rule, an *Advertisement* is defined to include any *Testimonial* or *Endorsement* for which an adviser provides direct or indirect compensation. *Testimonials* and *Endorsements* encompass a scope of activity that includes, but is not limited to, traditional solicitation and placement agent arrangements.

The Marketing Rule provides that, subject to certain exemptions, an *Advertisement* may not include any *Testimonial* or *Endorsement*, and an adviser may not provide compensation, directly or indirectly, for a *Testimonial* or *Endorsement*, unless the adviser complies with the conditions of the Marketing Rule (i.e., disclosure, adviser oversight and compliance, and disqualification conditions). In this regard, the Adviser has adopted these policies and procedures in order to comply with the *Testimonial* and *Endorsements* provisions of the Marketing Rule.

II. PROCEDURES FOR COMPLYING WITH THE TESTIMONIAL AND ENDORSEMENTS PROVISIONS OF THE MARKETING RULE

[Instruction: Upon a determination that the activity or arrangement involves a *Testimonial* or *Endorsement* and cash or non-cash compensation, the Responsible Personnel will determine whether the activity or arrangement complies or will comply with the requirements of Sections B, C and D below or is otherwise eligible for an exemption from portions of Section B, C and D in accordance with the requirements of Section E. Only upon determination that the activity or arrangement complies with Sections B, C and D (as applicable) and subsequent approval by Responsible Personnel can the Adviser or its *Supervised Person* proceed with entering into the activity or engagement.]

A. *Testimonials* and *Endorsements* can be written or oral and include opinions or statements by persons about: (i) the investment advisory expertise or capabilities of an adviser or its *Supervised Persons*; and (ii) an adviser or its *Supervised Person's* qualities (e.g., trustworthiness, diligence, or judgment) or expertise or capabilities in other contexts, when the statements suggest that the qualities, capabilities, or expertise are relevant to the advertised investment advisory services.

[ADVISER ACTION POINT; CUSTOMIZATION REQUIRED] [The Adviser will need to customize this part of the policies and procedures based on its business and compliance program] The Responsible Personnel will determine whether: (i) the Adviser's various communications and arrangements constitute *Testimonials* or *Endorsements* under the Marketing Rule; and (ii) the Adviser provides direct or indirect cash or non-cash compensation for *Testimonials* or *Endorsements*. **[Insert description of the process the Adviser will utilize to make this determination, if necessary].**

In making this determination the Adviser may wish to require: *Supervised Persons* to inform the Responsible Personnel of any arrangement or activity that could constitute a *Testimonial* or *Endorsement*; pre-approval of all arrangements; periodic monitoring and training.

In making a determination regarding *Testimonials* and *Endorsements*, the Adviser should consider the following activities and types of promoters:

- Placement Agents
- Third-Party Solicitors
- Finders
- Consultants
- Unaffiliated funds-of-funds or feeder funds
- Website operators that match potential investors with one or more advisers
- Refer-a-friend programs
- Blogger's website reviews of the Adviser's advisory services
- Lead generation firms or adviser referral networks
- Capital introduction programs

In addition, the Responsible Personnel should consider the following examples of cash and non-cash compensation in connection with the proposed activity or arrangement:

- Flat fees
- Retainers
- Hourly fees
- Fees based on a percentage of assets under management or amounts invested
- Fee waivers and reduced advisory fees
- Directed brokerage that compensates brokers for soliciting investors
- Referral fees
- Business referrals
- Sales awards or prizes
- Gifts and entertainment

B. Required Disclosures. The Adviser is required to disclose, or reasonably believe that the person giving the *Testimonial* or *Endorsement* discloses, the following at the time the *Testimonial* or *Endorsement* is disseminated:

- (i) **Clearly and prominently:**
 - A. That the *Testimonial* was given by a current client or investor, and the *Endorsement* was given by a person other than a current client or investor, as applicable;**
 - B. That cash or non-cash compensation was provided for the *Testimonial* or *Endorsement*, if applicable; and**
 - C. A brief statement of any material conflicts of interest on the part of the person giving the *Testimonial* or *Endorsement* resulting from**

the adviser's relationship with such person (the disclosure required under (i)(A), (B) and (C) is referred to as the "Clear and Prominent Disclosure");

NOTE: *The Marketing Rule Adopting Release provides examples of what would satisfy the Clear and Prominent Disclosure requirement*

- In order to be clear and prominent, the disclosures must be at least as prominent as the *Testimonial* or *Endorsement*. In other words the "clear and prominent" standard requires that the disclosures be included within the *Testimonial* or *Endorsement*, or in the case of an oral *Testimonial* or *Endorsement*, provided at the same time. Hyperlinks would not satisfy this requirement.
- Disclosures can be provided succinctly within the *Testimonial* or *Endorsement* such that advisers may advertise their services using modern technology and platforms that limit the size or characters of an *Advertisement*.
- Other required disclosures, which provide investors with additional useful information but that are not integral to the concerns related to these *Advertisements*, may be provided through hyperlinks, in a separate disclosure document or any other similar methods.

(ii) The material terms of any compensation arrangement, including a description of the compensation provided or to be provided, directly or indirectly, to the person for the *Testimonial* or *Endorsement*; and

NOTE: *The Marketing Rule Adopting Release provides examples of the level of specificity and detail that the disclosure of material terms of compensation should include:*

- If payment of third-party expenses is part of the compensation arrangement, then such payment should be disclosed.
- If the compensation takes the form of a percentage of the total advisory fee over a period of time, then the disclosure should include the percentage and time period. If all or part of the cash or non-cash compensation is payable upon dissemination of the *Testimonial* or *Endorsement* or is deferred or contingent on a certain future event, such as an investor's continuation or renewal of its advisory relationship, agreement, or investment, then the *Advertisement* should disclose those terms.
- If as part of the compensation arrangement between the adviser and a promoter, an investor would pay increased advisory fees for becoming a client as a result of the promoter's *Testimonial* or *Endorsement*, then this information would be relevant so that the investor can make such considerations when choosing an adviser. If the amount of increased fees for the investor is known or could reasonably be obtained, then such amount should be disclosed.
- If the value of the non-cash compensation is readily ascertainable, the disclosures should include that amount.
- Compensation for *Testimonials* and *Endorsements* does not include regular salary or bonuses paid to adviser personnel for investment advisory activities or clerical, administrative support or similar functions.
- Immaterial aspects of a compensation arrangement and detailed information about the calculation of the compensation payable to each person giving a *Testimonial* or *Endorsement* need not be included as part of these disclosures. In addition, these disclosures should not include all compensation arrangements that an adviser has with any and all promoters, but rather should include only information about the relevant

compensation arrangement between an adviser and a specific promoter in order for the disclosure to be effective.

- It is relevant to an investor to know that a promoter continues to receive compensation after the investor becomes a client of, or *Private Fund* investor with, the adviser, as well as the period of time over which the promoter continues to receive compensation for such solicitation.

- (iii) **A description of any material conflicts of interest on the part of the person giving the *Testimonial* or *Endorsement* resulting from the Adviser's relationship with such person and/or any compensation arrangement (the disclosure required under (ii) and (iii) is referred to as the "Additional Disclosure").**

[ADVISER ACTION POINT; CUSTOMIZATION REQUIRED – The Adviser will need to customize this part of the policies and procedures based on its business and compliance program] The Responsible Personnel will determine whether the Adviser is in compliance with the Clear and Prominent Disclosure and Additional Disclosure requirements, including forming a reasonable belief that any third party has provided required disclosure in compliance with the Marketing Rule. **[Insert description of the process the Adviser will utilize to implement this, if necessary].**

In making this determination, the Responsible Personnel should:

- Determine, with respect to each promoter, whether the Adviser or the promoter will provide the required disclosures.
- If the Adviser relies on a third party to provide the required disclosures, seek to confirm that disclosures were provided to investors.
- Review and approve of the content of the disclosure.

If applicable, include provisions in the written agreement with the promoter requiring the promoter to provide the required disclosures to investors, and create a follow-up mechanism with the promoter such as sampling, certification or attestations. The Responsible Personnel may also wish to consider:

- Required disclosures must be delivered at the time the *Testimonial* or *Endorsement* is disseminated.
- If the disclosures are provided in writing the delivery may be made either through paper or electronic means consistent with existing SEC guidance on electronic delivery of documents.
- An adviser will not be required to obtain an acknowledgement that an investor or agent received the adviser's disclosure as was required under the Cash Solicitation Rule.

C. Adviser Oversight and Compliance.

The Adviser must have:

- (i) **A reasonable basis for believing that the *Testimonial* or *Endorsement* complies with the requirements of the Marketing Rule, and**

- (ii) **A written agreement with any person giving a *Testimonial* or *Endorsement* that describes the scope of the agreed-upon activities and the terms of compensation for those activities (“Written Agreement Requirement”).**

[ADVISER ACTION POINT; CUSTOMIZATION REQUIRED] The Responsible Personnel will determine the manner in which the Adviser will seek to demonstrate that the Adviser has met the reasonable basis standard described above. **[Insert description of the process that the Adviser will utilize to implement this, if necessary.]**

In order to determine that the Adviser has a reasonable basis for believing that a *Testimonial* or *Endorsement* complies with the requirements of the Marketing Rule, the Responsible Personnel may wish to consider the following:

- Periodically making inquiries of a sample of investors solicited or referred by the promoter in order to assess whether that promoter’s statements comply with the Marketing Rule; and
- Including terms in the written agreement with a promoter to help form such a reasonable belief; provided that the Adviser will need to take additional steps beyond entering into a written agreement to demonstrate “reasonable basis”. For example, such agreements could provide mechanisms to enable the Adviser to pre-review *Testimonials* and *Endorsements*, or otherwise impose limitations on the content of these statements.

D. Disqualification Provision.

The Adviser may not compensate a person, directly or indirectly, for a *Testimonial* or *Endorsement* if the Adviser knows, or in the exercise of reasonable care should know, that the person giving the *Testimonial* or *Endorsement* is an *Ineligible Person* at the time the *Testimonial* or *Endorsement* is disseminated. This Disqualification Provision shall not disqualify any person for any matter(s) that occurred prior to May 4, 2021, if such matter(s) would not have disqualified such person under the “Cash Solicitation Rule” as in effect prior to May 4, 2021.

[ADVISER ACTION POINT; CUSTOMIZATION REQUIRED - The Adviser will need to customize this part of the policies and procedures based on its business and compliance program] The Responsible Personnel will determine the manner in which the Adviser will seek to exercise reasonable care in determining whether persons providing a *Testimonial* or *Endorsement* are deemed to be *Ineligible Persons*. **[Insert description of the process that the Adviser will utilize to implement this, if necessary.]**

To demonstrate that the Adviser has exercised reasonable care, the Responsible Personnel may wish to consider the following:

- The Marketing Rule will not require the Adviser to monitor the eligibility of compensated promoters on a continuous basis. The frequency with which an adviser must monitor eligibility and the steps an adviser must take in making this assessment will vary depending on what constitutes the exercise of reasonable care in a particular set of facts and circumstances.
- The Adviser could take a similar approach to monitoring promoters as taken in monitoring its own *Supervised Persons*, but the Adviser would likely have to assess its own *Supervised Persons* more frequently in light of its obligations to report promptly certain disciplinary events on Form ADV.

- The Marketing Rule ties the reasonable care standard to the time the compensated *Testimonial* or *Endorsement* is disseminated. With respect to compensation paid to a promoter for a period of time after the dissemination of a *Testimonial* or *Endorsement* (i.e., trailing compensation), if a compensated promoter was subject to a *Disqualifying Event* or *Disqualifying Commission Action* at the time of dissemination, but the Adviser, after exercising reasonable care, did not know or have reason to know of such *Disqualifying Event* or *Disqualifying Commission Action*, then the advisor may make trailing payments resulting from such dissemination.

E. Exemptions.

(1) No Compensation or De Minimis Compensation

A *Testimonial* or *Endorsement* disseminated for no compensation, or compensation of a total of \$1,000 or less (or the equivalent value in non-cash compensation) during the preceding 12 months ("De Minimis Compensation"), is not required to comply with the Written Agreement Requirement and the Disqualification Provision (the "Compensation Exemption");

(2) Affiliated Personnel

A *Testimonial* or *Endorsement* by an adviser's partners, officers, directors, or employees, or a person that controls, is controlled by, or is under common control with the adviser, or is a partner, officer, director or employee of such a person is not required to comply with the Clear and Prominent Disclosure Requirement, the Additional Disclosure Requirement and the Written Agreement Requirement, provided that the affiliation between the adviser and such person is readily apparent to or is disclosed to the client or investor at the time the *Testimonial* or *Endorsement* is disseminated and the adviser documents such person's status at the time the *Testimonial* or *Endorsement* is disseminated (the "Affiliated Personnel Exemption");

(3) Registered Broker Dealer

The "Registered Broker Dealer Exemption" provides that a *Testimonial* or *Endorsement* by a broker or dealer registered with the SEC under Section 15(b) of the Securities Exchange Act of 1934 (the "Exchange Act") is not required to comply with:

- **The Clear and Prominent Disclosure and the Additional Disclosure Requirements if the *Testimonial* or *Endorsement* is provided to a retail customer that is a recommendation subject to Regulation Best Interest under the Exchange Act;**
- **The Additional Disclosure Requirement if the *Testimonial* or *Endorsement* is provided to a person that is not a "retail customer" as defined in Regulation Best Interest; and**
- **The Disqualification Provision if the broker or dealer is not subject to statutory disqualification, as defined under Section 3(a)(39) of the Exchange Act; and**

(4) Bad Actor Rule Covered Person

***A Testimonial or Endorsement* by a person that is covered by Rule 506(d) of Regulation D under the Securities Act of 1933 (the “Securities Act”) with respect to a Rule 506 securities offering under the Securities Act and whose involvement would not disqualify the offering under that rule is not required to comply with the Disqualification Provision (the “Bad Actor Rule Exemption”).**

[ADVISER ACTION POINT; CUSTOMIZATION REQUIRED – The Adviser will need to customize this part of the policies and procedures based on its business and compliance program] To the extent the Adviser is relying or proposes to rely on any of the Compensation Exemption, the Affiliated Personnel Exemption, the Registered Broker Dealer Exemption, or the Bad Actor Rule Exemption, the Responsible Personnel will determine whether the activity or arrangement is eligible for the exemption. **[Insert description of the internal process the Adviser will utilize to implement this, if necessary.]**

In making this determination the Responsible Personnel may wish to consider the following:

- With respect to the Compensation Exemption survey compensation arrangements and periodically testing compliance with the de minimis level.
- With respect to the Affiliated Personnel Exemption, whether an affiliate relationship is “readily apparent”, which will depend on the facts and circumstances. The relationship between an affiliated person and the Adviser may be readily apparent to an investor, such as when an in-house solicitor shares the same name as the advisory firm, or a person operates under the same name brand as the Adviser. An affiliate relationship may also be readily apparent when a person is clearly identified as related to the Adviser in its communications with the investor (e.g., the person’s affiliation with the Adviser is clearly and prominently stated in a business card distributed to the investor) at the time the *Testimonial* or *Endorsement* is disseminated.
- With respect to the Registered Broker Dealer Exemption, consider including contractual representations and warranties in the written agreement with a registered broker-dealer in addition to routine monitoring and certification.
- With respect to the Bad Actor Rule Exemption, consider obtaining appropriate representations and warranties from the promoter or solicitor with regard to Rule 506(d), as well as a mechanism for periodic updates of those representations.

PERFORMANCE ADVERTISING POLICY AND PROCEDURESAdopted *[Insert Date]*

[Revised as of _____]

In addition to complying with other applicable sections of the Marketing Rule, including without limitation, the General Prohibitions, any performance results presented in an *Advertisement* are subject to the following policies and procedures.

I. STATEMENT OF POLICY

Under the Marketing Rule, an *Advertisement* containing performance information must comply with the conditions of the Marketing Rule relating to the presentation of: (A) *Net Performance*; (B) prescribed time periods; (C) statements about SEC approval; (D) *Related Performance*; (E) *Extracted Performance*; (F) *Hypothetical Performance*; and (G) portability of performance, to the extent applicable. **[NOTE: To the extent the Adviser will not engage in a particular type of performance advertising, the Adviser may wish to remove the applicable subsection of this Policy in its discretion.]**

II. PROCEDURES FOR COMPLYING WITH THE PERFORMANCE ADVERTISING PROVISIONS OF THE MARKETING RULE

[ADVISER ACTION POINT; CUSTOMIZATION REQUIRED. The Adviser will need to customize this part of the Marketing Rule policies and procedures based on its business and overall compliance program.] The Responsible Personnel will determine that the Adviser is in compliance with the requirements of the Marketing Rule relating to the presentation of performance results. **[Insert description of the process the Adviser will utilize to implement this, if necessary.]** In implementing procedures with respect to the presentation of performance specified in this Policy, the Adviser should pay particular attention to the relevant guidance and points for consideration. **[As a matter of best practice, review procedures should address: adequacy of legal disclaimers; sufficiency of information relating to the relevant criteria, assumptions, risks and limitations of performance advertising information; the overall presentation (e.g., *Net Performance* is presented side-by-side or on the same page as *Gross Performance*); the accuracy of performance calculations; calculation and composition of performance composites; documentation of the review process; and related recordkeeping obligations.]**

A. Net Performance Requirement

- i. **General Requirement.** The Adviser may not include in any *Advertisement* any presentation of *Gross Performance* (with respect to a *Portfolio*), unless the *Advertisement* also presents *Net Performance*:
 - (a) With at least equal prominence to, and in a format designed to facilitate comparison with, the *Gross Performance*
 - (b) Calculated over the same time period, and using the same type of return and methodology, as the *Gross Performance*.
- ii. *Calculation of Net Performance.*

Deduction of Fees and Expenses. *Net Performance* of a *Portfolio* (or portions of a *Portfolio* that are included in *Extracted Performance*, if applicable) must reflect the deduction all fees and expenses a client or investor has paid or would have paid in connection with the Adviser's investment advisory services to the relevant *Portfolio*, including, if applicable:

- (a) Advisory fees (including performance-based fees and performance allocations that a client or investor has paid or would have paid in connection with the Adviser's investment advisory services to the relevant *Portfolio*);
- (b) Advisory fees paid to underlying investment vehicles; and
- (c) Payments by the Adviser for which the client or investor reimburses the Adviser.

Deduction of Third-Party Custodian Fees. *Net Performance* may reflect the exclusion of custodian fees paid to a bank or other third-party organization for safekeeping funds and securities.

Deduction of a Model Fee. If the Adviser presents performance results of a *Portfolio* using a model fee, the calculation of *Net Performance* must reflect:

- (a) The deduction of a model fee when doing so would result in performance figures that are no higher than if the actual fee had been deducted; or
- (b) The deduction of a model fee that is equal to the highest fee charged to the intended audience to whom the *Advertisement* is disseminated (i.e., the Adviser may not deduct a model fee that is not available to the intended audience).

NOTE: *The Marketing Rule Adopting Release and the SEC staff's Marketing Compliance Frequently Asked Questions provide examples and guidance on the presentation of Gross Performance and Net Performance.*

Disclosure Requirements for Gross and Net Performance

- The final rule does not prescribe disclosure requirements and indicates that depending on the facts and circumstances, disclosures may include: (1) the material conditions, objectives, and investment strategies used to obtain the results portrayed; (2) whether and to what extent the results portrayed reflect the reinvestment of dividends and other earnings; (3) the effect of material market or economic conditions on the results portrayed; (4) the possibility of loss; and (5) the material facts relevant to any comparison made to the results of an index or other benchmark.
- The SEC staff has stated its belief that "displaying the performance of one investment or a group of investments in a private fund" is an example of *Extracted Performance*. Therefore, when an adviser displays the *Gross Performance* of a single investment (e.g., a case study) or a group of investments in a private fund, the adviser must also show the *Net Performance* of that single investment or group of investments.

Calculation of Gross Performance

- When presenting *Gross Performance* information (including, if applicable, portions of a *Portfolio* that are included in *Extracted Performance*), an adviser should seek to provide appropriate disclosure about *Gross Performance*, taking into account the particular facts and circumstances of the advertised performance by describing the type of performance

return presented and disclosing what elements are included in the return presented. For example, an *Advertisement* may or may not present the performance of a *Portfolio* using a return that accounts for the cash flows into and out of the *Portfolio*. In either case, the adviser should disclose what elements are included in the return presented so that the audience can understand, for example, how it reflects cash flow and other relevant factors. Similarly, if the adviser's presentation of *Gross Performance* does not reflect the deduction of transaction fees and expenses, the adviser should disclose that fact to avoid being misleading, if it would not be clear to the investor from the context of the *Advertisement*.

- If an adviser deducts applicable transaction fees and expenses, or advisory fees paid to an underlying investment vehicle, when calculating *Gross Performance*, the adviser should also do so when calculating *Net Performance*.

Deduction of Third-Party Custodian Fees. *Net Performance may reflect the exclusion of custodian fees paid to third parties when the client controls custodian selection and accompanying fees, even if the adviser knows the amount of custodian fees (e.g., where the adviser recommended the custodian). However, to the extent a client or investor pays the adviser, rather than a third party, for custodial services, then the adviser must deduct the custodial fee in calculating Net Performance for purposes of the Advertisement.*

Administrative Fees and Expenses. *If the adviser agrees to bear certain administrative fees as a result of negotiations with Private Fund investors, or if a Private Fund investor agrees to directly bear them, those fees should not be included in the calculation of Net Performance.*

Deduction of a Model Fee.

- An adviser may display the performance of the highest fee class with respect to a *Private Fund* with multiple series or classes where each series or class has different fees.
- Where there are two model fees, one reflecting the highest fee that was charged historically and one reflecting the highest potential fee that an adviser will charge the investors or clients receiving the particular *Advertisement*, the adviser must use the higher of these two model fees. However, where the adviser has not yet managed an actual account for clients or investors similar to the relevant audience, the adviser may deduct a model fee that is equal to the highest fee to be charged to the relevant audience.
- If an adviser charged a higher fee for unique relationship servicing requirements that it does not intend to provide in the future to the intended audience for the *Advertisement*, the *Portfolio* may be outside of the scope of the adviser's performance calculation. For example, the *Portfolio* may not meet the criteria for a *Related Portfolio* and, in that case, should not be included in the calculation of *Related Performance*.

Calculating Net Hypothetical Performance. *When presenting Hypothetical Performance, Net Performance should reflect the fees and expenses that would have been paid if the Hypothetical Performance had been achieved by an actual Portfolio.*

B. Prescribed Time Periods Requirement

The Adviser may not include in any *Advertisement* any performance results of any *Portfolio* or any composite aggregation of *Related Portfolios*, in each case other than any *Private Fund*, unless the *Advertisement* includes performance results of the same *Portfolio* or composite aggregation for one-, five-, and ten-year periods, each presented with equal prominence and ending on a date that is no less recent than the most recent calendar year-end (the "*Prescribed Time Periods Requirement*"); except that if the relevant *Portfolio* did not exist for a particular prescribed period, then the life of the *Portfolio* must be substituted for that period (for example, if a *Portfolio* had been in existence for seven

years, then the Adviser must show performance results for one-year, five-year and seven-year periods).

NOTE: *The Marketing Rule Adopting Release and the SEC staff's Marketing Compliance Frequently Asked Questions provide examples and guidance on the Prescribed Time Periods Requirement.*

- Private Fund Performance. Presentations of *Private Fund* performance results are not subject to the Prescribed Time Periods Requirement.
- Non-Prescribed Time Periods. Performance results for periods other than the prescribed time periods are permitted so long as the *Advertisement* also presents results for the prescribed time periods.

The prescribed time period must end on a date that is no less recent than the most recent calendar year-end. In selecting time periods for purposes of an *Advertisement*, an adviser may not select the periods that show only the most favorable performance. For example, an adviser may not present performance for a five-year period ending on a particular date because that five-year period showed growth while presenting a ten-year period ending on a different date because that ten-year period showed growth.

Depending on the facts and circumstances, however, an adviser may be required to present performance results as of a more recent date than the most recent calendar-year end to comply with the Marketing Rule's general prohibitions. For example, it could be misleading for an adviser to present performance returns as of the most recent calendar year-end if more timely quarter-end performance is available and events have occurred since that time that would have a significant negative effect on the adviser's performance. If more recent quarter-end performance data is not available, the adviser should include appropriate disclosure about the performance presented in the *Advertisement*.

- Interim Performance Information. If an adviser is unable to calculate one-, five-, and ten-year performance data in accordance with the Prescribed Time Periods Requirement immediately following a calendar year-end, the adviser may use performance information that is at least as current as the third quarter of that calendar year ("Interim Performance Information") in an *Advertisement* until the adviser can comply with the calendar year-end requirement. A reasonable period of time to calculate performance results based on the most recent calendar year-end generally would not exceed one month. The Interim Performance Information remains subject to the other provisions of the Marketing Rule, including the General Prohibitions.

C. Statement of SEC Approval or Review

The Adviser may not include in any *Advertisement* any statement, express or implied, that the calculation or presentation of performance results in the *Advertisement* has been approved or reviewed by the SEC.

NOTE: *The Marketing Rule Adopting Release provides guidance on the use of statements indicating SEC Approval or Review of Advertisements.*

- The SEC cautions that an express or implied statement that the SEC has reviewed or approved the Adviser's performance results could advance unrealistic expectations in an *Advertisement's* audience. For example, a statement that "performance results are prepared in compliance with the SEC's requirements on performance presentations in advertisements" may mislead an investor into thinking that the SEC has approved the results portrayed. Further, such a statement could be misleading to the extent it suggests

the SEC has reviewed or approved more generally an adviser, its services, its personnel, its competence or experience, or its investment strategies and methods.

D. Presentation of Related Performance

The Adviser may not include in any *Advertisement* any performance results of one or more *Related Portfolios*, either on a *Portfolio-by-Portfolio* basis or as a composite aggregation of all *Portfolios* falling within stated criteria (“*Related Performance*”), unless the *Related Performance* includes all *Related Portfolios*; provided the *Related Performance* may exclude any *Related Portfolios* if:

- (i) The advertised performance results are not materially higher than if all *Related Portfolios* had been included; and
- (ii) The exclusion of any *Related Portfolio* does not alter the presentation of any applicable time periods prescribed by the Prescribed Time Periods Requirement.

NOTE: The Marketing Rule Adopting Release provides examples and guidance on the presentation of *Related Performance*.

Related Portfolios

- *Related Portfolio* is defined as a *Portfolio* (a group of investments managed by the Adviser, other than the performance results of the separately managed account or pooled investment vehicle being offered, that may be an account or a *Private Fund*) with substantially similar investment policies, objectives, and strategies as those of the services being offered in the *Advertisement*.
- Whether a *Portfolio* is a *Related Portfolio* requires a facts and circumstances analysis. For example, an adviser may determine that a *Portfolio* with material client constraints or other material differences does not have substantially similar investment policies, objectives and strategies and should not be included as a *Related Portfolio*. Different fees and expenses alone would not allow an adviser to exclude a *Portfolio* that has a substantially similar investment policy, objective and strategy as those of the services offered.
- An adviser that has advised multiple *Private Funds* over time may exclude earlier *Private Funds* in its *Related Performance* if the relevant financial markets or investment advisory personnel have changed over time such that the investment policies, objectives and strategies of the adviser’s earlier *Private Funds* are no longer substantially similar to those of the fund being marketed.

Portfolio-by-Portfolio Basis

- An adviser may present *Related Performance* on a *Portfolio-by-Portfolio* basis, subject to the General Prohibitions, including the prohibition on omitting material facts necessary to make the presentation, in light of the circumstances under which it was made, not misleading. For example, an *Advertisement* presenting *Related Performance* on a *Portfolio-by-Portfolio* basis could be potentially misleading if it does not disclose the size of the *Portfolios* and the basis on which the adviser selected the *Portfolios*.

Composite Aggregation

- The Marketing Rule does not prescribe specific criteria to define the relevant *Portfolios* included in a composite aggregation, but requires that once the criteria are established, all *Related Portfolios* meeting the criteria are included in the composite. An *Advertisement* presenting *Related Performance* in a composite would be false or misleading where the composite is represented as including all *Portfolios* in the strategy being advertised but

excludes some *Portfolios* falling within the stated criteria or is otherwise manipulated by the adviser. Omitting the criteria the adviser used in defining the *Related Portfolios* and crafting the composite could result in an *Advertisement* presenting *Related Performance* that is misleading.

“Materially Higher” Condition

- An adviser may meet the “materially higher” condition if the results for one prescribed time period are no higher than if all *Related Portfolios* had been included for that time period, and the results for another prescribed time period are higher, but not materially higher, than if all *Related Portfolios* had been included for that time period. It may also meet the “materially higher” condition if the results for any and all prescribed time periods are not materially higher than if all *Related Portfolios* had been included for each time period.
- An adviser may present the results of a single representative account (such as a flagship fund) or a subset of *Related Portfolios* alongside the required *Related Performance* so long as the *Advertisement* would otherwise comply with the General Prohibitions.

E. Extracted Performance

The Adviser may not include any performance results of a subset of investments extracted from a *Portfolio* (“*Extracted Performance*”) in any *Advertisement* unless the *Advertisement* provides, or offers to provide promptly, the performance results of the total *Portfolio* from which the performance was extracted.

NOTE: *The Marketing Rule Adopting Release and the SEC staff’s Marketing Compliance Frequently Asked Questions provide certain guidance on the presentation of Extracted Performance.*

- Any presentation of *Extracted Performance* is subject to the General Prohibitions, including the prohibition on omitting material facts necessary to make the presentation, in light of the circumstances under which it was made not misleading.
- It would be an omission of a material fact and, therefore, misleading for an adviser to present *Extracted Performance* without disclosing that it represents a subset of a *Portfolio’s* investments or to include or exclude performance results, or present performance time periods, in a manner that is not fair and balanced. In addition, an extract would likely be false or misleading where it excludes investments that fall within the represented selection criteria.
- An adviser is not required to disclose detailed information on the selection criteria and assumptions made for the *Extracted Performance* unless the omission of this information would cause the presentation to be misleading or otherwise violate the General Prohibitions.
- It would be viewed as misleading to present *Extracted Performance* in an *Advertisement* without disclosing whether it reflects an allocation of the cash held by the entire *Portfolio* and the effect of the cash allocation, or the absence of the cash allocation, on the results presented.
- *Net Performance* must accompany any presentation of *Gross Performance* for the extracted subset of investments.
- The SEC staff has stated its belief that “displaying the performance of one investment or a group of investments in a private fund” is an example of *Extracted Performance*. Therefore, when an adviser displays the *Gross Performance* of a single investment (e.g., a case study) or a group of investments in a private fund, the adviser must also show the *Net Performance* of that single investment or group of investments.

F. Hypothetical Performance

The Adviser may not include any *Hypothetical Performance* in any *Advertisement* unless the Adviser:

- (i) Adopts and implements policies and procedures reasonably designed to ensure that the *Hypothetical Performance* is relevant to the likely financial situation and investment objectives of the intended audience of the *Advertisement*;
- (ii) Provides sufficient information to enable the intended audience to understand the criteria used and assumptions made in calculating such *Hypothetical Performance*; and
- (iii) Provides (or, if the intended audience is an investor in a *Private Fund*, provides, or offers to provide promptly) sufficient information to enable the intended audience to understand the risks and limitations of using such *Hypothetical Performance* in making investment decisions; provided that the Adviser need not comply with the other conditions on performance prescribed by Sections II.B., II.D. and II.E. of Part III of this Policy.

NOTE: *The Marketing Rule Adopting Release provides certain guidance on how an adviser can determine that Advertisements containing Hypothetical Performance provide sufficient information about the criteria and assumptions and risk information:*

- A general description of the methodology used would be sufficient information.
- Advisers are not expected to disclose proprietary or confidential information to satisfy these conditions.
- Any assumptions on which the *Hypothetical Performance* is based should be disclosed, including, in the case of targeted or projected returns, the adviser's view of the likelihood of a given event occurring.
- Risk information should include any known reason why the *Hypothetical Performance* might differ from actual performance of a *Portfolio* (e.g., that it does not reflect cash flows in and out of the *Portfolio*).
- An *Advertisement* would be viewed as including an untrue statement of material fact if the advertised *Hypothetical Performance* reflected the application of rules, criteria, assumptions, or general methodologies that were materially different from those stated or applied in the underlying information of such *Hypothetical Performance*.
- It would be viewed as materially misleading for an *Advertisement* to present *Hypothetical Performance* that discusses any potential benefits resulting from the adviser's method of operation without providing fair and balanced discussion of any associated material risks or material limitations associated with the potential benefits.

[ADVISER ACTION POINT; CUSTOMIZATION REQUIRED. The Adviser will need to customize this part of the policies and procedures based on its business and compliance program.] The Responsible Personnel will determine that the Adviser is in compliance with the requirements of the Marketing Rule relating to the use of *Hypothetical Performance*. **[Insert description of the process the Adviser should utilize to implement this.]** [e.g., the Responsible Personnel will restrict the dissemination of any *Advertisements* containing *Hypothetical Performance* to intended audiences for whom the information is relevant to their likely financial situation and investment objectives.]

In making this determination, the Responsible Personnel may wish to consider:

- The Adviser's past experience with particular types of investors.
- Criteria to distinguish particular types of investors (e.g., previous investments or relationships with the Adviser; net worth; investment experience; regulatory defined categories such as qualified purchaser or qualified client status).
- The manner in which the Adviser will determine that the intended audience for *Hypothetical Performance* presentations has sufficient information to understand the criteria, assumptions, risks and limitations of *Hypothetical Performance* in general and the specific presentation.
- What steps the Adviser will take to determine that *Advertisements* including *Hypothetical Performance* will be disseminated only to the intended audience.

G. Predecessor Performance

The Adviser may not include any *Predecessor Performance* in any *Advertisement* unless:

- (i) The person or persons who were primarily responsible for achieving the prior performance results manage accounts at the Adviser;
- (ii) The accounts managed at the predecessor investment adviser are sufficiently similar to the accounts managed at the Adviser that the performance results would provide relevant information to clients or investors;
- (iii) All accounts that were managed in a substantially similar manner are advertised unless the exclusion of any such account would not result in materially higher performance and the exclusion of any account does not alter the presentation of any applicable time periods prescribed in Section II.B. of Part III of this Policy; and
- (iv) The *Advertisement* clearly and prominently includes all relevant disclosures, including that the performance results were from accounts managed at another entity.

NOTE: *The Marketing Rule Adopting Release provides certain guidance on the presentation of Predecessor Performance.*

"Primarily Responsible"

- In order to present *Predecessor Performance* in an *Advertisement*, the person or persons who were primarily responsible for achieving the prior performance results while employed at the predecessor firm must manage accounts at the advertising adviser.
 - An adviser should consider the substantive responsibilities of those who are responsible for generating the performance at issue and, where more than one individual is primarily responsible for making investment decisions, whether a substantial identity of the group responsible for achieving the prior performance have moved over to the advertising adviser.
 - Where a committee managed the group of investments at the predecessor firm, a committee comprising a substantial identity of the membership must manage the *Portfolios* at the advertising adviser.

- A person or group of persons is primarily responsible for achieving prior performance results if the person makes or the group makes investment decisions.
- Where more than one person is involved in making investment decisions, an adviser should consider the authority and influence that each person has in making investment decisions.

“Substantially Similar Manner”

- The advertising adviser using *Predecessor Performance* in an *Advertisement* must display all accounts that were managed in a substantially similar manner at the predecessor adviser, unless excluding any account would not result in materially higher performance and the exclusion of any account does not alter the presentation of any applicable time periods required by the Marketing Rule.

“Relevant Disclosures”

- The advertising adviser must clearly and prominently include all relevant disclosures and indicate that the performance results were from accounts managed at another entity.

Records Supporting Predecessor Performance

- The *Advisers Act* “Books and Records Rule” requires the advertising adviser to retain records to support the *Predecessor Performance* presented.
- The SEC stated that it does not believe that an advertising adviser could recreate performance based on a sampling of investor statements and/or display performance from a prior firm because of their concern that such an approach has a heightened risk of cherry-picking performance. The SEC rejected flexibility in this area and expressed the view that *Predecessor Performance* can be substantiated only by maintaining the original books and records.

Third-Party Ratings Policy and Procedures

Adopted ***[Insert Date]***

[Revised as of _____]

In addition to complying with other applicable sections of the Marketing Rule, including without limitation, the General Prohibitions, any *Third-Party Ratings* are subject to the following policies and procedures.

I. STATEMENT OF POLICY

Under the Marketing Rule, *Advertisements* that include *Third-Party Ratings* are required to meet certain conditions. In this regard, the Adviser has adopted this Policy in order to comply with the *Third-Party Ratings* provisions of the Marketing Rule.

II. PROCEDURES FOR COMPLYING WITH THIRD-PARTY RATINGS PROVISIONS OF THE MARKETING RULE

A. An *Advertisement* may not include any *Third-Party Rating*, unless the Adviser:

- i. **Has a reasonable basis for believing that any questionnaire or survey used in the preparation of the *Third-Party Rating* is structured to make it equally easy for a participant to provide favorable and unfavorable responses, and is not designed or prepared to produce any predetermined result (the “Due Diligence Requirement”); and**

NOTE: *The Marketing Rule Adopting Release provides certain guidance on the Due Diligence Requirement.*

- An adviser relying solely on the results of a survey or questionnaire – i.e., the rating itself – without conducting some due diligence into the underlying methodology and structure, could give rise to *Advertisements* that include misleading ratings.
- An adviser could satisfy the Due Diligence Requirement by accessing the questionnaire or survey that was used in the preparation of the *Third-Party Rating*. Alternatively, the adviser could satisfy the Due Diligence Requirement without obtaining proprietary data of *Third-Party Rating* agencies by seeking representations from the *Third-Party Rating* agency regarding general aspects of how the survey or questionnaire is designed, structured, and administered or obtaining publicly disclosed information about the *Third-Party Rating* provider’s survey or questionnaire methodology.

- ii. **Clearly and prominently discloses, or the Adviser reasonably believes that the *Third-Party Rating* clearly and prominently discloses:**
 - (a) **The date on which the rating was given and the period of time upon which the *Third-Party Rating* was based;**
 - (b) **The identity of the third party that created and tabulated the *Third-Party Rating*; and**

- (c) **If applicable, that compensation has been provided directly or indirectly by the Adviser in connection with obtaining or using the *Third-Party Rating* (the “Disclosure Requirement”).**

NOTE: *The Marketing Rule Adopting Release provides certain guidance on the Disclosure Requirement.*

- The disclosures must be at least as prominent as the *Third-Party Rating* and the disclosures may not be included in a hyperlink.
- The Adviser’s satisfaction of the three disclosures does not cure a rating that could otherwise be false or misleading under the General Prohibitions or under the general anti-fraud provisions of the Federal securities laws.

[ADVISER ACTION POINT; CUSTOMIZATION REQUIRED. The Adviser will need to customize this part of the Marketing Rule policies and procedures based on its business and overall compliance program.] The Responsible Personnel will determine that the inclusion of a *Third-Party Rating* in an *Advertisement* complies with the requirements set forth in Section II of this Policy. **[Insert description of the process the Adviser will use to implement this.]**

MARKETING POLICIES AND PROCEDURES
GLOSSARY OF TERMS

Advertisement means:

- 1) Any direct or indirect communication the adviser makes to more than one person, or to one or more persons if the communication includes *Hypothetical Performance*, that offers the adviser's investment advisory services with regard to securities to prospective clients or investors in a *Private Fund* advised by the adviser or offers new investment advisory services with regard to securities to current clients or investors in a *Private Fund* advised by the adviser, but does not include:
 - (A) Extemporaneous, live, oral communications;
 - (B) Information contained in a statutory or regulatory notice, filing, or other required communication, provided that such information is reasonably designed to satisfy the requirements of such notice, filing, or other required communication; or
 - (C) A communication that includes *Hypothetical Performance* that is provided:
 - (1) In response to an unsolicited request for such information from a prospective or current client or investor in a *Private Fund* advised by the adviser; or
 - (2) To a prospective or current investor in a *Private Fund* advised by the adviser in a one-on-one communication; and
- 2) Any *Testimonial* or *Endorsement* for which the adviser provides compensation, directly or indirectly, but does not include any information contained in a statutory or regulatory notice, filing, or other required communication, provided that such information is reasonably designed to satisfy the requirements of such notice, filing, or other required communication.

Advisers Act means the Investment Advisers Act of 1940, as amended.

De Minimis Compensation means compensation paid to a person for providing a *Testimonial* or *Endorsement* of a total of \$1,000 or less (or the equivalent value in non-cash compensation) during the preceding 12 months.

Disqualifying Commission Action means an SEC opinion or order barring, suspending, or prohibiting the person from acting in any capacity under the Federal securities laws.

Disqualifying Event is any of the following events that occurred within ten years prior to the person disseminating a *Testimonial* or *Endorsement*:

- (i) A conviction by a court of competent jurisdiction within the United States of any felony or misdemeanor involving conduct described in paragraph (2)(A) through (D) of section 203(e) of the *Advisers Act*;
- (ii) A conviction by a court of competent jurisdiction within the United States of engaging in, any of the conduct specified in paragraphs (1), (5), or (6) of section 203(e) of the *Advisers Act*;

- (iii) The entry of any final order by any entity described in paragraph (9) of section 203(e) of the *Advisers Act*, or by the U.S. Commodity Futures Trading Commission or a self-regulatory organization (as defined in the Form ADV Glossary of Terms), of the type described in paragraph (9) of section 203(e) of the *Advisers Act*;
- (iv) The entry of an order, judgment or decree described in paragraph (4) of section 203(e) of the *Advisers Act*, and still in effect, by any court of competent jurisdiction within the United States; and
- (v) An SEC order that a person cease and desist from committing or causing a violation or future violation of:
 - (A) Any scienter-based anti-fraud provision of the Federal securities laws, including without limitation section 17(a)(1) of the Securities Act of 1933, section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 under the Securities Exchange Act of 1934, section 15(c)(1) of the Securities Exchange Act of 1934, and section 206(1) of the *Advisers Act*, or any other rule or regulation thereunder; or
 - (B) Section 5 of the Securities Act of 1933;
- (vi) A *Disqualifying Event* does not include an event described in paragraphs (i) through (v) above with respect to a person that is also subject to:
 - (A) An order pursuant to section 9(c) of the Investment Company Act of 1940 with respect to such event; or
 - (B) An SEC opinion or order with respect to such event that is not a *Disqualifying Commission Action*; provided that for each applicable type of order or opinion described in paragraphs (A) and (B) of this section:
 - (1) The person is in compliance with the terms of the order or opinion, including, but not limited to, the payment of disgorgement, prejudgment interest, civil or administrative penalties, and fines; and
 - (2) For a period of ten years following the date of each order or opinion, the *Advertisement* containing the *Testimonial* or *Endorsement* must include a statement that the person providing the *Testimonial* or *Endorsement* is subject to an SEC order or opinion regarding one or more disciplinary action(s), and include the order or opinion or a link to the order or opinion on the SEC's website.

Endorsement means any statement by a person other than a current client or investor in a *Private Fund* advised by the adviser that:

- (i) Indicates approval, support, or recommendation of the adviser or its *Supervised Persons* or describes that person's experience with the adviser or its *Supervised Persons*;
- (ii) Directly or indirectly solicits any current or prospective client or investor to be a client of, or an investor in a *Private Fund* advised by, the adviser; or
- (iii) Refers any current or prospective client or investor to be a client of, or an investor in a *Private Fund* advised by, the adviser.

Extracted Performance means the performance results of a subset of investments extracted from a *Portfolio*.

Gross Performance means the performance results of a *Portfolio* (or portions of a *Portfolio* that are included in *Extracted Performance*, if applicable) before the deduction of all fees and expenses that a client or investor has paid or would have paid in connection with the adviser's investment advisory services to the relevant *Portfolio*.

Hypothetical Performance means performance results that were not actually achieved by any *Portfolio* of the adviser.

- (i) *Hypothetical Performance* includes, but is not limited to;
 - (A) Performance derived from model portfolios;
 - (B) Performance that is backtested by the application of a strategy to data from prior time periods when the strategy was not actually used during those time periods; and
 - (C) Targeted or projected performance returns with respect to *any Portfolio* or to the investment advisory services with regard to securities offered in *the Advertisement*, however:
- (ii) *Hypothetical Performance* does not include:
 - (A) An interactive analysis tool where a client or investor, or prospective client or investor, uses the tool to produce simulations and statistical analyses that present the likelihood of various investment outcomes if certain investments are made or certain investment strategies or styles are undertaken, thereby serving as an additional resource to investors in the evaluation of the potential risks and returns of investment choices; provided that the investment adviser:
 - (1) Provides a description of the criteria and methodology used, including the investment analysis tool's limitations and key assumptions;
 - (2) Explains that the results may vary with each use and over time;
 - (3) If applicable, describes the universe of investments considered in the analysis, explains how the tool determines which investments to select, discloses if the tool favors certain investments and, if so, explains the reason for the selectivity, and states that other investments not considered may have characteristics similar or superior to those being analyzed; and
 - (4) Discloses that the tool generates outcomes that are hypothetical in nature; or
 - (B) *Predecessor Performance* that is displayed in compliance with the Marketing Rule's requirements for the presentation of *Predecessor Performance*.

Ineligible Person means a person who is subject to a *Disqualifying Commission Action* or is subject to any *Disqualifying Event*, and the following persons with respect to the *Ineligible Person*: (i) any employee, officer, or director of the *Ineligible Person* and any other individuals with similar status or functions within the scope of association with the *Ineligible Person*; (ii) if the *Ineligible Person* is a partnership, all general

partners; and (iii) if the *Ineligible Person* is a limited liability company managed by elected managers, all elected managers.

Net Performance means the performance results of a *Portfolio* (or portions of a *Portfolio* that are included in *Extracted Performance*, if applicable) after the deduction of all fees and expenses that a client or investor has paid or would have paid in connection with the adviser's investment advisory services to the relevant *Portfolio*, including, if applicable, advisory fees, advisory fees paid to underlying investment vehicles, and payments by the adviser for which the client or investor reimburses the adviser. For purposes of the Marketing Rule, *Net Performance*:

- (i) May reflect the exclusion of custodian fees paid to a bank or other third-party organization for safekeeping funds and securities; and/or
- (ii) If using a model fee, must reflect one of the following:
 - (A) The deduction of a model fee when doing so would result in performance figures that are no higher than if the actual fee had been deducted; or
 - (B) The deduction of a model fee that is equal to the highest fee charged to the intended audience to whom the *Advertisement* is disseminated.

Portfolio means a group of investments managed by the adviser. A *Portfolio* may be an account or a *Private Fund* and includes, but is not limited to, a *Portfolio* for the account of the adviser or its advisory affiliate (as such term is defined by the Form ADV Glossary).

Predecessor Performance means investment performance achieved by a group of investments consisting of an account or a *Private Fund* that was not advised at all times during the period shown by the adviser advertising the performance.

Private Fund means an issuer that would be an investment company, as defined in section 3 of the Investment Company Act of 1940, but for section 3(c)(1) or 3(c)(7) of that Act.

Related Performance means the performance results of one or more *Related Portfolios*, either on a *Portfolio-by-Portfolio* basis or as a composite aggregation of *all Portfolios* falling within stated criteria.

Related Portfolio means a *Portfolio* with substantially similar investment policies, objectives, and strategies as those of the services being offered in *the Advertisement*.

Supervised Person has the same meaning as in section 202(a)(25) of the *Advisers Act*.

Testimonial means any statement by a current client or investor in a *Private Fund* advised by the adviser:

- (i) About the client or investor's experience with the adviser or its *Supervised Persons*;
- (ii) That directly or indirectly solicits any current or prospective client or investor to be a client of, or an investor in a *Private Fund* advised by, the adviser; or
- (iii) That refers any current or prospective client or investor to be a client of, or an investor in a *Private Fund* advised by, the adviser.

Third-Party Rating means a rating or ranking of the adviser provided by a person who is not a related person (as such term is defined by the Form ADV Glossary), and such person provides such ratings or rankings in the ordinary course of its business.

[Responsible Personnel]

[The Responsible Personnel are the following individuals:]

[List]

[The Advertising Committee is comprised of the following individuals:]

[List]

[NOTE: This is an optional policy. This policy assumes that the Adviser will permit certain contact by its employees with the media and other buy-side firms.]

MEDIA RELATIONS AND BUY-SIDE COMMUNICATIONS POLICY

Adopted *[Insert Date]*

[Revised as of]

I. Statement and Scope of Policy

This policy, which applies to all public statements and buy-side communications by employees of the Adviser, seeks to strike a balance between promoting the business of the Adviser and its clients on the one hand, and complying with the legal constraints imposed upon employees with respect to public statements and maintaining client confidentiality on the other. Because this policy provides general guidelines rather than specific instructions for every conceivable situation, it is important that employees exercise sound judgment in responding to media inquiries, addressing a public forum, communicating with other buy-side firms (e.g., hedge fund and private equity fund advisers) or participating in a buy-side “idea dinner” or other event (collectively, “Buy-Side Events”). Exercising sound judgment includes avoiding statements that might compromise the public image or interests of, or disclose the proprietary or confidential information of, the Adviser or any of its clients.

Press releases, communications with reporters during interviews (whether such interviews are for print, radio or television), speeches, participation on panels in public forums, presentations used in those forums, communications with other buy-side firms and participation in Buy-Side Events are subject to this policy. All media events (including speeches and public appearances) and Buy-Side Events should be approved by the External Communications Contact Person (as defined below). In addition, all materials to be distributed or utilized in connection with a media event or Buy-Side Event must be reviewed and approved by the External Communications Contact Person prior to use.

II. Designated External Communications Contact Person

The [Compliance Officer] (the “External Communications Contact Person”) has been designated by the Adviser to be the contact person for any questions regarding communications with other buy-side firms and the media, compliance with legal restrictions on public statements and this policy generally. Prior to [communicating with a buy-side firm, participating in a Buy-Side Event,] responding to a particular media inquiry or participating in a media event, the Adviser’s employees [other than [the Portfolio Manager/principals] of the Adviser] should seek to notify the External Communications Contact Person of the communication. **[NOTE: The Adviser may wish to carve out exclusions for principals or other individuals for whom providing such advance notification is not appropriate or practical.]**

III. Incoming Media Inquiries [and Buy-Side Event Invitations]

Generally, and whenever possible, each employee [other than [the Portfolio Manager/principals of the Adviser] who receives an unsolicited media inquiry [or invitation to a Buy-Side Event] should refer the third party to the External Communications Contact Person. **[NOTE: The Adviser may wish to carve out exclusions for principals or other individuals for whom providing such advance notification is not appropriate or practical.]** The External Communications Contact Person will determine whether it is in the best interests of the Adviser to participate in the media event [or Buy-Side Event]. If a decision is made to proceed with the media event [or Buy-Side Event], the External Communications Contact Person may, [together with [the Compliance Officer] if appropriate,] consider how the media event should be

addressed [or whether to participate in the Buy-Side Event]. For example, the External Communications Contact Person may wish to establish certain parameters or select particular employees to participate. With respect to all media inquiries, if an employee is unaware or uncertain of the answer to a particular media inquiry, he or she should offer to follow up with the inquirer with the requested information or refer the question to the External Communications Contact Person.

IV. Guidelines

Employees are prohibited from engaging in any act, practice or course of business which is fraudulent, deceptive or manipulative, including but not limited to, making any false or misleading statements, omitting any material fact necessary to make a statement not misleading, and/or guaranteeing any performance or specific future results. Employees should also assume that any statements are for the record, regardless of any disclaimers from reporters.

In addition, employees must adhere to the following guidelines when communicating with other buy-side firms, participating in media events and Buy-Side Events, and when making public statements:¹

Client Securities and Personal Holdings - Potential conflicts of interests may arise from discussing specific securities in client or personal accounts or being considered for client accounts in the press or other public forum. Therefore, employees [should take particular caution when discussing securities held or transactions effected in a client account, [or in the personal account of an employee or his or her immediate family]] / [may not discuss securities held or transactions effected in a client account, [or in the personal account of an employee or his or her family member] without the prior approval of the External Communications Contact Person].

[NOTE: The Adviser may wish to consider imposing specific guidelines, such as prohibiting mention of a specific security unless and until publicly disclosed in a 13F filing, or that (a) was traded during the last 7 days or (b) may be traded during the next 7 days or (c) is the subject of a short sale. If such guidelines are adopted, the Adviser may also wish to require employees to certify that any communication about a specific security complied with such restrictions.]

Performance – Employees should not make any forward-looking or predictive statement about the performance or specific future results of the Adviser or any of its clients.

Client Information and Testimonials – No information about any client may be provided without the client's consent. In addition, employees should not refer to the testimonials of others.

Proprietary Information - Employees [other than [the Portfolio Manager/principals of the Adviser] may not reveal proprietary information, such as the Adviser's financial results or business plans.

Client Information - Employees must refrain from identifying clients or revealing information about a client's portfolio.

V. Reprints of Articles

Reprints may not be distributed until (i) the Adviser obtains permission from the copyright holder, and (ii) [the Compliance Officer] reviews the material to determine whether it contains all required disclosures and complies with all applicable legal and regulatory requirements.

¹ Additional considerations may apply when speaking with the foreign press and when addressing a public forum in another country. Before participating in any such communication, employees should contact the Compliance Officer.

[Last S&K revision: ~~June 2023~~ February 2025]

**PRIVACY POLICY AND PROCEDURES AND
PROGRAM FOR PROTECTING CLIENT INFORMATION**

Adopted *[Insert Date]*

[Revised as of]

[NOTE: The SEC recently adopted amendments to Regulation S-P which will become effective on December 3, 2025 for advisers with \$1.5 billion in assets under management or June 3, 2026 for advisers with less than \$1.5 billion in assets under management. These policies and procedures do not comply with the recently adopted amendments that are not yet in effect.]

Statement of Policy

The Adviser is committed to protecting the confidentiality and security of consumer, customer and former customer information that it collects and will disclose such information only in accordance with the Gramm-Leach-Bliley Act (“GLBA”) and rules promulgated thereunder, any other applicable law, rules and regulations and this Privacy Policy. **[Private Advisers and Exempt Reporting Advisers: Replace references to “Regulation S-P” with “Regulation P”.]**

I. Background

GLBA and Regulation S-P limit the circumstances under which an adviser may disclose nonpublic personal information about their consumers and customers to other persons and require an adviser to disclose to all of its clients the adviser’s privacy policies. The Adviser has implemented the following Privacy Policy (“Privacy Policy”) and Program for Protecting Client Information (the “Program”) to comply with GLBA and Regulation S-P.

II. Summary of Regulation S-P

Regulation S-P has four key features:

- An adviser must provide notice to its consumers about its privacy policies;
- An adviser may only disclose nonpublic personal information about consumers to a nonaffiliated third party if it provides an initial privacy notice and a notice giving the client the opportunity to “opt-out” from the adviser’s disclosure of the information;
- A consumer may request that his or her nonpublic personal information not be disclosed to nonaffiliated third parties (although certain information required for processing transactions is still permitted to be disclosed); and
- An adviser must adopt a program reasonably designed to (i) ensure the security and confidentiality of consumer records and information; (ii) protect against any anticipated threats or hazards to the security or integrity of consumer records and information; and (iii) protect against unauthorized access to or use of consumer records or information that could result in substantial harm or inconvenience to any consumer.

III. Privacy Policy

Scope

The Adviser has adopted this Privacy Policy, which applies to the Adviser, [the private investment vehicles it manages] and the Adviser's affiliates. The Adviser conducts its business affairs primarily through its employees, to whom this Privacy Policy applies. To the extent that service providers are utilized in servicing accounts, confidentiality agreements that comply with Regulation S-P will be put into place.

Service Providers

The Adviser will obtain a representation from each service provider that the service provider will not disclose customer and former customer information of the Adviser other than to carry out the purposes for which the client and former client information was provided to the service provider. The Adviser will seek to obtain this representation from all ~~third-party~~**third-party** service providers in the contract for services. To the extent the Adviser has not previously obtained this representation from the service provider in the contract for services, the Adviser will seek to obtain such representation. [The Adviser will also obtain a representation from each service provider that the service provider has adopted and implemented its own privacy policies and procedures.] **[NOTE: See the Regulation S-P Acknowledgement Letter to Third Party Service Providers in Appendix L, Attachment A of the Sample Compliance Forms.]**

Privacy Notices

Under Regulation S-P, the Adviser must provide an initial privacy notice to its customers at the time the advisory relationship is established and annually thereafter (unless the Adviser qualifies for the exception from the annual privacy notice requirement set forth in Section 503(f) of GLBA, which is discussed below) and provide an initial privacy notice to its "consumers" before it discloses nonpublic personal information.

Consumers. A "consumer" is an individual who obtains financial products from an adviser that are to be used primarily for personal, family or household purposes, such as one-time investment advice. An individual is a consumer of the Adviser if he or she provides nonpublic personal information to the Adviser in connection with obtaining or seeking to obtain investment advisory services, whether or not the Adviser provides such services to the individual or establishes a continuing relationship with the individual. An individual is not a consumer if he or she provides the Adviser only with his or her name, address, and general areas of investment interest in connection with a request for a prospectus, the Adviser's Form ADV Part 2A, or other information about financial products or services of the Adviser.

The Adviser must provide an initial privacy notice to its consumers before the Adviser discloses the consumers' nonpublic personal information to a nonaffiliated third party (other than as necessary to process consumer transactions). The Adviser is not required to send a privacy notice to consumers if the Adviser discloses nonpublic information about its consumers to third parties only pursuant to certain exceptions. The Adviser may satisfy the initial notice requirement by sending a "short form" notice that explains how the consumer may obtain the Adviser's privacy notice.

Customers. A "customer" is a consumer who uses the product or service of the Adviser on an on-going basis (such as receiving continuous investment advice).¹ The Adviser must provide an initial privacy notice when the Adviser establishes the customer relationship (such as when an investor enters into an advisory contract). Thereafter, the Adviser must provide a privacy notice to a customer at least annually during the continuation of the customer relationship (the "annual privacy notice"), unless the Adviser qualifies for the following exception.

¹ All "customers" are also "consumers," but not all consumers are customers.

Exception from Annual Privacy Notice Requirement. Under Section 503(f) of GLBA, the Adviser need not provide an annual privacy notice to customers if it provides nonpublic personal information only in accordance with the permitted disclosure provisions of GLBA² and has not changed its policies and practices regarding disclosure of nonpublic personal information since the most recent privacy notice provided to its customers.

Annual Determination of Qualification for Exception; Recordkeeping. The Adviser must annually determine whether it qualifies for the exception from the annual privacy notice requirement. The basis for such determination shall be documented and maintained in the Adviser's records.

Content of Privacy Notices

The initial and annual privacy notices must be consistent with the Adviser's privacy policies and procedures and contain the following information:

- categories of nonpublic personal information collected by the Adviser;
- categories of nonpublic personal information disclosed by the Adviser;
- categories of affiliates and nonaffiliates to whom the Adviser discloses the nonpublic personal information;
- categories of nonpublic personal information about former customers disclosed by the Adviser and the categories of affiliates and nonaffiliates to whom it is disclosed;
- if nonpublic personal information is disclosed to third parties, an explanation of the right to "opt-out" of such disclosure; and
- a general description of the Adviser's policies and practices with respect to protecting the confidentiality and security of nonpublic personal information.

The initial privacy notice will be delivered with Part 2 of the Adviser's Form ADV, the investment advisory agreement for separate accounts or subscription agreement for private investment vehicle investors that is given to customers at the start of the advisory or investment relationship. Unless an exception applies under Section 503 of the GLBA, the annual notice will be provided to each customer, generally accompanying the [last monthly/quarterly investor letter of each calendar year][annual Part 2 delivery requirements]. [The Compliance Officer] will review and update the privacy notice at least annually.

[NOTE: See the Privacy Notices for Customers of the Adviser (Model A and Model B) in Appendix L, Attachment B and Attachment C of the Sample Compliance Forms.]

Opt-Out Notice

² The permitted disclosure provisions of GLBA are:

1. The Adviser may provide nonpublic personal information to a nonaffiliated third party to perform services for the Adviser or functions on the Adviser's behalf, if the Adviser (a) provides an initial privacy notice to the customer and (b) enters into a contractual agreement with the third party that prohibits the third party from disclosing or using the information other than to carry out the purposes for which the Adviser disclosed the information. (See Section 502(b)(2));
2. The Adviser may disclose nonpublic personal information as necessary to effect, administer or enforce a transaction that a consumer requests or authorizes, or in connection with (1) processing or servicing a financial product or service that a consumer requests or authorizes, or (2) maintaining or servicing the consumer's account with the Adviser. (See Section 502(e)(1)(A)-(B)); and
3. The Adviser may disclose nonpublic personal information in other limited circumstances. (See Section 502(e)(2)-(8)).

If the Adviser plans to disclose nonpublic personal information (other than pursuant to certain exceptions), the Adviser will provide consumers and customers a reasonable means to “opt-out” of the disclosure of that information, in compliance with Regulation S-P. Once a consumer elects to opt-out, the Adviser must honor the election as soon as reasonably practicable. The opt-out election remains in effect until the consumer revokes it.

Document Destruction Policy

The Adviser is required to take reasonable measures to guard against access to information derived from credit reports or other customer information when disposing of it, such as shredding such information, entering into a contract with a company that is in the business of disposing of consumer information in a manner consistent with Regulation S-P, destroying or erasing electronic documents that contain consumer information, and monitoring employee compliance with disposal and destruction procedures. [Document destruction, as well as document disposal, with respect to personal information are discussed further in **Appendix L1.**]

V. Administration of Privacy Policy

Designation of Responsibility

[The Compliance Officer] shall be responsible for implementing this Privacy Policy and all questions regarding this Policy should be directed to [the Compliance Officer].

Amendment of the Privacy Policy

The Privacy Policy may be amended only by action of [the Compliance Officer].

Non-Compliance

An employee will report to [the Compliance Officer] any material breach of this Privacy Policy of which the employee has become aware. Upon being informed of any such breach, [the Compliance Officer] is authorized to take any such action he or she deems necessary or appropriate to enforce this Privacy Policy and otherwise comply with Regulation S-P.

VI. Compliance with Other Applicable Privacy Laws

[NOTE: Depending on its business, an adviser may be subject to privacy laws other than Regulation S-P, including state and international privacy laws.]

[The Adviser has adopted the policies and procedures with respect to the California Consumer Privacy Act in Appendix L1A.] **[NOTE: An adviser should adopt the Policies and Procedures with respect to the California Consumer Privacy Act (the “CCPA”) in Appendix L1A if it has determined that it is subject to the CCPA. To assist with this determination, the Adviser should complete the Worksheet for Determining the Applicability of CCPA in Appendix L1B.]**

VII. Program for Protecting Customer Information [Model A]

[NOTE: There are two models of the Program for Protecting Customer Information. Model A, contained below, is tailored to the **current requirements of Regulation S-P. Model B, contained in Appendix L1A, applies to advisers that are not registered with the Commission, and is tailored to the requirements of the Safeguards Rule as adopted by the Federal Trade Commission.**

[The SEC **recently has brought enforcement actions against SEC-registered investment advisers for failing to adopt written policies and procedures reasonably designed to safeguard customer records and information, in violation of Rule 30(a) of Regulation S-P. See, e.g., In the Matter of**

Morgan Stanley Smith Barney LLC, Release No. IA 95832 (September 20, 2022), the firm was fined \$35 million for failure to safeguard customers' personally identifiable information. See also, In the Matter of Cambridge Investment Research, Inc. and Cambridge Investment Research Advisors, Inc., Release No. IA 5839 (August 30, 2021); and In the Matter of Cetera Advisor Networks LLC, et al., Release No. IA 5834 (August 30, 2021).]

In adopting the Program, the Adviser seeks to (i) promote the security and confidentiality of customer information, (ii) protect against any anticipated threats or hazards to the security or integrity of customer information; and (iii) protect against unauthorized access to or use of customer information that could result in substantial harm or inconvenience to any consumer, employee, investor or securityholder who is a natural person.

[The Compliance Officer] and [his/her] designees are responsible for implementing and maintaining the Program.

Identifying Internal and External Risks

The Program is designed to identify foreseeable internal and external risks to the security, confidentiality and integrity of customer information³ that could result in the unauthorized disclosure, misuse, alteration, destruction or other compromise of such customer information. Periodically, the Adviser will assess and evaluate the likelihood and potential damage of these threats and the sufficiency of any safeguards in place to control such risks (the "Risk Assessment"). Where appropriate, the Program will be revised to address such risks. At a minimum, the Risk Assessment will include a consideration of the risks with respect to:

- Employee training and management, including instructing and periodically reminding employees of the Adviser's legal requirement and policy to keep customer information secure and confidential;
- Information systems on which customer information is maintained, including network and software design, as well as information processing, storage, transmission, retrieval and disposal; and
- Detecting, preventing and responding to attacks, intrusions, or other system failures.

Design and Implementation of Safeguards

Information safeguards will be designed and implemented to control the risks identified through the Risk Assessment, and the effectiveness of the safeguards' key controls, systems and procedures will be regularly tested or otherwise monitored.

Overseeing Service Providers

Reasonable steps will be taken to determine that the service providers⁴ who have been selected and retained by the Adviser, at a minimum, maintain sufficient customer information safeguard procedures to detect and respond to security breaches. Moreover, reasonable procedures will be implemented to

³ "Customer information" is any record containing nonpublic personal information about a customer of the Adviser, whether in paper, electronic, or other form, that is handled or maintained by or on behalf of the Adviser or its affiliates.

⁴ A "service provider" is any person or entity that receives, maintains, processes, or otherwise is permitted access to customer information through its provision of services directly to the Adviser. This may include: core processing; information and transaction processing and settlement activities; Internet-related services; security monitoring; systems development and maintenance; aggregation services; digital certification services, and call centers. If the Fund's administrator (or any other third party) receives, maintains, processes, or otherwise is permitted access to customer information as a result of its duties for the Adviser, then it would be considered a service provider.

discover and respond to widely known security failures by service providers. Finally, all contracts with service providers must contain assurances that such service providers have implemented and will maintain such safeguards.

Evaluation and Maintenance of the Program

The Program will be periodically adjusted, as necessary or appropriate, based on: (i) results of testing and monitoring pursuant to the Program; (ii) any material changes to the business and operation of the Adviser; and (iii) any other circumstances that may have a material impact on the Adviser's information security system.

[Last S&K revision: ~~June 2023~~February 2025]

[NOTE: This Policy is modeled after the FTC’s Standards for Safeguarding Customer Information (the “Safeguards Rule” or the “Rule”). The Safeguards Rule applies to advisers that are not required to register with the ~~Securities and Exchange~~ Commission. Advisers that are ~~not subject to this Policy should~~registered with the Commission may use the Regulation S-P ‘Model A’ template in Appendix L or may elect to use this Policy.]

~~[NOTE: This Policy incorporates the new additions to the Safeguards Rule effective as of June 9, 2023.]~~

EXPANDED PROGRAM FOR PROTECTING CUSTOMER INFORMATION [Model B]

Adopted *[Insert Date]*

[Revised as of]

I. Statement of Policy

The Safeguards Rule requires advisers to develop, implement and maintain a comprehensive written information security program (the “Program”) that outlines measures to keep customer data secure, provide administrative, technical and physical safeguards and respond to unauthorized access or use of customer information.¹ In adopting this program, the Adviser seeks to (i) insure the security and confidentiality of customer information, (ii) protect against any anticipated threats or hazards to the security or integrity of customer information; and (iii) protect against unauthorized access to or use of customer information that could result in substantial harm or inconvenience to any consumer, employee, investor or securityholder who is a natural person.

II. Definitions

An “authorized user” is any employee, contractor, agent, customer, or other person that is authorized to access any of the Adviser’s information systems or data.

“Customer information” refers to any record containing nonpublic personal information.

“Information system” refers to a discrete set of electronic information resources organized for the collection, processing, maintenance, use, sharing, dissemination or disposition of electronic information containing customer information or connected to a system containing customer information, as well as any specialized system such as industrial/process controls systems, telephone switching and private branch exchange systems, and environmental controls systems that contains customer information or that is connected to a system that contains customer information. “Multi-factor authentication” refers to authentication through verification of at least two of the following types of authentication factors: (1) Knowledge factors, such as a password; (2) Possession factors, such as a token; or (3) Inherence factors, such as biometric characteristics.

¹ “Customer information” is any record containing nonpublic personal information about a customer of the Adviser, whether in paper, electronic, or other form, that is handled or maintained by or on behalf of the Adviser or its affiliates. To the extent that the Adviser is adopting this Program to comply with Massachusetts privacy regulations, this definition shall be expanded to include personal information of any Massachusetts resident (regardless of the relationship to the Adviser).

“Penetration testing” refers to a test methodology in which assessors attempt to circumvent or defeat the security features of an information system by attempting penetration of databases or controls from outside or inside your information systems.

“Security event” refers to an event resulting in unauthorized access to, or disruption or misuse of, an information system, information stored on such information system, or customer information held in physical form.

“Sensitive customer information” is customer information, or any combination of components of customer information, that would allow an unauthorized person to use, log into, or access an individual’s account, or to establish a new account using the individual’s identifying information, including the individual’s (i) name, telephone number, street address, email address, or online user name, in combination with the individual’s account number, credit or debit card number, driver’s license number, credit card expiration date or security code, mother’s maiden name, password, personal identification number, biometric record, or other authenticating information, or (ii) Social Security number.

“Service provider” means any person or entity that receives, maintains, processes, or otherwise is permitted access to customer information through its provision of services directly to the Adviser. This may include: core processing; information and transaction processing and settlement activities; Internet-related services; security monitoring; systems development and maintenance; aggregation services; digital certification services, and call centers. If the Fund’s administrator (or any other third party) receives, maintains, processes, or otherwise is permitted access to customer information as a result of its duties for the Adviser, then it would be considered a service provider.

III. Program Coordinator

The Adviser has appointed a qualified individual [The Compliance Officer] as chief information security officer (“CISO”) who is responsible for overseeing and implementing the information security program.²

[NOTE: No particular level of education, experience, or certification for the chief information security officer is prescribed by the Rule. Advisers should evaluate whether the complexity and size of their firm’s information system requires the services of an expert.]

[NOTE: See the Program for Protecting Customer Information Designee Log in Appendix L1 of the Sample Compliance Forms.]

IV. Risk Assessment

In order to develop, implement and maintain a comprehensive information security program, the Adviser shall base its Program on a written risk assessment (“**Risk Assessment**”) that identifies reasonably foreseeable internal and external risks to the security, confidentiality and integrity of customer information and customer information systems³ that could result in the unauthorized disclosure, misuse, alteration, destruction or other compromise of such customer information or systems. In making an assessment and evaluation of the likelihood and potential damage of these threats and the sufficiency of any safeguards, the Adviser will conduct an inventory of all systems on which it maintains customer information and a

² To the extent this requirement is met using a service provider or an affiliate, the ~~coordinator shall: (1) Retain~~ **CISO shall retain** responsibility for compliance with this part; ~~(2) Designate a senior member of your personnel responsible for direction and oversight of the Qualified Individual; and (3) Require and require~~ the service provider or affiliate to maintain an information security program that protects ~~you~~ **the Adviser** in accordance with the requirements of this part.

³ “Customer information system” is any method used to access, collect, store, use, transmit, protect, or dispose of personal information.

privacy risk assessment. **[NOTE: See the Risk Assessment Questionnaire and Matrix in Appendix A5 of the Sample Compliance Forms.]**

The Risk Assessment shall include (i) criteria for the evaluation and categorization of identified security risks or threats faced by the Adviser; (ii) criteria for the assessment of the confidentiality, integrity, and availability of information systems and customer information, including the adequacy of the existing controls in the context of the identified risks or threats; and (iii) requirements describing how identified risks will be mitigated or accepted based on the risk assessment and how the information security program will address the risks.

On an as-needed basis, the Adviser will periodically perform ~~risk assessments~~ **a new Risk Assessment** to reexamine reasonably foreseeable internal and external risks and the sufficiency of the safeguards in place to control these risks.

V. Design and Implementation of Safeguards

Based on the risks identified during the Adviser's risk assessment, the Adviser has designed and implemented the following safeguards to control such risks:

- A. ~~Access controls~~ for all customer information, including what is stored in physical (non-electronic) systems and physical restrictions on access to hardware containing electronically stored customer information. The Adviser has in place procedures to:**
 - (i) ~~(i)~~ periodically review access controls, including technical and, as appropriate, physical controls, and to authenticate and permit access only to authorized users to protect against the unauthorized acquisition of customer information;**
 - (ii) ~~(ii)~~ limit employee access to customer information to only what is needed to perform their duties and functions, or, in the case of customers, to access their own information; and**
 - (iii) ~~(iii)~~ identify and manage data, personnel, devices, systems, and facilities to achieve business purposes in accordance with relative importance to their business objectives and their risk strategy.**
- B. ~~Encryption of customer information~~ in transit on external networks and at rest (unless the Adviser determines that such encryption is infeasible and instead secures such customer information using effective alternative compensating controls reviewed and approved by the CISO).**
- C. ~~Secure development practices~~ for all in-house and externally developed applications that transmit, access, or store customer information. These include procedures to evaluate, assess, and test the security of externally developed applications that transmit, access, or store customer information.**
- D. ~~Multi-factor authentication~~ for both consumer and internal users accessing an information system, unless the CISO has approved in writing the use of reasonably equivalent or more secure access controls. The multi-factor authentication shall include verification of at least two of the following: (1) knowledge factors, such as a password; (2) possession factors, such as a token; or (3) inherence factors, such as biometric characteristics.**
- E. ~~Change Management~~: The Adviser has in place change management procedures to account for changes in key personnel.**

[NOTE: The ~~above~~ safeguards listed in Section V.A-E. above are required under the Safeguards Rule, while the safeguards listed in Section V.F-Q below are suggested best

practices. To the extent the Adviser has determined that any of the ~~above~~ suggested safeguards are not applicable, the Adviser should remove such safeguard(s) from the list. If the Adviser has implemented additional safeguards not listed below, they should be included in this Policy.]

- F. • Restricting physical access to customer information by storing it in a secure, locked or similarly inaccessible facility (for example, by keeping it in a locked desk or room) and requiring such locations to be monitored by video camera surveillance;
- G. • Restricting electronic access to customer information stored on a server by employing a firewall to protect the server and by encrypting the customer information;
- H. • Limiting access to customer information to those employees who have an appropriate business reason for such access;
- I. • Using unique user IDs and passwords to restrict access to customer information and seeking to ensure that user IDs and passwords are not disseminated to more employees than required by the Adviser or permitted by the Program;
- J. • Prompting changes in user IDs and passwords at regular intervals;
- K. • Implementing safeguards with respect to requests to obtain user IDs and password resets; **[NOTE: See In the Matter of Voya Financial Advisors, Inc., Securities Exchange Act of 1934 Release No. 5048 (September 26, 2018).]**
- L. • With respect to network storage solutions[, including any cloud-based storage,] overseeing and reviewing on an initial and ongoing basis the proper configuration of network security measures (such as firewalls, antivirus software, security advisories on vulnerability in software, security software patches and upgrades, and hardware configurations) to protect against unauthorized access to customer information; **[See SEC OCIE Risk Alert, Safeguarding Customer Records and Information in Network Storage – Use of Third Party Security Features (May 23, 2019).]**
- M. • Restricting access to customer information transported physically (such as transporting the customer information in a locked object) or transmitted electronically (such as password protection, encryption or allowing access through a secure website);
- N. • Terminating access to customer information for former or departing employees;
- O. • Encouraging employees to report suspicious activity involving customer information;
- P. • Monitoring employees for compliance with the Program; and
- Q. • Imposing disciplinary measures for failure to comply with the Program.

VI. Regular Testing and Monitoring

The Adviser shall conduct either continuous monitoring or periodic penetration testing and vulnerability assessments of their information systems. Absent effective continuous monitoring or other systems to detect, on an ongoing basis, changes in information systems that may create vulnerabilities, the Adviser shall have in place procedures that conduct:

- Annual penetration testing of the information systems determined each given year based on relevant identified risks in accordance with the risk assessment; and

- Vulnerability assessments, including any systemic scans or reviews of information systems reasonably designed to identify publicly known security vulnerabilities in information systems, no less than every six months; and whenever there are material changes to operations or business arrangements; and whenever there are circumstances known or reasonably known to have a material impact on the information security program.

The Adviser shall regularly test or otherwise monitor, and maintain a written record of, the effectiveness of its safeguards, including:

- Access controls on customer information systems;
- Controls to detect, prevent and respond to incidents of unauthorized access to or use of customer information; and
- Employee training and supervision relating to the Program.

VII. Responding to Unauthorized Access, Use or Other Breach

The Adviser shall establish a written incident response plan designed to promptly respond to, and recover from, any security event materially affecting the confidentiality, integrity, or availability of customer information in their control. Such incident response plan shall address the following areas:

- (1) The goals of the incident response plan;
- (2) The internal processes for responding to a security event;
- (3) The definition of clear roles, responsibilities, and levels of decision-making authority;
- (4) External and internal communications and information sharing;
- (5) Identification of requirements for the remediation of any identified weaknesses in information systems and associated controls;
- (6) Documentation and reporting regarding security events and related incident response activities; and
- (7) The evaluation and revision as necessary of the incident response plan following a security event.

As part of the incident response plan, upon the discovery of an incident of unauthorized access to or use of customer information, the Adviser shall:

- Assess the nature and scope of any incident involving unauthorized access to or use of customer information and maintain a written record of customer information systems and the types of customer information that may have been accessed or misused;
- Take appropriate steps to contain and control the incident and maintain a written record of such steps;
- Ascertain the cause of the unauthorized access or use and take steps to prevent the reoccurrence of such unauthorized access or use;

- Promptly conduct a reasonable investigation once aware of an incident, determine the likelihood that the customer information has been or will be used, and maintain a written record of such determination;
- If misuse of customer information has occurred or is reasonably possible, notify each individual with whom the customer information is associated as soon as possible following an incident and maintain a written record that such notification was provided;⁴ and
- Review contractual obligations with third parties concerning notification requirements and determine appropriate process for notifying and addressing the incident.
- **[NOTE: Advisers subject to Regulation S-P should not include the following bracketed paragraphs:] [Upon discovery of a “notification event” that involves the information of at least 500 consumers, the Adviser will notify the Federal Trade Commission no later than 30 days after discovery of the event. The notice shall be made electronically on a form to be located on the FTC’s website, <https://www.ftc.gov> and include the following:**
 - **(i) The name and contact information of the Adviser;**
 - **(ii) A description of the types of information that were involved in the notification event;**
 - **(iii) If the information is possible to determine, the date or date range of the notification event;**
 - **(iv) The number of consumers affected or potentially affected by the notification event;**
 - **(v) A general description of the notification event; and**
 - **(vi) Whether any law enforcement official has provided the Adviser with a written determination that notifying the public of the breach would impede a criminal investigation or cause damage to national security, and a means for the Federal Trade Commission to contact the law enforcement official. A law enforcement official may request an initial delay of up to 30 days following the date when notice was provided to the Federal Trade Commission. The delay may be extended for an additional period of up to 60 days if the law enforcement official seeks such an extension in writing. Additional delay may be permitted only if the Commission staff determines that public disclosure of a security event continues to impede a criminal investigation or cause damage to national security.**
 - **A “notification event” is the acquisition of unencrypted customer information without the authorization of the individual to which the information pertains. Customer information is considered unencrypted for this purpose if the encryption key was accessed by an unauthorized person. Unauthorized acquisition will be presumed to include unauthorized access to unencrypted customer information unless the Adviser has reliable evidence showing that there has not been, or could not reasonably have been, unauthorized acquisition of such information.]**

Notification of Unauthorized Access or Use of Sensitive Customer Information

⁴ However, if an appropriate law enforcement agency determines that notification will interfere with a criminal investigation and requests in writing that notification be delayed, the Adviser may delay notification until it no longer interferes with the criminal investigation.

If the Adviser determines that an incident of unauthorized access or use has occurred regarding sensitive customer information and the misuse of such information has occurred or is reasonably plausible as a result, the CISO will, as necessary, review applicable law and consult with the Adviser's senior management to determine whether affected individuals, regulators, or law enforcement should be notified. If the Adviser determines that notification is appropriate under the circumstances, the Adviser will provide such notification. Unless otherwise required by applicable law, such notification should:

- Describe the incident in general terms and the type of customer information that was the subject of unauthorized access or use;
- Describe the steps taken to protect the individual's customer information from further unauthorized access or use;
- Include a toll-free telephone number to call, or if the Adviser does not have a toll-free telephone number, include a telephone number, name and address of a specific office to contact for further information and assistance; and
- Recommend that the individual review any account statements and report any suspicious activity to the Adviser.
- [NOTE: Nearly all states have adopted statutes that impose notification obligations in the event of the unauthorized disclosure or use of the personal information of a state resident. See Seward & Kissel's Chart of State Security Breach Notification Laws.]

VIII. Disposal or Destruction of Customer Information

To guard against access to information derived from credit reports or other customer information when disposing of it, the Adviser shall:

- Develop, implement, and maintain procedures for the secure disposal of customer information in any format no later than **two years after the last date the information is used** in connection with the provision of a product or service to the customer to which it relates, unless such information is necessary for business operations or for other legitimate business purposes, is otherwise required to be retained by law or regulation, or where targeted disposal is not reasonably feasible due to the manner in which the information is maintained;
- Review periodically their data retention policy to minimize the unnecessary retention of data;
- Shred documents containing customer information;
- Enter into a contract with a company that is in the business of disposing of customer information in a manner consistent with Regulation P;
- Destroy or erase electronic documents that contain customer information; and
- Monitor employee compliance with disposal and destruction procedures.

The Adviser shall maintain a written record, such as a log or memorandum, documenting the proper disposal or destruction of customer information.

IX. Managing Personnel

The Adviser shall implement policies and procedures to ensure that personnel are able to enact their information security program by:

- Providing personnel with security awareness training that has been updated to reflect the Adviser's risk assessment and any changes to the Adviser's Program;
- Employing qualified information security personnel [including affiliate or service providers] that is sufficient to manage their information security risks and to perform or oversee the Program;
- Providing information security personnel with security updates and training that is sufficient to address relevant security risks; and
- Verifying that key information security personnel are taking steps to maintain current knowledge of changing information, security threats and countermeasures.

X. Overseeing Service Providers

Certain service providers have access to customer information by nature of their relationship with the Adviser. When service providers have such access, the Adviser shall take reasonable steps to determine that the service providers⁵ who have been selected and retained by the Adviser, at a minimum, maintain sufficient customer information safeguard procedures to detect and respond to security breaches. For example, as part of its oversight procedures, the Adviser may conduct diligence visits, check-ins by telephone or require annual certifications. The Adviser shall require its service providers by contract to implement and maintain appropriate safeguards. To the extent the Adviser learns of a security failure by a service provider, the Adviser shall promptly request the service provider to follow the response procedures and, where necessary, notification procedures outlined above.

XI. Evaluation and Maintenance of the Program

The Program will be evaluated periodically [but in no case less frequently than annually], as necessary or appropriate, based on: (i) results of testing and monitoring pursuant to the Program; (ii) relevant changes in technology, (iii) any material changes to the business and operations of the Adviser; and (iv) any other circumstances that may have a material impact on the Adviser's information security system.

In addition, the CISO will provide a report in writing, regularly and at least annually, to the Adviser's board of directors or equivalent governing body. The report shall include the following information:

- The overall status of the information security program and the Adviser's compliance with applicable regulatory requirements; and
- Material matters related to the information security program, addressing issues such as risk assessment, risk management and control decisions, service provider arrangements, results of testing, security events or violations and management's responses thereto, and recommendations for changes in the information security program.

⁵ A "service provider" is any person or entity that receives, maintains, processes, or otherwise is permitted access to customer information through its provision of services directly to the Adviser. This may include: core processing; information and transaction processing and settlement activities; Internet-related services; security monitoring; systems development and maintenance; aggregation services; digital certification services, and call centers. If the Fund's administrator (or any other third party) receives, maintains, processes, or otherwise is permitted access to customer information as a result of its duties for the Adviser, then it would be considered a service provider.

[NOTE: If the Adviser has no such board of directors or equivalent governing body, such report may be timely presented to a senior officer responsible for the information security program.]

[Last S&K revision: June 2023]

[NOTE: The Adviser should adopt the policies and procedures with respect to the California Consumer Privacy Act (the “CCPA”) when the Adviser has determined that it is subject to the CCPA. To assist with that determination, the Adviser should complete the Worksheet for Determining Applicability of CCPA (the “Worksheet”) in Appendix L1B.]

POLICIES AND PROCEDURES WITH RESPECT TO THE CALIFORNIA CONSUMER PRIVACY ACT

It is the Adviser’s policy to act in compliance with the California Consumer Privacy Act (the “CCPA”). Accordingly, the Adviser has implemented the following procedures designed to comply with the provisions of the CCPA.

Summary of the CCPA

The CCPA is a comprehensive state law governing the collection and use of consumer data and requires the Adviser to (1) provide to a consumer a description of the personal information about the customer in the Adviser’s possession; (2) delete that personal information upon the consumer’s request; and (3) give the consumer a right to prevent the company from selling the personal information to third parties.

Consumer

“Consumer” is a natural person who is a California resident, including employees of the Adviser who are California residents.¹

Effective January 1, 2023, the California Privacy Rights Act (“CPRA”) amended the CCPA by creating additional privacy rights for consumers, establishing an oversight entity, and detailing rights specific to minors. The previously available exceptions for employment and business-to-business information have expired.

Contractor

“Contractor” is defined as a person to whom the business makes available a consumer’s personal information for a business purpose, pursuant to a written contract with the business.

Personal Information

“Personal Information” is information that identifies, relates to, describes, or is reasonably capable of being connected to an individual or household. Personal information does not include:

- Publicly available information from government records.
- Deidentified or aggregated consumer information.
- Information excluded from the CCPA’s scope, like:

¹ The CCPA construes the definition of “consumer” broadly; its applicability extends not only to customers but to employees, job applicants, officers, directors, independent contractors, visitors, guests, and website and app users.

- Health or medical information covered by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the California Confidentiality of Medical Information Act (CMIA) or clinical trial data;
- Personal information covered by certain sector-specific privacy laws, including the Fair Credit Reporting Act (FCRA), the Gramm-Leach-Bliley Act (GLBA) or California Financial Information Privacy Act (CFIPA), and the Driver's Privacy Protection Act of 1994.

Sensitive Personal Information

"Sensitive Personal Information" is defined as personal information that reveals a consumer's:

- social security, driver's license, state identification card, or passport number
- account log-in, financial account, debit card, or credit card number in combination with any required security or access code, password, or credentials allowing access to an account
- precise geolocation
- racial or ethnic origin, religious or philosophical beliefs, or union membership
- the contents of a consumer's email and text messages, unless the business is the intended recipient of the communication
- genetic data
- biometric information, collected for the purpose of uniquely identifying a consumer
- personal information collected and analyzed concerning a consumer's health
- personal information collected and analyzed concerning a consumer's sex life or sexual orientation

Sensitive personal information that is "publicly available" is not considered sensitive personal information or personal information.

California Privacy Policy

Under the CCPA, the Adviser must maintain on its website a CCPA-specific Privacy Policy ("California Privacy Policy") and update the California Privacy Policy at least every twelve months. The Adviser must also provide all consumers with its California Privacy Policy at or before the point of collection of the consumers' personal information. **[NOTE: See the template California Privacy Policy notices in Appendix L, Attachment D and Appendix L, Attachment E of the Sample Compliance Forms].**

The Adviser's California Privacy Policy must be:

- in "plain, straightforward language" and avoid the use of "technical or legal jargon";
- formatted to draw consumers' attention;
- available in the primary languages in which the Adviser conducts its affairs; and

- accessible to those with disabilities.

The California Privacy Policy must contain the following:

- Right to Know About Personal Information Collected, Disclosed, or Sold
 - Explain that a consumer has the right to request that the Adviser disclose what personal information it collects, uses, discloses, and sells. If any of the personal information that the Adviser collects from its employees, job applicants, officers, directors, and independent contractors differs from the information the Adviser collects from its other consumers, include in the privacy notice the type of data collected and the purposes of that collection.
 - Provide instructions for submitting a verifiable consumer request to know and provide links to an online request form or portal for making the request.
 - Describe the process the Adviser will use to verify the consumer request, including any information the consumer must provide.
 - Describe the Adviser's collection of personal information:
 - List the categories of consumers' personal information the Adviser has collected about consumers in the preceding 12 months.
 - For each category of personal information collected, provide the categories of sources from which that information was collected, the business or commercial purpose(s) for which the information was collected, and the categories of third parties with whom the Adviser shares personal information.
 - Describe the Adviser's disclosure or sale of personal information:
 - State whether the Adviser has disclosed or sold any personal information to third parties in the preceding 12 months.
 - List the categories of personal information, if any, that the Adviser disclosed or sold to third parties in the preceding 12 months.
 - State whether the Adviser sells the personal information of minors under 16 years of age without affirmative authorization.
- Right to Request Correction or Deletion of Personal Information
 - Explain that the consumer has a right to request the correction or deletion of their personal information collected or maintained by the Adviser.
 - Provide instructions for submitting a verifiable consumer request to correct or delete.
 - Describe the process the Adviser will use to verify the consumer request, including any information the consumer must provide.
- Right to Opt-Out of the Sale of Personal Information and Adviser's Use of Automated Decision-Making Technology
 - Explain that the consumer has a right to opt-out of the sale of their personal information by the Adviser and the Adviser's use of "automated decision-making technology," which

includes profiling employees based on their performance at work, economic situation, health, personal preferences, interests, reliability, behavior, location or movements.

- Include the contents of the notice of right to opt-out or a link to it.
- This does *not* apply if the Adviser does not sell personal information to third parties or use such automated decision-making technology.
- Right to Limit Use and Disclosure of Sensitive Personal Information
 - Explain that consumers have the right to request that the business limit use and disclosure of their “sensitive personal information.”
 - Include the contents of the notice of right and the extent to which consumers may limit the Adviser’s use of their sensitive personal information.
 - Provide instructions for submitting a verifiable consumer request to know and provide links to an online request form or portal for making the request.
 - Describe the process the Adviser will use to verify the consumer request, including any information the consumer must provide.
- Right to Non-Discrimination for the Exercise of a Consumer’s Privacy Rights
 - Explain that the consumer has a right not to receive discriminatory treatment by the Adviser for the exercise of the privacy rights conferred by the CCPA.
- Authorized Agent
 - Explain how a consumer can designate an authorized agent to make a request under the CCPA on the consumer’s behalf.
- Contact for More Information
 - Provide consumers with a contact for questions or concerns about the Adviser’s privacy policies and practices using a method reflecting the manner in which the Adviser primarily interacts with the consumer.
- Date the California Privacy Policy was last updated.

If the Adviser sells the personal information of a consumer, the Adviser will post the notice of right to opt-out on the Internet webpage to which the consumer is directed after clicking on the “Do Not Sell My Personal Information” or “Do Not Sell My Info” link on the website homepage or the download or landing page of a mobile application.

If the Adviser sells the personal information of a consumer and substantially interacts with consumers offline, the Adviser will provide notice to the consumer by an offline method that facilitates awareness of their right to opt-out. Such methods include, but are not limited to, printing the notice on paper forms that collect personal information, providing the consumer with a paper version of the notice, and posting signage directing the consumer to a website where the notice can be found.

If the Adviser sells the personal information of a consumer, the Adviser will include the following in its notice of right to opt-out:

- A description of the consumer’s right to opt-out of the sale of their personal information by the Adviser;
- The webform by which the consumer can submit their request to opt-out online, or if the Adviser does not operate a website, the offline method by which the consumer can submit their request to opt-out;
- Instructions for any other method by which the consumer may submit their request to opt-out;
- Any proof required when a consumer uses an authorized agent to exercise their right to opt-out, or in the case of a printed form containing the notice, a webpage, online location, or URL where consumers can find information about authorized agents; and
- A link or the URL to the Adviser’s California Privacy Policy, or in the case of a printed form containing the notice, the URL of the webpage where consumers can access the Adviser’s California Privacy Policy.

The Adviser will notify all third parties to whom it has sold the consumer’s personal information within 90 days following the Adviser’s receipt of the consumer’s request that the consumer has exercised their right to opt-out, and the Adviser will instruct the third parties not to further sell the information. The Adviser will notify the consumer when this has been completed.

Handling Customer Requests

A consumer may request to know what personal information the Adviser has in its possession, request that the Adviser delete such personal information, and request to opt-out of the Adviser’s sale of personal information. The Adviser is required to:

- Have two or more designated methods for handling these requests which satisfy the following requirements:
 - The Adviser must provide a toll-free telephone number for the consumer to request their personal information that the Adviser has in its possession.
 - A toll-free telephone number is *not* required in connection with the right to request deletion (but will suffice as one of the designated methods).
 - One of the methods for handling these requests should be in the same form in which the Adviser primarily interacts with its consumers.
- The Adviser must confirm receipt of the consumer’s request within 10 days;
- The Adviser must provide information on how it will process the request; and
- The Adviser must respond to requests within 45 calendar days of receiving the request.

Verifying Consumer Requests

Upon receiving a consumer’s request, the Adviser must verify the requestor’s identity using a reasonable method in light of the sensitivity and value of the personal information at stake. If the Adviser cannot verify the requestor’s identity, it will deny the request and explain the reasons for the denial.

Prohibited Disclosures

The Adviser will not provide a consumer with specific pieces of personal information if the disclosure creates a substantial, articulable, and unreasonable risk to the security of that personal information, the consumer's account with the Adviser, or the security of the Adviser's systems or networks.

The Adviser will not at any time disclose a consumer's Social Security number, driver's license number or other government-issued identification number, financial account number, any health insurance or medical identification number, an account password, or security questions and answers.

Recordkeeping

The Adviser will maintain records for at least 24 months of consumer requests made pursuant to the CCPA and how the Adviser responded to said requests.

Service Providers

"Service Provider" means a person that processes information on behalf of the Adviser and receives from or on behalf of the Adviser a consumer's personal information.

The Adviser will enter into a written contract with all of the Service Providers to which the Adviser discloses personal information. The written contract will prohibit the Service Provider from retaining, using, or disclosing the personal information for any purpose other than for the specific purpose of performing the services specified in the contract, including retaining, using, or disclosing the personal information for a commercial purpose other than providing the services specified in the contract with the Adviser.

[Last S&K revision: ~~June 2023~~ February 2025]

[NOTE: This worksheet (“Worksheet”) is intended to assist an adviser to determine the applicability of the California Consumer Privacy Act (“CCPA”).

Part One of the Worksheet is intended to assist an adviser to determine whether it is within the scope of the CCPA. If the Adviser is within scope of the CCPA, Part Two of the Worksheet is intended to assist the Adviser to determine whether it is exempt from certain requirements of the CCPA. We recommend the Adviser separately maintain a copy of its completed Worksheet and confirm the Worksheet at least annually.

If the Adviser is within the scope of the CCPA, the Adviser should adopt CCPA policies and procedures (see the model CCPA policies and procedures in Appendix L1A). If the Adviser is not within the scope of the CCPA, it is not required to adopt CCPA policies and procedures.]

WORKSHEET FOR DETERMINING APPLICABILITY OF CCPA

[INSERT NAME OF ADVISER]

The California Consumer Privacy Act (the “CCPA”) applies to any for-profit business that:

- 1) “does business in the State of California”;
- 2) collects consumers’ personal information (or on the behalf of which such information is collected) and that alone, or jointly with others, determines the purposes and means of the processing of consumers’ personal information; and
- 3) one or more of the following are true:
 - a. as of January 1, of the calendar year, had annual gross revenues in excess of \$25 million in the preceding calendar year;
 - b. alone or in combination, annually buys, or sells or shares the personal information of 100,000 or more consumers, households, or devices; or
 - c. derives 50% or more of its annual revenue from selling or sharing consumers’ personal information.

“Doing business” is not defined or explained in the statute or proposed regulations.

“Collects” is defined as “buying, renting, gathering, obtaining, receiving, or accessing any personal information pertaining to a consumer by any means, [including] receiving information from the consumer, either actively or passively, or by observing the consumer’s behavior.”

“Processing” is defined as “any operation or set of operations that are performed on personal data or on sets of personal data, whether or not by automated means.”

Part One

1. Determination of Whether the Adviser Does Business in California

While “doing business” in California is not defined by the CCPA or proposed regulations thereunder, the Adviser likely will be deemed to be “doing business” in California if it:

- Has a place of business in California;
- Has one or more employees, owners, directors, or officers who perform official tasks on behalf of the Adviser in California;
- Has consumers in California; or
- Conducts advertising or marketing activities in California, either through a physical presence or through the Internet.

The Adviser should document its determination by checking one of the following boxes:

- The Adviser has determined that it does not do business in California and therefore it is not subject to the CCPA.
- The Adviser has determined that it does business in California. The Adviser should complete Item 2 of Part One of this Worksheet.

2. Determination of Whether the Adviser Collects Personal Information

- “Personal information” means information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. Personal information includes, but is not limited to, the following if it identifies, relates to, describes, is reasonably capable of being associated with, or could be reasonably linked, directly or indirectly, with a particular consumer or household:
 - Identifiers such as a real name, alias, postal address, unique personal identifier, online identifier, internet protocol address, email address, account name, social security number, driver’s license number, passport number, or other similar identifiers.
 - Any categories of personal information including, but not limited to, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, or any other financial information, medical information, or health insurance information.
 - Characteristics of protected classifications under California or federal law.
 - Commercial information, including records of personal property, products or services purchased, obtained, or considered, or other purchasing or consuming histories or tendencies.
 - Biometric information.
 - Internet or other electronic network activity information, including, but not limited to, browsing history, search history, and information regarding a consumer’s interaction with an internet website, application, or advertisement.

- Geolocation data.
 - Audio, electronic, visual, thermal, olfactory, or similar information.
 - Professional or employment-related information.
 - Education information, defined as information that is not publicly available personally identifiable information as defined in the Family Educational Rights and Privacy Act (20 U.S.C. Sec. 1232g; 34 C.F.R. Part 99).
 - Inferences drawn from any of the information identified in this subdivision to create a profile about a consumer reflecting the consumer’s preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities, and aptitudes.
- “Personal information” does not include publicly available information, which is information that is lawfully made available from federal, state, or local government records. The definition of publicly available information also includes information that a business has a reasonable basis to believe is lawfully made available to the general public by the consumer or from widely distributed media, or certain information disclosed by a consumer and made available if the consumer has not restricted the information to a specific audience. The CCPA also exempts certain types of information such as certain medical information and consumer credit reporting information.
 - “Publicly available” does not include biometric information collected by the Adviser about a consumer without the consumer’s knowledge.
 - “Personal information” does not include consumer information that is deidentified or aggregate information.

The Adviser should document its determination by checking one of the following boxes:

- The Adviser has determined that it does not collect personal information and therefore it is not subject to the CCPA.
- The Adviser has determined that it does collect personal information. The Adviser should complete Item 3 of Part One of this Worksheet.

3. Determination of Whether the Adviser Collects the Personal Information of California Residents

“Consumer” is defined as “a natural person who is a California resident,” including California-based employees, owners, directors, officers and contractors, as well as job applicants and individuals representing other businesses. If the Adviser collects personal information, but the individuals whose personal information is collected are not California residents, the Adviser is not subject to the CCPA.

The Adviser should document its determination by checking one of the following boxes:

- The Adviser has determined that it does not collect personal information of California residents and therefore is not subject to the CCPA.
- The Adviser has determined that it does collect personal information of California residents. The Adviser should complete Item 4 of Part

One of this Worksheet.

4. Determination of Whether the Adviser Meets Certain Size or Revenue Thresholds

The following entities that satisfy the criteria described above are subject to the CCPA:

- A sole proprietorship, partnership, limited liability company, corporation, association, or other legal entity that is organized or operated for the profit or financial benefit of its shareholders or other owners, that collects consumers' personal information, or on the behalf of which such information is collected and that alone, or jointly with others, determines the purposes and means of the processing of consumers' personal information, that does business in the State of California, and that satisfies one or more of the following thresholds:
 - Has annual gross revenues in excess of twenty-five million dollars (\$25,000,000), as adjusted pursuant to Cal. Civil Code Section 1798.185(a)(5).
 - Alone or in combination, annually buys, receives for the business's commercial purposes, sells, or shares for commercial purposes, alone or in combination, the personal information of 50,000 or more consumers, households, or devices.
 - Derives 50 percent or more of its annual revenues from selling consumers' personal information.
- Any entity that controls or is controlled by a business that shares common branding with the business and with whom the business shares consumers' personal information.
 - "Control" or "controlled" means ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a business; control in any manner over the election of a majority of the directors, or of individuals exercising similar functions; or the power to exercise a controlling influence over the management of a company.
 - "Common branding" means a shared name, servicemark, or trademark that the average consumer would understand to represent that two or more entities are commonly owned.
- A joint venture or partnership composed of businesses in which each business has at least a 40 percent interest.
- A person that does business in California that is not covered by the foregoing categories and that voluntarily certifies to the California Privacy Protection Agency that it is in compliance with, and agrees to be bound.

The Adviser should document its determination by checking one of the following boxes:

- The Adviser has determined that it does not meet the thresholds described above and therefore it is not subject to the CCPA.
- The Adviser has determined that it meets the thresholds described above. The Adviser has met all of the conditions in Part One of this Worksheet and therefore is subject to the CCPA. The Adviser should complete Part Two of this Worksheet.

Part Two

If the Adviser is subject to the CCPA per Part One of this Worksheet, it should complete Part Two of this Worksheet to determine whether it is exempt from certain provisions of the CCPA. Please note that the determinations below are based on the classification of the personal information that the Adviser collects, irrespective of whether the Adviser is registered with the SEC.

Determination of Whether Some or All of the Personal Information Collected by the Adviser is Subject to the Privacy Provisions of the Gramm-Leach-Bliley Act (“GLBA”)

The CCPA does not apply to personal information collected, processed, sold, or disclosed pursuant to GLBA, and implementing regulations (Regulation S-P or Regulation P, depending on the applicable regulator).

GLBA protects “nonpublic personal information,” which includes “personally identifiable financial information,” or “~~PI~~FINPI,” and “[any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived without using any personally identifiable financial information that is not publicly available.]”

~~PI~~FINPI is defined as any information:

- A consumer provides to the Adviser to obtain a financial product or service from the Adviser;
- About a consumer resulting from any transaction involving a financial product or service between the Adviser and a consumer; or
- The Adviser otherwise obtains about a consumer in connection with providing a financial product or service to that consumer.

If the personal information about a California resident that is collected by the Adviser is nonpublic personal information as defined by GLBA, the personal information is not subject to the CCPA.

The Adviser should document its determination by checking one of the following boxes:

- The Adviser has determined that some or all of the personal information it collects about California residents is nonpublic personal information under GLBA (“GLBA Data”). The Adviser is exempt from all of the requirements of the CCPA with respect to GLBA Data.
- The Adviser has determined that none of the personal information it collects about California residents is GLBA Data. The information collected by the Adviser is not subject to the CCPA’s exemptions for GLBA Data.

[Last S&K revision: December 2016]

[NOTE: This draft policy assumes that the Adviser uses information about a consumer received from an affiliate to solicit the consumer and that it has adopted a joint Reg. S-AM Notice with its affiliates. Remove this policy if that is not the case.]

REGULATION S-AM POLICY AND PROCEDURES

Adopted ***[Insert Date]***

[Revised as of]

I. Background

Regulation S-AM prohibits an SEC-registered investment adviser from using *eligibility information* about a *consumer* received from an *affiliate* to make a *marketing solicitation* to the *consumer* unless:

- ◆ It is clearly and conspicuously disclosed to the *consumer* in a notice that the adviser may use *eligibility information* about that *consumer* received from an *affiliate* to make *marketing solicitations* to that *consumer*;
- ◆ The *consumer* is provided a reasonable opportunity to opt out; and
- ◆ That *consumer* has not opted out.

An SEC-registered adviser need not comply with the requirements of Regulation S-AM if eligibility information received from an affiliate is used:

- ◆ To make a marketing solicitation to a consumer with which the adviser has a pre-existing business relationship;
- ◆ To perform certain services on behalf of an *affiliate*;
- ◆ In response to a communication about the adviser's products or services initiated by the individual; or
- ◆ In response to an authorization or request by the individual to receive solicitations.

II. Policy

The Adviser may from time to time use *eligibility information* about an individual received from an *affiliate* to make *marketing solicitations* to those individuals. The Adviser has adopted this policy to assist with its compliance with the requirements of Regulation S-AM, including the requirement that it (or its *affiliate*) deliver the required opt-out notice to those individuals to which the Adviser may make a *marketing solicitation* prior to making such solicitation.

This policy applies to the Adviser and its *affiliates*, including those private funds for which the Adviser or its *affiliates* serve as general partner or managing member.

III. Opt Out Notices

A. Delivery of Notices. The notice must be provided by the *affiliate* that has or has previously had a *pre-existing business relationship* with the *consumer*, or as part of a joint notice from two or more members of an *affiliate* group of companies, provided that at least one of the *affiliates* has or has previously had a *pre-existing business relationship* with the *consumer*. The notice must be provided so that each *consumer* can reasonably be expected to receive actual notice. Examples of appropriate delivery include:

- • Hand delivering a printed copy of the notice;
- • Mailing a printed copy of the notice to the last known mailing address of the *consumer*;
- • Providing a notice by e-mail to a *consumer* who has agreed to receive electronic disclosures by email from the *affiliate* providing the notice; or
- • Posting the notice on the Internet web site at which the *consumer* obtained a product or service electronically and requiring the *consumer* to acknowledge receipt of the notice.

The Adviser may not make a *marketing solicitation* to any *consumer* until:

- • 30 days after the date the opt out notice is mailed to such *consumer*,
- • 30 days after the opt out notice is provided electronically to the *consumer*, such as by posting the notice on a website, or
- • 30 days after the opt out notice is provided to the *consumer* by e-mail,

and the *consumer* has not opted out.

B. Content of Notices. The opt-out notice must be in writing and:

- • Identify the *affiliate* providing the notice as well as the *affiliates* or types of *affiliates* whose use of the *eligibility information* is covered by the notice;
- • Disclose that an individual may elect to limit the use of the *eligibility information* to make *marketing solicitations* to the individual (i.e., opt out);
- • Describe the duration of the individual's election; and
- • Describe a reasonable and simple method for the individual to make the opt out election.[NOTE: See the Initial and Renewal Regulation S-AM Opt Out Notices in Appendix L2, Exhibit A and Exhibit B of the Sample Compliance Forms.]

C. Duration of Initial Opt Out Period. The election of a *consumer* to opt out must be effective for a period of at least five years beginning when the *consumer's* opt out election is received and implemented by the Adviser, unless the individual subsequently revokes the opt out. An opt out period of more than five years may be established, including an opt out period that does not expire unless revoked by the individual.

D. Renewal of Opt Out Period; Duration of Renewal Period. If applicable, after the initial opt out period expires, the Adviser may not make *marketing solicitations* to a *consumer* who

previously opted out, unless the *consumer* has been given a renewal notice and the *consumer* has a reasonable opportunity to renew the opt out, and the individual does not opt out. Each opt out renewal must be effective for a period of at least five (5) years.

IV. Compliance

[The Compliance Officer], in conjunction with personnel responsible for the Adviser's advertising and marketing, shall [periodically][at least annually] review:

- the information made available to the Adviser by its *affiliates*;
- the Adviser's use of that information for marketing purposes; and
- the information included in the opt out notices for compliance with this policy.

[The Compliance Officer] shall periodically confirm delivery of the required notices and the Adviser's compliance with the opt out periods.

V. Recordkeeping

The Adviser shall maintain records relating to this policy, including:

- A record of each opt out notice (initial and renewal) sent or provided to each *consumer* and the date of any such delivery; and
- A record of each *consumer* who opted out of marketing and the period for which such opt-out is effective.

VI. Definitions

"*Affiliate*" means any person that is related by common ownership or common control with a broker, dealer or investment, or the investment adviser or transfer agent registered with the Securities and Exchange Commission.

"*Consumer*" means an individual.

"*Eligibility Information*" means any information the communication of which would be a consumer report if the exclusions from the definition of "consumer report" in Section 603(d)(2)(A) of the Fair Credit Reporting Act (15 U.S.C. 1681, *et seq.*) did not apply. *Eligibility Information* does not include aggregate or blind data that does not contain personal identifiers such as account numbers, names, or addresses, telephone numbers, and other types of information that, depending on the circumstances or when used in combination, could identify the individual or individuals to whom the data relates.

"*Marketing Solicitation*" means the marketing of a product or service initiated by a person to a particular *consumer* that is: (i) based on *eligibility information* communicated to that person by its *affiliate* and (ii) is intended to encourage the *consumer* to purchase or obtain such product or service.

"*Pre-Existing Business Relationship*" means a relationship with a person, or a person's licensed agent, and a *consumer* based on (i) a financial contract between the person and the *consumer* which is in force on the date on which the *consumer* is sent a solicitation covered by Regulation S-AM; (ii) the purchase, rental or lease by the *consumer* of the person's goods or services, or a financial transaction (including holding an active account or a policy in force or having another continuing relationship) between the *consumer* and the person, during the 18-month period immediately preceding the date on which the *consumer* is sent the solicitation; or (iii) any inquiry or application by the *consumer* regarding a product or

service offered by that person during the three-month period immediately preceding the date on which the *consumer* is sent the solicitation.

[Last S&K revision: December 2013]

[NOTE: The Adviser should adopt these Identity Theft Prevention Policy and Procedures when it has determined that it is a *financial institution* or *creditor* that offers or maintains *covered accounts* (a “qualifying institution”). To assist with that determination, the Adviser should complete the worksheet attached to this policy as Appendix L3A.

If the Adviser determines that it is not a qualifying institution, it should retain Appendix L3A in its records. The Adviser should periodically reassess this determination in light of changes to its business and other practices.

If the Adviser determines that it is a qualifying institution, it should adopt these Identity Theft Prevention Policy and Procedures and include it as Appendix L3 in its compliance manual. In such circumstances, it need not include Appendix L3A in its compliance manual.]

IDENTITY THEFT PREVENTION POLICY AND PROCEDURES

Adopted *[Insert Date]*

[Revised as of]

Statement of Policy

The Adviser is committed to maintaining policies and procedures that are reasonably designed to detect, prevent and mitigate *identity theft* in connection with its provision of advisory services. *Identity theft* involves a fraud committed or attempted using *identifying information* of another person without authority. The Adviser has implemented the following Identity Theft Prevention Policy and Procedures (“Policy”) to comply with Regulation S-ID.

I. Background and Summary of Regulation S-ID

Regulation S-ID requires a registered investment adviser that has determined that it is a qualifying institution to implement and administer an identity theft prevention program. The identity theft prevention program should be reasonably designed to detect, prevent, and mitigate *identity theft* in connection with the opening of a *covered account* or maintaining any existing *covered account*.

II. Definitions

Italicized terms used in this Policy are defined in the attached Glossary.

III. Identity Theft Prevention Program

A. Application of the Program

The Adviser intends to apply its Identity Theft Prevention Program (“Program”) to its *covered accounts*. **[NOTE: An adviser that determines to apply the Program only to those accounts meeting the definition of covered account should insert the following:** The Adviser’s current list of *covered accounts* is attached as Attachment A. The Adviser will periodically determine if it offers additional *covered accounts* to which the Program should be applied.][NOTE: **Alternatively, an adviser that determines to apply the Program to all accounts, thus treating all accounts as covered accounts, should insert the following:** The Adviser has determined that it will treat all of its advisory accounts as *covered accounts* and apply the Program to all accounts.]

B. Elements of the Program

The Program has the following four elements:

1. Identifying Relevant Red Flags

The Adviser has determined that the *Red Flags* set forth in Attachment B are applicable to its business and the *covered accounts* that it opens and maintains.

2. Detecting Red Flags

For each *Red Flag* set forth in Attachment B, the Adviser has implemented the procedures for detecting the *Red Flag* that are adjacent to the *Red Flag* in Attachment B.

3. Responding Appropriately to Detected Red Flags

In determining an appropriate response to *Red Flags*, the Adviser will consider aggravating factors that may heighten the risk of *identity theft* such as a data security incident that results in unauthorized access to a client's account records held by the Adviser or a third party, or notice that a client has provided information related to a *covered account* held by the Adviser to someone fraudulently claiming to represent the Adviser or to a fraudulent website. Appropriate responses may include:

- Monitoring the *covered account* for evidence of *identity theft*;
- Contacting the client;
- Changing passwords, security codes or other security devices that permit access to the *covered account*;
- Reopening a *covered account* with a new account number;
- Not opening a new *covered account*;
- Closing an existing *covered account*;
- Notifying law enforcement; and
- Determining that no response is warranted under the particular circumstances.

The specific response to any detected *Red Flag* will be determined by the designated persons identified in Attachment C ("Designated Officers"), after considering all the facts surrounding the detected *Red Flag* and assessing the risks to the *covered account* involved.

In the event the Designated Officers determine that *identifying information* has been accessed through the Adviser's systems or that the detected *Red Flag* may raise concerns under other applicable law (e.g., requires filing a currency transaction report or suspicious activity report or requires notification to other regulatory or law enforcement authorities), the Designated Officers shall take such action as is required under applicable law.

4. Updating the Program

The Adviser will periodically review and update the *Red Flags* and its procedures for detecting and responding appropriately to any *Red Flag* that is detected.

In determining whether to update the program (including the *Red Flags*) the Adviser will consider the nature of changing risks to *covered accounts* based on factors such as:

- the Adviser's experiences with *identity theft*;

- changes in methods of *identity theft*;
- changes in methods to detect, prevent, and mitigate *identity theft*;
- changes in the types of accounts that the Adviser offers or maintains; and
- changes in the business arrangements of the Adviser (including mergers, acquisitions, alliances, joint ventures and service provider arrangements).

C. Administration of the Program

[NOTE: Regulation S-ID requires an adviser to obtain approval of the initial written Program from either its board of directors or an appropriate committee of the board of directors and involve the board, the appropriate committee, or a designated employee at the level of senior management in the oversight, development, implementation and administration of the Program. The following section contemplates that the Compliance Officer or other employee at the level of senior management will be responsible for the oversight, development, implementation and administration of the Program. If the board or a committee of the board will be responsible for the oversight, development, implementation and administration of the Program, the following section should be revised accordingly.]

1. *Oversight of the Program.* The Adviser has appointed **[the Compliance Officer/other senior management person]** (the “Identity Theft Officer”) as the person responsible for implementing the Program. The Identity Theft Officer is also responsible for reviewing any reports prepared below under Section III.C.2 regarding the Adviser’s compliance with Regulation S-ID and for approving material changes to the Program, as necessary to address changing *identity theft* risks.

2. *Annual Report to Identity Theft Officer.* On an annual basis the Designated Officers shall report to the Identity Theft Officer on material matters relating to the Program, including an evaluation of: (i) the effectiveness of the Program; (ii) *service provider* arrangements; (iii) if applicable, significant incidents involving *identity theft* and the Adviser’s response to such incidents; and (iv) recommendations for material changes to the Program.

3. *Oversight of Service Provider Arrangements.* If the Adviser engages a *service provider* to perform any activity in connection with this Program, the Adviser will take steps to ensure the service provider’s activities are conducted in accordance with reasonable policies and procedures to detect, prevent and mitigate *Red Flags* that may arise in the performance of the *service provider’s* activities. Such steps may including requiring that any *service provider* agreements obligate the *service provider* to have adopted and implemented appropriate policies and procedures.

D. Regulation S–ID Guidelines

In implementing the Program, the Adviser should consider the Guidelines attached to Regulation S-ID relating to risk factors, sources and categories of *Red Flags*. In particular:

In identifying relevant *Red Flags* for *covered accounts*, the Adviser should consider the following risk factors:

- the types of *covered accounts* it offers or maintains;
- the methods the Adviser provides to open *covered accounts*;
- the methods the Adviser provides to access *covered accounts*; and

- the Adviser's previous experiences with *identity theft*.

The Program should incorporate relevant *Red Flags* from sources such as:

- incidents of *identity theft* (if any) that the Adviser has experienced;
- methods of *identity theft* that the Adviser has identified that reflect changes in identity theft risks; and
- applicable regulatory guidance.

The Program should include relevant *Red Flags* from the following categories, as appropriate:

- alerts, notifications or other warnings received from consumer reporting agencies or service providers, such as fraud detection services;
- the presentation of suspicious documents;
- the presentation of suspicious personal *identifying information*, such as a suspicious address change;
- the unusual use of, or other suspicious activity related to, a *covered account*; and
- notice from customers, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft in connection with *covered accounts*.

In determining the appropriate procedures for detecting *Red Flags*, the Adviser should consider the following:

- for new *covered accounts*, methods for obtaining identifying information about, and verifying the identity of, a person opening the new accounts or, if applicable, methods used by the Adviser's *service providers* for obtaining information about, and verifying the identity of, a person opening a new account;
- for existing *covered accounts*, methods for requesting changes in personal information relating to an account, including client information, mailing address, email address, telephone number or other contact information on record with the Adviser;
- for all *covered accounts*, methods for authenticating the client, monitoring transactions and verifying the validity of change of address requests;
- for all *covered accounts*, requests for a wire or payment from a *covered account* that does not comply with the Adviser's procedures, or requests for a wire or payment from a *covered account* to a third-party that is not of the usual course. This may mean, for example, an unusual (either because of amount, occurrence or method) request for a one-time payment, transfer or distribution, or any request for a payment, transfer or distribution to a previously unidentified third party, such as a new financial institution, address or account, a foreign address or a foreign financial institution; and
- for all *covered accounts*, notification from the account holder that their identity has been compromised or notification by credit agencies or governmental entities that an account holder's identity has been compromised;

IV. Recordkeeping and Other Matters

A. Recordkeeping

The Adviser will maintain records relating to this Policy in accordance with its recordkeeping policies, including maintaining the periodic determinations regarding *covered accounts* and other records demonstrating that the Adviser has complied with the requirements of Regulation S-ID.

B. Training

The Adviser will conduct periodic training for all advisory personnel involved with the implementation of these Procedures, including personnel that interact with clients who maintain *covered accounts*. Such personnel include personnel responding to client inquiries via telephone, email or other means.

Regulation S-ID Glossary

“*Account*” means a continuing relationship established by a person with a *financial institution* or *creditor* to obtain a product or service for personal, family, household or business purposes. *Account* includes a brokerage account, a mutual fund account (*i.e.*, an account with an open-end investment company), and an investment advisory account.

“*Consumer*” means an individual (natural person).

“*Covered account*” means: (i) an account that a *financial institution* or *creditor* offers or maintains, primarily for personal, family, or household purposes, that involves or is designed to permit multiple payments or transactions, such as a brokerage account with a broker dealer or an account maintained by a mutual fund (or its agent) that permits wire transfers or other payments to third parties; and (ii) any other account that the *financial institution* or *creditor* offers or maintains for which there is a reasonably foreseeable risk to *customers* or to the safety and soundness of the financial institution or creditor from *identity theft*, including financial, operational, compliance, reputation, or litigation risks.

“*Customer*” means a person that has a *covered account* with a *financial institution* or *creditor*.

“*Creditor*” means a person that regularly extends, renews or continues credit, or makes those arrangements that regularly and in the course of business advances funds to or on behalf of a person, based on an obligation of the person to repay the funds or repayable from specific property pledged by or on behalf of the person.

“*Financial Institution*” includes any person that, directly or indirectly, holds a *Transaction Account* belonging to a *Consumer*.

“*Identifying Information*” means any name or number that may be used, alone or in conjunction with any other information, to identify a specific person, including any-

(i) Name, Social Security number, date of birth, official State or government issued driver’s license or identification number, alien registration number, government passport number, employer or taxpayer identification number;

(ii) Unique biometric data, such as fingerprint, voice print, retina or iris image, or other unique physical representation;

(iii) Unique electronic identification number, address or routing code; or

(iv) Telecommunication identifying information or access device (as defined in 18 U.S.C. 1029(e)).

“*Identity theft*” means a fraud committed or attempted using the *identifying information* of another person without authority.

“*Red Flag*” means a pattern, practice, or specific activity that indicates the possible existence of identity theft.

“*Service provider*” means a person that provides a service directly to the *financial institution* or *creditor*.

“*Transaction Account*” includes an account on which the account holder is permitted to make withdrawals by negotiable or transferable instrument, payment orders of withdrawal, telephone transfers, or other similar items for the purpose of making payments or transfers to third persons or others.

Regulation S-ID Covered Account List

Adopted: [Date]

Revised: [_____]

[NOTE: Select either Option A or Option B below based on determination made under Section III.A. above:

A. The Adviser has determined to treat all of its accounts as *covered accounts*.]

OR

B. The Adviser has identified the following accounts as *covered accounts*:

Account Identifier

The Adviser will periodically (but no less frequently than annually) determine whether it offers or maintains *covered accounts*. As a part of this determination, the Adviser will conduct a risk assessment to determine whether it offers or maintains any account for which there is a reasonably foreseeable risk to *customers* or to the safety and soundness of the Adviser from *identity theft*, including financial, operational, compliance, reputation, or litigation risks, taking into consideration:

- (1) the methods it provides to open its accounts;
- (2) the methods it provides to access its accounts; and
- (3) its previous experiences with *identity theft*.

NOTE: The following Red Flags and suggested detection procedures are intended to be examples for consideration by the Adviser and are derived from the Guidelines to Regulation S-ID and other relevant regulations. In identifying Red Flags and applicable procedures that are tailored to its business, *covered accounts* and risk assessment, the Adviser should review this Attachment, eliminate any items that are not relevant and supplement appropriately. For example, the Adviser should consider the various methods by which *identifying information* is provided and tailor its *Red Flags* and applicable procedures accordingly.

**Regulation S-ID
Red Flags and Detection Procedures**

Red Flag	Applicable Procedure
Category: Alerts, Notifications or Warnings from a Consumer Reporting Agency	
[NOTE: This category would only be included if the Adviser regularly requests consumer credit reports with respect to applicants or customers]	
1. A fraud or active duty alert is included with a consumer report.	Adviser will take steps to determine whether the fraud or active duty alert covers the <i>customer</i> or potential <i>customer</i> and review the allegations in the alert. [In addition, describe any other steps Adviser takes].
2. Consumer reporting agency provides a notice of credit freeze in response to a request for a consumer report.	Adviser will take steps to determine whether the credit freeze covers the <i>customer</i> or potential <i>customer</i> and review the freeze. [In addition, describe any other steps Adviser takes].
3. Consumer reporting agency provides a notice of address discrepancy.	Adviser will take steps to determine whether the notice of address or other discrepancy covers the <i>customer</i> or potential <i>customer</i> and review the address discrepancy. [In addition, describe any other steps Adviser takes].
4. A consumer report shows a pattern of activity inconsistent with the history and usual pattern of activity of <i>customer</i> or potential <i>customer</i> , such as: a recent and significant increase in the volume of inquiries; an unusual number of recently established credit relationships; a material change in the use of credit, especially with respect to recently established credit relationships; or an account closed for cause or identified for abuse of account privileges by the Adviser.	Adviser will take steps to determine whether the consumer report covers the <i>customer</i> or potential <i>customer</i> and review the degree of inconsistency with prior history. [In addition, describe any other steps Adviser takes].
Category: Suspicious Documents	
5. Documents provided for identification appear to have been altered or forged.	[A Designated Officer] will determine whether the identification presented appears to have been altered or forged (e.g., by examining the documents for alterations or other signs of forgery or tampering). In addition, the Designated Officer may request additional identification

	documentation and delay an account opening or responding to a request until identity verification occurs). [Describe any other steps Adviser takes].
6. The photograph or physical description on the identification is not consistent with the appearance of the <i>customer</i> or potential <i>customer</i> presenting the identification.	[A Designated Officer] will compare the photograph and/or the physical description on the identification with the person presenting it. In addition, the Designated Officer may request additional identification documentation and delay an account opening or responding to a request until identity verification occurs. [Describe any other steps Adviser takes].
7. Other information on the identification is not consistent with information provided by person opening new account or <i>customer</i> presenting identification.	[A Designated Officer] will compare information on the identification with information provided. In addition, the Designated Officer may request additional identification documentation and delay an account opening or responding to a request until identity verification occurs. [Describe any other steps Adviser takes].
8. Other information on the identification is not consistent with readily accessible information on file with the Adviser, such as signature card or a recent check.	[A Designated Officer] will compare the identification presented with other readily accessible information Adviser has on file from the account, such as [describe the information]. The Designated Officer may request additional identification documentation and delay an account opening or responding to a request until identity verification occurs. [Describe any other steps Adviser takes].
9. Application appears to have been altered or forged, or gives the appearance of having been destroyed and reassembled.	[A Designated Officer] will examine the application closely for signs that it may have been altered, forged, or destroyed and reassembled. The Designated Officer may request additional identification documentation and delay an account opening or responding to a request until identity verification occurs. [Describe any other steps Adviser takes].
Category: Suspicious Personal Identifying Information	
10. Personal <i>identifying information</i> provided is inconsistent when compared against external information sources used by the Adviser (e.g., an address does not match any address in the consumer report, or the Social Security Number (SSN) has not been issued or is listed on the Social Security Administration's (SSA's) Death Master File).	[A Designated Officer] will compare personal <i>identifying information</i> presented to the Adviser with information provided by external sources. [In addition, describe any other steps Adviser takes].
11. Personal <i>identifying information</i> provided by <i>customer</i> is not consistent with other personal <i>identifying information</i> provided by the <i>customer</i> (e.g., lack of correlation between the SSN range and date of birth).	[A Designated Officer] will compare information provided by the <i>customer</i> for internal consistency (e.g., []). Prior to allowing access or making changes the customer may be requested to validate his or her identity by providing identifying information only known to the customer or providing correct responses to challenge questions. [In addition, describe any other steps

	Adviser takes].
12. Personal <i>identifying information</i> presented is associated with known fraudulent activity as indicated by internal or third party sources (e.g., address on application is the same as address on a fraudulent application; or phone number on application. is the same as the number provided on a fraudulent application).	To the extent the Adviser has information about known fraudulent activity, the Designated Officer will compare the personal <i>identifying information</i> presented with []. [In addition, describe any other steps Adviser takes].
13. Personal <i>identifying information</i> provided is of a type commonly associated with fraudulent activity as indicated by internal or third-party sources used by the Adviser (e.g., address on an application is fictitious, a mail drop, or a prison; or the phone number is invalid, or associated with a pager or answering service).	To the extent Adviser tracks fraudulent activity through internal or third party sources, a Designated Officer will seek to validate the information presented by looking up addresses on the Internet to confirm they are real, and will call the phone numbers given to confirm they are valid. [In addition, describe any other steps Adviser takes].
14. The SSN provided is the same as that submitted by other persons opening an account or other <i>customers</i> .	[A Designated Officer] will compare social security numbers provided with social security numbers for other <i>covered accounts</i> opened within the last [insert appropriate time period]. [In addition, describe any other steps Adviser takes].
15. The address or telephone number provided is the same or similar to the address or telephone number submitted by an unusually large number of other persons opening accounts or by other <i>customers</i> .	[A Designated Officer] will compare address and telephone number information to see if they were used by other applicants and <i>customers</i> within [insert appropriate time period]. [In addition, describe any other steps Adviser takes].
16. The person opening the <i>covered account</i> or <i>customer</i> fails to provide all required personal <i>identifying information</i> on an application or in response to notification that application is incomplete.	[A Designated Officer] will track when applicants or <i>customers</i> have not responded to requests for required information and will follow up with the applicants or <i>customers</i> to seek to determine why they have not responded. [In addition, describe any other steps Adviser takes].
17. Personal <i>identifying information</i> provided is not consistent with personal <i>identifying information</i> on file with the Adviser.	[A Designated Officer] will compare key items from the data presented with information adviser has on file. [In addition, describe any other steps Adviser takes].
18. If Adviser uses challenge questions, the person opening the <i>covered account</i> or the <i>customer</i> cannot provide authenticating information beyond that which generally would be available from a wallet or consumer report.	[A Designated Officer] [insert description]. [In addition, describe any other steps Adviser takes].
Category: Suspicious Account Activity	
19. Shortly following the notice of a change of address for a <i>covered account</i> , the Adviser receives a request for new, additional or replacement means of accessing the account or for the addition of an authorized user on the	[A Designated Officer] will send a notice of change to both the new and old addresses so the <i>customer</i> will learn of any unauthorized changes and can notify the Adviser. [In addition, describe any other steps Adviser takes].

account.	
20. A <i>covered account</i> is used in a manner that is not consistent with established patterns of activity on the account (e.g., nonpayment when there is no history of late or missed payments; a material increase in use of available credit; a material change in purchasing or spending patterns; or material change in electronic fund transfer patterns in connection with deposit account).	[A Designated Officer] will review accounts on at least a [monthly] basis and check for suspicious new patterns of activity such as nonpayment, or a big change in spending or electronic fund transfers. [In addition, describe any other steps Adviser takes].
21. A <i>covered account</i> that is inactive for a reasonably lengthy period of time is used (taking into consideration the type of account, the expected pattern of usage and other relevant factors).	[A Designated Officer] will review Adviser's <i>covered accounts</i> on at least a [monthly] basis to see if long inactive accounts become very active. [In addition, describe any other steps Adviser takes].
22. Mail sent to the <i>customer</i> is returned repeatedly as undeliverable although transactions continue to be conducted in connection with <i>customer's covered account</i> .	[A Designated Officer] will note any returned mail for an account and check the account's activity. [In addition, describe any other steps Adviser takes].
23. Adviser is notified that a <i>customer</i> is not receiving paper account statements [or other account-related communications].	[A Designated Officer] will record on the account any report that the <i>customer</i> is not receiving paper statements [or other account-related communications] and immediately investigate them. [In addition, describe any other steps Adviser takes].
24. Adviser is notified of unauthorized charges or transactions in connection with a <i>customer's covered account</i> .	[A Designated Officer] will take steps to determine whether the notification is legitimate and involves a firm account, and then investigate the report. [In addition, describe any other steps Adviser takes].
Category: Notice From Other Sources	
25. Adviser is notified by a <i>customer</i> , an identity theft victim, law enforcement authority or any other person that it has opened a fraudulent account for a person engaged in identity theft.	[A Designated Officer] will take steps to determine whether the notification is legitimate and involves a firm account, and then investigate the report. [In addition, describe any other steps Adviser takes].

Regulation S-ID List of Designated Officers

[To be added]

[Last S&K revision: December 2013]

[NOTE: This worksheet is intended to assist Advisers in determining the applicability of the Identity Theft Red Flags Rules. If an Adviser determines that it must implement an Identity Theft Program, the Adviser should adopt Appendix L3 and should not include this Appendix L3A in its compliance manual. If an Adviser determines that it does not at this time need to implement an Identity Theft Program it should adopt this Appendix L3A and should not include Appendix L3 in its compliance manual.]

WORKSHEET FOR DETERMINING APPLICABILITY OF IDENTITY THEFT RED FLAGS RULES

An adviser registered or required to be registered with the SEC that falls within the scope of the SEC's Identity Theft Red Flag Rules (the "Rules") is required to adopt policies and procedures to detect and respond appropriately to identity theft red flags.

An adviser that is a "*financial institution*" or "*creditor*" that offers and maintains one or more "*covered accounts*" is required to adopt and implement a written Identity Theft Prevention Program with respect to all "*covered accounts*". For purposes of the Rules, identity theft is referred to as a fraud committed or attempted using the identifying information of another person without authority.

Determination of Financial Institution or Creditor Status

A. *Financial Institution:* any person that, directly or indirectly, holds a "*transaction account*" belonging to a "consumer".

1. *Transaction Account:* an account on which the account holder is permitted to make withdrawals by negotiable or transferable instrument, payment orders of withdrawal, telephone transfers, or other similar items for the purpose of making payments or transfers to third persons or others.

In the release adopting the Rules (the "Adopting Release"), the SEC interpreted the concept of "holding a transaction account" broadly and provided the following examples:

- an investment adviser who has the ability to direct transfers or payments from accounts belonging to clients that are individuals to third parties upon the client's instructions;
- an investment adviser that has the authority (by power of attorney or otherwise) to make withdrawals from a client's account and direct payments to third parties according to the individual client's instructions;
- an investment adviser to a private fund that has the authority through an arrangement with the fund or the investor to direct an investor's investment proceeds (e.g., redemptions, distributions, dividend, interest or other proceeds) to third parties.

2. *Consumer:* an individual (natural person).

The evaluation of whether the Adviser holds a transaction account belonging to a consumer should include a consideration of the Adviser's actual practices (i.e., even though the Adviser may not be authorized to effect transfers, does it actually do so from time to time).

Examples of circumstances in which an Adviser may hold a transaction account:

- The Adviser facilitates or directs bill payments from an individual client account.
- The Adviser facilitates or directs tax payments from an individual client account.

B. *Creditor:* person that regularly extends, renews or continues credit, or makes those arrangements that regularly and in the course of business advances funds to or on behalf of a person, based on an obligation of the person to repay the funds or repayable from specific property pledged by or on behalf of the person.

The Adopting Release provides the following guidance on creditor status:

- An adviser to a private fund may qualify as a *creditor* if the adviser regularly lends money to permit investors to make an investment in the fund pending the receipt or clearance of an investor's check or wire transfer.

The Adviser should document its determination by checking one of the following boxes:

- The Adviser has determined that it does not meet the definition of a financial institution or a creditor, and accordingly, is not required to adopt an identity theft prevention program.
- The Adviser has determined that it meets the definition of either a financial institution or a creditor and will adopt a written identity theft prevention program with respect to each covered account it offers or maintains (see covered account discussion below).

An Adviser that determines it is not a financial institution or a creditor, and so is outside the scope of the Rules, should:

- Periodically reassess its status as a *financial institution* or a *creditor*, taking into account any instances in which it received instructions from a client or an individual investor to transfer funds or in which the Adviser facilitated the transfer of funds of any client or investor to a third-party.
- Consider developing procedures to address situations in which the Adviser may receive instructions from a client or an investor to transfer funds which procedures might require:
 - returning the instructions to the client or investor with an explanation of how to effect a proper transfer;
 - forwarding the instructions to the proper service provider, clarifying that the forwarding of investor instructions by the Adviser is not a verification by the Adviser of the client's identity or the veracity of the instructions, and that the Adviser is not acting as agent for the client;
 - directing the service provider to follow its own identity theft procedures when verifying the instructions.

Determination whether the Adviser maintains or offers "*covered accounts*"

C. *Covered Account:* any account that a financial institution or creditor offers or maintains:

- (i) primarily for personal, family, or household purposes, that involves or is designed to permit multiple payments or transactions; and
- (ii) any other account that the financial institution or creditor offers or maintains for which there is a reasonably foreseeable risk to customers from identity theft.

With respect to any account in category (ii) above, the Adviser is required to periodically conduct a risk assessment to determine whether it offers or maintains *covered accounts* taking into consideration:

- The methods the Adviser provides to open client accounts (i.e., can accounts be opened remotely such as through the Internet, by email or telephone?);
- The methods the Adviser provides to access accounts (i.e., can client access its accounts through the Internet?); and
- the Adviser's previous experiences with identity theft.

The Adviser should document its determination by checking one of the following boxes:

- The Adviser has determined that it does not maintain or offer *covered accounts* and, accordingly, is not required to adopt an identity theft prevention program.
- The Adviser has determined that it maintains or offers on one or more *covered accounts* and will adopt and implement an identity theft prevention program.

[Last S&K revision: ~~June 2023~~February 2025]

[NOTE: This policy is intended to be integrated with, and complement, the Adviser’s identity theft and privacy policies, including California Consumer Privacy Act policies and procedures, if applicable, and should be consistent with the practices and procedures described in such policies.]

[NOTE: The SEC has proposed new Rule 206(4)-9 which would require adoption and implementation of cybersecurity policies and procedures reasonably designed to address cybersecurity risks.]¹

CYBERSECURITY POLICY AND PROCEDURES

Adopted *[Insert Date]*

[Revised as of]

[NOTE: The SEC recently adopted amendments to Regulation S-P which will become effective on December 3, 2025 for advisers with \$1.5 billion in assets under management or June 3, 2026 for advisers with less than \$1.5 billion in assets under management. These policies and procedures do not comply with the recently adopted amendments that are not yet in effect.]

I. Statement of Policy

The Adviser recognizes the ongoing increase in cyberattacks. This includes:

- **Cyber Events** – Attempts to compromise or gain unauthorized electronic access to electronic systems, services, resources, or information; and
- **Cyber-Enabled Crimes** – Illegal activities (e.g., fraud, money laundering, identity theft) carried out or facilitated by electronic systems and devices, such as networks and computers.

The Adviser is committed to seeking to protect its business, records and information relating to the Adviser, its customers and current or potential investors (collectively, as applicable, “Adviser Information”) against cyber risks. In connection with that objective, the Adviser has established the following procedures (“Cybersecurity Program”) in an effort to secure and maintain the confidentiality of Adviser Information, safeguard against anticipated cyber threats to the security or integrity of Adviser Information and protect against unauthorized access to or use of Adviser Information that could result in substantial harm or inconvenience to a customer or investor. [The Cybersecurity Program must be approved, in writing, by the Adviser’s Chief Executive Officer or other senior level officer with primary responsibility for information system security.]²

¹ [NOTE: The proposed new rule, and corresponding amendments to related rules, would require the Adviser to (i) adopt and implement written policies and procedures that are reasonably designed to address cybersecurity risks; (ii) report significant cybersecurity incidents affecting the Adviser, or its fund or private fund clients, to the SEC on a newly proposed Form ADV-C; and (iii) maintain, make, and retain certain cybersecurity-related books and records. The proposal would also amend Form ADV Part 2A to require disclosure of significant cybersecurity risks and incidents that affect the Adviser and its clients.]

² [NOTE: To be included if the Adviser is registered as a Commodity Pool Operator or Commodity Trading Advisor with the CFTC.]

The Adviser has designated the Adviser's [Compliance Officer/Chief Financial Officer/Chief Technology Officer] (the "Information Security Manager")³ to be responsible for implementing and overseeing this Cybersecurity Program. In connection with such implementation and oversight, the Information Security Manager may coordinate with members of management and the Adviser's personnel, including by assigning roles and responsibilities to other employees or third party service providers as the Information Security Manager deems appropriate.

II. Procedures

[NOTE: THE PROCEDURES SET FORTH BELOW ~~ARE ONLY AN EXAMPLE, AND WILL NEED TO~~ SHOULD BE TAILORED FOR EACH ADVISER. ANY PROCEDURES THAT ARE NOT APPROPRIATE, PRACTICAL OR USED BY THE ADVISER SHOULD BE ELIMINATED.]

Assessment of Business and Applicable Risks

In an effort to identify potential cybersecurity threats and help the Adviser prioritize and mitigate risk, the Information Security Manager will conduct an initial assessment of, and thereafter will periodically assess, the Adviser's business assets and security considerations relating to its use of information technology. This assessment will include a consideration of, as applicable:

- The category of information that the Adviser collects, processes and/or stores, including (but not limited to), as applicable:
 - Investor/Client Information (personally identifying information of investors or clients (e.g., names, addresses, social security numbers, phone numbers, passport or license information, bank statements, account balances, etc.));
 - Employee Information (personally identifying information of the Adviser's personnel);
 - Portfolio and Trading Information (e.g., trade tickets, confirmations, reports and internal memoranda, etc.);
 - Technology and Systems Information (e.g., proprietary source codes, system administrator information, etc.); and
 - Internal and External Communications (e.g., email and chat correspondence, etc.);
- the nature, level of sensitivity (e.g., high-risk, low-risk, etc.) and location of the information that the Adviser collects, processes and/or stores;
- the technology systems (e.g., hardware, software, mobile devices, email systems, etc.) the Adviser and its personnel uses;
- internal and external cybersecurity threats to, and vulnerabilities of, the Adviser's information and technology systems (including threats posed by third party service providers or software);
- security controls and processes currently in place;
- the impact should the information or technology systems become compromised; and
- the effectiveness of the Adviser's governance structure for the management of cybersecurity risk.

³ [NOTE: The Adviser may choose to create committees with certain individuals designated as being responsible for various aspects of the program (e.g., training, determination of appropriate technological safeguards, etc.).]

This assessment may assist the Adviser in determining which data may require more protection, and whether any changes to this Cybersecurity Program should be made. **[NOTE: See the Cybersecurity Risk Assessment in Appendix L4, Attachment A of the Sample Compliance Forms]**

Information Security Safeguards and Controls

[NOTE: The information security safeguards and controls listed below are suggestions based on, among other sources, the SEC’s National Exam Program Risk Alerts (September 15, 2015 and August 7, 2017); AIMA’s Guide to Sound Practices for Cyber Security; the SEC’s IM Guidance Update No. 2015-02; and the CFTC’s Staff Advisory No. 14-21. Any measures that are not used or are not practicable should be removed.]

[NOTE: To the extent that any of the proposed measures listed below are discussed in another policy of the Adviser, the language in the policies should be consistent.]

The Adviser will utilize the following measures designed to prevent unauthorized access to its systems and information and otherwise protect Adviser Information from cybersecurity incidents.

- User Privileges and Tiered Access – [Desktop administrator access will be limited to those users deemed appropriate by the Information Security Manager.] The Information Security Manager will determine [the other] user privileges/credentials and access levels appropriate for the Adviser’s personnel. The Information Security Manager may determine to establish tiered access to the Adviser’s systems based on job function and responsibility.⁴ [Access rights will be updated as necessary in the event of any system changes.] Implementing such controls is designed to limit the vulnerability of the Adviser’s systems in the event of a breach.
- Passwords/Login Process – All personnel are required to have a unique username and password to access the Adviser’s computer workstations and remote devices. [Passwords are required to be [at least 7 characters and] changed periodically.] [To the extent that the Adviser’s clients, investors or third party service providers have access to any information maintained by the Adviser, login and passwords will also be required.] The Information Security Manager or its delegate will be responsible for addressing, or establishing protocols to address, login problems.⁵
- Remote Access – The Adviser permits [its personnel] to access the Adviser’s network remotely through the use of an [multifactor] authentication process. [In order to gain remote access, personnel must enter a pin number that changes at periodic intervals that is provided through [an application, text message, telephone call or token].] [Remote access from a new or unrecognized device is subject to a CAPTCHA (Completely Automated Public Turing test to tell Computers and Humans Apart) test to determine that the user is a human.] Personnel authorized to access the Adviser’s network remotely will be advised to (i) maintain malware protection/anti-virus software on remote devices, (ii) report to the Information Security Manager any cybersecurity breach or other incident that may affect Adviser Information that occurred while working remotely, and (iii) not store confidential or sensitive information on personal devices.
 - [In the event of an extended period of remote working due to a business continuity event such as the COVID-19 pandemic, the Adviser will seek to [implement enhanced identity

⁴ **[NOTE: The Adviser may wish to restrict an employee’s user privileges and access to those required to perform the employee’s job.]**

⁵ **[NOTE: The Adviser may wish to require the Information Security Manager or its delegate to be responsible for monitoring user activity, particularly with respect to users with privileged access, in an effort to detect the creation of new accounts or unauthorized deletion of accounts.]**

protection practices with respect to remote access; provide personnel with additional trainings and reminders with respect to areas including [phishing and other targeted cyberattacks; sharing information while using certain remote systems (e.g., unsecure web-based video chat); encrypting documents and using password-protected systems; and destroying physical records at remote locations]; conduct heightened reviews of personnel access rights and controls as personnel assume new or expanded roles; ensure the use of validated encryption technologies to protect communications and data stored on all devices, including personally-owned devices; ensure that remote access servers are secured effectively and kept fully patched; enhance system access security, such as requiring the use of multifactor authentication; and address new or additional cyber-related issues related to third parties, which may also be operating remotely when accessing Adviser's systems.]]

- Firewall – The Adviser will employ a hardware firewall designed to prevent and detect unauthorized connections and malicious incursions. The Information Security Manager will be responsible for determining the appropriate use of firewalls and perimeter security (e.g., network perimeter, intrusion detection systems, email security capabilities, web proxy systems with content filtering, application control capabilities and proxy systems as part of the Adviser's remote desktop protocol.).
- Software and Scans
 - The Adviser will seek to maintain [up-to-date] firmware, operating systems, application software and malware protection on its devices and anti-virus software designed to detect, prevent and, when possible, clean, known programs that maliciously affect the Adviser's systems (e.g., viruses, worms, spyware). Scans will be conducted on a [regular] basis to detect and clean any such program that may have gained access to a device within the Adviser's network. [If applicable, third party service providers will be advised to maintain such protection and software on their devices used to access Adviser Information.]
 - The Adviser will utilize a maintenance plan designed to, through the use of scans and patches, guard its devices and software against vulnerabilities. The Information Security Manager or its delegate will be responsible for regularly patching the Adviser's systems.
- Encryption – The Adviser will encrypt all personally identifiable Adviser Information, and any other information the Information Security Manager deems appropriate, stored on the Adviser's devices and internal network, and that may be transmitted to, or maintained by, third party service providers or counterparties. [Such information will be encrypted at rest and in transit.]
- Data Back-Up – The Adviser will maintain and [regularly] test backup measures as deemed appropriate by the Information Security Manager. Adviser Information is currently backed up [daily] using [cloud computing and] an [off-site server] [portable hard drive].
- Unauthorized Devices – The Adviser will take those measures deemed appropriate by the Information Security Manager to guard against unauthorized devices gaining access to its network. In addition, the Adviser's personnel will be advised to not install unauthorized devices on the Adviser's network.
- Data Transfers and Monitoring – The Information Security Manager or its delegate will monitor, as deemed appropriate, (i) content transferred outside of the Adviser through email, uploads or otherwise, (ii) unauthorized data transfers, (iii) requests to transfer client or investor funds, and (iv) access to electronic documents containing personally identifiable Adviser Information. The Information Security Manager may also verify requests to transfer client or investor funds.

- Penetration Tests – The Information Security Manager or its delegate will conduct testing to review the effectiveness of security solutions.
- Videoconferencing and Other Electronic Communication Methods – With regard to videoconferencing and other electronic communication methods used by the Adviser, particularly when working remotely, the Adviser has taken specific measures to protect sensitive information, including investors' personally identifiable information. Such measures include securing access to networks and restricting use of web-based applications, securing personally-owned devices, and monitoring changes in controls over physical records, such as sensitive documents printed at remote locations; and monitoring for phishing attempts and other means to improperly access Adviser's systems and accounts.

Monitoring Use

As noted above, the Information Security Manager or its delegate will take measures to monitor certain uses of data and systems in an effort to detect unauthorized access or other potential breaches. The Information Security Manager may take additional steps to monitor computer systems and the procedures described herein to assess compliance with, and the effectiveness of, this Cybersecurity Program.

Physical Access to Office Space and Firm Property

[NOTE: The Adviser may have incorporated into its Privacy Policy measures designed to address the following items. In such case, the Adviser may refer to the Privacy Policy or should make sure that the language is consistent.]

- Computers and Mobile Devices – Access to the Adviser's computers and mobile devices is restricted to authorized users through the use of usernames and passwords. In addition, access to the Adviser's computer server is restricted to such personnel as determined appropriate by the Information Security Manager.
- Data Storage and Destruction – Materials containing client information should be stored in cabinets or desks when not in use. The Adviser will dispose of materials containing client information [through the use of shredding and other secure disposal measures].
- Locks and Keys – Keys/other access to office space, storage and equipment will be provided only to those members of personnel or staff determined appropriate by the Information Security Manager [in coordination with _____]. The Adviser's offices should be locked or otherwise restricted during non-business hours.
- Visitors – Visitors are not permitted to be unescorted in areas where client information is visible or otherwise accessible.

Terminated Employees and Service Providers

Any access to firm property or Adviser Information held by an employee who has been terminated or otherwise departed will be promptly revoked. Such access may include usernames and passwords, remote access to websites or networks of the Adviser or its service providers, mobile devices and keys to office space or equipment. In addition, any access rights provided to service providers/vendors that have been terminated or that no longer provide services will be promptly revoked.

Service Providers⁶

- Due Diligence – Using a risk-based analysis and considering the type of services provided or to be provided by a vendor, the Adviser will consider cybersecurity measures taken by vendors when conducting due diligence on service provider candidates. If the Adviser determines that a consideration of cybersecurity measures taken by vendors is appropriate based on such risk-based analysis, the Adviser may consider, among other things, the types of data to which the service provider will have access, how the service provider disposes of data, any application or technology changes which may impact the Adviser’s business and compliance processes, and the safeguards established by the provider to protect such information against cyber threats.
- Data Access - The Information Security Manager will review which service providers have access to Adviser Information, and consider whether such providers are required to maintain, or have indicated that they maintain, protective cybersecurity measures, such as encryption of confidential data when stored or in transit. Further, the Information Security Manager will track and periodically confirm which service providers still require access to Adviser Information and remove access when no longer needed.
- [Contractual Terms – With respect to any new service provider that may have access to firm or Adviser Information, the Adviser will seek to require the contract with such service provider to contain representations or other assurances by the provider concerning its cybersecurity measures.]
- Termination – As noted above, in the event that a vendor’s services are terminated, any rights to access to Adviser Information or the Adviser’s systems held by such vendor will be immediately revoked.

Reporting and Notification of Cybersecurity Incidents; Incident Response Plan

Reporting – Any suspected infection of, unauthorized access or other compromise to the Adviser’s network or devices (including any actual or potential breach) should be reported to the Information Security Manager promptly.

Notification – The [Information Security Manager] will be responsible for determining (i) which members of the Adviser’s management are to be notified of the cybersecurity incident and (ii) in consultation with external counsel as necessary, the applicable federal and state reporting requirements.

In addition, the Information Security Manager and [_____] will be responsible for determining which clients or investors, if any, are to be contacted regarding the breach. Additional information about the Adviser’s reporting obligations is discussed in its incident response plan.

Incident Response Plan

The Information Security Manager[, in coordination with [members of the Adviser’s management and compliance personnel] will respond to any report of a suspected infection, unauthorized access or other compromise to the Adviser’s network or devices [in accordance with the Adviser’s Incident Response Plan]. **[NOTE: It is recommended that, if not directly required by the FTC’s Safeguards Rule, advisers adopt an incident response plan. To the extent the Adviser has adopted an incident response plan, it should consider including a description of the plan, such as the sample language below. The language below must be revised to reflect the actual provisions of the Adviser’s incident response plan. See also Incident Response Plan Considerations in Appendix**

⁶ [NOTE: The Adviser may wish to require contracts with new service providers to contain representations on behalf of the providers that they maintain cybersecurity programs designed to protect Adviser Information.]

L4, Attachment B of the Sample Compliance Forms.]. [The Incident Response Plan provides guidelines and procedures for, as applicable:

- Reporting the incident and other relevant information to the Adviser's personnel responsible for managing the response;
- Determining the type of incident that occurred (e.g., malware infection, network intrusion, identity theft), the information accessed (if any) and the extent of the related loss;
- Determining which systems, if any, should be disconnected or otherwise disabled and which systems and processes are capable of being restored;
- Assigning roles to, and responsibilities of, appropriate personnel;
- Recovering and/or restoring any services that may have been impaired;
- Notifying all appropriate internal and external parties (e.g., affected clients or investors, law enforcement, [National Futures Association ("NFA") if the incident related to commodity interest business and is required to be reported to the NFA]⁷);
- Determining who (i.e., the Adviser or the affected client or investor) will bear the losses resulting from the incident. In making this determination, the [Information Security Manager] will conduct a complete investigation and evaluation of the circumstances surrounding the incident; and
- Documenting all steps of the incident response, including lessons learned from each incident.]

Training⁸

The Information Security Manager will provide or arrange for initial and annual (or more frequent if circumstances warrant) training of officers and employees of the Adviser [and appropriate service providers] with respect to this Cybersecurity Program. Training will include instruction of the procedures and requirements described herein, as well as applicable threats and effective measures to prevent, detect and respond to such threats.⁹ [Training may be tailored to specific job functions.]

Training should address, as well as any other subjects the Information Security Manager deems appropriate:

- Risks associated with use of email and social media;
- Use of encryption and password protection, including encouraging staff to create strong, unique passwords;

⁷ [NOTE: To be included if the Adviser is registered as a Commodity Pool Operator or Commodity Trading Advisor with the CFTC.]

⁸ [NOTE: The Adviser may determine to incorporate cybersecurity training into any of its existing training programs regarding privacy protection, social media, electronic communications or disaster recovery plans.]

⁹ [NOTE: SEC Guidance has indicated that an investment adviser may also wish to educate investors and clients about how to reduce their exposure to cybersecurity. IM Guidance Update, No. 2015-02 (Apr. 2015).]

- Awareness of common cyber-attack or other infiltration techniques (e.g., phishing,¹⁰ credential stuffing,¹¹ etc.);
- Use of safeguards in personal and mobile devices;
- Social engineering tactics;
- Means of detecting a potential intrusion or other breach (e.g., phishing exercises to help employees identify potential phishing emails);
- Applicable aspects of this Cybersecurity Program and the Incident Response Plan;
- Acceptable use policies that specify employees' obligations when using the Adviser's networks and equipment; and
- Responsibilities of the Adviser's personnel and management under the Cybersecurity Program.

Personnel Obligations

The following procedures must be followed by all personnel to minimize the risk of a cyber event or cyber-enabled crime:

- Create a unique password as described above;
- Conduct all applicable business of the Adviser only through the Adviser's electronic systems, including use of Adviser email [and other approved methods of electronic communication];
- Do not download from the Adviser's server files any investor/client or employee personally identifiable information to a computer, local drive or smartphone;
- Do not let anyone else use your computer, laptop or smartphone;
- [Install security patches immediately upon receipt from the [Information Security Manager];]
- Do not open an email if the sender's address is unfamiliar;
- Do not open an attachment that is not expected;
- Immediately report any suspicious email or attachment to the Information Security Manager as described above;
- Immediately report to the Information Security Manager any cybersecurity threat, breach or incident, as described above;
- Immediately report the loss of a smartphone or laptop to the [Information Security Manager]; and

¹⁰ Phishing is the fraudulent practice of sending emails purporting to be from reputable companies in order to induce individuals to reveal personal information, such as passwords and credit card numbers.

¹¹ Credential stuffing is a type of cyberattack where stolen account credentials typically consisting of lists of usernames and/or email addresses and the corresponding passwords are used to gain unauthorized access to user accounts through large-scale automated login requests directed against a web application.

- Immediately notify the [Information Security Manager] upon receipt of an electronic message for a transfer or wire of money.

Reviews and Testing

The Information Security Manager will conduct or arrange for [annual] reviews and testing of this Cybersecurity Program to evaluate its effectiveness and determine whether any changes should be made. The Information Security Manager will [make a presentation] [prepare a written report] summarizing (i) the steps taken in conducting the review, and (ii) any recommended action items to be proposed or taken. **[NOTE: See the Cybersecurity Review Report in Appendix L4, Attachment C of the Sample Compliance Forms]** The [presentation] [report] will be approved by [the Portfolio Manager/the Adviser's senior management].

[Last S&K revision: ~~June 2023~~February 2025]

[NOTE: There are two models of the Proxy Voting Policy and Procedures. An adviser that uses a ~~third-party~~third-party proxy voting service for voting research and recommendations should adopt Model B. All other advisers, including advisers that use a ~~third-party~~third-party proxy voting service solely for the administrative process of coordinating and recording proxy votes, should adopt Model A. If you wish to see a fuller set of voting guidelines see Section III of Model B.]

PROXY VOTING POLICY AND PROCEDURES [Model A]

Adopted *[Insert Date]*

[Revised as of]

I. STATEMENT OF POLICY

Proxy voting is an important right of shareholders and reasonable care and diligence must be undertaken by the Adviser to ensure that such rights are properly and timely exercised in accordance with the Adviser's obligations to its clients. When the Adviser has discretion to vote the proxies of its clients, it will vote those proxies in the best interest of each client and in accordance with these policies and procedures. In the absence of specific voting guidelines from a client, the Adviser will generally vote proxies for clients with the same or substantially similar investment strategies and objectives in the same way.

II. PROXY VOTING PROCEDURES

The Adviser's proxy voting procedures include the following:

- All proxies received by the Adviser will be sent to [the Compliance Officer/operations department];
- The [Compliance Officer/operations department] will keep a record of each proxy received;
- The [Compliance Officer/operations department] will forward the proxy to the [Portfolio Manager] responsible for voting the proxy on behalf of the Adviser;
- The [Compliance Officer/operations department] will determine which accounts managed by the Adviser hold the security to which the proxy relates; and
- The [Compliance Officer/operations department] will provide the [Portfolio Manager] with a list of accounts that hold the security [and their investment objectives and strategies], together with the number of votes each account controls (reconciling any duplications), [any conflicts to which the Adviser is subject in voting,] and the date by which the Adviser must vote the proxy in order to allow enough time for the completed proxy to be returned to the issuer prior to the vote taking place.
 - Absent material conflicts (see Section IV below), the [Portfolio Manager] will determine how the Adviser should vote the proxy for each client taking into account its investment objectives [and information about the proposal(s) after a reasonable investigation to ensure that the voting determination is not based on materially inaccurate or incomplete information]. The [Portfolio Manager] will send its decision on how the Adviser will vote a proxy to [the Compliance Officer]. [The Compliance

Officer] is responsible for completing the proxy and returning the proxy in a timely and appropriate manner.

- The [Compliance Officer/operations department] will perform reconciliations to seek to ensure that (i) all proxies are voted (e.g., reconcile the list of clients for which the Adviser has proxy voting obligations against a list of votes cast by the Adviser for clients) or (ii) the Adviser has determined that not voting for a particular client is appropriate either because the client has agreed to such action or the Adviser has determined that refraining from voting is in the best interest of the client.
- [While the Adviser has not retained a third party proxy voting service for voting research and recommendations, the Adviser may retain a third party to assist in the administrative process of coordinating and recording proxy votes with respect to client securities. If so, [the Compliance Officer] will monitor the third party proxy voting service to assure that all proxies are being properly voted and appropriate records are being retained.]

[Abstentions; Determination Not to Vote; Closed Positions]

- [The Adviser will abstain from voting or affirmatively decide not to vote if the Adviser determines that abstention or not voting is in the best interests of the client in light of the scope of services to which it and the client have agreed. In making this determination, the Adviser will consider various factors, including, but not limited to, (i) the costs associated with exercising the proxy (e.g., translation or travel costs) relative to the expected benefits to the client; and (ii) any legal restrictions on trading resulting from the exercise of a proxy. The Adviser may determine not to vote proxies relating to securities in which clients have no position as of the receipt of the proxy (for example, when the Adviser has sold, or has otherwise closed, a client position after the proxy record date but before the proxy receipt date).] **[NOTE: Certain advisers, such as an adviser that uses a quantitative investment strategy, may determine that it is generally in the best interests of its clients to abstain from voting or affirmatively decided not to vote.]** The Adviser should maintain documentation of such a determination and periodically review its appropriateness.]

III. VOTING GUIDELINES

In the absence of specific voting guidelines from the client, the Adviser will vote proxies in the best interests of each particular client, which may result in different voting results for proxies for the same issuer. Subject to the consideration of each client's best interest, the Adviser believes that voting proxies in accordance with the following guidelines is in the best interests of its clients.

- [Generally, the Adviser will vote for routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated), selection of auditors, and increases in or reclassification of common stock.]
- [Generally, the Adviser will vote against proposals that make it more difficult to replace members of the issuer's board of directors, including proposals to stagger the board, cause management to be overrepresented on the board, introduce cumulative voting, introduce unequal voting rights, and create supermajority voting.]
- For other proposals including matters such as, without limitation, corporate events (mergers and acquisition transactions, dissolutions, conversions, or consolidations) or contested elections for directors, the Adviser will determine whether a proposal is in

the best interests of each client and may take into account the following factors, among others:

- ~~•~~ whether the proposal was recommended by management and the Adviser's opinion of management;
- ~~•~~ whether the proposal acts to entrench existing management;
- ~~•~~ whether the proposal fairly compensates management for past and future performance;
- ~~•~~ other factors particular to the issuer and the matter under consideration; and
- ~~•~~ the potential effect of the vote on the value of the client's investments.

[NOTE: The Adviser may wish to detail further categories of proposals and the general principles used in determining how to vote proxies.]

IV. CONFLICTS OF INTEREST

1. [The Compliance Officer] will identify any conflicts that exist between the interests of the Adviser and its clients. This examination will seek to include a review of the relationship of the Adviser and its affiliates with the issuer of each security and any of the issuer's affiliates to determine if the issuer is a client of the Adviser or an affiliate of the Adviser or has some other relationship with the Adviser or a client of the Adviser.

2. If a material conflict exists, the Adviser will determine whether voting in accordance with the general voting guidelines and factors described above is in the best interests of the client. The Adviser will also determine whether it is appropriate to disclose the conflict to the affected clients and, except in the case of clients that are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), give the clients the opportunity to vote their proxies. In the case of an ERISA client, if the Investment Management Agreement reserves to the ERISA client the authority to vote proxies when the Adviser determines it has a material conflict that affects its best judgment as an ERISA fiduciary, the Adviser will give the ERISA client the opportunity to vote its proxies. Absent the client reserving voting rights, the Adviser will vote the proxies solely in accordance with the policies outlined in Section III, "Voting Guidelines" above; provided that if, in the Adviser's discretion, a matter is not covered by the Voting Guidelines, the Adviser may consult the voting research and recommendations of a third-party proxy voting service]. **[NOTE: See the policies and procedures with respect to the retention and use of a third party proxy voting service in Appendix M, Model B.]**

V. DISCLOSURE AND REPORTING¹

1. The Adviser will disclose in its Form ADV Part 2 that clients may contact the Compliance Officer, via e-mail or telephone, in order to obtain information on how the Adviser voted such client's

¹ [NOTE: ~~The~~ On November 2, 2022, the SEC has adopted new Rule 14Ad-1 under the Securities Exchange Act of 1934 (the "Exchange Act"), which requires "institutional investment managers" (as defined in Section 13(f)(6)(A) of the Exchange Act) subject to the reporting requirements of Section 13(f) of the Exchange Act to annually report on Form N-PX how they voted proxies relating to executive compensation (or "say-on-pay") matters. Rule 14Ad-1 ~~has~~ ~~an~~ ~~became~~ effective ~~date of~~ July 1, 2024, ~~and institutional investment managers will be required to file their first reports on amended Form N-PX by August 31, 2024, with these reports covering the period of July 1, 2023 to June 30, 2024. Therefore, if the Adviser is an institutional investment manager subject to the reporting requirements of Section 13(f), it should begin preparing to.~~ Advisers must comply with the amended Form N-PX reporting requirements ~~prior to July 1, 2023~~ and, in doing so, should coordinate with any third-party service provider that assists the Adviser with proxy voting.]

proxies, and to request a copy of these policies and procedures. If a client requests this information, [the Compliance Officer] will prepare a written response to the client that lists, with respect to each voted proxy about which the client has inquired, (a) the name of the issuer; (b) the proposal voted upon; and (c) how the Adviser voted the client's proxy.

2. A concise summary of this Proxy Voting Policy and Procedures will be included in the Adviser's Form ADV Part 2, and will be updated whenever these policies and procedures are updated.

3. ~~Effective for votes occurring on or after July 1, 2023, the~~The Adviser will report how it voted proxies relating to executive compensation ("say-on-pay") matters annually on Form N-PX no later than August 31 of each year for the most recent 12-month period ended June 30, as required by Rule 14Ad-1.

VI. RECORDKEEPING

[The Compliance Officer] will maintain records relating to the Adviser's proxy voting procedures in an easily accessible place. Records will be maintained and preserved for five years from the end of the fiscal year during which the last entry was made on a record, with records for the first two years kept in the offices of the Adviser. Records of the following will be included in the files:

- Copies of this proxy voting policy and procedures, and any amendments thereto;
- A copy of each proxy statement that the Adviser receives, provided however that the Adviser may rely on obtaining a copy of proxy statements from the SEC's EDGAR system for those proxy statements that are so available;²
- A record of each vote that the Adviser casts;³
- A copy of any document the Adviser created that was material to making a decision how to vote proxies, or that memorializes that decision. (For votes that are inconsistent with the Adviser's general proxy voting policies, the reason/rationale for such an inconsistent vote is required to be briefly documented and maintained); and
- A copy of each written client request for information on how the Adviser voted such client's proxies, and a copy of any written response to any (written or oral) client request for information on how the Adviser voted its proxies.

VII. ADDITIONAL PROCEDURES

[NOTE: Although Rule 206(4)-6 does not require an adviser to adopt and implement the following procedures, the SEC issued additional guidance regarding an adviser's duty and obligations relating to proxy voting in its Commission Guidance Regarding Proxy Voting Responsibilities of Investment Advisers, SEC Rel. No. IA-5325 (August 2019) and the staff of the SEC's Division of Investment Management and Division of Corporation Finance provided guidance regarding the types of policies and procedures relating to oversight of the proxy voting process that it believes advisers should consider including in their compliance program, each of which urged advisers to consider these suggestions. See Staff Legal Bulletin No. 20 (IM/CF) (June 2014).]

² The Adviser may choose instead to have a third party retain a copy of proxy statements (provided that the third party undertakes to provide a copy of the proxy statements promptly upon request).

³ The Adviser may also rely on a third party to retain a copy of the votes cast (provided that the third party undertakes to provide a copy of the record promptly upon request).

Annual Review. [The Compliance Officer/operations department] will review and document, no less frequently than annually, the adequacy of these policies and procedures to make sure they have been implemented effectively, including whether the policies and procedures continue to be reasonably designed to ensure that proxies are voted in the best interests of its clients. As part of this review, [the Compliance Officer/operations department] will review a sample of votes cast (including a sample of proxy votes related to proposals requiring more issuer-specific analysis (e.g., mergers, acquisitions, dissolutions, conversions, consolidations or contested elections for directors) and controversial issues) to determine whether those votes were made in accordance with these policies and procedures. The [Compliance Officer/operations department] will also review the Adviser's client disclosures (e.g., the Adviser's Form ADV, private fund offering documentation, due diligence questionnaires and marketing materials) regarding its proxy voting policies and procedures.

Due Diligence. [The Compliance Officer/operations department] will periodically review a sample of proxy votes, including a sample of proxy votes that related to proposals requiring more issuer-specific analysis (e.g., mergers, acquisitions, dissolutions, conversions, consolidations or contested elections for directors) and controversial issues to determine whether those votes complied with these policies and procedures.

Higher Degree of Analysis. The Adviser will conduct a higher degree of analysis with respect to proposals that concern matters not addressed in these policies and procedures or where the matter is highly contested or controversial.

[Last S&K revision: ~~June 2023~~ February 2025]

[NOTE: There are two models of the Proxy Voting Policy and Procedures. An adviser that uses a third party proxy voting service for voting research and recommendations should adopt Model B. All other advisers, including advisers that use a third party proxy voting service solely for the administrative process of coordinating and recording proxy votes, should adopt Model A.]

PROXY VOTING POLICY AND PROCEDURES [Model B]

Adopted *[insert date]*

[Revised as of]

I. STATEMENT OF POLICY

Proxy voting is an important right of shareholders and reasonable care and diligence must be undertaken by the Adviser to ensure that such rights are properly and timely exercised in accordance with the Adviser's obligations to its clients. When the Adviser has discretion to vote the proxies of its clients, it will vote those proxies in the best interest of each client and in accordance with these policies and procedures. In the absence of specific voting guidelines from a client, the Adviser will generally vote proxies for clients with the same or substantially similar investment strategies and objectives in the same way.

II. USE OF THIRD-PARTY PROXY VOTING SERVICE

[NOTE: The SEC has expressed its view that although the voting of proxies remains the duty of a registered adviser, an adviser may contract with service providers to perform certain research and recommendation functions with respect to proxy voting so long as the adviser is comfortable that (i) the proxy voting service is independent from the issuer companies on which it completes its proxy research, (ii) the adviser conducts due diligence on how the proxy voting service conducts its delegated functions; and (iii) the adviser maintains ongoing oversight of the delegated proxy voting functions. See the SEC's Commission Guidance Regarding Proxy Voting Responsibilities of Investment Advisers, SEC Rel. No. IA-5325 (August 21, 2019) and Staff Legal Bulletin No. 20 (IM/CF) (June 30, 2014). Advisers that adopted or amended proxy voting policies and procedures pursuant to the SEC's Supplement to Commission Guidance Regarding Proxy Voting Responsibilities of Investment Advisers, issued in July 2020, may consider revising their policies following the SEC's rescission in July 2022 of the Supplemental Guidance. In this regard, the SEC also emphasized that Advisers have a fiduciary duty to conduct a reasonable investigation into an investment to avoid basing investment advice on incomplete or inaccurate information and to make full and fair disclosures to clients about all material facts relating to the advisory relationship. See Proxy Voting Advice, SEC Rel. No. IA-6068 (July 13, 2022).]

[The Adviser has instructed the Proxy Voting Service that it is generally not to execute any ballot on behalf of the Adviser without first receiving specific instruction from the Adviser.]

Retention of Proxy Voting Service. In connection with the retention of an independent third party proxy voting service (the "Proxy Voting Service") to provide the Adviser with its research [and voting recommendations] on proxies and to facilitate the electronic voting of proxies, the Adviser will [seek to] consider whether the Proxy Voting Service has the capacity and competency to adequately analyze the matters for which the Adviser is responsible for voting, taking into account (as applicable):

- The adequacy and quality of the Proxy Voting Service's staffing, personnel and/or technology;

- Whether the Proxy Voting Service has an effective process for seeking timely input from issuers and Proxy Voting Service clients with respect to, among other things, its proxy voting policies, methodologies, and peer group constructions;
- Whether the Proxy Voting Service has adequately disclosed to the Adviser its methodologies in formulating voting recommendations, such that the Adviser understands the factors underlying the Proxy Voting Service's recommendations;
- The nature of any third-party information sources that the Proxy Voting Service uses as a basis for its voting recommendations; and
- The Proxy Voting Service's policies and procedures regarding how it identifies and addresses conflicts of interest.

Conflicts of Interest of the Proxy Voting Service.

1. [The Compliance Officer] will examine information provided by the Proxy Voting Service that describes conflicts to which the Proxy Voting Service is subject or otherwise obtained by the Adviser. The Adviser will seek to require that the Proxy Voting Service promptly provide updates to [the Compliance Officer] of business changes that might affect or create conflicts and of changes to the proxy voting service's conflict policies and procedures.
2. If, as a result of [the Compliance Officer's] examination of the Proxy Voting Service's conflicts of interest, a determination is made that a material conflict of interest exists, the Compliance Officer will determine whether to follow the Proxy Voting Service's recommendation with respect to the proxy or take other action with respect to the proxy (such as follow the Adviser's general proxy voting guidelines, if applicable).
3. [The Compliance Officer] will periodically review the Proxy Voting Service's policies and procedures for:
 - i. Adequacy in identifying, disclosing and addressing actual and potential conflicts of interest, including conflicts relating to the provision of proxy voting recommendations and proxy voting services generally, conflicts relating to activities other than providing proxy voting recommendations and proxy voting services, and conflicts presented by certain affiliations;
 - ii. Adequate disclosure of the Proxy Voting Service's actual and potential conflicts of interest with respect to the services the Proxy Voting Service provides to the Adviser; and
 - iii. Adequacy in utilizing technology in delivering conflicts disclosures that are readily accessible.
4. [To the extent the Adviser's votes are pre-populated on the Proxy Voting Service's electronic voting platform, [the Compliance Officer] will seek to ensure that the Proxy Voting Service would not be permitted to utilize information regarding how the Adviser intends to vote (or the aggregated voting intentions of the Proxy Voting Service's clients) in a manner that would not be in the best interest of the Adviser's clients.]

Periodic Review of Proxy Voting Service's Policies and Procedures and Continued Retention of the Proxy Voting Service. The Adviser shall review [periodically/quarterly] the proxy voting policies, procedures and methodologies, conflicts of interest and competency of the Proxy Voting Service. The Adviser will also review the continued retention of the Proxy Voting Service, including whether any relevant

credible potential factual errors, incompleteness or methodological weaknesses in the Proxy Voting Service's analysis that the Adviser is aware of materially affected the research and recommendations used by the Adviser. In addition, the Adviser will also consider the effectiveness of the Proxy Voting Service's policies and procedures for obtaining current and accurate information relevant to matters included in its research and on which it makes voting recommendations. This will include the Proxy Voting Service's:

- engagement with issuers, including the Proxy Voting Service's process for ensuring that it has complete and accurate information about the issuer and each particular matter;
- process, if any, for the Adviser to access the issuer's views about the Proxy Voting Service's voting recommendations in a timely and efficient manner;
- efforts to correct any identified material deficiencies in its analysis;
- disclosure to the Adviser regarding sources of information and methodologies used in formulating voting recommendations or executing voting instructions;
- consideration of factors unique to a specific issuer or proposal when evaluating a matter subject to a shareholder vote; and
- updates to its methodologies, guidelines and voting recommendations on an ongoing basis, including in response to feedback from issuers and their shareholders.

The Adviser will seek to require the Proxy Voting Service to update the Adviser regarding business changes that are material to the services provided by the Proxy Voting Service to the Adviser. The Adviser will consider whether the bases on which it made its initial decision to retain the Proxy Voting Service has materially changed, and will document such review.

III. PROXY VOTING PROCEDURES

Proxies relating to securities held in client accounts will be sent directly to the Proxy Voting Service. If a proxy is received by the Adviser and not sent directly to the Proxy Voting Service, [the Compliance Officer/operations department] will promptly forward it to the Proxy Voting Service. In the event that (a) the Proxy Voting Service is unable to complete/provide its research regarding a security on a timely basis, (b) [the Compliance Officer/Adviser] or the Proxy Voting Service determines that the Proxy Voting Service has a conflict of interest with respect to voting a proxy, or (c) the Adviser has made a determination that it is in the best interests of the Adviser's clients for the Adviser, rather than the Proxy Voting Service, to vote a proxy, the Adviser's general proxy-voting procedures include the following:

1. [The Compliance Officer/operations department] will keep a record of each proxy received;
2. [The Compliance Officer/operations department] will forward the proxy to the Portfolio Manager responsible for voting the proxy on behalf of the Adviser;
3. [The Compliance Officer/operations department] will determine which accounts managed by the Adviser hold the security to which the proxy relates; and
4. [The Compliance Officer/operations department] will provide the Portfolio Manager with a list of accounts that hold the security [and their investment objectives and strategies], together with the number of votes each account controls (reconciling any duplications), [any conflict to which the Adviser is subject in voting,] and the date by which the Adviser

must vote the proxy in order to allow enough time for the completed proxy to be returned to the issuer prior to the vote taking place.

Absent material conflicts (see Sections II and VI), the Portfolio Manager will determine whether the Adviser will follow the Proxy Voting Service's recommendation or vote the proxy directly in accordance with the Adviser's voting guidelines, taking into account each client's investment objectives [and information about the proposal(s) after a reasonable investigation to ensure that the voting determination is not based on materially inaccurate or incomplete information]. The Portfolio Manager will send his/her decision on how the Adviser will vote a proxy to the Proxy Voting Service, or will instruct [the Compliance Officer/operations department] to vote and return the proxy in a timely and appropriate manner. It is desirable to have the Proxy Voting Service complete the actual voting so there exists one central source for the documentation of the Adviser's proxy voting records.

[The Compliance Officer/operations department] will perform reconciliations to seek to ensure that (i) all proxies are voted (e.g., reconcile the list of clients for which the Adviser has proxy voting obligations against a list of votes cast by the Adviser or by the Proxy Voting Service for clients) or (ii) the Adviser has determined that not voting for a particular client is appropriate either because the client has agreed to such action or the Adviser has determined that refraining from voting is in the best interest of the client.

[IV. VOTING GUIDELINES] [Option A]

In the absence of specific voting guidelines from the client, the Adviser will vote proxies in the best interests of each particular client, which may result in different voting results for proxies for the same issuer. Subject to the consideration of each client's best interest, the Adviser believes that voting proxies in accordance with the following guidelines is in the best interests of its clients.

- ◆ [Generally, the Adviser will vote for routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated), selection of auditors, and increases in or reclassification of common stock.]
- ◆ [Generally, the Adviser will vote against proposals that make it more difficult to replace members of the issuer's board of directors, including proposals to stagger the board, cause management to be overrepresented on the board, introduce cumulative voting, introduce unequal voting rights, and create supermajority voting.]

For other proposals including matters such as, without limitation, corporate events (mergers and acquisition transactions, dissolutions, conversions, or consolidations) or contested elections for directors, the Adviser will determine whether a proposal is in the best interests of each client and may take into account the following factors, among others:

- ◆ whether the proposal was recommended by management and the Adviser's opinion of management;
- ◆ whether the proposal acts to entrench existing management;
- ◆ whether the proposal fairly compensates management for past and future performance;
- ◆ other factors particular to the issuer or the matter under consideration; and
- ◆ the potential effect of the vote on the value of the client's investments.

[NOTE: The Adviser may wish to detail further categories of proposals and the general principles used in determining how to vote proxies.]

[IV. GENERAL VOTING GUIDELINES] [Option B]

To the extent that the Adviser is voting a proxy itself and not utilizing the Proxy Voting Service, the Adviser will follow these general voting guidelines. Subject to the consideration of each client's best interest, the Adviser believes that voting proxies in accordance with the following guidelines is in the best interests of its clients. However, it is anticipated that circumstances may arise where votes are inconsistent with these general guidelines. In addition, the Adviser will vote proxies in the best interests of each particular client, which may result in different votes for proxies for the same issuer.

A. Elections of Directors

Unless there is a contested election for directors, the Adviser will generally vote in favor of the management proposed slate of directors. The Adviser may withhold votes if the board fails to act in the best interests of shareholders, including, but not limited to, their failure to:

- Implement proposals to declassify boards
- Implement a majority vote requirement
- Submit a rights plan to a shareholder vote
- Act on tender offers where a majority of shareholders have tendered their shares

The Adviser may withhold votes for directors of non-U.S. issuers if insufficient information about the nominees is disclosed in the proxy statement.

B. Appointment of Auditors

The Adviser generally believes that the company remains in the best position to choose its auditors and will generally support management's recommendation for the appointment of auditors.

The Adviser will generally oppose the appointment of auditors when:

- The fees for non-audit related services are disproportionate to the total audit fees
- Other reasons to question the independence of the auditors exist

C. Changes In Capital Structure

Absent a compelling reason to the contrary, the Adviser will generally cast votes in accordance with the company's management. However, the Adviser will review and analyze on a case-by-case basis any non-routine proposals that are likely to affect the structure and operation of the company or have a material economic effect on the company.

The Adviser will generally favor increases in authorized common stock when it is necessary to:

- Implement a stock split

- Aid in restructuring or acquisition
- Provide a sufficient number of shares for an employee savings plan, stock option plan or executive compensation plan

The Adviser will generally oppose increases in authorized common stock when:

- There is evidence that the shares will be used to implement a poison pill or another form of anti-takeover defense
- The issuance of new shares could excessively dilute the value of the outstanding shares upon issuance

D. Corporate Restructurings, Mergers and Acquisitions

The Adviser will analyze such proposals on a case-by-case basis, taking into account, among other things, the views of investment professionals managing the portfolios in which the stock is held.

E. Proposals Affecting Shareholder Rights

The Adviser believes that certain fundamental rights of shareholders must be protected. The Adviser will weigh the financial impact of proposed measures against the impairment of shareholder rights.

The Adviser will generally favor proposals that give shareholders a greater voice in the affairs of the company, and generally oppose proposals that have the effect of restricting shareholders' voice in the affairs of the company.

F. Corporate Governance

The Adviser believes that good corporate governance is important in ensuring that management and the Board of Directors fulfill their obligations to the company's shareholders.

The Adviser will generally favor proposals that promote transparency and accountability within a company, such as those promoting:

- Equal access to proxies
- A majority of independent directors on key committees

The Adviser will generally oppose:

- Companies having two classes of shares
- The existence of a majority of interlocking directors

G. Anti-Takeover Measures

In general, proposed measures (whether advanced by management or shareholder groups) that impede takeovers or have the effect of entrenching

management may be detrimental to the rights of shareholders and may negatively impact the value of the company.

The Adviser will generally favor proposals that have the purpose or effect of restricting or eliminating existing anti-takeover measures that have previously been adopted, such as:

- Shareholder proposals that seek to require the company to submit a shareholder rights plan to a shareholder vote.

The Adviser will generally oppose proposals that have the purpose or effect of entrenching management or diluting shareholder ownership, such as:

- "Blank check" preferred stock
- Classified boards
- Supermajority vote requirements

H. Executive Compensation

The Adviser generally believes that company management and the compensation committee of the Board of Directors should, within reason, be given latitude in determining the types and mix of compensation and benefit awards offered.

The Adviser will review proposals relating to executive compensation plans on a case-by-case basis to ensure:

- The long-term interests of management and shareholders are properly aligned
- The option exercise price is not below market price on the date of grant
- An acceptable number of employees are eligible to participate in such compensation programs

The Adviser will generally favor proposals that have the purpose or effect of fairly benefiting both management and shareholders, such as proposals to:

- "Double trigger" option vesting provisions
- Seek treating employee stock options as an expense

The Adviser will generally oppose proposals that have the purpose or effect of unduly benefiting management, such as:

- Plans that permit re-pricing of underwater employee stock options
- "Single trigger" option vesting provisions

I. Social and Corporate Responsibility

The Adviser will review and analyze on a case-by-case basis proposals relating to social, political and environmental issues to determine their financial impact on

shareholder value. The Adviser will generally oppose such social, political and environmental proposals that have a negative financial impact on shareholder value, such as measures that are unduly burdensome or result in unnecessary and excessive costs to the company.

J. [Abstentions; Determination Not to Vote; Closed Positions]

The Adviser will abstain from voting or affirmatively decide not to vote if the Adviser determines that abstention or not voting is in the best interests of the client in light of the scope of services to which it and client have agreed. In making this determination, the Adviser will consider various factors, including, but not limited to, (i) the costs associated with exercising the proxy (e.g., translation or travel costs) relative to the expected benefits to the client; and (ii) any legal restrictions on trading resulting from the exercise of a proxy. The Adviser may determine not to vote proxies relating to securities in which clients have no position as of the receipt of the proxy (for example, when the Adviser has sold, or has otherwise closed, a client position after the proxy record date but before the proxy receipt date).] **[NOTE: Certain advisers, such as an adviser that uses a quantitative investment strategy, may determine that it is generally in the best interests of its clients to abstain from voting or affirmatively decided not to vote.]** The Adviser should maintain documentation of such a determination and periodically review its appropriateness.

V. **DISCLOSURE AND REPORTING¹**

- A. The Adviser will disclose in its Form ADV Part 2 that clients may contact the Compliance Officer via e-mail or telephone in order to obtain information on how the Adviser voted such client's proxies, and to request a copy of these policies and procedures. If a client requests this information, [the Compliance Officer] will prepare a written response to the client that lists, with respect to each voted proxy that the client has inquired about, (1) the name of the issuer; (2) the proposal voted upon and (3) how the Adviser voted the client's proxy.
- B. A concise summary of these Proxy Voting Policies and Procedures will be included in the Adviser's Form ADV Part 2, and will be updated whenever these policies and procedures are updated.
- C. ~~Effective for votes occurring on or after July 1, 2023, the~~The Adviser will report how it voted proxies relating to executive compensation ("say-on-pay") matters annually on Form N-PX no later than August 31 of each year for the most recent 12-month period ended June 30, as required by Rule 14Ad-1.

VI. **POTENTIAL CONFLICTS OF INTEREST OF THE ADVISER**

- A. In the event that the Adviser is directly voting a proxy, [the Compliance Officer] will examine conflicts that exist between the interests of the Adviser and its clients. This

¹ [NOTE: ~~The~~On November 2, 2022, SEC has adopted ~~new~~ Rule 14Ad-1 under the Securities Exchange Act of 1934 (the "Exchange Act"), which requires "institutional investment managers" (as defined in Section 13(f)(6)(A) of the Exchange Act) subject to the reporting requirements of Section 13(f) of the Exchange Act to annually report on amended Form N-PX how they voted proxies relating to executive compensation (or "say-on-pay") matters. Rule 14Ad-1 ~~has an~~became effective ~~date of~~on July 1, 2024, ~~and institutional investment managers will be required to file their first reports on Form N-PX by August 31, 2024, with these reports covering the period of July 1, 2023 to June 30, 2024. Therefore, if the Adviser is an institutional investment manager subject to the reporting requirements of Section 13(f), it should begin preparing.~~ Advisers are required to comply with the amended Form N-PX reporting requirements ~~prior to July 1, 2023~~ and, in doing so, should coordinate with any third-party service provider that assists the Adviser with proxy voting.]

examination will include a review of the relationship of the Adviser, its personnel and its affiliates with the issuer of each security and any of the issuer's affiliates to determine if the issuer is a client of the Adviser or an affiliate of the Adviser or has some other relationship with the Adviser, its personnel or a client of the Adviser.

- B. If, as a result of [the Compliance Officer's] examination, a determination is made that a material conflict of interest exists, the Adviser will determine whether voting in accordance with the voting guidelines and factors described above is in the best interests of the client. If the proxy involves a matter covered by the voting guidelines and factors described above, the Adviser will *generally* vote the proxy in accordance with the voting guidelines. Alternatively, the Adviser may vote the proxy in accordance with the recommendation of the Proxy Voting Service provided the Proxy Voting Service is not subject to a material conflict of interest.

The Adviser may disclose the conflict to the affected clients and, except in the case of clients that are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), give the clients the opportunity to vote their proxies. In the case of ERISA clients, if the Investment Management Agreement reserves to the ERISA client the authority to vote proxies when the Adviser determines it has a material conflict that affects its best judgment as an ERISA fiduciary, the Adviser will give the ERISA client the opportunity to vote its proxies. Absent the client reserving voting rights, the Adviser will vote the proxies solely in accordance with the policies outlined in Section IV "Voting Guidelines" above; provided that if, in the Adviser's discretion, a matter is not covered by the Voting Guidelines, the Adviser may consult the voting research and recommendations of the Proxy Voting Service].

VII. PROXY RECORDKEEPING

[The Compliance Officer] will maintain records relating to the Adviser's proxy voting procedures in an easily accessible place. (Under the services contract between the Adviser and its Proxy Voting Service, the Proxy Voting Service will maintain the Adviser's proxy-voting records). Records will be maintained and preserved for five years from the end of the fiscal year during which the last entry was made on a record, with records for the most recent two years kept in the offices of the Adviser. Records of the following will be included in the files:

1. Copies of these proxy voting policies and procedures, and any amendments thereto;
2. A copy of each proxy statement that the Adviser receives regarding client securities (the Adviser may rely on third parties or EDGAR);
3. A record of each vote that the Adviser casts;
4. A copy of any document the Adviser created that was material to making a decision how to vote proxies, or that memorializes that decision. (For votes that are inconsistent with the Adviser's general proxy voting policies, the reason/rationale for such an inconsistent vote is required to be briefly documented and maintained); and
5. A copy of each written client request for information on how the Adviser voted such client's proxies, and a copy of any written response to any (written or oral) client request for information on how the Adviser voted its proxies.

VIII. ADDITIONAL PROCEDURES

[NOTE: Although Rule 206(4)-6 does not require an adviser to adopt and implement the following procedures, the SEC issued additional guidance regarding an adviser's duty and obligations relating to proxy voting in its Commission Guidance Regarding Proxy Voting Responsibilities of Investment Advisers, SEC Rel. No. IA-5325 (August 2019) and the staff of the SEC's Division of

Investment Management and Division of Corporation Finance provided guidance regarding the types of policies and procedures relating to oversight of the proxy voting process that it believes advisers should consider including in their compliance program, each of which urged advisers to consider these suggestions. See Staff Legal Bulletin No. 20 (IM/CF) (June 2014).]

Annual Review. [The Compliance Officer/operations department] will review and document, no less frequently than annually, the adequacy of these policies and procedures to make sure they have been implemented effectively, including whether the policies and procedures continue to be reasonably designed to ensure that proxies are voted in the best interests of its clients. As part of this review, [the Compliance Officer/operations department] will review a sample of votes cast (including a sample of proxy votes related to proposals requiring more issuer-specific analysis (e.g., mergers, acquisitions, dissolutions, conversions, consolidations or contested elections for directors) and controversial issues) to determine whether those votes were made in accordance with these policies and procedures. The [Compliance Officer/operations department] will also review the Adviser's client disclosures (e.g., the Adviser's Form ADV, private fund offering documentation, due diligence questionnaires and marketing materials) regarding its proxy voting policies and procedures.

Due Diligence. [The Compliance Officer/operations department] will periodically review a sample of proxy votes to determine whether those votes complied with these policies and procedures and were voted as the Adviser intended.

Sampling Pre-Populated Votes. [The Compliance Officer/operations department] will periodically assess pre-populated votes shown on the Proxy Voting Service's electronic voting platform before such votes are cast.

Consideration of Additional Information. In addition to voting recommendations from the Proxy Voting Service, the Adviser will consider additional information related to a proposal such as a shareholder proponent's subsequently filed additional definitive proxy materials or other relevant, material information conveyed by an issuer or shareholder proponent to the Adviser.

Higher Degree of Analysis. The Adviser will conduct a higher degree of analysis with respect to proposals that concern matters not addressed in these policies and procedures or where the matter is highly contested or controversial.

Material Inaccuracies. If the Adviser becomes aware of any material inaccuracies in the information provided by the Proxy Voting Service, [the Compliance Officer/operations department] will investigate the matter to determine the cause, evaluate the adequacy of the Proxy Voting Service's control structure and assess the efficacy of the measures instituted to prevent further errors, and to see whether the Adviser's voting determinations were based on incomplete or materially inaccurate information.

[Last S&K revision: ~~January 2023~~ February 2025]**IDENTIFICATION OF POTENTIAL CONFLICTS OF INTEREST**Adopted *[Insert Date]*

[Revised as of]

I. STATEMENT OF POLICY

The Adviser owes its clients honesty and full disclosure. Accordingly, the Adviser will conduct an annual review of its business practices to identify those that might pose a conflict of interest between the Adviser and its clients. [The Compliance Officer] will assure that all relevant disclosure concerning potential conflicts of interest is included in the Adviser's Form ADV, will review existing policies and procedures designed to address such conflicts and will develop and implement additional policies and procedures, as needed.

[The Adviser has established a conflicts committee to [be responsible for] / [assist in] ensuring the effective management and disclosure of conflicts of interest. The members of the conflicts committee are [insert titles of committee members].] **[NOTE: The Adviser may, but is not required to, create a conflicts committee. Depending on the size and complexity of the Adviser's business, the creation of the committee may be considered best practice. If created, an Adviser may wish to amend this policy to reflect the role of the committee and the Adviser must exercise care in documenting the activity of the committee.]**

II. POTENTIAL CONFLICTS OF INTEREST

In addressing potential conflicts of interest, the Adviser will consider, and will disclose to clients, the following issues, among others, and will also explain how it addresses each potential conflict of interest.

[NOTE: The below list of conflicts is not comprehensive. Any conflicts identified in the Risk Assessment Questionnaire and Matrix, included in Appendix A5 of the Sample Compliance Forms, should be included below.]

A. Investment or Brokerage Discretion1. Soft dollar arrangements

A potential conflict of interest could arise if the Adviser were to execute securities trades through brokerage firms that provide soft dollar services to the Adviser. In such cases, the broker would expect commission business in return.

*The Adviser's soft dollar and directed brokerage policy, as disclosed in **Appendix D1**, requires the Adviser to ensure that soft dollar arrangements are clearly documented and disclosed to clients in the Adviser's Form ADV Part 2.*

2. Treatment of Multiple Accounts

The Adviser ~~has a~~ **is subject to** potential ~~conflict~~**conflicts** of interest ~~because it manages~~**as a result of managing** multiple client accounts. ~~In addition~~**For example**, the Adviser may receive performance-based compensation or higher management fees from certain client accounts, or the Adviser and/or its affiliates may have made significant

investments in any given client account. Accordingly, the Adviser may be inclined to favor certain accounts over others, including with respect to investment allocation and expense allocation.

Further, the Adviser may offer private fund investors the option to convert or exchange their interest in a private fund for interests in another vehicle managed by the Adviser or its related persons. To the extent that the Adviser engages in such restructuring, it should be mindful of the potential conflicts of interest involved, including with respect to valuation of the subject assets, among other considerations.

[An Adviser that is a “securitization participant” (including the sponsor of an asset-backed security) should be mindful of the prohibitions on engaging in certain transactions that would involve or result in material conflicts of interest.¹] The Adviser’s policies and procedures relating to trade aggregation and allocation are included as **Appendix C** to the Compliance Manual, and are disclosed in its Form ADV Part 2. The Adviser’s policies and procedures relating to **the valuation of securities are included in Appendix E to the Compliance Manual. The Adviser’s policies and procedures relating to expense allocation are included as Appendix E1 to the Compliance Manual, and are disclosed in its Form ADV Part 2.**

3. Cross Trades

Even in situations in which the Adviser believes that there is no disadvantage to its client accounts, cross transactions may nonetheless create a conflict of interest because the Adviser has a duty to obtain the most favorable price for both the selling client and the purchasing client.

*The Adviser’s policies and procedures regarding cross transactions are included in **Appendix D4** to the Compliance Manual.*

B. Personal/Proprietary Trading

The Adviser permits officers, employees, and affiliates to trade securities for their own accounts. Under such circumstances, the Adviser has a fiduciary obligation to ensure that these individuals or entities put the interests of the Adviser’s clients before their own personal interests and do not, among other things, “front-run” trades for clients or otherwise favor the individuals’ or entities’ own accounts.

*The Adviser’s policies and procedures regarding personal securities transactions are included in its Code of Ethics (**Appendix H** to the Compliance Manual) and are disclosed in its Form ADV Part 2.*

1. Corporate Opportunities

Portfolio Managers and other employees of the Adviser, through their position with the Adviser, are in a position to take investment opportunities for themselves, before

¹ Rule 192 of the Securities Act of 1933 prohibits a securitization participant from directly or indirectly engaging in any transaction that would involve or result in any material conflict of interest between the securitization participant and an investor in the relevant asset-backed security. Prohibition Against Conflicts of Interest in Certain Securitizations, SEC Rel. No. 33-11254 (Nov. 27, 2023).

such opportunities are executed on behalf of clients. These individuals owe a duty to the Adviser and its clients to advance their interests.

*The Adviser has adopted a Code of Ethics which contains its code of business conduct (**Appendix H** to the Compliance Manual).*

2. [Personal Connections;][Outside Business Activities;][**Use of Affiliated Service Providers**]

[There are potential conflicts that may arise as a consequence of the business and other relationships of the Adviser's Supervised Persons' immediate family and other close, personal relationships.] [[Additionally,] if the Adviser permits employees to engage in outside business activities, there is the potential that such activities will conflict with the employee's duties to the Adviser and its clients.] **[Further, the Adviser's use of affiliated service providers could create conflicts of interest regarding compensation arrangements, or where the use of such service provider(s) could benefit the Adviser more than the Adviser's clients.]**

*[The Adviser's Personal Connections Policy and Procedures is attached as **Appendix N1** to the Compliance Manual.] [The Adviser's Outside Business Activities Policy and Procedures is attached as **Appendix N2**] **[The Adviser's Selection and Review of Third Party Service Providers Policies and Procedures is attached as **Appendix Q**.]***

3. [Business Gifts and Entertainment;] Political Contributions

[Employees of the Adviser may periodically give to or receive gifts from clients and vendors or attend business entertainment events. Gifts and entertainment may also be considered efforts to gain unfair advantage or may impair the Adviser's ability to act in the best interests of its clients.]

The Adviser and its managing members, executive officers and other individuals with a similar status or function may make political contributions to officials of government entities who are in a position to influence the award of advisory business or to candidates for such office. Such political contributions may improperly influence a government entity's decision to invest its assets with the Adviser.

*[The Adviser's policies and procedures regarding the receipt of gifts and attendance at business entertainment events by its employees are included in its Business Gifts and Entertainment Policy (**Appendix H2** to the Compliance Manual).] The Adviser's policies and procedures regarding political contributions to officials of government entities who are in a position to influence the award of advisory business and to candidates for such office are included in its Policies and Procedures Relating to Political Contributions and Payments to Third Party Solicitors (**Appendix H3** to the Compliance Manual). [The Adviser's policies and procedures regarding compliance with the Foreign Corrupt Practices Act are attached as **Appendix H5** to the Compliance Manual.]*

4. Reporting Illegal or Unethical Behavior

Unethical or illegal conduct on the part of employees can damage the Adviser's reputation and impair its ability to meet its fiduciary duties to clients.

*The Adviser's policies and procedures regarding the reporting of illegal or unethical behavior by its employees are included in its Whistleblower Policy and Procedures (**Appendix H4** to the Compliance Manual).*

[5. Investments in Securities of Affiliates or Related Persons

If the Adviser, on behalf of its clients, invests in the securities of its affiliates or related persons, the Adviser would have a conflict of interest.

The Adviser's ability to invest client assets in securities of its affiliated parties is disclosed in its Form ADV Part 2[and the Relationship Summary.] [NOTE: This provision may apply to Advisers that invest in securities of its affiliates, which may include funds managed by the Adviser, the Adviser's parent or other control persons.]

C. Insider Trading

Portfolio Managers and other employees of the Adviser, through their position with the Adviser, may learn material ~~non-public~~nonpublic information.

*The Adviser maintains policies and procedures to prevent insider trading [and requires employees to certify, at [least annually,] that they will comply with such policies and procedures.] The Adviser's policies and procedures relating to insider trading are included as **Appendix G** to the Compliance Manual.*

D. Valuation of Client Accounts and Allocation of Expenses

Inaccurate valuations of client assets could result in higher fees payable by clients to the Adviser or in inaccurate performance information.

*The Adviser's policies and procedures relating to the valuation of securities are included in **Appendix E** to the Compliance Manual.*

*Inaccurate allocation of expenses between the Adviser and its clients and/or among clients could result in a breach of the Adviser's client arrangements or misleading disclosures. The Adviser's policies and procedures for allocating expenses are included in **Appendix E1**.*

E. Proxy Voting

The Adviser may be in a position where its interests, or those of a third party service it has engaged to provide research or recommendations with respect to voting, conflict with the best interests of the client when determining how to vote proxies.

*The Adviser's policies and procedures relating to proxy voting are included in **Appendix M** to the Compliance Manual, and are disclosed in its Form ADV Part 2.*

F. [Revenue Sharing and Other Incentives]; [Receipt of Products and Services]

[The Adviser may enter into arrangements with brokers and other third parties pursuant to which the Adviser receives revenue sharing payments or other benefits that create incentives for the Adviser to recommend certain investments for clients. Such payments and benefits may include, for example:

- (i) cash sweep revenue sharing (i.e., based on client assets in cash sweep

programs);

(ii) transaction fee discounts and incentive credits (e.g., contingent upon client accounts meeting certain dollar amount thresholds in cash sweep programs);

(iii) 12b-1 fees from mutual funds; and

(iv) revenue relating to no-transaction fee (NTF) or transaction fee (TF) mutual funds;

(v) margin interest payments (i.e., revenue sharing payments from a clearing broker for loans provided to clients to purchase securities);

(vi) transaction fee mark-ups and discounts; and

(vii) business development credits (e.g., based on number of accounts, asset balances and/or trading volumes).]

[The Adviser also may recommend that clients use a particular broker for brokerage and custodial services, and may enter into an arrangement with the broker pursuant to which the broker provides to the Adviser certain products and services that benefit the Adviser. These products and services may include, for example: [computer/software systems used for managing client accounts; access to industry publications, market data and investment research; new and pricing services; back-office support; recordkeeping; and client reporting].]

The Adviser should consider whether it is required to disclose such arrangements and associated conflicts of interest in Form ADV Part 2A. [See Items 5.E., 10.C., 12 and 14.A.]

[Last S&K revision: December 2018]

[NOTE: This is an optional policy. However, our experience is that the SEC's Division of Examinations staff regularly requests information regarding an adviser's monitoring of personal connections.]

PERSONAL CONNECTIONS POLICY AND PROCEDURES

Adopted *[Insert Date]*

[Revised as of]

I. STATEMENT OF POLICY

The Adviser seeks to identify potential conflicts of interest that may arise as a consequence of the business and other relationships of Supervised Persons and their immediate family members¹ [and other close, personal relationships] with those who have access or potential access to sensitive confidential information (such persons are referred to in this Policy as, "Personal Connections").

II. PROCEDURES

At the time a Supervised Person becomes an employee of the Adviser and [annually] thereafter, a Supervised Person is required to submit a signed certification providing certain information about his or her Personal Connections. **[NOTE: See the Disclosure of Personal Connections Form in Appendix N1 of the Sample Compliance Forms.]**

If a potential conflict exists, employees shall refrain from the following (unless specifically approved by [the Compliance Officer]):

- arranging or negotiating the terms of any business relationship between the subject company and the Adviser (e.g., service contracts, subscription agreements, side letters), and
- engaging in any transactions with the subject company on behalf of the Adviser.

Additionally, the Adviser will seek to address any potential conflicts by taking any other appropriate measures, including the implementation of any investment restrictions relating to client accounts or personal trading.

¹ "Immediate family member" shall generally mean spouses (other than a legally separated or divorced spouse of the Supervised Person for which the Supervised Person provides no financial support), domestic partners (of the same or opposite gender), siblings, parents, in-laws, children and any other person who is financially dependent on the Supervised Person, including those persons residing with the Supervised Person and those not residing with the Supervised Person.

OUTSIDE BUSINESS ACTIVITIES POLICY AND PROCEDURES

Adopted ***[Insert Date]***

[Revised as of]

I. STATEMENT OF POLICY

The Adviser seeks to identify potential conflicts of interest that may arise as a consequence of the “outside business activities” of Supervised Persons and their immediate family members¹. (“Outside business activities” is defined to include outside business, investing, personal and other activities.) Outside business activities include, but are not limited to:

- any agreement to be employed by, compensated by, or otherwise provide services to a person or entity other than the Adviser and its affiliates;
- any agreement to serve on the finance, investment, creditors, or comparable committee of any non-Adviser related organization, including a non-profit organization;
- any agreement to serve as an officer, director, or partner (or in a similar capacity) of another non-Adviser related business or organization, including a public company, private company or non-profit organization;
- [the formation of any entity (excluding estate planning trusts) for the purposes of personal or outside business activities;]² or
- any other activities that could likely present a conflict of interest with respect to the Adviser’s business.

[NOTE: When reviewing any outside business activities identified by a Supervised Person, [the Compliance Officer] should consider whether any other persons involved in such outside business activity should be identified in the Supervised Person’s Disclosure of Personal Connections form (if applicable).]

II. PROCEDURES

No Supervised Person is permitted to engage in outside business activities, including serving on the board of directors of any company, including a publicly traded company (but excluding charitable organizations), without prior written authorization from [the Compliance Officer]. Any Supervised Person wishing to engage in an outside business activity must seek approval from [the Compliance Officer] and request written authorization. **[NOTE: See the Outside Business Activities Authorization Request in Appendix N2, Attachment A in the Sample Compliance Forms.]**

¹ “Immediate family member” shall generally mean spouses (other than a legally separated or divorced spouse of the Supervised Person for which the Supervised Person provides no financial support), domestic partners (of the same or opposite gender), siblings, parents, in-laws, children and any other person who is financially dependent on the Supervised Person, including those persons residing with the Supervised Person and those not residing with the Supervised Person.

² **[NOTE: Some investment advisers may prefer to track all entities in which employees have an interest, whether or not such entities conduct activities (i.e., trusts, real estate holding companies).]**

Additionally, at the time a Supervised Person becomes an employee of the Adviser and [quarterly/annually] thereafter, a Supervised Person is required to submit a signed certification either (i) certifying that the Supervised Person does not engage in any outside business activities or (ii) providing certain information about the outside business activities of the Supervised Person for which he or she is authorized to participate, including information regarding any personal or family-owned corporate entities of the Supervised Person. **[NOTE: See the Outside Business Activities Certification in Appendix N2, Attachment B of the Sample Compliance Forms.]**

All Supervised Persons permitted to engage in any outside business activities have an ongoing obligation to notify [the Compliance Officer] of any new conflicts of interest or any change in the nature of an existing conflict of interest (whether or not previously disclosed) as a result of his or her outside business activities, or if the Supervised Person ceases such outside business activities.

[Last S&K revision: April 2020]

[NOTE: This is a model Business Continuity Plan, and it sets forth a basic policy. This model is only an example, and will need to be tailored for each Adviser.

In designing its Business Continuity Plan, the Adviser should consider the following issues that have been identified by the SEC: (i) widespread business disruption, (ii) alternative locations, (iii) vendor relationships, (iv) telecommunications/technology/remote-access, (v) communications plans and (vi) testing procedures.]

BUSINESS CONTINUITY PLAN

Adopted **[Insert Date]**

[Revised as of]

I. STATEMENT OF POLICY

This Business Continuity Plan (the “Plan”) of the Adviser aims to address, and minimize, operational and other risks and provide its employees with procedures to follow in the event of an emergency, significant disruption in the Adviser’s operations or other times of stress (a “Business Continuity Event”). “Business Continuity Events” include, without limitation, interruptions due to fire, flood, earthquakes, health crises, epidemics, pandemics, power outages, cyber-attacks, equipment or system failures, catastrophic events, elements of nature and acts of God, acts of war, terrorism, riots, civil disorders, rebellions and/or revolutions, and other unforeseeable or external events. The Plan takes into account the Adviser’s assessment of the risks of Business Continuity Events relevant to the Adviser. **[NOTE: See the Risk Assessment Questionnaire and Matrix in Appendix A5 of the Sample Compliance Forms.]** Unless otherwise noted, the [Chief Financial Officer/Compliance Officer] is responsible for the overall administration of the Plan.

[NOTE: This model should be tailored to address the specific operational and other risks regarding the Adviser’s business, clients, key personnel and service providers.]

II. COMMUNICATIONS

The Adviser has adopted the following procedures to facilitate communications between the Adviser and its personnel, clients, service providers and regulators during a Business Continuity Event that requires the Adviser to activate the Plan:

A. Personnel

The Adviser has created the following procedures to facilitate communications between the Adviser and its personnel and employees during a Business Continuity Event:

1. Current Contact Information

- a) A readily available list of contact information (including home, work, cellular and e-mail contact information) of all personnel will be actively maintained and on file with [the Chief Financial Officer/Compliance Officer] for the purpose of locating and communicating with staff.

2. Alternate Communications Plan

- a) A phone “chain” will be put into use at the direction of [the Chief Financial Officer/Compliance Officer] [and a designated “hotline” will be established for personnel for the purpose of locating and communicating with staff]. OR [The Adviser will use third party software to facilitate communications with its personnel during a Business Continuity Event.]

B. Clients

The Adviser has created the following procedures to facilitate communications between the Adviser and its clients during a Business Continuity Event:

1. A readily available list of contact information of all clients (including investors in any pooled investment vehicles that the Adviser manages) will be actively maintained and on file with [the Chief Financial Officer/Compliance Officer] for the purpose of communicating with clients.
2. [In the course of a Business Continuity Event, the Adviser will contact its clients as considered necessary with instructions as to how it will continue with transactions and services. Client communications will be conducted under the primary direction of the [the Chief Financial Officer/Compliance Officer], who will review and/or approve all communications with clients regarding the interruption and continuation of services. In the absence of the [the Chief Financial Officer/Compliance Officer], the [Portfolio Manager] will perform this responsibility.]

C. Service Providers and Counter-Parties

1. [The Chief Financial Officer] will maintain a readily available list of contact information (including home, work, cellular and e-mail contact information) of the relevant contact persons for the Adviser’s critical service providers, clearance and settlement organizations, banks, administrators, prime brokers, counterparties, regulators and other key business relationships.
2. [In the event of a Business Continuity Event, [the Chief Financial Officer/Compliance Officer] will oversee the process of contacting these companies regarding the continuation of services.]

D. Regulators

1. The [Chief Financial Officer/Compliance Officer] will maintain a readily available list of contact information for the SEC, [NFA] and any other relevant regulatory authorities (the “Regulators”), and will be responsible for communications with regulators during a Business Continuity Event. [The Adviser will notify the Regulators of the Business Continuity Event if the disruption is expected to delay the Adviser’s compliance with any regulatory requirement (e.g., filings) or if otherwise deemed necessary by the [the Chief Financial Officer/Compliance Officer]].

III. RELOCATION AND OUT-OF-OFFICE EMERGENCY PLAN

In the event that personnel are unable or advised not to come to the Adviser’s offices due to a Business Continuity Event, all personnel should be prepared to attempt to accomplish their roles under the Plan from their home or other safe location. [The Adviser allows secure remote access by personnel so

that the Adviser can continue to utilize the facilities, systems and personnel necessary to carry on its business during a Business Continuity Event.] [The Adviser has designated backup personnel to perform critical functions, including [portfolio management, trading and valuation], in the event that primary personnel are unable to perform these functions during a Business Continuity Event.] [The Adviser's authorized signatories are authorized to sign documents electronically] [during a Business Continuity Event].]

[The Adviser will seek to adopt and implement policies and procedures to address the risks presented by remote operations during a Business Continuity Event, including [supervised persons needing to assume new or expanded roles in order to maintain business operations; remote oversight of supervised persons and service providers; the security of any communications or transactions that may take place outside of the Adviser's systems; security and support for facilities and remote sites, such as the need for additional resources and/or measures to secure servers and systems; maintaining the integrity of vacated facilities; providing relocation infrastructure and support for personnel operating remotely; and protecting data in remote locations.]]**[NOTE: In a risk alert on Observations from Examinations of Investment Advisers with Multiple Branch Offices, the staff of the SEC's Division of Examinations stated that it will continue to monitor industry trends and practices, including teleworking from dispersed remote locations. Advisers with personnel who are temporarily conducting investment advisory business from a location other than the adviser's main office due to a Business Continuity Event, such as the COVID-19 pandemic, should take note of the deficiencies and best practices identified in the risk alert. See SEC OCIE Risk Alert, Observations from OCIE's Examinations of Investment Advisers: Supervision, Compliance and Multiple Branch Offices (Nov 9, 2020).]**

[The Adviser has entered into an arrangement with a third party to access prearranged alternative physical office locations that are outside of the geographic area of the Adviser's offices during a Business Continuity Event. To the extent practicable, the [Chief Financial Officer] will direct [the Portfolio Manager] [and certain other key employees of the Adviser] to report to a temporary office location in anticipation of such an event.]

The Adviser's [Chief Financial Officer/Compliance Officer, in consultation with other members of the Adviser's senior management,] will determine the procedures for the re-opening and return of employees to the Adviser's offices in accordance with applicable law.

IV. DATA MANAGEMENT

A. Critical Operations and Systems

1. [(Firm-specific – procedures to be tailored to the Adviser -- including information regarding continuation of trading and settling capability, etc. The Adviser's critical operations/systems should be identified and prioritized. Consider redundancies and alternatives for critical operations/systems.)]

B. Data back-up and recovery (hard copy and electronic)

1. Data and systems information is stored daily at a back-up location geographically separate from the primary systems and records.
2. All critical computer equipment (including PCs, servers, communication and telephone equipment) is protected by a [local and central Uninterrupted Power Supply (UPS)]. Our critical systems have [hot swappable disk drives in a RAID (Redundant Array of Independent Disks) configuration in the event of a disk drive failure]. Our database is stored on [a clustered server that provides automatic fail-over to a parallel server should any aspect of the primary server fail]. [Spare

computer hard drives are maintained onsite for quick recovery from tape in the event of a hard drive failure.]

3. All workstations and servers are backed up [nightly/weekly]. The month-end backup tapes are maintained [offsite indefinitely]. Each evening, Systems Department personnel verify that the backup process has executed successfully and that the backup tapes have been created. [Current day's transaction files and critical contact information is pushed to a secure, remote FTP site at the end of each business day.]
4. The Adviser will maintain, and backup, an inventory of certain key documents (hard copy and electronic) that the [Chief Financial Officer/Compliance Officer] has determined will facilitate the Adviser's access to important operations/systems, documents and relationships during a Business Continuity Event (e.g., organizational documents, details of the Adviser's management structure, contracts, policies and procedures and financial and regulatory requirements).
5. Back-up facilities are able to handle the same volume of trading as the primary facility.

V. TESTING AND REVIEW PROCEDURES

A. Annual Review

1. The Adviser will review the Plan, at least annually (the "Annual Review"), to assess the adequacy and effectiveness of the Plan and its implementation. The Adviser will assess whether the Plan continues to, or would, work as designed and whether any changes are needed for continued adequacy and effectiveness. The Adviser will keep records documenting the Annual Review.

B. Financial and Operational Assessments

1. The Adviser will [periodically] [at least annually], evaluate and test the Plan to assess whether its operations can continue without significant disruption in the event of an emergency. The Adviser will address the weaknesses, if any, that were discovered through its testing.

C. Employee Training:

1. The Adviser will distribute the Plan to new employees upon hiring and to all employees upon any amendment to the Plan. [The [Chief Financial Officer/Compliance Officer] will afford employees the opportunity to discuss the Plan and ask questions [to ensure that employees understand their role under the Plan].
2. [All employees must acknowledge in writing that they have received and understand their roles under the Plan.]

D. Third Party Assessments

1. The Adviser will identify the third party services and the relevant providers that are critical to the Adviser's operations and assess the impact of business

interruptions encountered by such third parties and identify ways to minimize that impact on the business of the Adviser.

2. The Adviser will request and assess the business continuity plan of such provider, if available, and how such operations will affect the Adviser, including any alternatives or back-up plans the provider has implemented to allow it to continue providing critical services. [The Adviser has retained back-up service providers in the event a primary service provider is unable to continue providing critical services.]. [The Adviser has implemented certain internal processes to serve as a back-up in the event the service provider is unable to continue providing critical services.]

VI. REGULATORY REPORTING AND RECORDKEEPING

1. [The Chief Financial Officer/Compliance Officer] will, if requested, provide the SEC with a copy of the Plan.
2. The Adviser will keep a copy of the Plan readily available and will keep copies of all previous Plans that were in effect for a period of five years.

VII. CRITICAL EMPLOYEE PROVISIONS

[To be inserted and tailored in the case of sole proprietorships or firms that rely heavily on a key person or persons in operating in the case that such person is unable to perform his or her duties due to death, illness, disability or other incapacitation. Identify which key person provides which critical functions and identify the systems that a loss of such key person would affect. Explain who would satisfy the role of the key person if they were unavailable.]

VIII. LONG-TERM PLANNING / RECOVERY

The Adviser will evaluate the adequacy of the procedures set forth in the Plan to assess whether its operations can continue without significant disruption over the long-term in the event of an extended emergency of unknown duration.

[Last S&K revision: May 2024]

[NOTE: This policy contains certain optional provisions. The adviser should consider whether such optional provisions are relevant to its business and, to the extent the adviser elects not to adopt the optional provisions, it should remove them.]

[NOTE: Please note that an adviser with a complex business (i.e., multiple offices, numerous affiliates, etc.) may prefer to use an alternative books and records list, which is presented in tabular form. The alternative list may allow the adviser to designate a location and responsible person for each required record.]

REQUIRED BOOKS AND RECORDS

Adopted *[Insert Date]*

[Revised as of]

I. STATEMENT OF POLICY

Adequate recordkeeping is an important aspect of the compliance program of the Adviser. The Advisers Act (**Rule 204-2**) requires the Adviser to make and keep true, accurate and current books and records relating to its advisory business. All records of the Adviser are subject at any time, to periodic, special, or other examinations by representatives of the SEC. [The books and records that the Adviser is required to keep may be maintained by the Adviser in such manner that the identity of any client to whom the Adviser renders investment supervisory services is indicated by numerical or alphabetical code or some similar designation.]

II. DEFINITIONS

In general, the Adviser must maintain three types of books and records, Business Records, Client Records and Government Entity Records.

Business Records – records relating to its advisory business;

Client Records – records relating to its client relationships. Client Records include Custody, Investment Supervisory, and Proxy Voting Records; and

Custody Records – If the Adviser maintains “custody” of client securities or funds for certain client accounts, it must maintain records with respect to those accounts (“Custody Records”). The Adviser is defined as having “custody” of client securities or funds if the Adviser holds, directly or indirectly, client securities or funds or has authority to obtain possession of them.¹

Investment Supervisory Records – Since the Adviser renders “investment supervisory services”² to certain client accounts, it must maintain additional records with respect to those accounts (“Investment Supervisory Records”).

¹ See Rule 206(4)-2.

² A registered adviser provides an “investment supervisory service” to a client if the adviser gives continuous advice as to the investment of funds on the basis of the client’s individual needs.

Proxy Voting Records – To the extent that the Adviser exercises proxy voting authority for certain client accounts, it must also maintain records with respect to those accounts (“Proxy Voting Records”).

Government Entity Records – records required to be maintained if the Adviser provides or seeks to provide investment advisory services to a government entity. Government Entity Records include Political Contribution Records and Third Party Solicitor Records:

Political Contribution Records – If the Adviser provides or seeks to provide investment advisory services to a government entity, either directly or through a covered investment pool in which the government entity invests, the Adviser must maintain records relating to certain contributions made by it and its covered associates to officials of government entities.

Third Party Solicitor Records – The Adviser must maintain records regarding each third party it pays or agrees to pay to solicit advisory business from a government entity on its behalf.

III. GENERAL RECORDKEEPING REQUIREMENTS

A. Business Records

The Advisers Act requires the Adviser to maintain Business Records relating to its financial and business matters. Business Records include:

- a journal or journals (including cash receipts, disbursement records, and any other records of original entry) forming the basis of entries in any ledger; [204-2(a)(1)]
- general and auxiliary ledgers (or other comparable records) reflecting asset, liability, reserve, capital, income and expense accounts; [204-2(a)(2)]
- all check books, bank statements, cancelled checks and cash reconciliations of the Adviser; [204-2(a)(4)]
- all bills or statements (or copies thereof), paid or unpaid, relating to the Adviser’s business; [204-2(a)(5)]
- all trial balances, financial statements, and internal working papers relating to the Adviser’s business; [204-2(a)(6)]
- partnership articles (any amendments thereto), articles of incorporation, charters, membership agreements and other documents, including minute books and stock certificates, relating to the establishment and ongoing activities of the Adviser’s business (and those of any predecessor); [204-2(e)(2)]
- copies of the Adviser’s compliance policies and procedures formulated pursuant to Rule 206(4)-7(a) that are in effect, or at any time within the past five years were in effect, and records documenting the Adviser’s annual review of its compliance policies and procedures pursuant to Rule 206(4)-7(b); and [204-2(a)(17)(i)-(ii)]
- a memorandum describing any legal or disciplinary event listed in Item 9 of the Adviser’s Form ADV Part 2A (the “Firm Brochure”) or Item 3 of the Adviser’s Form ADV Part 2B (the “Brochure Supplement”) and presumed to be material, if the event involved the Adviser or any of its supervised persons and is not disclosed in the Firm

Brochure or any Brochure Supplement. The memorandum must explain the Adviser's determination that the presumption of materiality is overcome and discuss the factors described in Item 9 of the Firm Brochure or Item 3 of the Brochure Supplement. [204-2(a)(14)(iii)]

B. Client Records

The Advisers Act also requires the Adviser to maintain Client Records relating to its advisory relationship with clients. Client Records include:

- all written agreements (or copies thereof) entered into between the Adviser and any client or otherwise relating to the business of the Adviser as such; [204-2(a)(10)]
- trade tickets or other similar documents reflecting each order given by the Adviser for the purchase or sale of any security, or any instruction received by the Adviser from a client concerning the purchase, sale, receipt or delivery of a particular security (including any modification or cancellation of any such order or instruction), showing:
 - the terms and conditions of the order, instruction, modification or cancellation;
 - the person connected with the Adviser who recommended the transaction to the client and the person who placed the order;
 - the account for which the order was entered;
 - the date of entry;
 - the bank, broker or dealer by or through which the order was executed; and
 - whether the order was entered based on discretionary power; [204-2(a)(3)]
- originals of all written communications received and copies of all written communications sent by the Adviser, including all electronic messages such as e-mail and instant messages, relating to:
 - any recommendation made or proposed to be made and any advice given or proposed to be given;
 - any receipt, disbursement or delivery of funds or securities;
 - the placing or execution of any order to purchase or sell any security; and beginning May 28, 2024, for any transaction that is subject to the requirements of Rule 15c6-2(a) under the Securities Exchange Act of 1934, each confirmation received, and any allocation and each affirmation sent or received, with a date and time stamp for each allocation and affirmation that indicates when the allocation and affirmation was sent or received; or
 - Predecessor performance and the performance or rate of return of any or all managed accounts, portfolios, or securities recommendations: provided, however,
 - (i) that the Adviser need not keep any unsolicited market letters and other similar communications of general public distribution not prepared by or for the Adviser, and

- (ii) that, if the Adviser sends any notice, circular or other advertisement offering any report, analysis, publication or other investment advisory service to more than ten (10) persons, the Adviser need not keep a record of the names and addresses of the persons to whom it was sent, except that if such notice, circular or advertisement is distributed to persons named on any list, the Adviser must retain with a copy of the notice, circular or advertisement a memorandum describing the list and the source thereof. [204-2(a)(7)]
- a list or record of all accounts in which the Adviser is vested with any discretionary power with respect to the funds, securities or transactions of any client, including powers of attorney and other evidence of the granting of any discretionary power by the client to the Adviser; [204-2(a)(8)-(9)]
- a copy of the Adviser's Firm Brochure and any Brochure Supplement, and each amendment to the Firm Brochure and Brochure Supplement; any separate summary of material changes to the Firm Brochure that satisfies the requirements of Part 2 of Form ADV but is not contained in the Firm Brochure; and records of dates that each of the aforementioned was delivered to clients or any prospective clients who subsequently become clients; [204-2(a)(14)(i)]
- **[NOTE: Include the following if the Adviser must complete a Relationship Summary.]** [a copy of each Relationship Summary, and each amendment or revision to the Relationship Summary, that satisfies the requirements of Part 3 of Form ADV; and a record of the dates that each Relationship Summary, and each amendment or revision thereto, was given to any client or to any prospective client who subsequently becomes a client;] [204-2(a)(14)(i)]
 - The Adviser must also maintain documentation describing the method used to compute managed assets for purposes of Item 4.E of the Firm Brochure if the method differs from the method used to calculate regulatory assets under management in Item 5.F of the Adviser's Form ADV Part 1A. [204-2(a)(14)(ii)]
- if not included in the advertisement, a record of the disclosures provided to clients or investors. [204-2(a)(15)(i)]
- documentation substantiating the Adviser's reasonable basis for believing that a testimonial or endorsement complies with Rule 206(4)-1 and that the third-party rating complies with Rule 206(4)-1(c)(1). [204-2(a)(15)(ii)]
- a record of the names of all persons who are the Adviser's partners, officers, directors, or employees, or a person that controls, is controlled by, or is under common control with the Adviser, or is a partner, officer, director or employee of such a person. [204-2(a)(15)(iii)]
- copies of each advertisement that the Adviser disseminates, directly or indirectly, except (1) for oral advertisements, the Adviser may instead retain a copy of any written or recorded materials used by the Adviser in connection with the oral advertisement, and (2) for compensated oral testimonials and endorsements, the Adviser may instead make and keep a record of the disclosures provided to clients or investors. [204-2(a)(11)]

- copies of any questionnaire or survey used in the preparation of a third-party rating included or appearing in any advertisement in the event the Adviser obtains a copy of the questionnaire or survey. [204-2(a)(11)]
- copies of circulars, newspaper articles, investment letters, bulletins, notices, or other communications that the Adviser disseminates, directly or indirectly, to ten (10) or more persons other than persons associated with the Adviser (collectively, “Sales Literature”), and if such Sales Literature recommends the purchase or sale of a specific security and does not state the reasons for such recommendation, a memorandum of the Adviser indicating the reasons for such recommendation; [204-2(a)(11)]
- all accounts, books, internal working papers and any other records or documents that are necessary to form the basis for or demonstrate the calculation of any performance or rate of return of any or all managed accounts, portfolios, or securities recommendations presented in any notice, circular, advertisement, newspaper article, investment letter, bulletin or other communication that the Adviser disseminates, directly or indirectly, to any person (other than persons associated with the Adviser), including copies of all information provided or offered pursuant to Rule 206(4)-1(d)(6); provided, however, that, with respect to the performance of managed accounts, the retention of all account statements, if they reflect all debits, credits, and other transactions in a client’s or investor’s account for the period of the statement, and all worksheets necessary to demonstrate the calculation of the performance or rate of return of all managed accounts shall be deemed to satisfy the requirements of this paragraph (Performance Information Records); [204-2(a)(16)]
- a record of who the “intended audience” is pursuant to Rule 206(4)-1(d)(6) and (e)(10)(ii)(B). [204-2(a)(19)]

[NOTE: An Adviser that was exempt from SEC registration prior to July 21, 2011 in reliance on then Section 203(b)(3) of the Advisers Act is not required to maintain or preserve books and records that would otherwise be required to be maintained or preserved to the extent such books and records pertain to the performance or rate of return of private funds or accounts advised for any period ended prior to registration, provided that the Adviser continues to preserve any books and records in its possession that pertain to the performance or rate of return of the private funds or accounts.]

- a copy of the Adviser’s Code of Ethics (the “Code”) adopted and implemented pursuant to Rule 204(A)-1 that is currently in effect, or at any time within the past five (5) years was in effect; [204-2(a)(12)(i)]
- records of any violations of the Code, and any actions taken as result of the violations; [204-2(a)(12)(ii)]
- records of all written acknowledgments for each person who is currently, or within the past five years was, a Supervised Person of their receipt of the Code and any amendments thereto; [204-2(a)(12)(iii)]
- records of each report (e.g., holdings reports, quarterly transactions reports or equivalent information provided under Rule 204A-1(b)) made by an Access Person pursuant to the Code; [204-2(a)(13)(i)]

- records of the names of persons who are currently, or within the past five years were, Access Persons; and [204-2(a)(13)(ii)]
- a record of any decision, and the reasons supporting the decision, to approve the acquisition or sale of securities by Access Persons pursuant to the Code (e.g., preclearance forms). [204-2(a)(13)(iii)]

1. Custody Records

Custody Records include with respect to any client account that the Adviser has custody:

- a journal or other record showing all purchases, sales, receipts and deliveries of securities (including certificate numbers) for such client accounts and all other debits and credits to such client accounts; [204-2(b)(1)]
- a separate ledger account for each such client account showing all purchases, sales, receipts and deliveries of securities, the date and price of each such purchase and sale, and all debits and credits; [204-2(b)(2)]
- copies of confirmations of all transactions effected by or for the account of any such client account; [204-2(b)(3)]
- a copy of any internal control report obtained or received pursuant to Rule 206(4)-2(a)(6)(ii); [204-2(a)(17)(iii)]
- a memorandum describing the basis upon which the Compliance Officer and/or its designees have determined that the presumption that any related person is not operationally independent under Rule 206(4)-2(d)(5) has been overcome; and [204-2(b)(5)]
- a record for each security in which any such client account has a position (including the name of the client, the amount and the location of the security). [204-2(b)(4)]

2. Investment Supervisory Records

Investment Supervisory Records include with respect to the portfolio being supervised or managed by the Adviser and to the extent that the information is reasonably available to or obtainable by the Adviser:

- records showing separately for each such client the securities purchased and sold, and the date, amount and price of each such purchase or sale; and [204-2(c)(1)(i)]
- for each security in which any such client has a current position, the client, the type of interest and the amount of the client's current position. [204-2(c)(1)(ii)]

3. Proxy Voting Records

Proxy Voting Records include with respect to those client accounts that the Adviser exercises proxy voting authority:

- copies of the Adviser's proxy voting policies and procedures, and any amendments thereto; [204-2(c)(2)(i)]
- a copy of each proxy statement that the Adviser receives regarding client securities (the Adviser may rely on third parties to make and retain, on the Adviser's behalf, a copy of a proxy statement (provided that the Adviser has obtained an undertaking from the third party to provide a copy of the proxy statement promptly upon request), or may rely on obtaining a copy of a proxy statement from the SEC's EDGAR system); [204-2(c)(2)(ii)]
- a record of each vote that the Adviser casts; [204-2(c)(2)(iii)]
- a copy of any document the Adviser created that was material to making a decision how to vote proxies, or that memorializes that decision. (For votes that are inconsistent with the Adviser's general proxy voting policies, the reason/rationale for such an inconsistent vote is required to be briefly documented and maintained.); and [204-2(c)(2)(iv)]
- a copy of each written client request for information on how the Adviser voted such client's proxies, and a copy of any written response to any (written or oral) client request for information on how the Adviser voted its proxies. [204-2(c)(2)(v)]

C. Government Entity Records

The Advisers Act requires the Adviser to maintain Political Contribution Records relating to (i) certain political contributions by the Adviser and its covered associates, if the Adviser provides investment advisory services to a government entity either directly or through a covered investment pool in which the government entity invests and (ii) any third party to whom the Adviser provides or agrees to provide payment to solicit advisory business from a government entity on its behalf.

1. Political Contribution Records

Political Contribution Records include:

- the names, titles and business and residence addresses of all covered associates of the Adviser; [204-2(a)(18)(i)(A)]
- all government entities to which the Adviser provides or has provided investment advisory services, or which are or were investors in any covered investment pool to which the Adviser provides or has provided investment advisory services, as applicable, in the past five years; and [204-2(a)(18)(i)(B)]
- all direct or indirect contributions made by the Adviser or any of its covered associates to an official of a government entity, or direct or indirect payments to a political party of a state or political subdivision thereof, or a political action committee. Records relating to such direct or indirect contributions or payments will be listed in chronological order and will indicate (a) the name

and title of each contributor, (b) the name and title (including any city/county/state or other political subdivision) of each recipient of a contribution or payment, (c) the amount and date of each contribution or payment, and (d) whether any such contribution was the subject of the exception for certain returned contributions pursuant to Rule 206(4)-5(b)(3). [204-2(a)(18)(i)(C); 204-2(a)(18)(ii)]

[NOTE: An Adviser that serves as investment adviser to a registered investment company in which a government entity may hold shares through an omnibus account may wish to add the following:]

[With respect to a covered investment pool client that is a registered investment company in which a government entity may invest through an omnibus account, the Adviser may make and keep, as an alternative to the records relating to a covered investment pool described in (1)(b) above, the alternative set of records described in the Adviser's Policy and Procedures Relating to Political Contributions and Payments to Third Party Solicitors, a copy of which is set forth in **Appendix H3**.]

2. Third Party Solicitor Records

Third Party Solicitor Records are required to be kept regardless of whether the Adviser provides investment advisory services to a government entity and include:

- the name and business address of each regulated person to whom the Adviser provides or agrees to provide, directly or indirectly, payment to solicit a government entity for investment advisory services on its behalf. [204-2(a)(18)(i)(D)]

IV. RECORDKEEPING RETENTION REQUIREMENTS

A. Time Periods

- Books and records must be maintained on a "current" basis. Whether particular books and records are current depends on the nature of the books and records. Primary records (e.g., invoices, logs, confirmations) must be maintained concurrently with the underlying transaction. Secondary records may be maintained as the needs of the Adviser's business require. [204-2]
- Except as provided below, all required books and records must be maintained in an easily accessible place for a period of not less than five (5) years from the end of the fiscal year during which the last entry was made on such record, the most recent two (2) years in an appropriate office of the Adviser. [204-2(e)(1)]
- Certain books and records related to the Code (specifically, a copy of the Code; employee written acknowledgements of receipt of the Code; the names of the Adviser's access persons; and pre-approvals of IPOs and limited offerings under the Code) are subject to the retention requirements provided in Rules 204-2(a)(12)(i), 204-2(a)(12)(iii), 204-2(a)(13)(ii) and 204-2(a)(13)(iii), respectively. [204-2(e)(1)]

- This Manual and any other policies and procedures formulated by the Adviser pursuant to Rule 206(4)-7(a) are subject to the retention requirement provided in Rule 204-2(a)(17)(i). [204-2(e)(1)]
- Sales Literature and Performance Information Records (maintained pursuant to Rule 204-2(a)(11) and 204-2(a)(16), respectively) must be maintained in an easily accessible place for a period of not less than five (5) years, the most recent two (2) years in an appropriate office of the Adviser, from the end of the fiscal year during which the Adviser published or otherwise disseminated the notice, publication or communication. In the case of Performance Information Records, the Adviser must maintain records of information supporting each year or period shown in the advertised performance. As a result, the Adviser must maintain records for the entire period of the advertised performance plus an additional five (5) years. [204-2(e)(3)(i)]
- Partnership articles and membership agreements relating to the establishment of the Adviser's business and minute books of the Adviser must be maintained in the principal office of the Adviser and preserved until at least three (3) years after termination of the Adviser. [204-2(e)(2)]

B. Electronic Format

The Adviser may maintain and preserve its records on an electronic format provided it complies with the following procedures:

- the records required to be maintained and preserved may be maintained and preserved for the required time by the Adviser on an electronic format. If the Adviser chooses to maintain records electronically it must (i) arrange and index the records in a way that permits easy location, access, and retrieval of any particular record; (ii) provide promptly any of the following that the SEC may request: (a) a legible, true, and complete copy of the record in the medium and format in which it is stored, (b) a legible, true, and complete printout of the record; and (c) means to access, view, and print the records; and (iii) separately store, for the time required for preservation of the original record, a duplicate copy of the record on any medium allowed by this policy. (Rule 204-2(g)(1); Rule 204-2(g)(2)).
- if the Adviser chooses to store records on an electronic format, in addition to meeting the general requirements set forth above, the Adviser must establish and maintain procedures to: (i) maintain and preserve the records, so as to reasonably safeguard them from loss, alteration, or destruction; (ii) limit access to the records to properly authorized personnel and the SEC (including its examiners and other representatives); and (iii) reasonably ensure that any reproduction of a non-electronic original record on electronic storage media is complete, true, and legible when retrieved. (Rule 204-2(g)(3)).

[C. Document Destruction Policy

The Adviser will periodically destroy records that it is no longer required to retain under this policy or applicable law. Prior to such destruction, the person or persons responsible for the records' retention will verify that the record or records are eligible for destruction.

The Adviser will maintain a records destruction log ("Log") detailing all records that are destroyed. Prior to a record's destruction, the person or persons responsible for the record's retention and the Adviser's [Compliance Officer] must authorize the destruction of the record by executing the Log next to the description of the record.

This records destruction procedure will be suspended in the event the Adviser's management, including [the Compliance Officer], reasonably anticipates an SEC investigation or private litigation.]

[Last S&K revision: ~~June 2023~~ February 2025]

[NOTE: The Adviser should carefully review this policy in light of its current practices and its ability to track and retain ~~forms of permitted modes of communication~~ **communications on approved applications**. The Adviser should assess whether it is possible for the Adviser to retain a particular type of electronic communication, such as those on certain social media messaging platforms and mobile messaging apps. As a matter of best practice, any type of electronic communication that cannot be retained by the Adviser should not be permitted for business purposes. To the extent the Adviser has adopted the Social Media Policy contained in Appendix P2, the Adviser should confirm that such policy does not conflict with this electronic communications policy.]

[NOTE: The SEC staff has noted that employee training and compliance attestations may assist advisers in meeting their record retention obligations under Rule 204-2. Although not reflected in this template policy, it is recommended that the Adviser implement appropriate training for applicable personnel. See SEC OCIE Risk Alert, Observations from Investment Adviser Examinations Relating to Electronic Messaging (Dec. 14, 2018).]

ELECTRONIC COMMUNICATIONS POLICY

Adopted *[Insert Date]*

[Revised as of _____]

The SEC has stated that the substantive requirements and liability provisions of the Advisers Act, including the antifraud provisions of Section 206 of the Advisers Act and the rules promulgated thereunder, apply equally to electronic and paper-based media.¹

The Adviser seeks to retain electronic communications of its Supervised Persons² containing content that is required to be maintained in accordance with **Rule 204-2** under the Advisers Act and the Adviser's recordkeeping policy set forth in **Appendix P** (such communications, "Required Electronic Communications"). Rule 204-2 requires the retention of ~~a broad range of records relating to the Adviser's business and client relationships, including but not limited to communications with clients that relate to the following topics, among others:~~ **all written communications sent and received by the Adviser relating to:**

- (i) any recommendation made or proposed to be made, and any advice given or proposed to be given;
- (ii) any receipt, disbursement or delivery of funds or securities; ~~or~~
- (iii) the placing or execution of any order to purchase or sell any security; ~~or~~
- (iv) the performance or rate of return of any or all managed accounts or securities recommendations, with certain exceptions as noted in Appendix P above.**

¹ See *Use of Electronic Media by Broker-Dealers, Transfer Agents and Investment Advisers for Delivery of Information*, Advisers Act Release No. 1526 (May 9, 1996).

² **[NOTE: The Adviser should consider whether other personnel (e.g., consultants) should be included in this definition for purposes of this Policy.]**

Supervised Persons should review **Appendix P** to the Adviser's Compliance Manual. Any questions regarding whether a communication or other document constitutes a book or record required to be maintained should be directed to [the Compliance Officer].

Forms of Communications

- Supervised Persons shall use only Adviser-approved applications or methods through accounts connected to the Adviser's network and archived pursuant to the Adviser's recordkeeping policy (the Adviser's "communications systems") for written communications relating to the Adviser's business.³ The approved applications are the following: the Adviser's email system [and] [add names of other approved applications, if applicable].
- Supervised Persons may use "[insert name of Adviser's instant ~~messages~~—(including Bloomberg instant messages)messaging system] hosted on ~~Compliance-approved platforms as a form of communication~~the Adviser's communications systems for general business matters[, but may not use "~~those instant messages~~—messaging applications]for the placing or execution of any order to purchase or sell any security].
- In the event a Supervised Person receives a [communication relating to the Adviser's business] [Required Electronic Communication] [NOTE: The first option requires onboarding of any off-channel business-related communications; the second requires onboarding of off-channel communications only if they fall within the recordkeeping requirements of Rule 204-2. If the Adviser chooses the second option, supervised persons should be trained to understand those requirements] on an unapproved application [(e.g., text message or personal email)], the Supervised Person must [notify the Compliance Officer and] [coordinate with the Compliance Officer] [take appropriate steps] to ensure that the message is retained in accordance with the Adviser's recordkeeping policy.] [NOTE: Consider including specific instructions for ensuring that such messages are retained – e.g., forwarding messages to an approved application in a secure manner.⁴] [Supervised Persons [should inform] [may consider informing] the sender of the Adviser's policy and [request] [requesting] that the sender use an Adviser-approved application for future communications.]
- Supervised Persons are not permitted to use ~~personal e-mail accounts~~unapproved applications to communicate business matters of the Adviser without prior approval of [the Compliance Officer].

Administration of the Policy

Supervised Persons are advised that they should have no expectation of privacy in any communication that enters, leaves, is accessed through or is stored in the Adviser's communications systems [or on ~~approved—communication~~Adviser-issued devices], including the e-mail system or any other ~~system~~applications accessed through the Adviser's communications ~~system~~systems. The Adviser expressly reserves the right to monitor its communications systems [and ~~approved devices~~Adviser-issued devices] in its sole discretion.³⁵ [NOTE: If the Adviser permits Supervised

³ Supervised Persons may be able to access approved applications (depending on the context) through Adviser-owned devices, their personal devices and other devices. Accordingly, this Policy applies regardless of whether communications occur on devices owned by the Adviser, a Supervised Person or a third party. [NOTE: This footnote is intended to clarify that this Policy applies regardless of device ownership.]

⁴ See OCIE Risk Alert, Observations from Investment Adviser Examinations Relating to Electronic Messaging (Dec. 2018).

³⁵ [NOTE: Monitoring the Adviser's communications systems ~~and approved devices~~ is considered a best practice. The Adviser should tailor this Policy to its actual practices. When considering whether Supervised Persons should be

Persons to use their personal devices for business purposes, insert the following:] [The Adviser will not, as a regular practice or for routine surveillance, access personal devices to monitor communications that occur outside of the Adviser’s communications systems, but the Adviser may require access to a personal device in connection with an internal investigation or other special circumstances as determined in the Adviser’s discretion.]

[Supervised Persons are also reminded that all electronic communications, including personal communications, on the Adviser’s communication systems ~~and approved communication devices~~ are subject to examination by the Securities and Exchange Commission. Supervised Persons are encouraged to delete on a regular basis any personal electronic communication on the Adviser’s ~~communication~~**communications** systems ~~or approved communication devices.~~]

Electronic communications sent ~~and~~**or** received by Supervised Persons **on the Adviser’s communication systems** will be subject to ~~random periodic inspections~~**inspection** by the Compliance Officer, or his or her designee, to ensure that such communications do not violate any of the provisions of the Advisers Act, or the rules promulgated thereunder.

[Supervised Persons must report any [suspected or actual] violations of this Policy promptly to the Compliance Officer.]

Failure to comply with this Policy may lead to disciplinary action, including dismissal[, demotion or reprimand, and other serious consequences].

* * *

In the event of a conflict between this Policy and the recordkeeping policy as to a recordkeeping matter, the recordkeeping policy shall control.

permitted to use approved applications on their personal devices, the Adviser should consider (i) how it will monitor such devices, particularly with respect to “off-channel” communications (i.e., communications on applications that the Adviser has not approved for business purposes), and (ii) whether it will be able to fully implement the procedures set forth in this Policy. In this regard, the Adviser should note that an SEC enforcement action against an investment adviser for violations relating to off-channel communications noted that the adviser’s policy permitted the adviser to access personal devices to review for off-channel communications, but the adviser did not access personal devices to determine whether employees were complying with the adviser’s policies. The SEC alleged that the adviser violated Rule 206(4)-7 by failing to implement its monitoring procedures and Rule 204-2 by failing to preserve required communications. See In the Matter of Senvest Management, LLC, Release No. IA-6581 (Apr. 3, 2024).]

[Last S&K revision: February 2024]

[NOTE: Rule 206(4)-1 under the Advisers Act (the “Marketing Rule”) and the SEC’s guidance in the adopting release for the Marketing Rule have, in certain respects, increased flexibility for advisers to use social media. The SEC provided guidance concerning the circumstances in which third-party content would be attributed to the adviser, as well as guidance concerning policies and procedures that may be reasonably designed to prevent the use of associated persons’ social media accounts for marketing an adviser’s services. See Investment Adviser Marketing, Release No. IA-5653 (Dec. 22, 2020).]

SOCIAL MEDIA POLICY AND PROCEDURES

Adopted *[Insert Date]*

[Revised as of]

The Adviser has established this social media policy to provide its employees with rules and guidelines for using social media. This policy applies to all employees. Any questions relating to this policy should be directed to [the Compliance Officer]. **[NOTE: This policy should be read in conjunction with the Adviser’s other policies and procedures, including but not limited to the Adviser’s Marketing Policies and Procedures contained in Appendix J, Privacy Policy and Procedures and Program for Protecting Client Information contained in Appendix L, Required Books and Records contained in Appendix P and Electronic Communications Policy contained in Appendix P1.]**

Generally

The Adviser’s employees are expected to follow the guidelines set forth in this policy when communicating through social media. The use of social media websites may have implications under securities laws, including but not limited to, the Advisers Act and the Securities Act of 1933, as amended. In addition, the use of social media is subject to restrictions on advertising under the Advisers Act and the 1940 Act.

Social Media

"Social media" includes Facebook, Twitter, Instagram, LinkedIn, blogs and micro-blogs, YouTube, Flickr, Digg, Reddit, RSS, Facebook Messenger, Snapchat, WeChat, WhatsApp, Line, Kakao, Viber, Kik, TikTok and participation in interactive electronic forums such as chat rooms and online seminars.

The specific websites and messaging applications referenced above are provided by way of example only, and the absence of, or lack of explicit reference to, any particular site shall not limit the extent of the application of this Policy.

[NOTE: Depending upon the Adviser’s use of social media, the Adviser may be required to maintain records of social media communications in accordance with Rule 204-2.]

Prohibited Activities

When using social media in any context, whether for personal use (including professional purposes (e.g., listing individual work experience on LinkedIn.com)) or on behalf of the Adviser or with respect to activities relating to the Adviser’s business, except with the prior approval of [the Compliance Officer], no employee may:

1. Discuss, mention or otherwise communicate any information relating to: (i) the Adviser’s business [(except that an employee’s social media profile may show the Adviser’s name to indicate employment status and may include the employee’s job title and a general description of job responsibilities)]; (ii) an existing, former or prospective client or investor; (iii) members of management of the Adviser or other

employees; (iv) portfolio information or potential investment opportunities; or (v) a recommendation or guidance with respect to a specific security or other investment;

2. Make any forward-looking or predictive statement about the performance or specific future results of the Adviser or any of its clients;

3. Host or maintain a blog or website that covers, in whole or in part, the financial industry, financial advice or topics related thereto, or any blog or website that will (or is likely to) mention the Adviser and its business or a competitor of the Adviser;

4. Post photographs of persons employed by or affiliated with the Adviser, whether inside or outside of the office, or at Adviser events;

5. Provide a link to the Adviser's internal or external website on any blog, social networking site or other website, or include a link to the Adviser's external website in an email signature block;

6. Post an identifiable work e-mail address (e.g., _____@ABCfundadviser.com) or other identifying business contact information.

In considering whether to approve a requested use of social media pursuant to this policy, [the Compliance Officer] will, in his or her discretion, determine whether such use is appropriate.

Use of Adviser Equipment to Access Social Media

[Employees may not access or communicate through social media for any purpose, even a business purpose, while in the office of the Adviser or when using the Adviser's equipment or systems ("Adviser Equipment").]

OR

[Employees may use social media while in the office of the Adviser or when using the Adviser's equipment or systems ("Adviser Equipment"), but *only* in compliance with the following guidelines.]

Guidelines for Using Social Media in Conducting the Business of the Adviser

1. Except in accordance with the procedures described herein, employees using social media in the office of the Adviser or when using Adviser Equipment may not engage in any of the prohibited activities noted above.

2. No employee may communicate through social media on behalf of the Adviser or indicate that the views or comments being expressed by the employee through social media are a reflection or representation of the views of the Adviser, its personnel, its clients or investors, unless the employee has received prior permission of [the Compliance Officer].

3. Certain social networking websites, such as LinkedIn, provide a mechanism to allow "connections" to "recommend" a user who has posted a profile. Such a recommendation may be considered to be a "testimonial" or "endorsement" under the Advisers Act. As a result, employees of the Adviser should consider disabling any "recommendation" or similar feature associated with a social

networking website if such a recommendation could be considered a testimonial about or endorsement of the Adviser under the Adviser's Marketing Policies and Procedures.

Monitoring

Employees should have no expectation of privacy when using social media on the equipment or systems of the Adviser. The Adviser reserves the right to monitor all social media activity using the Adviser's equipment and systems, including by using content management tools to monitor, review or block content on social media sites that violate Adviser's policies and guidelines.

Training

Before employees are allowed to use social media in connection with the Adviser's business or through Adviser Equipment, such employees will receive training with respect to this policy.]

Sanctions

Adviser's management, upon a determination by the Adviser that a violation of this policy has occurred, may impose such sanctions or remedial action as it deems appropriate or to the extent required by law. Such remedial action may include immediate termination of employment.

Certification

The Adviser's employees will be required to certify annually their compliance with this social media policy.

[Last S&K revision: January 2023]

[NOTE: An adviser is not required to adopt policies and procedures with respect to the selection and review of third party service providers. Adopting and implementing these policies and procedures is considered a best practice. The SEC has proposed new Rule 206(4)-11, which would require an adviser to conduct due diligence on third party service providers before outsourcing certain functions, and to periodically monitor the performance and reassess the retention of such service providers.]¹

SELECTION AND REVIEW OF THIRD PARTY SERVICE PROVIDERS

Adopted ***[Insert Date]***

[Revised as of]

Statement of Policy

To the extent that the Adviser is involved in the selection of [certain critical] third party service providers (collectively, “Service Providers”) of the Adviser and its client accounts[, such as sub-advisers, administrators, custodians, prime brokers, and providers of order management systems, accounting software and IT services], the Adviser may conduct initial and periodic due diligence of such Service Providers. Additionally, part of the Adviser’s fiduciary duty may include oversight of such Service Providers.

Procedures

The Adviser has established the following guidelines to effectuate and monitor the Adviser’s policy with respect to assisting its advisory clients in conducting due diligence of Service Providers to such client accounts:

[The Compliance Officer] will assist the client with:

1. Determining the exact services to be provided by the Service Provider and ensure that precise descriptions of the services to be provided by the Service Provider are included in the client’s contract with such Service Provider. The services to be provided by the Service Provider and terms of the contract should be evaluated in relation to the specific needs of each client and/or the Adviser, as applicable.
2. Executing a written agreement with the Service Provider that acknowledges the services being provided to the client under the terms of the agreement is received by the client.
3. Understanding the nature and extent of such Service Provider’s duties and obligations under the terms on the contract.

¹ **[NOTE: The proposed new Rule 206(4)-11 would require the Adviser to conduct due diligence before outsourcing certain covered functions to service providers. Corresponding proposed amendments would require the Adviser to report information about its use of service providers and, if the Adviser relies on third party recordkeepers, require the Adviser to obtain reasonable assurances that the third party recordkeeper will meet certain standards. The proposed rule would define a “covered function” as a function or service that: (i) is necessary for the Adviser to provide its advisory services in compliance with the federal securities laws; and (ii) if not performed or performed negligently, would be reasonably likely to cause a material negative impact on the Adviser’s clients or on the Adviser’s ability to provide investment advisory services. Additionally, the proposed rule would define a “service provider” as a person or entity that: (i) performs one or more covered functions; and (ii) is not a supervised person of the Adviser.]**

4. Following up on any issues associated with the Service Provider. If an employee has any reason to believe that the Service Provider is failing to meet the terms of its contract with the Adviser or is otherwise acting outside the scope of its contract, the employee must report the issue to [the Compliance Officer].

5. On a [periodic] basis, and as a general Adviser policy, an informal review of the client contracts with Service Providers (and discuss any issues with outside counsel, if necessary) and conduct follow-up inquiries as necessary. Any recommended contract terminations with Service Providers should be discussed with the affected clients.

All Service Providers are required to adhere to the Adviser's privacy policy with respect to such Service Provider's handling of consumer and customer information received from the Adviser and its affiliates.

[NOTE: See the Regulation S-P Acknowledgement Letter to Third Party Service Providers in Appendix L, Attachment A in the Sample Compliance Forms]

[Last S&K Revision: ~~January 2024~~February 2025]

[NOTE: This policy is not required. However, the SEC has been focusing on advisers' use of AI-related technologies, and our experience is that during examinations the SEC's Division of Examinations staff has been requesting that advisers provide information relating to their use of AI, including policies and procedures. Accordingly, to the extent the Adviser uses AI, the Adviser should consider whether the risks associated with such use are addressed in its compliance program. The Adviser should carefully review this policy in light of its current practices and should read this policy in conjunction with its other policies and procedures, including but not limited to those concerning marketing, privacy and protecting client information, identity theft protection, cybersecurity, potential conflicts of interest, alternative data arrangements, electronic communications and third-party service providers.]

ARTIFICIAL INTELLIGENCE POLICY AND PROCEDURES

Adopted *[Insert Date]*

[Revised as of]

The Adviser has adopted this Artificial Intelligence Policy and Procedures ("Policy") to provide its Supervised Persons with rules and guidelines for using artificial intelligence ("AI").¹ The Adviser may use AI in the course of its business, including investment and operational activities and interactions with current and prospective clients and investors.² This Policy is designed to address risks associated with such use.

[The Adviser has designated the [Compliance Officer/Chief Technology Officer] (the "AI Manager") to be responsible for implementing and overseeing this Policy.]

I. SCOPE

This Policy covers the Adviser's use of AI across a wide variety of contexts, including uses that are internal or external (or both). For example, the Adviser's use of AI may occur on a website, portal, system, network, application or other digital platform that is owned or controlled by the Adviser or a third-party service provider/vendor, and in any case, the AI may be developed internally or externally and may be operated by Adviser personnel or third-party personnel. Accordingly, to capture the various potential uses of AI, this Policy applies to any use of an "AI-based platform" in the Adviser's business. "AI-based platform" means any website, portal, system, network, application or other digital platform on which AI is used.^{2,3}

¹ "Artificial intelligence" is generally defined as the capability of a machine to imitate intelligent human behavior, and it is used to describe computer systems and software programs designed to simulate human intelligence to perform tasks, such as investment analysis and decision-making, given a set of human-defined objectives. [There are various forms of artificial intelligence, some of which are described in Attachment A.] [NOTE: Attachment A is optional.]

² [The SEC has identified "AI Washing" as a specific point of enforcement. AI policies and procedures must protect against making any general misstatements regarding the use of AI, or any other emerging technology, in an adviser's investment processes or business generally.]

^{2,3} Given that AI is a broad concept that encompasses a wide variety of technologies and applications, the AI Manager may exercise reasonable discretion in determining which platforms are "AI-based platforms" for purposes of this Policy. [NOTE: This footnote is intended to assist the Adviser in determining the scope of AI that is covered by this Policy. The Adviser may wish to retain all, or only certain parts, of the remainder of this footnote.] [AI is used on various types of platforms, not all of which are intended to be within the scope of this Policy. Determining which platforms are within scope will involve a facts and circumstances analysis that considers the nature of the platform, how AI functions on the platform and how the Adviser uses the platform. The following examples illustrate the intended scope: Basic internet search engines (e.g., Google) and screening systems (e.g., World-Check) technically fall within the definition of "AI-based platform" but are not within scope, even though they may involve forms of AI that might – in other contexts – be within scope. For example, basic

II. PROCEDURES

A. Approved Platforms and Approved Purposes

Adviser information³⁴ may not be transferred or otherwise made accessible to an AI-based platform unless the platform has been approved by the AI Manager [and the Compliance Officer] (“Approved Platform”), and may not be used on an Approved Platform for any purpose unless the purpose has been approved by the AI Manager [and the Compliance Officer] (“Approved Purpose”). A list of Approved Platforms and Approved Purposes is [set forth in Attachment B] [maintained by the AI Manager].

In making any determination as to the approval of a platform or purpose, the AI Manager [and the Compliance Officer] will consider (i) the findings based on the due diligence described in Section II.B below; (ii) the risks associated with the platform or purpose; (iii) compliance with applicable law and with the Adviser’s other policies and procedures.

B. Initial Due Diligence

Prior to approving any AI-based platform or any purpose for which an AI-based platform may be used, the AI Manager [and the Compliance Officer] will use a risk-based analysis in conducting due diligence, including (as applicable):

- (i) consulting with Supervised Persons who propose to use the platform;
- (ii) considering the types of information that may be transferred or otherwise made accessible to the platform, the restrictions on such information and the proposed uses of the platform;
- (iii) reviewing the platform’s terms of use (and any license or other permission) and information security measures (e.g., encryption);
- (iv) assessing the risks associated with using the platform (see Section II.E below); and
- (v) determining whether any other policies or procedures are applicable to the proposed uses of the platform (see Section II.E below and Attachment C).

C. Periodic Review

The AI Manager will periodically review the Adviser’s use of each Approved Platform, including by updating its due diligence (as described above) and by testing to confirm that (i) the platform continues to perform as intended, (ii) the Approved Purposes remain current and (iii) the Adviser’s use of the platform remains limited to Approved Purposes.

internet search engines that use machine learning (“ML”) and/or natural language processing (“NLP”) are not within scope, while applications that use ML and/or NLP to predict investment returns, optimize trading decisions or analyze earnings call transcripts or company filings generally are within scope. Generative AI programs are within scope, regardless of whether they are externally developed programs (including both “public” or “enterprise-grade”) or internally developed (proprietary) programs; for example, large language model chatbots (e.g., ChatGPT) are generative AI programs and therefore are within scope.]

³⁴ “Adviser information” includes but is not limited to proprietary or confidential information of the Adviser, material nonpublic information about public companies and nonpublic personal information about the Adviser’s clients and prospective clients.

D. Information Access

The AI Manager will track and periodically confirm which external AI-based platforms⁴⁵ have access to the Adviser's information. When the AI Manager determines that the Adviser no longer needs an external AI-based platform to have access to the Adviser's information, the AI Manager will take appropriate steps to protect the information, which may include (depending on the circumstances) terminating such access or requesting that the information be erased and seeking confirmation that such request has been fulfilled.

E. Risk Assessment; Safeguards

The Adviser will create an inventory and conduct an assessment of the risks associated with its use of AI-based platforms.⁵⁶ **[NOTE: See the Risk Assessment Questionnaire and Matrix in Appendix A5 of the Sample Compliance Forms.]**

The Adviser will evaluate whether appropriate safeguards are in place to address the risks identified through the risk assessment, which evaluation will include reviewing the Adviser's other policies or procedures. To assist with this evaluation, the Adviser should review the worksheet set forth in Attachment C. The Adviser will design and implement additional safeguards as appropriate.

The Adviser will periodically update the risk assessment to reexamine the risks and safeguards, and will design and implement additional safeguards, as appropriate, to address any risks identified through the updated risk assessment.

F. Conflicts of Interest

The Adviser will seek to identify conflicts of interest associated with its use of AI and will take steps to appropriately address any such conflicts. [The Adviser's policy concerning the identification of potential conflicts of interest is set forth in **Appendix N**.]

G. [External Dissemination of AI Outputs]

[A Supervised Person who proposes to disseminate information generated by an AI-based platform (an "AI output") to third parties (e.g., current or prospective clients or investors) will consult with the AI Manager [and the Compliance Officer] prior to such dissemination. The AI Manager [and the Compliance Officer] will determine (i) whether the proposed dissemination of the AI output would be appropriate in light of the Adviser's policies and procedures and (ii) whether any particular measures should be taken in connection with the dissemination (e.g., AI-related disclosures or information security measures).]

⁴⁵ "External AI-based platform" includes (i) any platform that is not owned or controlled by the Adviser or an affiliate thereof and (ii) any platform that is accessible to persons or entities who are not employed by or otherwise affiliated with the Adviser.

⁵⁶ In conducting the risk assessment, particular attention should be given to: (i) the types of information that may be transferred to the AI-based platform; (ii) who may have access to the Adviser's information once transferred, including, for example, the extent to which the AI-based platform may "learn" from the Adviser's information and retain or share the information with third parties or with Adviser employees who should not have access; (iii) the AI-based platform's information security measures; and (iv) whether the identity of the Adviser or Adviser employees may be exposed as a result of using the AI-based platform.

III. TRAINING

[Option A] The [Compliance Officer] will provide Supervised Persons with AI training at the adoption of this Policy and at least annually thereafter, and will provide AI training to each subsequent new Supervised Person around the time that such person becomes a Supervised Person. [The training will consist of a review of this Policy and any additional programs and materials that the [Compliance Officer] deems necessary or appropriate from time to time.] [OR] [The [Compliance Officer] will provide appropriate Supervised Persons with training relating to this Policy as part of the Adviser's annual compliance training.]

[Option B] The [Compliance Officer] will provide or arrange to provide Supervised Persons with training on this Policy at least [annually].

[[Given the evolving nature of AI, Supervised Persons [who use AI in the course of their work] are encouraged to educate themselves on current forms and uses of AI and to suggest any changes to this Policy or the AI training program based on their findings.]

IV. ANNUAL REVIEW OF POLICY

[The Compliance Officer will review this Policy at least annually to assess the adequacy and effectiveness of this Policy with reference to the Adviser's AI-related practices and applicable laws and regulations.]

[NOTE: Attachment A is optional.]

APPENDIX R
ATTACHMENT A

Artificial Intelligence (AI): The term “artificial intelligence” is generally used to refer to the capability of a machine to imitate intelligent human behavior, and is used to describe computer systems and software programs designed to simulate tasks normally requiring human intelligence, such as visual perception, speech recognition, data analysis, decision-making and translation of speech and text. AI is used as an umbrella term that encompasses a broad spectrum of different technologies and applications, some of which are described below.

- **Computer Vision (CV):** CV (also referred to as machine vision) is a subfield of AI focused on enabling computers to view, identify and process images similarly to human vision, and then provide appropriate output. CV applications often use ML models to interpret what it “sees” and make predictions or determinations.
- **Large Language Models (LLM):** LLMs are a type of artificial intelligence that use deep learning algorithms and can recognize, summarize, translate, predict, and generate content using very large datasets. LLMs typically do this through a deep learning model that is able to learn context and meaning by tracking relationships in sequential data, like the words in a sentence.
- **Machine Learning (ML):** ML is a subfield of AI that uses algorithms to process large amounts of data and allows the models to learn without explicitly being programmed. There are different types of ML models, depending on their intended function and structure:
 - **Supervised Machine Learning:** The model is trained with *labeled* input data that correlates to a specified output. After the model has learned from the patterns in labeled training data, it can then analyze additional data to produce the desired output.
 - **Unsupervised Machine Learning:** The model is fed *unlabeled* (raw) data, and the algorithms are designed to identify any underlying meaningful patterns. The algorithms may cluster similar data but do so without any preconceived notion of the output.
 - **Reinforcement Learning:** The model learns to achieve the desired output through trial and error, by making a sequence of decisions by itself. When the model performs correctly and achieves the intended output, it is rewarded. When the model does not produce the desired output, it is penalized. Through this process, the model learns over time to perform in a way that maximizes the net reward.
 - **Deep Learning:** The model is built on an artificial neural network, in which algorithms process large amounts of data through multiple layers of learning in a manner inspired by how neural networks function in the brain. These models are typically used when the underlying data is significantly large in volume, obtained from disparate sources and may have different formats. Deep learning applications can be supervised, unsupervised or reinforcement based.
- **Natural Language Processing (NLP):** NLP is a form of AI that enables computers to read or recognize text and voice data and create desired outputs based on such data. Examples of NLP applications include language translation, keyword extraction and language translation, as well as sentiment analysis and providing information through chat-boxes and virtual assistants.
- **Robotics Process Automation (RPA):** RPA refers to the use of rule-based software programs to automate labor-intensive tasks that typically require human involvement. RPA software is generally

used for high-volume, repetitive processes involving structured data, such as account reconciliation, accounts payable processing and depositing of checks.

APPENDIX R
ATTACHMENT B

[NOTE: The AI Manager may use Attachment B or, alternatively, determine that it is more practical or appropriate to maintain the list outside of this Policy.]

APPROVED PLATFORMS AND APPROVED PURPOSES

Approved Platform	Approved Purpose

**WORKSHEET FOR DETERMINING APPLICABILITY OF OTHER POLICIES AND PROCEDURES TO
THE ADVISER'S USE OF ARTIFICIAL INTELLIGENCE**

This worksheet is designed to be used in connection with the Artificial Intelligence Policies and Procedures and is intended to assist the Adviser in determining whether any other policies or procedures are applicable to the Adviser's proposed uses of AI-based platforms. The list of policies and procedures (and questions) set forth below is not comprehensive; it focuses only on select aspects of the Adviser's compliance program to highlight certain policies that may be especially likely to be implicated by AI. Accordingly, the Adviser should carefully review all of its policies and procedures and should not rely exclusively on the following list when conducting due diligence on AI-based platforms.

Appendix G Alternative Data Arrangements

- Will the Adviser use the platform in connection with any arrangements with alternative data providers (e.g., using the platform to analyze the information received from a provider)? If so, is the Adviser's use of the platform consistent with the Adviser's agreement with the provider?"

Appendix H Code of Ethics

- Will any software developers, coders or other IT personnel (internal or external) have access to nonpublic information regarding clients' purchases or sales of securities, or nonpublic information regarding portfolio holdings, such that they would be "Access Persons" under the Code of Ethics?

Appendix H1 Policy and Procedures Regarding Temporary Workers and Third Party Consultants

- Will the Adviser engage any temporary workers or third party consultants (e.g., software developers, coders or other IT personnel) in connection with using the AI-based platform?

**Appendix L Privacy Policy and Procedures and Program for Protecting Client Information
[Appendix L1 Expanded Program for Protecting Customer Information]**

- Will the Adviser disclose nonpublic personal information about consumers to a nonaffiliated third party (other than as necessary to process consumer transactions) in connection with using the platform? If so, would such disclosure be consistent with the Adviser's privacy notice, or would the Adviser have to revise its privacy notice in order to accurately reflect any disclosures of nonpublic personal information about consumers?
- Will the Adviser's use of the platform (i) impact, or be inconsistent with, the measures that the Adviser has implemented to protect customer information, or (ii) create risks to the security, confidentiality or integrity of customer information that could result in the unauthorized disclosure, misuse, alteration, destruction or other compromise of such customer information? Has the Adviser considered the foregoing as part of its "Risk Assessment" that is required by this policy?

- Will the platform or any person involved with the platform be a “service provider”⁶⁷ as defined in this policy? If so, consider the following:
 - What reasonable steps will be taken to determine that the platform (or other person) maintains sufficient customer information safeguard procedures to detect and respond to security breaches?
 - What reasonable procedures will be implemented to discover and respond to widely known security failures by the platform (or other person)?
 - Will any contract with the platform (or other person) contain assurances that the platform (or other person) has implemented and will maintain such safeguards?

Appendix L3 Identity Theft Prevention Policy and Procedures

- Will the Adviser’s use of the platform heighten the risk of identity theft (e.g., by providing a third party with access to client records)?
- Will the platform or any person involved with the platform be a “service provider” as defined in this policy?⁷⁸ If so, what steps will the Adviser take to ensure the service provider’s activities are conducted in accordance with reasonable policies and procedures to detect, prevent and mitigate red flags that may arise in the performance of the service provider’s activities?

Appendix L4 Cybersecurity Policy and Procedures

- Will the Adviser’s use of the platform involve “Adviser Information” as defined in this policy?⁸⁹ If so, consider the following:
 - Has the Adviser conducted an initial assessment of the platform and security considerations relating to its use of the platform?
 - Which information security safeguards and controls will be used to prevent unauthorized access to the Adviser’s systems and information and otherwise protect the Adviser from cybersecurity incidents in connection with its use of the platform?
 - How will the Adviser monitor its use of the platform in an effort to detect unauthorized access or potential breaches?
 - Will the platform or any person involved with the platform be deemed a “service provider”? If so, has the Adviser conducted the due diligence and other measures that are required in connection with service providers under this policy?

⁶⁷ Under the Privacy Policy and Procedures and Program for Protecting Client Information, a “service provider” is any person or entity that receives, maintains, processes, or otherwise is permitted access to customer information through its provision of services directly to the Adviser. This may include: core processing; information and transaction processing and settlement activities; Internet-related services; security monitoring; systems development and maintenance; aggregation services; digital certification services, and call centers. If the platform (or any other third party) receives, maintains, processes, or otherwise is permitted access to customer information as a result of its duties for the Adviser, then it would be considered a service provider.

⁷⁸ Under the Identity Theft Prevention Policy and Procedures, a “service provider” is a person that provides a service directly to the financial institution or creditor. See Regulation S-ID Glossary.

⁸⁹ “Adviser Information” means information relating to the Adviser, its customers and current or potential investors.

Appendix N Identification of Potential Conflicts of Interest

- Will the Adviser's use of the platform pose any conflicts of interest between the Adviser and its clients? If so, how will the Adviser address such conflicts?

Appendix P Required Books and Records

- Will the Adviser's use of the platform result in the production of any information that the Adviser would be required to maintain under this policy? If so, does the Adviser have a process or mechanism for ensuring that such information is properly maintained?

Appendix Q Selection and Review of Third Party Service Providers

- Will the platform or any person involved with the platform be a "service provider" within the meaning of this policy? If so, has the Adviser followed the applicable procedures?

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Summary report:	
Litera Compare for Word 11.10.0.38 Document comparison done on 2/21/2025 12:24:15 PM	
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Original DMS: iw://sewkis-mobility.imatege.work/WSACTIVE/8955653/9	
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<u>Move To</u>	0
Table Insert	0
Table Delete	0
<u>Table moves to</u>	0
<u>Table moves from</u>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	638