



**HOTTINGER**

Brochure on Form ADV Part 2A

# Hottinger & Co Limited

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This Brochure provides information about our qualifications and business practices. If you have questions about the contents of this Brochure, please call or e-mail us at the number or e-mail address above. The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission ("SEC") or any state securities authority.

Additional information about us is available on the SEC's website, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Registration with the SEC does not imply a certain level of skill or training.

This Brochure applies only to U.S. persons as this term is defined in Rule 902 of Regulation S under the U.S. Securities Act of 1933.

**ITEM 2: Material Changes**

This is the annual amendment to our Brochure on Form ADV Part 2A. This is the first amendment of our Brochure since 27 March 2024.

We have the following material changes to report.

- As of the date of this Brochure, we have 7 U.S. persons clients, two of which have assets custodied by Edmond de Rothschild (Monaco) SA (“EdR Monaco”), a Related Person.
- As of the date of this Brochure, we have US\$1,207,706,358 in assets under management for our clients.
- Cynthia Tobiano, CEO of Edmond de Rothschild Suisse (“EdR Suisse”), was appointed to the Board of Directors of Hottinger Group Limited on 8 July 2024.
- Philippe Cieutat, CFO of Edmond de Rothschild Suisse (“EdR Suisse”), was appointed to the Board of Directors of Hottinger Group Limited on 3 May 2024.
- Herve Ordioni, CEO of Edmond de Rothschild Suisse (“EdR Suisse”), resigned to the Board of Directors of Hottinger Group Limited on 8 July 2024.
- Jean-Francis Dusch, CEO of Edmond de Rothschild Suisse (“EdR Suisse”), was appointed to the Board of Directors of Hottinger Group Limited on 3 May 2024.
- Sarah Deaves was appointed as Non-executive Director of Hottinger Group Limited on 31 July 2023 and later as Non-executive Director of Hottinger & Co. Limited on 1 June 2024.

We will amend our Brochure annually and when there are material changes.

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**ITEM 4: Advisory Business**

## Hottinger & Co Limited

Hottinger & Co Limited is a London-based wealth manager. We are licensed and regulated by the UK Financial Conduct Authority. We are registered with the SEC as an investment adviser under the Advisers Act. We are a long-established financial services firm with a deep history in banking, wealth management and asset management. Our history is on our website at [www.hottinger.co.uk/history](http://www.hottinger.co.uk/history).

We have 24 employees. Our directors are Mark Robertson (also our MLRO), Tim Sharp (our CEO and CCO) and Conor Byrne (CFO). We are 97.5% owned by Hottinger Private Office Limited. EdR Suisse holds a 42.5% equity interest in Hottinger Group Limited, which owns Hottinger Private Office Limited, our parent company. Our indirect owners are set forth in our Form ADV Part 1 Schedule B. Our Related Persons are identified in our Form ADV Part 1 Schedule D Section 7.A.

We are, by nature, conservative managers who aim to preserve capital and income whilst delivering consistent investment performance. Our investment professionals collaborate and provide input to our decision-making process that analyses economic and political issues affecting world markets. We aim to achieve our goal of maximising returns within given guidelines through diversification across asset classes, regions, and currencies, recognising that great investment ideas can come from many different sources.

We offer discretionary investment management services to our U.S. clients (defined based on residence, "clients" or "U.S. clients") in separately managed accounts ("SMAs"). We do not manage or operate any pooled investment vehicles. Our strategies and investments/securities are set forth in Item 8, below.

Before establishing any relationship, we gather information to be able to assess our client's needs, including information about investment experience and knowledge relating to the investment of assets, investment objectives, restrictions, investment time horizon, financial situation, readiness, and capacity to assume risks and losses, and a base reference currency. We complete a Client Risk Assessment to identify the degree of risk involved in the client relationship. We perform anti-money laundering and know your customer verifications, after which we and our client sign an investment management agreement ("Mandate") that documents the investment objectives, strategy, restrictions, investments, and fees. Each Mandate is changed when client circumstances dictate.

We do not solicit or accept U.S. client orders to buy or sell securities.

We do not participate in wrap fee programs.

As of the date of this Brochure, we manage US\$ 1,207,706,358 for our clients.

**ITEM 5: Fees and Compensation**

We charge a management fee ("Fee") based on assets under management ("AUM") as agreed with the client and recorded in the Mandate. This Fee structure relates to clients with a U.S.-based custodian; the Fee structures for U.S. clients with a non-U.S. custodian will differ. We do not charge a performance fee. Fees are negotiable.

Portfolio Size (US\$)	Asset Management Charges (%)	Asset Management Charges (US\$)
Up to the first 2 million <sup>1</sup>	0.90% per annum	Up to 18,000
2 million to 5 million	0.70% per annum	14,000 to 35,000
5 million to 15 million	0.55% per annum	27,500 to 82,500
15 million to 25 million	0.45% per annum	67,500 to 112,500
25 million to 50 million	0.35% per annum	87,500 to 175,000
Over 15 million	By negotiation	By negotiation

Client custodians calculate the value of investments/securities. We calculate our Fee based on these valuations. This is a conflict of interest, and to address this our annual external audit includes a review of the Fee calculation methodology and sample calculations. Fees are invoiced and debited quarterly in arrears from the client's custodial account ("Account"), based on the Account's quarter end value.

Neither we nor our Supervised Persons receive any form of compensation as broker or agent for the sale of investments/securities or other investment products by any client account.

#### **ITEM 6: Performance-Based Fees and Side-By-Side Management**

Because we do not charge a performance fee, we do not engage in side-by-side management.

#### **ITEM 7: Types of clients**

We provide investment advisory services to HNWIs, families, foundations, trusts, charities, pensions, and corporations. We reserve the right to open accounts with high risk or politically exposed persons, subject to enhanced due diligence requirements. We do not have a minimum amount to open an account; the initial size of a portfolio accepted is at our sole discretion.

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

##### Investment Strategies and Securities/Investments

Each client investment strategy is set forth in a Mandate. Subject to the client's investment objectives and restrictions, a portfolio will feature investments/securities from developed markets including, but not limited to, direct [or indirect holdings] of UK and non-UK equities, gilt-edged securities, bonds or fixed interest securities, ETFs, ETCFs, units or shares in regulated or unregulated collective investment schemes and other pooled investment vehicles, non-U.S. commodities, real estate or other non-U.S. rights or assets and derivatives. Our discretionary management services have liquidity guidelines that should prevent unexpected illiquid assets surfacing. Clients who wish to take strategic positions in illiquid assets can do so on a non-advised basis.

We offer the following investment strategies.

**Treasury only:** The aim is to preserve the value of assets through direct investment in cash and cash-like instruments and avoid exposure to any higher investment risk asset classes such as equities and commodities. Investments in the portfolio will be limited to fixed term cash deposits, fiduciary

<sup>1</sup> For this level, we charge a minimum investment account charge of US\$ 5,000 per annum.

deposits, foreign currency instruments and high-quality government and corporate bonds with maturities not exceeding one year. Clients opting for this need to accept that after accounting for inflation the value of assets may not grow in real terms.

**Conservative:** The aim is to protect capital by restricting investment risk in equities in the portfolio by holding a high proportion of fixed interest investments and collective investment vehicles as well as cash instruments. The portfolio will also hold a spread of equities of large, blue-chip companies including some exposure to equivalent instruments in overseas markets, but equity allocation will be restricted to 30%. The client accepts that the inclusion of equities and equity funds, while improving the prospects of capital growth, increases the possibility that there may be some loss of capital and that fixed interest investments, while less volatile in price terms, also have number of risk factors resulting from inflation, interest rate changes and potential default of the issuer that may lead to capital loss.

**Income & Growth:** The aim is to seek to preserve the capital of the portfolio in real terms and contain investment volatility by striking a balance between large, medium and some smaller companies for capital growth and fixed interest and cash instruments for income. Various other asset classes with the potential for capital growth, such as commodities funds, may be included with exposure to overseas markets. The client accepts that such a portfolio bears a number of risks which could result in high levels of volatility and loss of capital in any one year, which in some years could be significant.

**Capital Growth:** The aim is to seek long term growth and accumulation of capital by holding in the client's portfolio a high proportion of UK and overseas equities of large, medium, and small sized companies and funds with high profit potential. Various asset classes with capital growth potential including commodities funds may well be incorporated. Current income is of little concern. High short-term volatility and lack of liquidity are not the client's primary concerns and the client recognises the high downside price risk and the possibility of a major capital loss in any one year, which in some years could be significant.

**Equity only:** The aim is to seek long term growth in capital by holding UK and developed market equities of large, medium and small sized companies in the portfolio with the potential to outperform the wider market over time. Various thematic exchange traded funds with global diversification may well be incorporated. Current income is of little concern whilst high short-term volatility and market cyclicalities are also not the primary concerns. The client recognizes that the high downside price risk and the possibility of a major capital loss in any one year, which in some years could be significant.

**Special Mandates:** We develop and agree a bespoke strategy.

Occasionally, we use investments that may be perceived as higher risk but to reduce overall portfolio risk. The degree of risk acceptable as evidenced in the Mandate shall at all times apply in respect of the portfolio as a whole i.e., the overall risk presented by the portfolio as a whole is considered and not the risk attached to each individual investment.

#### Method of Asset Management

Our Investment Committee lays out a strategic asset allocation and our investment managers interpret this for our clients, working with an approved list of investments for each.

We develop our own research and obtain third-party research using our own funds (we do not have any soft dollar arrangements). Our research and investment analysis helps us build a picture of the

investee company so that we can make an informed investment decision on behalf of our clients within their investment objectives, requirements and parameters of risk related to the mandate and our corporate governance. We undertake detailed analysis of an investee company's corporate governance, strategy, performance, attitude towards risk, capital structures and financial statements, analyses of third-party brokers' investment research and market available information.

Although our holdings in investee companies are relatively small, we seek, wherever possible, to engage in an ongoing open communication with the management of investee companies. All investment decisions are undertaken by our investment management team. All investment decisions are made on a case-by-case basis and in compliance with any specific requirements after considering the client's Mandate, the investment objectives and restrictions and our duties and responsibilities as set out in the Mandate. Any proxy voting decisions taken will be made in the best interests of our investment clients and will be executed by us only after exhausting all opportunities to engage with the investee company in open dialogue. If we cannot reach a satisfactory outcome through open dialogue, then we will either seek to abstain or vote against the investee company. Furthermore, it is our policy to vote on AGM or EGM resolutions and any corporate actions where our clients have a material interest in the outcome of such a resolution and/or action; and where such outcomes are for the protection and/or enhancement of shareholder value and investors' beneficial interests. We will also seek to vote in circumstances where our clients' holdings are material to the outcome of such a resolution and/or action. We will always vote in a responsible manner and in accordance with our fiduciary duties to our clients.

We hold monthly strategy meetings to discuss economic and market conditions and agree asset allocation guidelines. We make changes to our list of securities/investments to buy or sell. We also review and update our risk register relevant to investing (short-, medium- and long-term).

#### Material Risks Related to Investment Strategies

**Clients must be prepared to lose some or all of their assets when investing.** The value of investments and income derived from them will fall and rise and you may not get back the original amount invested. There can be no assurance that the investment objective will be achieved. Past performance does not necessarily indicate future performance. It can in no way provide a guarantee of returns that you will receive in future. Investments are subject to market fluctuation and other risks inherent in investing in securities, whether equity securities or debt securities, or in derivatives of these securities. There can be no assurance that any increase in value of investments will occur, and the capital value of your original investment is not guaranteed.

Our mandate will develop from a deep discussion of the client's toleration for risk. Risk tends to lead to increased volatility and can deliver greater returns but also the loss of capital. It takes into consideration investment objectives over both the long and the short term in order to assess its suitability. This strategy is bespoke and applies to the portfolio as a whole and not the risk attached to each individual investment. This approach may mean that any given portfolio includes investments which could be perceived as higher risk, but which are made in a manner aimed at reducing the overall portfolio risk and volatility. Such investments could include the introduction of foreign shares for diversification of political, economic and currency risk. It could mean buying alternative strategies with the aim of reducing overall portfolio volatility and smoothing returns. Risk may be measured in terms of the client's specific appetite for capital loss, realised or unrealised, in either psychological or financial terms, referring to the client's ability to absorb a capital loss without affecting their lifestyle, specific needs and requirements, or personal commitment.

There are risks associated with specific types of investments.

*Equities:* Equities are an asset class suitable for clients with a tolerance for fluctuations in the market value of their investments. The market price of equity securities may be affected by international events or market factors such as economic or industry cycles, broad declines in stock market prices or conditions affecting specific issuers, such as changes in earnings forecasts. Multinational companies earn revenues and incur expenses in multiple currencies. Currency fluctuations affect a multinational company's financial performance and/or competitive position. Investing in companies with small- and medium-sized market capitalizations involves greater risk than investing in larger companies, and their share prices can fluctuate dramatically in a short period of time. Small and mid-cap companies may be more susceptible to setbacks or downturns than larger companies and may experience higher rates of bankruptcy or other failures. In addition, the shares of a small or mid-cap company may be thinly traded.

*Non-U.S. securities and foreign currency exposure:* Foreign securities, foreign currencies and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. These factors can make foreign investments, especially those in emerging or frontier markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market. A substantial portion of securities in client accounts may be denominated in currencies other than the U.S. dollar and as we do not employ hedging techniques, the value of the account can be significantly affected by currency movements.

*Debt securities:* These include investments such as bonds, debentures, government obligations and commercial paper. The value of debt securities will fluctuate based on changes in interest rates and the issuer's financial condition and in response to market movements. Debt securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital will change. Inflation will also decrease the real value of capital. The value of a debt security will fall in the event of the default or reduced credit rating of the issuer. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. High yield bonds with lower credit ratings (also known as sub-investment grade bonds) are more risky (higher credit risk) than investment grade bonds. A default or concerns in the market about an increase in risk of default would result in losses. Shorter term fixed interest securities entail a lesser price risk than longer term fixed interest securities; however, shorter term fixed interest rates typically offer lower returns than longer term fixed interest securities. An investment in debt securities, in particular in bonds, which include a condition to repay the original sum at a specified date in the future and provide a fixed level of income tend to be less volatile than a pure investment in equity securities. The capital value of a bond fund and the level of its income will still fluctuate.

If required, we will conduct transactions on your behalf in securities which are denominated in a wide range of currencies, some of which may not be freely convertible. The value of investments will fluctuate in accordance with changes in the foreign exchange rate between your account base currency and the currencies in which the investments made are denominated. You will be exposed to a foreign exchange risk.

#### **ITEM 9: Disciplinary Information**

We have nothing to report.



**ITEM 10: Other Financial Industry Activities and Affiliations**

We are not registered as a broker-dealer. We are not registered as a commodity pool operator or a commodity trading adviser or have an exemption from one of these.

We develop and use Confidential Client Information – as defined in our Code of Ethics, this is non-public information about research, advice and recommendations used for our clients as well as orders being worked and client holdings. To prevent the misuse of this information (frontrunning, trading with clients, trading using this information or tipping), we treat our Supervised Persons (officers, directors, partners, and employees) as Access Persons and require them to comply with our personal account dealing requirements discussed in Item 11, below.

We manage assets for multiple clients at a time. Because clients do not have identical investment objectives, this involves conflicts of interest. We address this risk by managing assets against the investment objectives and restrictions stated in the Mandate and reviewing portfolio activity.

To address the unfair allocation of trades between clients, we operate a trade allocation policy and procedures, and monitor activities through the daily transaction record log.

We effect cross trades between clients from time-to-time. To address this conflict of interest, we require two signatures (i.e., the PM and our CEO) and compliance with our best execution policy and procedures.

We operate a gifts and entertainment policy and procedures designed to prevent inducements from interfering with our investment management processes and help us discharge our fiduciary duties.

We employ controls to prevent the solicitation of government officials to obtain business.

Cynthia Tobiano and Philippe Cieutat of EdR (Suisse) are members of the Board of Directors of Hottinger Group Limited. We employ policies and procedures reasonably designed to prevent them from receiving our Confidential Client Information (as defined in our Code of Ethics) and have them declare conflicts of interest at Board of Directors meetings.

EdR (Suisse) owns 42.5% of Hottinger Group Limited. For purposes of the Advisers Act, EdR (Suisse) indirectly controls us, but for purposes of UK regulation it disclaims control of us. EdR (Suisse) provides us with non-investment advisory services for our U.S. clients, and custody and banking for our non-U.S. clients.

Edmond de Rothschild (Monaco) S.A. (“EdR Monaco”), owned and controlled by EdR Suisse, has custody of one U.S. client’s assets. Because EdR Monaco has custody of this client’s assets, we are deemed to have custody. Under a review of our activities with EdR Monaco, we believe that we are operationally independent of it.

We rent (but do not share) office space from EdR UK on an arms-length contractual basis, and we have no business dealing with it.

Archimedes Private Office (Suisse) Sarl and Hottinger Capital Partners Limited are Related Persons solely because Mr Robertson, a Supervised Person, is a director of both. We do not engage in any business activity with either of them and do not believe that Mr Robertson’s positions with us and them, the sole connection, constitutes a conflict of interest.

Mr Sharp performs multiple functions - CEO, Chief Compliance Officer, Group CIO, and Senior PM. Mr Robertson performs multiple functions – Director, Group CEO, MLRO and Senior Investment Adviser. Conor Byrne performs multiple functions – COO and CFO. To address the conflicts of interest arising in these persons performing multiple roles, we require recusal as required and have back up staff to perform the role – and document each such instance.

Certain of our Supervised Persons have outside activities. We record and monitor these, and where we identify a conflict of interest arising out of one of these, we require in addition to disclosure pre-clearance of the activity, quarterly certification of compliance with policies and procedures and other measures, including recusal. Subject to compliance with our Code of Ethics and our Conflicts of Interest policy and its procedures, a Supervised Person may, with pre-clearance and subject to conditions, hold a position in a client investee company.

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

As a fiduciary, we owe a duty to our clients to act in their best interests. We have adopted a Code of Ethics pursuant to Advisers Act Rule 204A-1. We comply with the SEC's Standard of Conduct Interpretation. Our Supervised Persons are Access Persons, must comply with our Code of Ethics, the U.S. federal securities laws and act in accordance with the standards in the Code of Ethics.

Our Code of Ethics contains policies and procedures reasonably designed to address the conflicts of interest associated with the personal trading activities of Access Persons. These include a personal account transaction policy to address the conflicts of interest presented by personal trading. Transactions in certain investments are prohibited, while others require a pre-clearance. Before Access Persons and their Connected Persons propose to invest, they must submit a dealing request to the CCO for approval to ensure that there is no live research, advice, or recommendation, or dealing activity, taking place in the proposed asset and to prevent trading with or front running. Access Persons will be asked to explain the investment thesis and source of research if there are any questions regarding the request. Additional policies and procedures include: the delivery of the Code of Ethics and a written acknowledgment of its receipt (initial and annual); analysis of Code activity; initial, quarterly, and annual reporting requirements; and a requirement to report promptly any suspected violations of our Code of Ethics. Supervised Persons are required to discuss any perceived risks or concerns with the CCO. We review all activities of our Supervised Person and Access Persons to ensure compliance with our Code of Ethics and all other relevant policies and procedures and will act in the event of issues arising.

A copy of our Code of Ethics is available upon request.

#### **ITEM 12: Brokerage Practices**

Client accounts are treated in a fair and equal manner.

We do not engage in client directed brokerage.

We do not solicit or take U.S. client orders to buy or sell securities.

We are required to implement an order and best execution policy. As part of these, we must take sufficient steps to obtain the best possible result for our clients when transmitting their orders for execution. Best execution is the process by which one seeks the most favourable cost under the circumstances in each transaction and does not necessarily mean achieving the lowest or highest possible price or transaction cost. This includes factors such as price, costs, speed, likelihood of execution and settlement, size, nature and/or any other consideration relevant to obtain the best result from the execution of orders. This requirement is of a general and overarching nature.

We do not select brokers or counterparties to trade. All trades are placed with and executed by the trading desks of custodian banks. (All commissions and transaction rates are agreed between client and the custodian during account opening.) As such, we require that each trading desk gives us best execution and provides us with data to be able to evaluate whether they have satisfied their best execution obligations. We monitor these to ensure that we are satisfied that their execution policies allow them to deliver the best execution result for our clients.

When a decision to invest is decided by our Portfolio Manager (“PM”), the “decision time” and the pre-trade allocation between clients is recorded. Before an order is transmitted, our PM checks the market with the custodian trading desk. The time the order is placed is recorded and a note is made of the market price taken. We record the time and the price of the executed order as per the broker’s confirmation initially on the telephone and by faxed print out or electronic communication. When we trade for one client, we send that order to the custodian bank trading desk. When we trade for more than one client, we reserve the right to aggregate orders by custodian trading desk to help achieve equal treatment of clients and efficiency. When doing this, we allocate and record what each client receives to placing the order. In the interests of achieving the best possible result for our clients, we may only aggregate client orders if it is unlikely that the aggregation will be to the disadvantage of any of our clients. In the event of a partial fill, partial executions will be allocated on a fair and equitable basis (generally, on a *pro-rata* basis). In the event that we purchase securities in an initial public offering (“IPO”) and the total number of shares purchased is fewer than the total number of shares we transmitted for purchase, we will allocate such number of shares purchased in an IPO to client Account in a fair, proportional manner based on the size of the accounts under management and the size of the orders to purchase for such accounts. Post-trade re-allocations are only permitted where an error has occurred in the intended basis of allocation or the actual allocation, or if a partial allocation results in an uneconomic allocation. A record will be made of the reason for the re-allocation which must be completed within one business day of the error being identified and approved by our CCO or Group CEO.

We identify and address trade errors as soon as practicable after they are discovered. If a trade error arises, we will ensure that no client suffers a loss. We document trade errors and act, where possible, to prevent such errors in the future. Clients retain gains. We incur losses. If the trading desk of the custodian makes the trade error, it is responsible for making the client whole.

We will effect cross trades between clients. We do this with client consent, where the trade is suitable for both clients and we satisfy our best execution obligations for each.

We generate our own research. We purchase third party research with our own funds. We do not have any “soft dollar” relationships under Section 28(e) of the U.S. Securities Exchange Act of 1934. We do not accept or offer inducements (fees, commissions or monetary and non-monetary benefits) in relation to the provision of services to clients.

### **ITEM 13: Review of Accounts**

Clients receive a report from the custodian and a quarterly valuation report. Quarterly, we check to confirm whether portfolio holdings were selected in accordance with the Investment Profile. Quarterly and annually, we check for asset allocation deviations to see whether the asset allocation is within the agreed asset allocation ranges.

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

We no longer have a referral/solicitation agreement in place with respect to U.S. prospective clients.

**ITEM 15: Custody**

Because EdR Monaco, Related Person, have custody of two U.S. clients' assets, we have custody under Advisers Act Rule 206(4)-(2). We comply with the provisions of this rule and are operationally independent of both .

**ITEM 16: Investment Discretion**

For U.S. clients, we provide discretionary investment advisory services. Each Mandate sets out the scope of discretion. Unless otherwise instructed or directed, we have the authority to determine the securities/investments to be bought, held, and sold for the Account (subject to restrictions set forth in the Mandate and any written guidelines).

**ITEM 17: Voting Client Securities**

At the outset of a client relationship, we confirm whether or not a client wishes for us to vote proxies. If not, the client is responsible for proxy matters. If we vote, all decisions taken will be made in the best interests of those clients and will be executed by us after exhausting all opportunities to engage with the investee company in open dialogue, but not exercise control. If we cannot reach a satisfactory outcome through open dialogue, we will either seek to abstain or vote against the investee company.

Although our holdings in investee companies are relatively small, we seek, wherever possible, to engage in an ongoing open communication with the management of investee companies, but without exerting control. All proxy voting decisions are undertaken by our investment management team. Decisions are made on a case-by-case basis and in compliance with any specific requirements after considering the client's mandate, the investment objectives and restrictions and our duties and responsibilities as set out in the mandate.

It is our policy to vote on AGM or EGM resolutions and any corporate actions where our clients have a material interest in the outcome of such a resolution and/or action; and where such outcomes are for the protection and/or enhancement of shareholder value and investors' beneficial interests. We will also seek to vote in circumstances where our clients' holdings are material to the outcome of such a resolution and/or action. We will always vote in a responsible manner and in accordance with our fiduciary duties to our clients.

Copies of proxy voting materials we receive shall be forwarded to the CCO to ensure that proxies are voted and submitted in a timely manner and in accordance with these policies and procedures. Records are kept for all proxy matters, including our analysis and how we voted.

The CCO will coordinate with other managers to review the list of clients and compare the record date of the proxies with a security holdings list for the security or company soliciting the proxy vote. The CCO will provide all proxy solicitation information and materials to the appropriate senior investment professionals for review and consideration. Our senior investment professionals are responsible for making voting decisions with respect to all proxies in accordance with the guidelines set forth above and for providing all required documentation to the CCO to comply with the recordkeeping requirements set forth below.

We require that the CCO be notified of any conflict of interest associated with a proxy vote. For example, any attempt to influence the proxy voting process should be promptly reported. Similarly, any client's attempt to influence proxy voting with respect to any securities and/or financial instruments should be promptly reported.

We are required to identify and address (mitigate) all conflicts of interest that arise in connection with proxy voting. All conflicts of interest must be resolved in the best interests of our clients. Resolutions shall be reached after such conflicts are reviewed by the CCO. In situations where the CCO perceives a conflict of interest, we must: disclose the conflict to the relevant client and obtain the client's informed consent as to the fact that a material conflict exists in voting its proxy in the manner recommended by us; defer to the voting recommendation of an independent third-party provider of proxy services; and/or take such other action in good faith which would protect the interests of our clients.

As a fiduciary, we seek to act in our clients' best interests. The CCO in conjunction with senior managers will determine whether the client will participate in a recovery achieved through class actions or opt out of the class action.

The CO will maintain documentation associated with clients' participation in class actions.

A copy of our proxy voting policies and procedures and voting record is available upon request.

**ITEM 18: Financial Information**

We have nothing to report.