



STALEY CAPITAL
AN INVESTMENT ADVISORY FIRM

FORM ADV PART 2 BROCHURE

STALEY CAPITAL ADVISERS, INC.

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This Brochure provides information about the qualifications and business practices of Staley Capital Advisers, Inc. (“Staley Capital”). If you have any questions about the contents of this Brochure, please contact us at the telephone numbers or website listed above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Staley Capital is registered with the SEC. Registration with the SEC is based on the amount of assets under management and does not imply any level of skill or training.

Copies of this Brochure are available free of charge by contacting us at 412-394-1292 or 888-256-4743. Additional information about Staley Capital can be found on the SEC’s website at www.adviserinfo.sec.gov. The SEC’s website also provides information about Staley Capital’s president and managing directors, each of whom is registered as an investment adviser representative with Staley Capital.

Item 2: MATERIAL CHANGES

The following updates have been made to this year's ADV Part 2 Brochure:

- Constantine (Dean) Kartsonas became a shareholder and Managing Director of Staley Capital on January 1, 2020. Dean has been working with us as a Vice President/Portfolio Manager since March 2018. Prior to joining Staley Capital, Dean was a founding partner and the Chief Investment Officer of Shorebridge Wealth Management. He served as a research analyst and fund manager at Federated Investors, Inc. prior to founding Shorebridge. Dean holds an MBA from the Katz Graduate School of Business at the University of Pittsburgh and is a Chartered Financial Analyst. [see Item 4: Advisory Business]
- Forum Capital Partners now executes trades through outsourced trading desks at Jefferies LLC and Meraki Global Advisors LLC. [see Item 12: Brokerage Practices]
- We no longer vote client proxies based on the Glass-Lewis Investment Management Guidelines. We now rely on recommendations from the Broadridge Shareholder Value Template. [see Item 17: Voting Client Securities]

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Brochure Supplement:

The Brochure Supplement to Form ADV Part 2 provides information about the portfolio manager(s) responsible for managing the assets within your account(s) and other employees who are registered as Investment Adviser Representatives with our firm.

Item 4: ADVISORY BUSINESS

Staley Capital Advisers, Inc. (“Staley Capital”) is an investment advisory firm providing tailored investment and wealth management services within either individualized private accounts or an investment-related limited partnership. Staley Capital was incorporated in Pennsylvania in May 1996 by John A. Staley IV and he remains the President and principal owner of the firm. Brian McInerney and James Roberge joined the firm as owners and Managing Directors in late 1996, followed by William Stotz in 1998. Michael Friday became a shareholder and Managing Director in 2007, as did Christopher Pretsch in 2012 and Constantine (Dean) Kartsonas in January 2020. Effective September 1996, Staley Capital registered with the U.S. Securities and Exchange Commission (“SEC”) as an investment adviser; it has also filed as an investment adviser with the Pennsylvania Securities Commission. As of January 1, 2020, Jim Roberge is Senior Managing Director, Investment Research and Brian McInerney is Senior Managing Director, Private Account Management.

Staley Capital manages assets in two distinct areas: 1) we manage segregated assets in private accounts, primarily for wealthy families, high-net-worth individuals, trusts, profit sharing plans, and non-profit organizations, and 2) separately, Staley Capital serves as general partner and adviser to an investment-related limited partnership which is offered exclusively to accredited investors meeting suitability requirements as defined from time to time by the SEC and other regulators.

Private accounts. Each private account has a portfolio manager responsible for investment and oversight. The portfolio manager is responsible for understanding each client’s goals, financial profile and risk tolerance, as well as any restrictions applicable to the client’s accounts. We recognize each client possesses a unique profile and we adjust portfolio strategy and positions accordingly. Our process is designed to package our capital markets expertise into a highly personalized product. Although clients may have input, private account clients typically grant us full discretion to decide the securities to purchase or sell for their accounts, when and at what price to transact, and which broker-dealer (hereinafter “broker”) executes the trades.

Investment-Related Limited Partnership. As the general partner for the limited partnership, Staley Capital has complete discretion over the investment program for the fund.

Investment Committee. Staley Capital has an Investment Committee which meets throughout the year to discuss asset allocation, industry sectors, specific securities and the capital market environment. We invest with a long-term, relative value focus, incorporating individual securities and a wide range of investment vehicles, including but not limited to third-party mutual funds and exchange-traded funds. We also take tactical advantage of opportunities created by short-term market disruptions. The members of the Investment Committee are John Staley, Michael Friday, Dean Kartsonas, Brian McInerney, Christopher Pretsch, James Roberge, William Stotz, and Andrew Roberge [see the Brochure Supplement for biographical information about each]. The Investment Committee considerations are not binding on the individual portfolio managers as each client account is unique; portfolio managers are responsible for applying the Investment Committee strategies to their clients’ individual portfolios as they deem appropriate. Managers sometimes differ in the timing of certain trades based on their schedules and their individual analysis of markets and the intrinsic value of the security. Client cash flows also impact the application of Investment Committee strategies to individual portfolios. Staley Capital managers engage in frequent informal discussions among themselves with respect to specific securities, investment strategies and the capital market environment in general. At times, managers also jointly discuss investments and allocation strategies for specific client accounts.

Types of Investments. Accounts may be invested in a wide range of security types in accordance with the investment goals and risk tolerance of each individual client. Some of the

most commonly employed securities include common and preferred stock, corporate bonds, municipal bonds, government bonds, cash equivalents, mutual funds, and exchange-traded funds.

We occasionally buy and sell options for certain clients. [For information about the risks associated with various types of investments, see Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.]

Assets Under Management. As of December 31, 2019, Staley Capital managed approximately \$1,971,089,000 on a discretionary basis for private account clients. Limited partnership assets on December 31, 2019 were approximately \$73,918,000.

Item 5: FEES AND COMPENSATION

Private Account Fees

Staley Capital provides investment advice to private account clients in a manner consistent with each client's investment objectives. Private account advisory fees are paid quarterly, in arrears, and are established in a client's written agreement with Staley Capital. We typically debit client accounts for payment of the advisory fee, but clients may choose to make alternative payment arrangements.

The standard fee schedule applicable to relationships initiated after November 2012 is:

<u>Amount of Assets at quarter-end</u>	<u>Annual Percentage</u>
First \$3 million	0.75%
Next \$7 million	0.55%
Additional Assets	0.35%

Fees for private account relationships initiated between June 2007 and November 2012 are based on the following standard schedule:

<u>Amount of Assets at quarter-end</u>	<u>Annual Percentage</u>
First \$3 million	0.75%
Next \$7 million	0.50%
Additional Assets	0.25%

Private account relationships in existence prior to June 1, 2007, typically pay fees based on the following standard schedule:

<u>Amount of Assets at quarter-end</u>	<u>Annual Percentage</u>
First \$3 million	0.625%
Next \$2 million	0.500%
Next \$5 million	0.375%
Additional Assets	0.250%

When appropriate, the above breakpoints are applied based on the aggregate value of related accounts.

Some client relationships are charged a flat percentage rate rather than a scaled fee. Flat percentage fees for private accounts ranged from 0.20% to 0.55% on 12/31/19, depending on the number, size, and complexity of the accounts within the relationship.

We occasionally negotiate lower advisory fees based on certain criteria, such as the total amount of a client's assets under our management or the amount of attention required to manage a

specific account. Advisory fees are sometimes either reduced or waived on certain portfolio assets, or for certain accounts which are maintained as a courtesy to existing clients and require minimal oversight. Fees are also either reduced or waived for some Staley Capital officers and employees, their family members, and related entities.

We have a number of not-for-profit clients and a number of our clients hold leadership roles within various charitable organizations. Our president and certain managing directors also serve as Board/Committee members for certain private companies and not-for-profit entities, some of which are either our clients or are affiliated with our clients. In keeping with our commitment to the broader community, Staley Capital and/or its principals make charitable contributions, participate in or sponsor charitable events, and occasionally waive or reduce fees charged to not-for-profit clients or such client-supported entities. Similarly, Staley Capital and/or its principals sometimes give gifts to clients such as event tickets, transportation services, or gifts to acknowledge life events; gifts to a client fiduciary require approval from Staley Capital's compliance officer. All gifts, charitable contributions, and fee waivers/reductions are given within the context of our overall relationships within our community or with a client and are not related to either the performance of a client's account(s) or the maintenance of a client relationship.

Additional Fees

In order to gain exposure to certain asset classes, private accounts are often invested in third-party mutual funds and exchange-traded funds; some private accounts are invested in private partnerships, master limited partnerships, and other forms of pooled investment vehicles. Mutual funds and exchange-traded funds are also utilized to diversify small accounts and/or provide a cash alternative when traditional cash equivalents provide little yield. Cash is generally invested in either money market mutual funds or bank-sweep accounts. All such third-party funds have embedded management fees and other operating expenses which are in addition to the advisory fee clients pay to Staley Capital.

Staley Capital has no affiliation with any third-party funds or their advisers or service providers and receives no fees from them [For further discussion, see Item 11: Code of Ethics]. A client can invest in third-party funds and other pooled investment vehicles without our services. In that case, the client would not have our assistance in evaluating which funds are most appropriate for his or her objectives, financial situation and overall investment portfolio. Information with respect to the fees charged by a specific third-party fund can be found in either the fund's prospectus or offering documents.

Private account clients are also responsible for payment of transaction and account fees charged by their broker/custodian, as well as any commissions payable to brokers who effect transactions on behalf of their account(s). [Further information about commissions to brokers appears under Item 12: Brokerage Practices.]

Compensation for Referrals

In addition to job performance, new business referrals are considered in the determination of compensation for one Staley Capital employee. All employee compensation is paid solely out of Staley Capital's assets and has no impact on the fees paid by our clients.

Limited Partnership Fees

Staley Capital serves as the sole general partner of Forum Capital Partners, a limited partnership ("Forum") which it organized in 1996 for investment in securities. Investment management and administrative fees of 1.5% per annum are assessed monthly, in arrears, and the partnership is

debited quarterly. Forum is also responsible for payment of any legal, accounting or other expenses for services provided to the partnership. Investors in Forum are referred to the limited partnership offering documents for complete information on the services provided and the fees charged. Cash held in Forum is invested either in third-party mutual funds or, on occasion, exchange-traded funds. Such funds have embedded management fees and other operating expenses charged by their investment advisers and service providers, which are in addition to the investment management and administrative fee paid to Staley Capital.

Forum also pays commissions to brokers that execute securities transactions on its behalf. [See Item 12: Brokerage Practices.]

Calculation of Fees

In calculating client net asset values, and thereby client advisory fees for both private accounts and Forum, we rely on security prices provided by either third-party broker/custodians or fund sponsors. However, in certain circumstances security prices may either not be available or may be deemed by Staley Capital to be incorrect. In these situations, we make a good faith determination as to the appropriate valuation of the security. Valuation is not an exact science and such situations pose a potential conflict of interest as higher security valuations result in higher advisory fees and a better performance record for Staley Capital. We have adopted Valuation Policies and Procedures reasonably designed to ensure client portfolios are appropriately valued and advisory fees correctly calculated. The Valuation Procedures require multiple members of our Investment Committee to review and approve any price established by Staley Capital independent of a third-party broker/custodian or fund sponsor.

Private account clients receive a copy of the quarterly fee calculation from Staley Capital and are encouraged to contact us with any questions. Clients for whom advisory fees are directly debited from their accounts should note their broker/custodian makes payment to us based on our invoice and does not independently calculate the amount of the fee to be deducted.

Private accounts which terminate their relationship with Staley Capital are valued as of the last day of Staley Capital management, and the final fee is pro-rated based on this valuation and the number of days under management during the quarter.

Additional Compensation

The investment management fees paid by our clients, as discussed above, represent our only compensation.

Item 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Staley Capital does not charge performance-based fees.

[For a discussion on how we allocate trades among various accounts, see Item 16: Investment Discretion.]

Item 7: TYPES OF CLIENTS

Staley Capital provides portfolio management services to wealthy families, individuals, trusts and institutional accounts such as charitable organizations and profit-sharing plans. We prefer new private account relationships have at least \$3 million in assets under our management or have the potential to reach this level within a reasonable time period; however, each relationship is unique and is evaluated accordingly.

Staley Capital also manages Forum, an investment-related limited partnership offered exclusively to accredited investors meeting regulatory suitability requirements, and executive officers of Staley Capital. A capital commitment of at least \$1 million is typically expected from a subscriber to Forum, although the general partner may either modify or waive this requirement as described in the limited partnership offering documents.

Regardless of size, Staley Capital reserves the right to accept or decline any private account or subscription to Forum.

Item 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investing in securities involves risk of loss clients should be prepared to bear. Investments in securities are subject to various market and business risks and Staley Capital cannot guarantee the results of any investment decision or advice provided. Clients should carefully consider the amount of portfolio fluctuation they can withstand and discuss this thoroughly with their portfolio manager. It should be noted that past performance is no guarantee of future results.

Investment Strategies

Philosophy. Staley Capital employs a long-term, value-driven investing philosophy while also seeking to take tactical advantage of opportunities produced by periods of extreme market volatility. We do not use leverage as an investment strategy unless specifically requested by a client.

Private Accounts. Based upon discussions with the client, private account managers take into consideration the client's risk profile, investment time horizon and liquidity needs to determine the appropriate balance among equities, fixed-income, cash, and in certain instances, alternative investments. Managers usually consider a client's accounts in the aggregate unless certain accounts have unique objectives or restrictions.

The equity allocation may be comprised of common stocks, preferred stocks, REITs, and domestic and international mutual funds and exchange-traded funds. A core group of common stocks is typically held across client accounts.

Fixed-income exposure through direct securities, mutual funds and exchange-traded funds may be used to provide either a taxable or tax-free income stream, or to temper the volatility associated with equities. Cash awaiting investment opportunities in the stock market is sometimes invested in short-term fixed-income funds.

Alternatives such as commodity-based funds or arbitrage funds are included in certain accounts to complement a portfolio's more traditional investments.

Our process results in many similarities across client portfolios, but also some distinct differences. For example, a client's need for income will influence both asset allocation and security selection. Fully-invested client accounts can often be characterized by one of, or a blend of the following descriptions:

- **Balanced** – a blend of various asset classes, typically ranging from 20% - 80% equities and the balance in fixed-income, alternatives and cash. Designed for clients seeking moderate long-term growth with some income and a balanced risk profile.

- Diversified Equity -- a diversified, growth-oriented portfolio which typically holds U.S. and international equity funds in addition to positions in specific common stocks. Occasionally short-term fixed-income investments are held as an alternative to cash.
- Concentrated Equity – A limited number of individual stocks and, at times, exchange-traded funds. Concentrated Equity portfolios are designed for clients who have other marketable investments, can assume more company-specific risk and have little need for liquidity.
- Current Income – a blend of various asset classes, with a bias toward securities paying either a dividend or bond interest to provide current cash flow to the client.

Depending on the investment sophistication, risk tolerance and asset profile of a client, sometimes we suggest a portion of a client’s assets be invested in private investment funds such as hedge funds. In limited cases, we suggest an investment in Forum. We receive higher advisory fees on assets invested in Forum [see Item 5: Fees and Compensation] and therefore may have a financial interest in suggesting this investment to clients. Private investment funds and Forum are offered only to clients whom we believe meet regulatory eligibility criteria and for whom such an investment is deemed suitable.

Forum Capital Partners. Forum is a concentrated long/short equity portfolio. For further information about the fund’s investment strategies and risks, limited partners should refer to Forum’s offering documents.

Analysis of Securities

Equities. Staley Capital’s core equity selection process emphasizes value characteristics and quality. We seek to identify companies holding a strong position within a given industry based upon the company’s historical financial performance and outstanding and established products, services or management. Additional consideration is given to companies with a significant shareholder who has demonstrated superior investment expertise, as well as companies involved in various corporate activities such as mergers, spinoffs, and takeovers.

Bonds and Fixed-Income Securities. In seeking opportunities within fixed-income asset classes, Staley Capital employs macroeconomic and fundamental analysis to manage credit and interest rate exposure. The taxable equivalent yields of municipal debt instruments are evaluated versus taxable bonds for consideration in taxable accounts. These fixed-income strategies are employed through either diversified funds or direct bond purchases depending on the size, bond category and market conditions. In making individual bond purchases, we take into consideration the term structure of interest rates as well as income tax rates and credit spreads. We consider, but do not solely rely on, ratings published by Nationally Recognized Statistical Rating Organizations (NRSROs).

Third-Party Mutual Funds, Exchange-Traded Funds and Other Pooled Vehicles. In order to gain exposure to certain asset classes or provide diversification in small accounts, private accounts are often invested in mutual funds and exchange-traded funds. As noted above, private accounts that meet certain parameters are sometimes invested in private partnerships and other pooled investment vehicles. Funds are an effective means of capturing the return characteristics of “style” categories, such as large-capitalization growth, large-capitalization value, small-capitalization growth and small-capitalization value. We typically utilize third-party fund products to provide either diversified equity or fixed-income exposure in international markets in lieu of making direct investments in foreign markets.

We also use third-party investment vehicles in some accounts to gain exposure to alternative assets such as commodities, or alternative investment strategies such as arbitrage.

Staley Capital screens third-party fund products based on their niche expertise, performance record, fee profile, investment discipline, and ability to provide diversification within an asset class or, for small accounts, across asset classes. Staley Capital manages the exposure to these various asset categories based on our view of the relative value offered by each. [For information about third-party fund costs, see Item 5: Fees and Compensation - Additional Fees.]

Other Investments. Staley Capital occasionally recommends the purchase or sale of real estate investment trusts, collateralized mortgage-backed securities, and publicly-traded master limited partnerships.

Sources of Information

Staley Capital utilizes multiple resources to evaluate the quality and desirability of a given security. We receive research and investment ideas from various brokers [see Item 12: Brokerage Practices] and we subscribe to several independent analytical services and publications. We purchase services that provide virtually real-time access to news flows, earnings and press releases, as well as certain federal filings. Portfolio managers participate in webcasts and conference calls with company managements. In addition, our managers monitor trading screens and prices of current and potential holdings on a real-time basis.

Risks

Stock and Stock Market. The value of an equity security depends on the company's fundamentals and will rise and fall based on public perception of the company's performance, of various market sectors and of the overall stock market. Equity securities can be subject to wide and sudden fluctuations in market value. We attempt to select undervalued stocks, but our assessment of a particular stock, or our timing, may be incorrect.

Companies with similar characteristics are often grouped together in industry categories called sectors. Economic, business or other developments often affect various sectors differently. It is difficult for any given stock to perform well during either widespread or prolonged declines in its sector or in the stock market as a whole.

Small- and mid-sized companies generally offer greater potential for capital appreciation than larger, more established companies, but they often involve greater risk of loss and price fluctuation. Small cap stocks also tend to be less liquid, meaning it could be more difficult to buy or sell a small cap stock at an acceptable price, particularly in periods of market volatility.

Securities that trade on an exchange are subject to the possibility of exchange-related actions such as delisting or trade stoppages.

We generally view stocks as inherently long-term investments. A client invested 100% in equities who unexpectedly requires liquidity may suffer losses if the client's stock positions must be sold at an inopportune time.

Portfolio Allocation. Our portfolio managers determine the appropriate portfolio balance and allocation among asset classes based upon each client's individual needs and risk tolerance. Portfolio manager expectations for the equity and fixed-income allocations partially reflect the historical returns, risk and correlations of the categories. The success of our portfolio strategy could be impacted if these historical tendencies break down. Similarly, relative value strategies such as growth versus value, large cap versus small cap, and emerging markets versus developed markets, could potentially lead to underperformance if our analysis proves to be incorrect.

Fixed-Income. Bond prices (tend to) move inversely with changes in interest rates, and bonds with longer maturities or effective durations may be more sensitive to these changes than shorter-term instruments. Some bonds are subject to being prepaid (“called”) by their issuer, which would affect anticipated cash flow. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest.

Fixed-income security transactions are not subject to exchange rules and pricing is less transparent than that of publicly traded equities. In addition, debt securities have risk with respect to income as well as principal repayment, including the possibility of either default or bankruptcy of the issuer of the security. These risks are considered greater for companies whose bonds are either uninsured or are rated lower than investment grade (i.e., junk bonds).

Liquidity and Concentration. We manage certain portfolios with a concentrated number of investments. Larger positions in a security which either trades infrequently or typically trades in small quantities may affect our ability to sell at the desired time and price. Concentration also amplifies the impact on the portfolio if there is a negative (or positive) event relative to a particular holding. Fixed-income notes and bonds typically trade in “round” lots of at least \$100,000 and pricing services assume this liquidity. Small fixed-income positions (“odd-lots”) sometimes trade less efficiently and this can cause them to trade at prices lower than those quoted by pricing services.

Third-Party Mutual Funds and Exchange-Traded Funds. Investing in either a mutual fund or an exchange-traded fund (“ETF”) presents the same primary risks as a direct investment in the underlying equity or fixed-income securities or, in some cases, the underlying commodity. There is also risk a fund will deviate from the objective or index which it is designed to follow or the fund manager’s investment strategy will be unsuccessful.

ETFs are subject to additional risks: an active trading market may not always exist for an ETF’s shares, ETF shares sometimes trade above or below their actual net asset value, and securities that trade on an exchange are subject to certain exchange-related actions such as delisting or trade stoppages.

Detailed discussion of the risks associated with a specific third-party fund can be found in the fund’s prospectus.

Real Estate Investment Trusts. Real Estate Investment Trusts (“REITS”) lease, operate and finance commercial real estate and are subject to the risks associated with ownership of real estate. These may include physical risks to property such as weather and natural disasters; limited diversification if properties are in a narrow geographic area or of a single property type; changes in real estate values, property taxes and interest rates; and changes in cash flow of underlying real estate assets.

Foreign Investments. Foreign economic and political conditions are sometimes less favorable, or more volatile, than those in the United States. Some foreign jurisdictions impose fewer requirements on companies with respect to their reporting of financial results and other significant events. In addition, currency exchange rates fluctuate. These risks are thought to be heightened in developing or emerging market countries. Further, in emerging markets, there is greater potential for nationalization, expropriation, or diplomatic developments which could adversely affect the economies of such countries, or the value of any investments in those countries.

Private Funds or Partnerships. Private funds or partnerships, including Forum, can present special risks, including heightened risk of loss, limited liquidity, volatile performance, higher fees, limited transparency, subjective valuations, and limited regulatory oversight. Detailed

discussion of the risks associated with a specific private fund or partnership can be found in the entity's offering documents.

Options. In order to gain either extra income or price protection for Forum or a private account, we occasionally sell either exchange-traded call or put options on specific securities. The writer (seller) of a call option receives a premium (fee) for promising to sell the underlying security to the call option buyer for a specified price by a specified date. While this transaction generates income for the seller, the seller takes the risk that he may be forced to sell the security at an unfavorable time and price. If the seller does not own the securities (uncovered call options), the seller has the further risk of needing to purchase the security in the open market in order to provide it to the call option buyer as promised. In this case, the seller's losses are theoretically unlimited as there is no limit to the cost that may be incurred to purchase the security in the open market.

If we write (or sell) a put option, we receive a premium for agreeing to buy a security at a specified price by a specified date. In this case, we run the risk of being forced to purchase the security from the buyer of the put option at an unfavorable time or price.

We may also buy exchange-traded call and put options. In either of these transactions, the buyer's risk is limited to the loss of the premium paid to purchase the option.

Forum Capital Partners. Investors in Forum are referred to the limited partnership offering documents for additional information regarding Forum's investment strategies and risks.

Item 9: DISCIPLINARY INFORMATION

None.

Item 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

None.

Item 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING

Code of Ethics

Staley Capital has adopted a Code of Ethics ("Code") which establishes standards of business conduct and confirms our duties to clients. The Code is reasonably designed to ensure all clients are treated fairly and honestly. The Code requires Staley Capital principals and employees ("Access Persons") to adhere to the highest ethical standards and always place the interests of clients before their own personal interests. The Code establishes rules with respect to:

- Internal reporting of possible violations of the Code, associated policies and procedures, federal securities laws, or client investment guidelines;
- Execution of trades in the personal accounts of Access Persons, and the reporting of trades and holdings in the personal accounts of Access Persons;
- Appropriate trading in client accounts;
- Use of material, non-public information (insider trading);
- Creation and/or circulation of rumors related to securities issued by public companies;
- Safeguarding confidential client information;
- Either giving or accepting gifts and entertainment;
- Handling client complaints;

- Electronic communications and the use of electronic devices and social networking sites;
- Reporting by Access Persons of any outside business activities in which they are involved;
- Making political contributions; and
- Creation and maintenance of required records.

The Code is supplemented with specific compliance policies and procedures. All Access Persons must certify annually that they have read and understand all provisions of the Code and related policies and procedures, and agree to comply with all terms and requirements contained therein.

The Code provides that, to the extent we learn information about a company, and the information is not publicly available and is material in nature, our ability to transact on behalf of clients in securities issued by the company will be restricted.

With the exception of the investment advisory and administrative fee paid by Forum, Staley Capital receives no fees from issuers of securities in which client assets are invested. However, at times our portfolio managers participate in opportunities offered and paid for by either issuers or brokers such as educational conferences. Similarly, our operations staff have the opportunity to attend training programs sponsored by broker/custodians. In situations in which an issuer of a security, a broker or a custodian pays for transportation, accommodations, and/or “tuition,” a potential conflict of interest is created. However, Staley Capital believes participation in such events provides portfolio managers the opportunity to conduct valuable due diligence of issuers and/or their products, and provides knowledge about paperwork and processes that enables our operations staff to more efficiently assist our clients. Brokers and/or issuers of securities occasionally invite our personnel to meals and entertainment events, and sometimes give gifts to our staff on holidays or special occasions. Staley Capital’s Code of Ethics requires the value of any such training opportunity, entertainment or gifts to be reasonable with respect to the nature of the event and the actual or potential business relationship between the parties.

Staley Capital will provide a copy of our Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

Staley Capital and certain Access Persons and their related parties have substantial personal investments in Forum, and Staley Capital receives a higher investment advisory fee on assets invested in Forum. We therefore have an incentive to recommend our private account clients invest in Forum. It is Staley Capital’s policy to offer Forum only to clients who meet regulatory eligibility standards, who have limited need for liquidity, and for whom such an investment is otherwise deemed suitable and desirable from an asset allocation/diversification perspective.

Family members of certain Access Persons work in brokerage firms, some of which we occasionally execute trades with. While this creates a potential conflict of interest, we believe the risk to be minimal as the brokerage firms in question are large, none of the family members work on the broker’s trading desk, and none of the family members are compensated on the basis of security trades. Commission activity is reviewed at least annually by both the Investment Committee and our compliance officer.

Personal Trading

Staley Capital has adopted a Personal Trading Policy and Procedures (“Personal Trading Policy”), which, along with the Code, establish guidelines for the personal trading of Access Persons. The Personal Trading Policy prohibits certain types of personal securities transactions

and requires pre-approval of others deemed to create a potential conflict of interest. It also requires Access Persons to provide timely documentation of certain personal trading activity to Staley Capital's chief compliance officer. The Code requires Access Persons to conduct all personal securities transactions in a manner consistent with the Code and Personal Trading Policy so as to avoid either actual or potential conflicts of interest.

Access Persons and their related parties may have personal accounts which either hold or transact in the same securities (or related securities such as warrants and options) held or transacted within client accounts. Certain Access Persons serve as Directors of profit and non-profit entities and/or as Trustees for accounts managed by Staley Capital. Some Access Persons manage accounts of family members, some of whom are clients of Staley Capital. When consistent with Staley Capital's obligation of best execution, the personal accounts of Access Persons and related parties are sometimes included with client accounts at the same broker/custodian in aggregated (block) trades. In such situations, all participating accounts receive the same average trade price, less any commission/fee charged by the broker/custodian. Access Persons may also trade independently of client accounts if the trade size is unlikely to impact the execution quality of client trades; however, this evaluation is subjective and it is possible client trade prices could be negatively impacted. It is also possible Access Persons receive better execution prices on certain transactions.

Staley Capital's chief compliance officer monitors the personal trading of Access Persons and certain of their related parties. Nevertheless, because the Code and Personal Trading Policy allow Access Persons to invest in the same securities at the same time as clients, Access Persons may encounter conflicts of interest between their personal investment activity and their duty to clients. Our Trade Allocation Policy and Procedures provide guidance with respect to the allocation of investment opportunities among participating accounts, including Forum, private accounts, and Access Person accounts. However, there can be no assurance account performance will not be impacted by the manner in which trades are executed.

Certain Access Persons are also involved in other business ventures, interests in which are not offered or available through Staley Capital. However, the principals of Staley Capital occasionally share information about such business ventures with friends and family members, some of whom are clients of Staley Capital. Solely for convenience, Access Persons usually utilize Staley Capital email accounts, telephones and letterhead to send and receive information regarding such ventures; however, either discussion of or participation in any such business venture is outside of the scope of the client's relationship with Staley Capital, is not governed by the client's Investment Advisory Agreement with Staley Capital, and will not result in any form of compensation to either Staley Capital or any of its principals. Clients and other investors must conduct their own due diligence and make an independent decision with respect to any such investment.

Access Persons sometimes make personal investments in business ventures or funds affiliated with a Staley Capital client or in which a Staley Capital client has independently invested. In such situations, Access Persons invest on the same terms and receive the same benefits as other non-affiliated investors in the particular enterprise.

Our compliance officer must pre-approve any investment by an Access Person in a non-public security. Nevertheless, Access Persons may encounter conflicts of interest between their personal investment activity and their duty to clients. It is possible a non-public company will become a public company at some point, which could create a conflict if we wanted to transact in the stock for client accounts. It is possible Access Persons will be inclined to show preferential treatment to clients who participate with them in outside business ventures or funds, or who provide them information about such opportunities. Our Code of Ethics requires all Access Persons to place

the interests of each client ahead of their own, but there can be no assurance a conflict will not occur as a result of such investments.

Item 12: BROKERAGE PRACTICES

Staley Capital is independently owned and operated and is not affiliated with any broker or custodian. We have complete discretion over the selection of brokers to execute securities transactions for Forum. Unless a client directs otherwise, we also have full discretion to select brokers to execute transactions for private accounts. When we trade, we seek the most favorable overall execution. In determining overall execution quality, we may consider a number of factors in addition to price, including: other transaction costs, the broker's effectiveness at executing and processing orders, the broker's access to markets and buyers/sellers, the quality and quantity of investment ideas and investment research the broker provides, the level and quality of client support the broker provides, and the broker's reputation for integrity and reliability. We sometimes consider other services provided by brokers which are of direct benefit to Staley Capital, such as assistance in servicing client accounts or with other aspects of our business such as compliance or back office operations.

Soft Dollar Practices

The term "soft dollars" refers to the use of client commissions to pay for services other than actual trade execution and settlement. For example, certain brokers provide us investment research, including analysis of securities, issuers, industries and the economy; investment ideas; and alerts regarding the availability of securities, buyers or sellers ("Proprietary Research"). Proprietary Research is made available to us on the basis of the trading relationship Staley Capital has with the providing broker; it is not available for direct purchase. We believe access to independent research is important to our investment decision making process. In addition, certain brokers give us direct access to their trading desks through proprietary trading systems. Proprietary Research provides a benefit to clients, at least indirectly. However, it sometimes benefits clients other than or in addition to those clients whose accounts executed and paid for the trades. Staley Capital's Access Persons benefit from Proprietary Research to the extent such information is utilized in managing their personal investments. Finally, as noted above, some brokers provide services which help us manage our business. These services are of direct benefit to Staley Capital, but do not provide a direct benefit to clients.

To the extent research or other services provided by brokers replaces research or services Staley Capital would otherwise have to create/pay for, our expenses are reduced. We therefore have an incentive to select brokers based on our interest in receiving these benefits rather than on our clients' interest in getting the most favorable trade execution. Clients sometimes pay higher overall costs than would otherwise be available if the portfolio manager makes a good faith determination that the value of the research, brokerage and other services provided by a broker is reasonable relative to the overall cost of the trade.

Private Account Clients. For ease of administration and containment of client costs, Staley Capital prefers clients use a single broker/custodian, Charles Schwab & Co., Inc., a registered broker-dealer and member SIPC ("Schwab"), to hold (custody) assets and execute transactions. Schwab is one of the largest providers of brokerage services to the independent adviser industry, providing web-based operational and technological support and client reporting. In addition, through Schwab our clients have access to a large selection of mutual funds and other investments generally available only to institutional investors and/or requiring a significant minimum initial investment. Utilizing a single broker/custodian enables us to aggregate trades in the same security. Aggregating trades gives us better control over the flow of the orders into the market and helps us to ensure all accounts are treated in a fair and equitable manner. It also increases our operational efficiency.

Schwab offers a bundled package of services to clients, including trade execution, trade settlement, custody, automatic investment of excess cash, security pricing and client reporting. Schwab is compensated for these services through transaction or asset-based fees on securities trades either executed through Schwab or settled in Schwab accounts. Schwab earns money on cash invested through the bank-sweep cash feature and also receives fees as an adviser, distributor or shareholder administrator when clients are invested in certain mutual funds. These Schwab fees are paid by the mutual funds and therefore, indirectly by clients invested in the funds, and are exclusive of and in addition to, Staley Capital's investment management fees.

Schwab has a variety of pricing tiers for retail and institutional clients, and these price tiers may be modified at any time. It is therefore possible Staley Capital clients will pay higher Schwab fees than will certain other Schwab clients. In limited circumstances, Staley Capital has reimbursed clients for certain Schwab fees assessed to their accounts.

Schwab provides us access to their proprietary trade execution platform at no charge. Schwab provides us electronic access to client trade confirmations and account statements as well as daily prices for securities held in client accounts, and also facilitates payment of our quarterly advisory fees directly from client accounts. We have access to a team of Schwab service representatives who facilitate administration of client accounts as needed.

Schwab also makes available services directly of benefit to Staley Capital, including consulting, publications, and conferences on topics such as practice management, information technology, regulatory compliance, and marketing. Schwab has paid "tuition" for our staff members to attend industry conferences and training programs. Schwab typically makes these services available at no charge, on an unsolicited basis, to all independent investment advisors with client assets of at least \$10 million maintained in accounts at Schwab Advisor Services. Access to the services is not contingent upon Staley Capital committing any specific amount of either custody or trading business to Schwab beyond the \$10 million requirement.

Although unlikely, it is possible our recommendation clients maintain their assets at Schwab is influenced in part by the availability of some of the foregoing services and benefits and not solely on the nature, cost or quality of custody and brokerage services provided to clients.

Staley Capital will execute trades with other brokers when we believe better overall execution is available elsewhere. In this situation Schwab clients pay a trade-away fee to Schwab in addition to the compensation the client pays to the executing broker.

Subject to acceptance by Staley Capital, private account clients may select a broker/custodian other than Schwab. In this case, clients should review the information provided by their selected service provider with respect to trade fees and other account charges. When possible, such clients will be asked to open trading accounts at Schwab and will then be able to participate in aggregated trades on the same terms as other Staley Capital clients.

Clients open accounts and enter into account agreements directly with the broker/custodian that they select; Staley Capital will provide assistance as needed, but we will not open an account on your behalf.

Forum Capital Partners. Forum trades through outsourced trading desks at Jefferies LLC and Meraki Global Advisors LLC ("Outsourced Desk(s)"). Outsourced Desks receive a commission on each trade they execute. When we direct a trade to a different broker who has provided research or other assistance, the commission paid to the Outsourced Desk is in addition to the commission paid to the executing broker. We believe Outsourced Desks add value to our investment management process by enabling us to better capitalize on market opportunities, find liquidity and discover price.

Jefferies LLC (“Jefferies”), a registered broker-dealer based in New York, NY, acts as prime broker for Forum. Jefferies processes securities transactions, facilitates trade settlement and clearance, and is responsible for custody, i.e., safeguarding of Forum’s cash and securities. Jefferies is also responsible for extending credit on margin, facilitating short sales by locating securities to borrow, and lending certain securities held in the portfolio. In addition, Jefferies provides daily cash management and accounting support, including security prices and online access to portfolio holdings and transaction records, as well as equity-related research. Jefferies does not bill Forum for these services, but is instead compensated by Forum through trade commissions, transaction fees, and Rule 12b-1 distribution and shareholder service fees on cash invested in designated mutual funds. Jefferies receives a portion of the proceeds when Forum securities are on loan and may also benefit from revenue-sharing arrangements with various fund providers. We utilize Jefferies’ Outsourced Desk to execute certain Forum trades in order to minimize Forum’s overall costs.

Forum has no formal arrangement with any broker for receipt of research or payment of a defined amount of commissions. When we believe investment research and/or investment ideas provided by a broker are of significant value, we direct the Outsourced Desk to trade with that broker, provided the commission costs are reasonable relative to the value of research and/or ideas received. In such situations, Forum pays higher commission rates than would otherwise be available.

Soft Dollar Summary. Staley Capital has adopted a Code of Ethics and Best Execution Policy and Procedures reasonably designed to ensure clients receive the best qualitative trade execution. The Code of Ethics expressly prohibits certain types of trading activity and requires all trading in a client account to be in the client’s best interest. The Code of Ethics and Best Execution Policy and Procedures are designed to address and minimize any conflict of interest between Staley Capital and the best interests of each of its clients. Our Investment Committee members and chief compliance officer periodically review client transactions, commission activity and trade execution quality.

Directed Brokerage

Staley Capital suggests, but does not require, private account clients establish accounts with Schwab. When clients choose a broker/custodian other than Schwab, Staley Capital is likely to have less influence on brokerage costs and transaction quality. In addition, when we are required to trade through other broker/custodians, we typically place those trades after the aggregated trades are executed at Schwab, which practice may or may not cause them to transact at less favorable prices than those obtained for accounts maintained at Schwab.

Trade Aggregation

When we buy or sell the same security for multiple private accounts utilizing the same custodian or executing broker, we typically place the order in aggregate. This allows us to maximize our efficiency and provides us better overall control of the order flow into the market. We may place our order either all at once, or in smaller blocks throughout the day in an effort to control our impact on the security price. At the close of the trading day, we receive an average price for all of the trades and all clients who participated in the aggregated trade receive the same average trade price, less any fees assessed by their custodian.

Trades can be aggregated only when they are executed through the same broker. As a result, Forum does not participate in aggregated trades at Schwab. Similarly, private accounts that custody away from Schwab are only able to participate in aggregated Schwab trades if they are eligible to open a trading (delivery versus payment) account at Schwab. Even with a DVP account, in limited situations these accounts will still trade after the private accounts custodied at

Schwab. If a custodian other than Schwab holds assets for multiple accounts under our management, these accounts may be traded on an aggregated basis through that custodian.

Private account clients who must pre-approve transactions may be exempt from participating in an aggregated trade if their approval is received after the aggregated order has been placed.

Item 13: REVIEW OF ACCOUNTS

Private Accounts. Each private account relationship is assigned to a portfolio manager who is responsible for the day-to-day management and continuous review of the account. John Staley, President of Staley Capital, reviews a weekly transaction report which reflects all trading activity in the private accounts. Accounts are more formally reviewed on a quarterly basis in preparing the quarterly client reports.

In addition, Staley Capital's President and Investment Committee members review and discuss private account portfolios for appropriateness and consistency throughout the year. [For information about the Investment Committee and its members, see Item 4: Advisory Business and the Staley Capital ADV Part 2 Brochure Supplement.]

Our portfolio managers are available to discuss your accounts at any time. We encourage you to keep us informed of any changes in your personal circumstances which might impact your financial goals, liquidity needs or risk tolerance.

Forum Capital Partners. Two portfolio managers are responsible for providing day-to-day management and continuous review of Forum. In addition, our President reviews a daily partnership investment report which includes performance information, and actively oversees day-to-day investment activity within the partnership.

Other Activities. Our President and some portfolio managers also serve as Board members for certain private companies and non-profit entities, none of which are affiliated with Staley Capital, but some of which are affiliated with our clients. The Forum portfolio managers and our President are also involved with certain private investment activities. The amount of time and attention which Staley Capital applies to client accounts may be impacted by the amount of time and attention devoted to these other activities.

Staley Capital has adopted policies and procedures reasonably designed to ensure compliance with the respective investment policies of each private account and the limited partnership.

Item 14: CLIENT REFERRALS AND OTHER COMPENSATION

Although we have never done so, Staley Capital may pay a third party ("Solicitor") for client referrals. All such payments will be made out of Staley Capital's assets and will not impact client accounts beyond the possibility we may be less likely to negotiate fees in such situations. The amounts of these payments could be significant and could create an incentive for the Solicitor to recommend Staley Capital. Prior to entering into an investment management agreement with Staley Capital (a subscription agreement in the case of Forum), the referred client will receive a written document explaining the arrangement between Staley Capital and the Solicitor and specifying the referral fee the Solicitor will receive from Staley Capital.

Staley Capital does not receive any compensation other than the investment advisory fees our clients pay to us. However, certain broker/custodians and issuers of securities provide products and services that benefit us. [For discussion of these products and services, see Item 11: Code of Ethics and Item 12: Brokerage Practices.]

Item 15: CUSTODY

Staley Capital does not maintain physical custody of client assets and will not intentionally take custody of either client cash or securities. All client assets are held at an independent third-party custodian, typically a bank or broker. However, Staley Capital is deemed to have custody of client assets when we have the ability to withdraw assets from a client account, for example, when we debit advisory fees from client accounts or with respect to our position as general partner to Forum.

As discussed above under “Item 12: Brokerage Practices,” private account clients select a qualified custodian to hold custody of their assets. Private account clients receive trade confirmations and account statements directly from their custodian. Clients may choose to receive these documents either in hard copy format or electronically. Most clients also receive quarterly written reports from Staley Capital. Clients are encouraged to carefully review their custodian account statements, compare them to the reports prepared by Staley Capital and notify us of any discrepancies.

Investors in Forum receive reports from us quarterly and receive audited financial statements annually. Upon request, investors can receive a monthly update on their investment. Forum’s primary custodian is Jefferies LLC. Forum may lend securities pursuant to a Master Securities Loan Agreement between Forum and Jefferies; when securities are out on loan, collateral valued at 100% of the loaned security market value is maintained at Bank of New York Mellon.

Item 16: INVESTMENT DISCRETION

Private Accounts. Staley Capital has complete discretion with respect to the selection, timing and size of investments for the majority of private accounts managed. Staley Capital develops investment strategies reflective of clients’ individual investment objectives, risk tolerance and cash-flow requirements. There are situations in which clients have input into specific investment decisions made with respect to their accounts. For example, some clients are subject to employer-dictated constraints with respect to the purchase of certain securities. Other clients may prefer not to sell certain legacy holdings due to anticipated tax consequences. Institutional clients such as not-for-profit organizations or corporations typically provide more formal investment guidelines for the management of their assets. On an exception basis, clients may request the portfolio manager either buy or sell a given security based on their personal feelings with respect to an investment. However, Staley Capital typically buys and sells securities for client accounts without either prior notification to or discussion with the client.

Clients may make additions to/withdrawals from their private accounts at any time by contacting either Staley Capital or their broker/custodian. However, we typically design our portfolios as long-term investments and unanticipated asset withdrawals may impair the achievement of your specific investment objectives. Private account clients may terminate Staley Capital’s services at any time without penalty. In this situation, final advisory fees will be prorated and based on assets as of the last day of active management.

Forum Capital Partners. Staley Capital serves as general partner for Forum and has full investment discretion with respect to Forum’s assets. Investors in Forum are referred to the limited partnership offering documents for complete information with respect to the timing of contributions and withdrawals.

Trade Allocation

Staley Capital provides investment advisory services for various clients. We may give advice or take action with respect to one client which differs from the advice given or action taken on

behalf of another client, provided that over a period of time, to the extent practicable, opportunities are allocated to each client on a fair and equitable basis relative to other similarly situated client accounts. Differences in clients' objectives, risk tolerance and the frequency and amount of client deposits and withdrawals may result in significantly different performance across portfolios. We don't expect client portfolios to be identical. Rather, we expect each portfolio manager to: 1) manage portfolios in accordance with each client's investment objectives, 2) make the best investment decisions for each client according to that client's individual situation, and 3) act in a manner such that no client is advantaged or disadvantaged at the expense or benefit of another client.

When transactions are suitable for more than one client, we attempt to allocate opportunities on a fair and consistent basis. As discussed under Item 12: Brokerage Practices - Trade Aggregation, private account transactions executed through Schwab are typically aggregated so as to maximize efficiency and allow for better overall control of the order flow into the market. Private accounts held in custody elsewhere may not be eligible to participate in aggregated trades and will therefore trade after the aggregated trade is completed at Schwab. The private accounts and Forum trade through different brokers, but occasionally buy or sell the same security. In such situations, our portfolio managers discuss and agree on the appropriate side-by-side trading strategy prior to initiating transactions.

In addition, when buying or selling thinly-traded securities for multiple accounts, trading often occurs over several days as it may not be possible to trade a quantity sufficient to fill all client allocations in one day. Many factors are considered in making trade allocation decisions, including account investment objective, client risk tolerance, client investment time horizon, availability of cash in an account, client tax sensitivity, and transaction costs. When allocating trades, we make every effort to ensure all clients are treated fairly, but it is possible that preference is given to larger or more profitable client relationships or to accounts related to Access Persons. We have adopted a Code of Ethics and Trade Allocation Policy and Procedures ("Code" and "Allocation Policy") reasonably designed to ensure fair and equitable treatment for all client accounts. The Allocation Policy provides guidance with respect to the allocation of investment opportunities among client accounts, including Forum and Access Persons' related accounts. The Allocation Policy also establishes provisions for oversight of the allocation process. However, because client portfolios are individualized, allocation decisions are subjective and there are conflicts of interest inherent in the process. There can be no assurance that account performance will not be impacted by the manner in which trades are entered into and allocated. [see Item 11: Code of Ethics and Personal Trading].

Item 17: VOTING CLIENT SECURITIES

Public companies domiciled in the United States typically hold proxy meetings annually, affording shareholders the opportunity to vote for Board members, ratify the selection of auditors, and vote on other business. Staley Capital typically has authority to vote proxies for private accounts and, with the exception of any securities out on loan, votes all proxies for Forum. Due to operational limitations, clients cannot request us to vote their shares in a specific proxy solicitation in a particular manner. However, private account clients can choose to vote their own proxies by instructing their broker/custodian to send proxies directly to their attention.

Our Proxy Voting Policies and Procedures ("Proxy Policy") require us to vote proxies in a timely manner and in the best economic interest of each client. The Proxy Voting Coordinator is responsible for ensuring that proxies are voted and appropriate records maintained.

Staley Capital conducts ongoing fundamental research on the companies that we invest in. Our assessment of company management is an important factor in the decision to invest or remain invested. Further, we believe that company management is typically in the best position to

determine a course of action on most technical and administrative issues. As a result, Staley Capital supports company management on most proxy proposals.

We utilize Broadridge Investor Communications Solutions, Inc. to cast proxy ballots and maintain proxy records on behalf of clients who both delegate voting authority to us and utilize a custodian, like Charles Schwab & Co. (“Schwab”), that provides aggregated client feeds to Broadridge. Votes are cast based on the Broadridge Shareholder Value Template (“ShareholderValue”). ShareholderValue annually captures the voting decisions of more than 25 large U.S. fund companies and then applies these parameters to upcoming proxy ballots. We elect to use ShareholderValue recommendations as they reflect a voting philosophy that is aligned with ours – the goal is to maximize shareholder value while generally supporting the decision-making authority of company management. Shareholder Value also eliminates conflicts of interest that may be a factor when relying on a third-party service to independently evaluate each proxy issue. Staley Capital oversees this process via real-time access to Broadridge data and will override a ShareholderValue recommendation if we deem it appropriate to do so.

We process proxies in-house for private account clients whose custodians are unable to provide aggregated feeds to Broadridge. Our designated Proxy Voting Coordinator reviews and votes proxies with the goal of maximizing shareholder value, as described above. The Coordinator engages members of Staley Capital’s Investment Committee as appropriate and sometimes consults the ShareholderValue recommendations prior to voting.

Proxies for Forum are also voted in-house as this account holds very few securities. In general, voting decisions for Forum will be consistent with votes cast by Broadridge on behalf of private accounts; however, votes do diverge in some instances.

Staley Capital elects not to vote proxies in certain circumstances. For instance, foreign proxies are not voted if we believe local practices such as transaction restrictions might be detrimental to a client’s interests.

The Proxy Policy also addresses conflicts of interest. For example, in a merger solicitation, private account clients might hold shares of the acquiring company and Forum might hold shares of the company being acquired. In such a scenario, we may vote one set of shares in favor of the merger and the other against the same merger if we deem the proposal to be advantageous to only one of the companies. If we are voting such proxies in-house or we override a vote cast by Broadridge in a conflict situation, the issue will be reviewed with multiple members of the Investment Committee prior to any vote being cast. When Broadridge votes the proxy directly, there is no conflict situation as they are evaluating each proxy independently based on the Guidelines.

A summary of the Proxy Policy is provided to all new clients. You may obtain a copy of the Proxy Policy, as well as information regarding proxies voted on behalf of your accounts, by contacting us at 412-394-1292 or 1-888-256-4743.

Item 18: FINANCIAL INFORMATION

Staley Capital is unaware of any financial condition likely to impair its ability to meet our contractual commitments to clients.

Item 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Not applicable.