



## FORM ADV – PART 2A

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This Brochure provides information about the qualifications and business practices of Ziegler Capital Management, LLC (“ZCM”). If you have any question about the contents of this Brochure, please contact us at (312) 368-1442. 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.

Additional information about ZCM, including a copy of its Form ADV Part 1, is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ***Item 2 - Material Changes to This Brochure***

Ziegler Capital Management LLC (“ZCM”) is providing this annual updating amendment as of February 25, 2020. ZCM last updated its brochure on November 11, 2019. There were changes made since the last annual update, some of which may be considered material and could influence a client’s evaluation of the services provided by ZCM. This brochure has been updated to reflect the following changes since the last annual update:

- We’ve made updates to ***Item 4 – Advisory Business, Item 5 - Fees and Compensation, and Item 7 – Types of Clients/Minimum Account Size*** to reflect a new client relationship with Daishin Asset Management, Ltd.
- ***Item 4 – Advisory Business*** has been updated to further clarify items related to the Piermont Long-Short Fund I, L.P.
- We’ve updated ***Item 5 - Fees and Compensation*** to account for revisions in fee billing calculations.
- ***Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss*** has been updated to address Cybersecurity Risk.
- ZCM relies on an exemption from registration under the Commodity Futures Trading Commission which is reflected under ***Item 10 - Other Financial Industry Activities and Affiliations***.

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#### ***Item 4 - Advisory Business***

Ziegler Capital Management, LLC (“ZCM”, “we”, “us”, “our”), provides discretionary investment supervisory services and other advisory services to a wide variety of clients.

In a transaction that closed November 30, 2013, ZCM became a wholly owned subsidiary of Stifel Financial Corporation (“Stifel”). Stifel is a financial services holding company whose stock is publicly-traded on the New York Stock Exchange under the symbol SF.

As of December 31, 2019, ZCM has statutory assets under discretionary management of \$10.7 billion and non-discretionary assets of \$41.6 million. ZCM also has assets under advisement, primarily through Unified Managed Account programs (“Model Programs”), of \$2.1 billion.

The advisory services of ZCM are described in detail below.

#### **Investment Management Services**

ZCM provides investment management services to institutional and high net worth clients through separately managed accounts, open-end mutual funds, private commingled investment vehicles, and model-based accounts. The services involve managing each client’s account on a continuous basis and purchasing and selling investments in the account as ZCM’s professional staff deems necessary by using discretionary authority granted to ZCM by the client. Types of securities managed include stocks, bonds, options, mutual funds, and ETFs. Some of these positions generally are used for “hedging” purposes and are designed to reduce, but not necessarily eliminate, the risk in various client portfolios. Clients may impose restrictions on investing in certain securities or types of securities. We manage client portfolios in accordance with their investment policies and use reasonably available resources to comply with investment restrictions, when applicable. Clients are obtained by direct solicitation, referred by consultants, or referred by affiliated or unaffiliated third-party solicitors.

ZCM manages portfolios not involving continuous investment supervisory services. These services are provided when ZCM is retained to perform a particular function not involving specific knowledge of other assets of the client. An example of such a service is the management of an institution’s bond portfolio, but not other securities within the client’s investment portfolio.

ZCM may also provide sub-advisory services to other affiliated or unaffiliated asset managers by furnishing its investment strategies to the asset manager’s clients.

The initial investment and asset allocation recommendations are based on the financial information gathered from, or provided by, each client including a complete Investment Policy Statement, investment restrictions requested by the client, or overall financial condition. Based on this information, the client is provided with initial investment recommendations designed to provide an appropriate asset mix consistent with the client’s objectives. The client’s portfolio and its performance are then monitored by the client’s Client Service Representative (“Client Service Rep”), and portfolio manager, for consistency with the client’s stated goals and objectives. Portfolio Management will also monitor portfolios collectively, at the strategy level. The frequency of these reviews and transactions made for a client’s accounts are determined by the Client Service Rep. Clients are free to contact their Client Service Rep at any time if they have questions about their accounts.

ZCM does not assure or guarantee the results of its Discretionary Supervisory Services. Thus, losses can occur from following ZCM's advice pertaining to any investment or investment approach, including using conservative investment strategies.

Additionally, ZCM also designs and constructs specialized portfolios and provides consulting services tailored to meet specific client mandates. ZCM also acts as a "Qualified Professional Asset Manager" (QPAM) under the Employee Retirement Income Security Act of 1974 (ERISA), providing requested guidance on specific transactions related to particular assets of employee benefit plan investors.

### **Services to Mutual Funds**

ZCM provides investment management services to the Ziegler Senior Floating Rate Fund, which is registered under the Investment Company Act of 1940. In its capacity as the adviser to the Ziegler Senior Floating Rate Fund, we have hired an unaffiliated investment manager, Pretium Credit Management, LLC ("Pretium") to provide sub-advisory services.

Interested investors should refer to the Fund's prospectus and Statement of Additional Information ("SAI") for important information regarding objectives, investments, time-horizon, risks, fees, and additional disclosures. These documents are available online at [www.zcmfunds.com](http://www.zcmfunds.com).

Prior to making any investment in the Fund, investors and prospective investors should carefully review these documents for a comprehensive understanding of the terms and conditions applicable for investment in the Fund.

ZCM also acts as an investment sub-adviser to the various unaffiliated mutual funds including the Nationwide Ziegler NYSE Arca Tech 100 Index Fund, and the Nationwide Ziegler Equity Income Fund in the Nationwide Family of Funds. Additionally, ZCM is the sub-advisor for the following funds: the Azzad Ethical Fund, part of the Azzad Funds; the Covered Call Strategy Fund and the Premium Income Fund, two funds in the Delaware Funds; and the Dunham Small Cap Value Fund. Interested investors should refer to the respective fund's prospectus and SAI, or other similar document, for important information regarding objectives, investments, time-horizon, risks, fees, and additional disclosures. These documents are available on-line at each funds' website.

Prior to making any investment in any mutual fund, investors and prospective investors should carefully review these documents for a comprehensive understanding of the terms and conditions applicable for investment in that fund.

### **Services to Variable Annuity Vehicles**

ZCM serves as a sub-advisor to the Jackson Variable Series Trust and the Delaware VIP Covered Call Strategy Series, each an open-end management investment company. Information about the fees and expenses associated with these investments can be found in their prospectuses at [www.Jackson.com](http://www.Jackson.com) or [www.delawarefunds.com](http://www.delawarefunds.com).

### **Advisory Services for Wrap Programs and Model Investment Portfolios**

ZCM acts as a discretionary investment manager for one or more non-affiliated or affiliated broker-sponsored (the “Wrap Sponsors”) wrap-fee programs (“Wrap Programs”). Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by us.

ZCM provides asset management services to clients that select ZCM to manage their accounts through their respective Wrap Sponsor. We manage the program accounts in accordance with their investment policies and will use reasonably available resources to comply with investment restrictions, when applicable. There may be differences in the performance of wrap portfolios among ZCM clients and other institutional accounts invested in similar strategies we manage for other clients, resulting from differences in the number of securities held in the portfolio, cash availability, investment restrictions, account sizes, tax considerations, and other factors. The Wrap Sponsor generally pays ZCM a fee based on assets managed in connection with the program. The fees we receive in connection with Wrap Programs may vary from fees charged to other clients and between Wrap Programs. For our services, we receive a portion of the total wrap fee charged by the Wrap Sponsor.

We also provide model investment portfolios (“Models”) to various outside financial institutions, including foreign institutions (“Model Provider”) for their unified managed account programs and other model-driven investment vehicles (“Model Programs”). The Models contain our current investment recommendations as to the composition of a portfolio that would be appropriately purchased for the account managed in accordance with the relevant investment strategy. The recommendations generally reflect the investment recommendations and security weightings simultaneously being made for our discretionary institutional and high-net worth clients within the same investment strategy. The Model Provider may implement our Model recommendations on its own trading platform for the clients that have chosen to participate in the program. Model Providers may choose to implement some or all of our recommendations in terms of both the securities and/or the weightings. As securities and weightings change in the Model, those modifications are communicated to the Model Providers, consistent with our trade rotation practices, as referenced in ***Item 12 – Brokerage Practices***. There is no requirement that the Models be administered as they are provided, or at all, and we generally do not monitor or supervise the Model Programs administered by the outside Model Provider. The performance of our discretionary accounts and those of the Models using the same investment strategy may differ for these and other reasons.

Generally, Wrap Program and Model Program accounts utilizing the same investment strategy may perform similarly, however there could be performance differences between them. Performance dispersion can occur because ZCM does not have trading discretion over the Model Program accounts.

Sweep vehicle choices are determined by each custodian and we may not have tax-exempt sweep vehicles to choose from with every custodian. This could result in tax-exempt mandates utilizing a taxable sweep vehicle and, thereby, generating taxable income.

### **Services to Pooled Investment Vehicles**

ZCM provides investment management services to the Piermont Long-Short Fund I, L.P (the “Long-Short Fund”). Information about the fees and expenses associated with these funds is available in the funds’ offering documents.

The Long-Short Fund is exempt from registration as an investment company under Section 3(c)(1) of the Investment Company Act of 1940.

### **Other Advisory Services**

ZCM also provides other advisory services to high net worth individuals, corporations, endowments/foundations, retirement plans, and retirement plan participants. These advisory and consulting services include: helping formulate client investment objectives; identifying risk tolerance characteristics; developing investment policy statements; creating asset allocation strategies driven by the client’s policy or risk profile; searching for suitable investment managers, mutual funds and/or investment products (e.g., stocks and bonds) to implement these strategies; and continuous monitoring, evaluation and reporting on client accounts.

Investment managers of client accounts may also be investment advisers to mutual funds recommended to clients, and thus have a conflict of interest when recommending these funds to clients. ZCM intends to base recommendations on the best interests of its clients. Although ZCM believes its services are competitively priced; clients may be able to obtain similar advisory services at lower prices if purchased elsewhere.

Additionally, in cases where mutual fund shares are purchased, clients should be aware that they will pay both a direct management fee to ZCM for purposes of selecting, monitoring, and recommending the liquidation of mutual fund shares and an indirect management and other fees or expenses through the mutual fund which pay an investment adviser for management of assets within the particular fund. See the respective fund’s prospectus for a discussion of its fees and expenses, and refer to the Fees and Compensation section below for additional details. In instances where ZCM recommends a mutual fund it advises or sub-advises, it shall rebate the direct management fee, so as to not charge the client twice for its services.

### ***Item 5 - Fees and Compensation***

ZCM bases its investment management fees on a percentage of assets under management. Generally, we provide advisory services on an individualized basis, based on the particular needs of each client. Accordingly, fees will be negotiated with each individual client depending on the nature of services to be provided, the type of client, other assets the client may have invested with us, and other relevant factors.

We generally have established investment advisory fees in accordance with the schedules below. Fees are for advisory services only, unless otherwise indicated. We will directly invoice clients for investment

management fees in the stated currency as indicated per the client's advisory contract. We may amend our fee schedule with our advisory contracts.

### **Investment Management Services Fees**

Non-investment company clients compensate ZCM on a quarterly basis for account management services in accordance with the following fee schedule, which is based upon the types of securities managed and assets under management in their accounts:

<i>Account Type</i>	<i>Maximum Annual Fee</i>
Equity	1.00%
Balanced	1.00%
Fixed Income	1.00%
Enhanced Cash	0.50%
Options	0.50%
Covered Call	0.50%
Long-Short Equity	1.50%; 20% incentive allocation

These fees represent the maximum fees charged. Fees are negotiated on a relationship basis. While the fee schedule above represents the majority of the products and services offered to most of our clients, there are specialized products and/or services provided based on specific client mandates for which there is no set fee schedule. Fees for those accounts are not represented in this document and generally are negotiated with the client on a case-by-case basis.

Depending on the account, nature of investment strategy and/or the volatility in the size of the account based upon withdrawals or additions, ZCM will charge an advisory fee for its management services using one of the following four calculations:

1. In Advance. A quarterly fee will be billed in advance based on the market value of assets under management at the beginning of each calendar quarter. For agreements beginning intra-quarter, the initial fee will be based on the market value on the account inception date and will be prorated based on the number of days in the billing period.  
In the event of contract termination, the fee shall be prorated to the date of termination. No fee adjustment will be made during any fee period for appreciation of depreciation in account asset value during that period.
2. In Arrears. The quarterly fee will be billed in arrears for the previous quarter based on the market value of assets under management on the last business day of the previous quarter. For

agreements beginning intra-quarter, the initial fee will be based on the market value of the account inception date and will be prorated based on the number of days in the billing period. In the event of contract termination, the fee shall be prorated to the date of termination. If assets are withdrawn during the quarter, ZCM may prorate the fee for the time services were provided during the quarter prior to the withdrawal.

3. Averaging.

- a. Average Capital Base: Using this method, the management fee for the first calendar quarter is calculated on the average capital base of the assets placed under its supervision and determined as of the last day of the calendar quarter. The average capital base is calculated using the beginning of market value of the account and adding to this value the time-weighted net contributions and withdrawals of capital during the quarter in order to determine the billable asset value. Management fees charged by ZCM on subsequent calendar quarters will be calculated on the average capital base of the account as determined at the close of business on the last business day of each calendar quarter. Such fees shall be calculated using the prior quarter-end market value, and adding to this value the time-weighted net contributions and withdrawals of capital during the last quarter to determine the billable asset value.
- b. Average Market Value: Fees are calculated on a quarterly basis, in arrears, based on the average of the market values in the current billing period.

4. Incentive allocation. Allocations are calculated on an annual basis, in arrears, based on the calculation of net profits or net losses during the period, provided all previous net losses have not been subsequently offset by net profits.

With the exception of incentive allocations, fees are charged on the billable asset value at an annual rate, and one quarter (1/4) of the annual fee is payable as of the close of each calendar quarter. Termination of an advisory agreement can occur upon written notice by either party to the other and becomes effective in 30 business days after the notice date.

The fee schedules above do not apply to Wrap Programs or Models. More information about ZCM's billing practices is detailed in the investment management agreement. Clients should review the fees and billing practices with ZCM.

#### Fees for Advised or Sub-Advised Mutual Funds

The investment advisory fees we receive as an advisor or sub-advisor to mutual funds are described in the registration statements and/or financial filings of those funds, including the funds' prospectuses, which are available as described herein.

When we invest in shares of a fund we advise or sub-advise, we do not charge an investment management fee. Instead, we exclude those mutual fund assets when we calculate the investment management fees charged to you.

#### Wrap Program Fees

We participate in several Wrap Programs and Model Programs (collectively, the “Programs”), as described in **Item 4 – Advisory Business**, which are sponsored by affiliated or unaffiliated investment advisory and/or brokerage firms. As a client in such a Program, you should carefully review the Wrap or Model Sponsor’s Form ADV for complete details regarding the Program, including the risks, fees and expenses of the Programs. The minimum account size of such Programs is determined by the Wrap or Model Sponsor and we reserve the right to waive or reduce the minimum account size at our discretion. As a client participating in these Programs, you may be charged various Program fees in addition to the advisory fee charged by us. All such fee disclosures will be provided in the Program Sponsor’s ADV Part 2A.

#### **Fees for Pooled Investment Vehicles**

ZCM serves as the investment adviser to the Long-Short Fund. Fees relating to the Long-Short Fund are described in the investment management and investment advisory agreements between ZCM and the Long-Short Fund. This product is available to accredited investors only.

#### **Other Advisory Services**

Fees for these other advisory services are negotiated and depend upon the complexity and nature of the assignment. Asset based fees are typically billed quarterly, in advance, unless other arrangements are negotiated. The client and ZCM have the right to terminate the agreement upon 30 days written notice. Any unearned prepaid fees are prorated and returned to the client. The client pays agreed upon expenses due but not paid.

In instances where ZCM serves as a sub-adviser to an affiliated asset manager, ZCM’s fees shall be paid by the affiliated asset manager in arrears at a rate negotiated with that affiliated asset manager.

We have arrangements with other advisory firms where we have discretionary authority over client assets, however, we are not the client’s primary adviser and instead act in a sub-advisory capacity. Fee arrangements with these accounts are generally negotiated individually based on the needs of the client, size of the account and services provided to such accounts.

#### **Additional Fee and Expense Information**

Clients may generally terminate their investment advisory agreement within five business days of signing the agreement. Thereafter, the advisory agreement typically will be cancelable on 30 days’ notice. Clients receive a refund of a portion of any fees paid in advance, prorated based on the number of days in any quarterly period after termination.

Clients may incur other expenses while having their investments managed by us including brokerage transactions costs, markups and markdowns, and custodial fees that are separate and distinct from our advisory fees. We do not reduce our advisory fees to offset such expenses, including, without limitation, commissions charged for brokerage services or fees charged by clients’ custodians.

We do not accept compensation for the sale of securities or any other investment products, including service fees from the sale of mutual funds. We strive to be an independent advisor at all times and always put clients’ interests first. Our brokerage practices are discussed in more detail in **Item 12 – Brokerage**

**Practices.** Clients with individually managed portfolios have the option of purchasing the investment products we recommend through other brokers and agents with no affiliation to us.

Each prospective and existing management client should carefully consider the following information about management services and contact their ZCM account manager if they have any questions.

1. Each mutual fund in which a client's assets may be invested also pays its own management fees and other expenses (including 12(b)-1 fees) which already have been deducted from the fund's reported performance, depending on the fund. A client may be able to invest directly in the shares issued by a mutual fund with or without incurring any sales or advisory service fees. In addition, there are tax effects pertaining to fund share redemptions made by ZCM on behalf of clients. Redemptions are taxable events that may accelerate the recognition of capital gains, and frequent redemptions may result in short-term, rather than long-term capital gains.
2. The amount of fees paid by clients receiving management services will vary from client to client based on the type of account and investment needs of the client. Thus, clients receiving similar advisory services will pay different fees.
3. Although ZCM believes its management services are competitively priced, clients may be able to obtain similar services at lower prices if acquired elsewhere.

All fees are negotiable and generally will not exceed amounts quoted in the preceding schedules, but may under certain circumstances. Affiliates, employees and former employees of ZCM, as well as their relatives, typically receive a discount from the preceding fee schedules or, in some cases, may not pay an investment management fee at all.

#### ***Item 6 - Performance Based Fees and Side-by-Side Management***

In certain limited instances, ZCM receives performance-based fees from certain eligible institutional clients. Although such arrangements are not typical for us, in the instances where we received performance-based fees, these arrangements are designed to comply with applicable rules, including Rule 205-3 under the Investment Advisers Act of 1940. We may negotiate performance-fee arrangements with clients on an individualized basis.

Investors in the Piermont Long-Short Fund I, L.P. are charged annual incentive allocations in addition to asset based fees. Performance based fees are fees based on a share net profits or net losses of the limited partnership.

Also, ZCM is the sub-adviser to a mutual fund that makes fee adjustments based on fund performance. The Dunham Small Cap Value Fund pays a base fee, subject to possible adjustment based on the fund's performance, as described in the Fund's prospectus.

Simultaneously managing performance-fee arrangements alongside standard asset-based fee arrangements creates certain conflicts of interest, particularly when allocating investment opportunities, given the possibility of greater fees from accounts that pay performance-based fees as opposed to accounts that do not pay performance-based fees. Performance-fee arrangements may create an

incentive for us to focus resources on the performance-fee accounts or to select riskier investments for these accounts because they can have a higher potential over standard asset-based fee accounts within the same investment strategy. To manage the conflicts ZCM has compliance procedures in place that it believes are reasonably designed to mitigate these conflicts.

To address these types of conflicts, we have adopted policies and procedures which promote the allocation of investment opportunities in a manner consistent with our obligations as an investment adviser. To further manage these types of conflicts, we have implemented Side-by-Side Management policies and procedures, which are discussed in greater detail below, that are designed in part to manage and mitigate the potential conflicts arising from the management of traditional investment portfolios alongside alternative investment portfolios, including conflicts arising from differences in fee structures.

#### ***Item 7 - Types of Clients/Minimum Account Size***

ZCM makes its advisory services available to a wide variety of clients including, but not limited to, individuals, investment companies, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities, employee benefit plans, foundations, trusts, high net worth individuals, wrap and model portfolio platforms, investment companies, licensed foreign investment managers, and pooled investment vehicles. ZCM may also act as a sub-adviser to affiliated or unaffiliated open-end investment companies.

The minimum fee may be negotiated. In general, individually managed accounts are subject to a \$1,000,000 minimum. In Wrap Program accounts, minimum investment sizes range from \$25,000 to \$100,000. Outside of Wrap Programs, ZCM's minimum fee per account is \$10,000. ZCM may, in its sole discretion, waive its minimum account size and/or minimum fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

The minimums set forth above may be waived for mutual fund and variable annuity commission paying accounts. These guidelines apply only at the start-up of an account and may be waived or changed at our discretion during the life of the account. There are no restrictions placed on maintaining the account after start-up. All fees are subject to negotiation, but the minimum fee will not exceed the quoted amount. We may, at our discretion, accept accounts below the minimum investment provided certain conditions are satisfied.

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

ZCM has a long-term investment horizon. Investing in securities involves the risk of loss that clients should be prepared to bear. ZCM does not have a single strategy or program that is utilized for all advisory clients. Rather, strategies adopted for, or recommended to, particular clients are based on the individual needs and objectives of each client. Client portfolio parameters may vary due to the industry in which the client

is involved or the goals for the portfolio (e.g., maximizing current income, asset preservation, or attainment of a certain yield over a defined period of time). Despite this relative diversity in clients' needs and objectives, ZCM frequently utilizes common portfolio management strategies, where applicable, to manage similar portfolios with similar needs and objectives in similar ways. Neither ZCM, nor the third party managers it may secure, guarantee the results of the advice given. Thus, significant losses can occur by investing in any security, or by following any strategy, including conservative investments and strategies recommended or applied by ZCM.

When making investment decisions, ZCM uses many sources of information including all publicly available filings, financial periodicals, research materials prepared by others, data services and Wall Street analysts.

### **Equity Strategies**

#### **ZCM Equity Group**

ZCM's Equity Group utilizes a quantitative strategy to identify and exploit anomalies in behavioral finance. We seek to capture investor overreaction to past events by screening a broad (investable) universe of stocks and grouping the stocks into either "bargain," "glamour," or "neutral" categories. The strategy constructs portfolios that are more heavily allocated toward "bargain" stocks and away from "glamour" stocks. Neutral stocks are used to manage the risk of the portfolio relative to the benchmark index.

Bargain stocks are those stocks with the lowest historical growth in sales revenue and a high cash flow to price (CF/P) multiple and represent 20% of the investable universe. Glamour stocks are those stocks with the highest historical growth in sales revenue, and a low CF/P multiple and represent 20% of the investable universe. The remaining 60% of the stocks in the investable universe are categorized as neutral.

In some instances the strategy will be augmented with a CFROI (Cash Flow Return on Investment) basis and momentum analysis in managing select strategies.

#### **Red Granite Group**

Accounts managed by the Red Granite Group generally follow a strategy of long term purchases (securities held at least one year) and short term purchases following the Red Granite large cap growth or large cap balanced strategy. The Red Granite strategy includes investing in typically high quality companies with persistent earnings growth. The Red Granite team uses bottom-up fundamental analysis, bolstered by technical analysis, charting, and cyclical analysis.

Red Granite's experienced research analysts also prepare original, proprietary research reports that are shared with this team's Investment Committee and the portfolio managers.

#### **MVP Group**

The MVP Group's equity strategies utilize a fundamentally driven, bottom-up research focused strategy. From the selected universe of stocks, each analyst has direct contact with the companies and collects information from a wide variety of sources including direct visits with companies,

their customers, suppliers and competitors. The analyst evaluates drivers of corporate performance and provides detailed projections of earnings, cash flow and return on investments. These inputs form the basis for the Price Discovery and Relative Value models from which the most attractive stocks are identified. The team manages risk by constructing well-diversified portfolios in regard to individual issues and economic sectors. The MVP equity team uses data and analytical tools that are necessary for the investment process and provide information for effective monitoring and managing portfolio risk.

#### **FAMCO Group**

The FAMCO Group's equity strategies utilize top-down macroeconomic research and bottom-up fundamental research to create a diversified portfolio of large capitalization equity securities. All equity securities trade on US exchanges, with the universe typically restricted to the most liquid stocks. Because investment themes can change as the economic cycle progresses, FAMCO's investment process involves continuous review of data, including economic statistics, market events, and relative valuation. Data collected includes, but is not limited to, economic releases, Federal Reserve policy, interest rates, inflation, commodity pricing, credit markets, employment, consumer, sector, industry, stock-specific, and regulatory factors. Research sources include publically available data, third-party research, and internally generated studies. In certain accounts, the underlying equity portfolio is combined with an active covered call writing overlay strategy. Call options are typically sold on each individual equity holding in order to generate call premium income which can help stabilize returns by mitigating some of the losses during declining equity markets. The option overlay strategy is optimized for each equity position and dynamically managed in order to maximize income (theta and vega) while minimizing call away risk (delta). Over a market cycle, the objective of the covered call strategy is to produce less volatile returns that compound to excess returns and a higher Sharpe ratio versus the S&P 500 Index.

#### **Piermont Group**

The Piermont Group believes that significant alpha generation opportunities in the small cap value segment of the market can be identified through a systematic, risk-controlled and repeatable process. Piermont focuses on security selection, limiting undesired tracking error, and positioning the portfolio optimally regardless of the type of market and economic environment. Security selection is conducted through a disciplined, consistent, and repeatable process that employs 14 distinct, sector-specific, multi-factor models that each combines five to nine factors to rank stocks versus their peers at the industry level. Overall, more than 40 factors are utilized across all of the sector models. Piermont conducts a qualitative risk review prior to purchase and on an on-going basis to identify potential company-specific risks that are not inherently identifiable by the multi-factor models. The strategy is designed to focus on security selection and to incorporate diverse and lowly correlated sources of alpha, including sector-specific models and factors. To that end, the strategy is effectively sector-neutral and beta-neutral with a similar market capitalization distribution to that of the benchmark. The strategy is diversified across 80 to 120 stocks.

## **Fixed Income Strategies**

### **Institutional Fixed Income Group**

The strategies' philosophy is to produce risk-controlled, consistent and predictable returns through all markets. Sector rotation, disciplined security selection with a focus on yield and controlled duration management are used to generate income, capital appreciation and excess returns over a full market cycle. The strategy's top down investment process utilizes macroeconomic assumptions to drive decisions on duration, yield curve, tactical or strategic allocations to TIPS, cyclical versus defensive industry allocations and the overall credit quality of the portfolio. Our fundamental macroeconomic outlook seeks to assess domestic growth prospects by looking at the actual drivers of growth, central bank policy, inflation expectations and the nature and likelihood of exogenous shocks. At the sector level, the attractiveness of trading levels relative to recent and past trading ranges and relative to alternative opportunities when adjusted for volatility will dictate favored sectors. A bottom up security selection process will focus on the tradeoff between credit quality and break -even credit spread levels. Contribution to key rate durations are closely monitored and actively managed for overall strategy risk management.

### **FAMCO Group**

The FAMCO Group's top-down strategies utilize a 3-step process which includes (1) seeking to identify economic cycle positioning, (2) establishing investment themes for portfolios and (3) constructing portfolios within prudent risk parameters. In this final step, the selection of fixed income securities begins with a quantitative screen that scores securities based on quality and liquidity. This screening process is important as it can eliminate sectors or subsectors considered to present undue risk (such as credit or prepayment) and to rank securities within sectors (such as within the investment grade corporate bond universe). Next, bottom-up qualitative research is produced on the bonds utilizing internal and external resources. Finally, pro forma modeling and scenario analysis is created in order to construct portfolios believed best positioned to perform well within the investment themes previously identified. Once the portfolio has been constructed, monthly performance attribution is produced to adjust and improve the portfolio construction.

### **Wrap / HNW Fixed Income Group**

These strategies incorporate an active top-down management approach that focuses on the management of six key risk factors: 1) duration, 2) yield curve, 3) callability, 4) credit quality, 5) sector and 6) issuer. Targeted strategies, which may incorporate a ladder, will emphasize specific maturity/duration objectives across the yield curve, principal protection, liquidity, credit quality and stable coupon income while also seeking to maximize after-tax total returns if directed by the client. Duration based strategies will develop and maintain portfolio exposures against comparative benchmarks to ensure alignment to client objectives and market risk metrics. The contribution to duration of each factor weighting is actively managed and dynamically shifts a portfolio's mix of securities to balance the tradeoff between risk and return.

## **Risk of Loss**

All investment programs have certain risks that are borne by the investor and there is no guarantee that any investment strategy will meet its objectives. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks, depending upon the strategies in which you invest:

- ***Business Risk:*** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- ***Credit Risk:*** The risk that the issuer or guarantor of a fixed income security will be unable or fail to make payments of interest or principal on its securities or default on its obligations.
- ***Counterparty Risk:*** The risk that the other party or parties to an agreement or a participant in a transaction, such as a broker, might default on a contract or fail to perform by failing to pay amounts due or failing to fulfill the obligations of the contract or transaction.
- ***Currency Risk:*** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- ***Cybersecurity Risk:*** The Firm maybe be prone to operational and information security risks resulting from cyber-attacks. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of services attacks on websites, the unauthorized release of confidential information or various other forms of cybersecurity breaches. Cybersecurity attacks affecting ZCM and its service providers may adversely impact clients. For instance, cyber-attacks may interfere with the processing of transactions, cause the release of private information about clients, impede trading, subject clients and the Firm to regulatory fines or financial losses, and cause reputational damage. Similar types of cybersecurity risks are also present for issuers of securities in which clients may invest, which could result in material adverse consequences for such issuers and may cause ZCM's investment in such issuers to lose value.
- ***Derivatives Risk:*** Options, futures and other derivatives involve risks and are not suitable for everyone. Such trading can be speculative in nature and carry substantial risk of loss, including the loss of principal.
- ***Economic and Market Events Risk:*** Global economies and financial markets are becoming increasingly interconnected and conditions and events in one country, region, or financial market may adversely impact issues in a different country, region or financial market.
- ***ETF Risk:*** Under certain market conditions, we may invest in ETFs. Most ETFs use a "passive" investment strategy and seek to replicate the performance of a market index. Such ETFs do not take defensive positions in volatile or declining markets their shares may trade below net

asset value. While some ETFs seek to achieve the same return as a particular market index, the performance of the ETF may diverge from the performance of the index. Some ETFs are actively managed ETFs and do not track a particular index which indirectly subjects an investor to active management risk. An active secondary market in ETF shares may not develop or be maintained and may be halted or interrupted due to actions by its listing exchange, unusual market conditions or other reasons. There can be no assurance that an ETF's shares will continue to be listed on an active exchange. In addition, shareholders bear both their proportionate share of a Fund's expenses and, indirectly, the ETF's expenses, incurred through a Fund's ownership of the ETF. Because the expenses and costs of an ETF are shared by its investors, redemptions by other investors in the ETF could result in decreased economies of scale and increased operating expenses for such ETF. These transactions might also result in higher brokerage, tax or other costs. There is a risk that ETFs may terminate due to extraordinary events. Also, certain ETFs may be dependent upon licenses to use various indexes as a basis for determining their compositions and/or otherwise to use certain trade names. If these licenses are terminated, the ETFs may also terminate. In addition, an ETF may terminate if its net assets fall below a certain amount.

- ***Extension Risk:*** Rising or high interest rates may result in slower-than-expected principal payments which may tend to extend the duration of a debt instrument, making them more volatile and more sensitive to changes in interest rates.
- ***Financial Risk:*** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- ***Frequent Trading and Portfolio Turnover Risk:*** Certain strategies may invest on the basis of short-term market considerations and will make frequent trades in securities, which can result in higher transaction costs. The turnover rate could be significant and could result in income or gains of these strategies.
- ***High-yield Fixed-income Risk:*** High-yielding, non-investment grade bonds (customarily referred to as "junk bonds") involve higher risk than investment grade bonds. Adverse conditions may affect the issuer's ability to make timely interest and principal payments on these securities.
- ***Inflation Risk:*** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- ***Interest-rate Risk:*** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline. In addition, interest rate changes typically have a greater effect on prices of longer-term fixed income securities than shorter-term fixed-income securities.

- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties and certain small cap securities are not.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Non-Diversification Risk:** Investments that are concentrated in one or few industries or sectors may involve more risk than more diversified investments, including the potential for greater volatility.
- **Option Risk:** Writing call options can reduce the risk of owning equity securities to the extent of the premium earned, but it limits the opportunity to profit from an increase in the market value of stocks. Unusual market conditions or the lack of a ready market for any particular option at a specific time may reduce the effectiveness of the option strategies, and for these reasons the option strategies may not reduce the funds' volatility to the extent desired. This may result in lower performance than if the strategies were not utilized.
- **Prepayment Risk:** Accounts that invest in income securities bear the risk that an issuer will exercise its right to pay principal on an obligation (such as an asset-based or mortgage-backed security) earlier than expected. This may happen during periods of declining interest rates. Under these circumstances, an account may receive a lower-than-expected yield and may be forced to reinvest in lower yielding securities.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Repurchase Agreement Risk:** The price paid for a particular Loan or Security in the SBA pool may be less than the purchase price because of interest rate movements, supply and demand, and other factors. Repo counterparties could fail to repurchase the loans and securities upon ZCM's demand and could result in the actual loans and securities being delivered to your account.
- **Short Positions Risk:** A short sale of an instrument entails the theoretical risk of an unlimited increase in the market price of an instrument, which can in turn result in significant losses to a client. Purchasing instruments to close out a short position in such instruments can itself cause the price of the instrument to rise further, increasing losses. Furthermore, a client may be forced to close out a short position in a security prematurely if a lender of such security demands the return of the security sold short.

- **Small/Mid-cap Risk:** Stocks of small, emerging companies may have less liquidity than those of larger, established companies and may be subject to greater price volatility and risk than the overall stock market.
- **Structured Product Risk:** These types of products are often based on derivatives and are intended to be “buy and hold” investments and are not liquid instruments.

The above list of risks is not intended to be an exhaustive list or an explanation of the risks involved in a particular investment strategy. Consult with your Client Service Rep, legal counsel, or tax professional on an ongoing basis for additional insights.

#### ***Item 9 - Disciplinary Information***

There is no material disciplinary information to report regarding itself or any of its associates or other related persons.

#### ***Item 10 - Other Financial Industry Activities and Affiliations***

As set forth above, ZCM is a wholly-owned subsidiary of Stifel. Stifel is a financial services holding company whose stock is publicly-traded on the New York Stock Exchange under the symbol SF. The Stifel affiliated group of entities includes registered broker-dealers and/or other registered investment advisers. These affiliates include Stifel Nicolaus & Company, Incorporated (“Stifel Nicolaus”); Century Securities Associates, Inc.; EquityCompass Investment Management, LLC; 1919 Investment Counsel; Keefe, Bruyette & Woods, Inc. (“KBW”); and Washington Crossing Advisors, LLC.

ZCM provides investment management services to accounts in Stifel Nicolaus Wrap Programs. Stifel Nicolaus’ wrap fees generally do not vary on the basis of the managers selected. As a result, when the end-wrap client selects ZCM out of all other available options under the Stifel Nicolaus wrap platform, the total portion of the wrap fees that is retained by the Stifel affiliated group will be higher than when the wrap client selects an unaffiliated adviser.

Stifel Nicolaus may act as a selling broker and/or placement agent for investment funds managed by ZCM, or may act as underwriter or placement agent in connection with the public or private sales of securities owned by a ZCM advisory client. In addition, from time to time, Stifel Nicolaus may separately provide other services to ZCM’s clients and/or to the issuers of securities held in ZCM’s portfolios. In such instances, Stifel Nicolaus generally will be paid customary fees for its services. In each such case, the client will receive appropriate disclosure of the affiliated relationship between Stifel Nicolaus and ZCM.

From time to time, ZCM may use research provided by our affiliates, including but not limited to Stifel Nicolaus, KBW, and 1919 Investment Counsel LLC, in formulating our strategies. Clients are not charged separately for the value of such research.

As noted above in ***Item 4 – Advisory Business***, ZCM is the investment adviser to the Ziegler Senior Floating Rate Fund (the “Fund”), is a registered mutual fund trustee at US Bancorp. From time to time, ZCM may recommend that clients buy or sell shares of the Fund, or other funds to which sub-advisory services are

provided. ZCM endeavors at all times to put the interests of clients first as part of its fiduciary duty, clients should be aware that ZCM's receipt of compensation for managing these funds creates a conflict of interest. When we invest in shares of a fund we advise or sub-advise, we do not charge an investment management fee. Instead, we exclude those mutual fund assets when we calculate the investment management fees charged to you.

Additionally, the Long-Short Fund is a related party. The Long-Short Fund operates as a hedge fund limited partnership and ZCM is the investment manager.

Furthermore, ZCM claims an exemption from registration as a commodity trading adviser with the Commodity Futures Trading Commission ("CFTC") under CFTC Rule 4.14(a)(8).

ZCM has adopted policies and procedures designed to address conflicts, including policies restricting ZCM's trading in a security when an affiliate notifies ZCM that the affiliate has material non-public information about the security and/or issuer. As a result, ZCM may not be able to dispose of a security at a favorable time or take advantage of investment opportunities that would be available to it but for its affiliation with such affiliates. As set forth above, ZCM generally does not use affiliated brokers for execution and/or custody except with client consent and/or in the case of mutual funds, in compliance with the requirement of Rule 10f-3 of the Investment Company Act of 1940, as amended, (the "1940 Act"). In addition, a ZCM employee or an affiliate's employee can only invest or withdraw assets from an investment account or mutual fund managed by ZCM at a time when other unaffiliated customers could do the same.

ZCM personnel may provide administrative services, including compliance and/or trading services, to other affiliated investment advisors. In doing so, their time may be split between providing services to ZCM and the other affiliated entity. ZCM is paid service fees for these administrative services.

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

ZCM has adopted and enforces a Code of Ethics ("Code") in accordance with Rule 204A-1 of the Advisers Act of 1940 and Rule 17j-1 of the Investment Company Act of 1940. All employees are subject to the Code. The Code is designed to prevent the misuse of material, non-public information by ZCM or any of our employees. The Code sets forth specific provisions relating to personal and proprietary securities transactions, outside business activities, and confidentiality.

ZCM's employees are permitted to invest for their own accounts, which may include investment in our products. ZCM or our related persons may buy or sell securities for their own accounts that are bought or sold for client accounts. This creates a conflict of interest because our employees may have an incentive to execute their orders in front of our clients. To mitigate this conflict, the Code imposes restrictions (e.g., blackout periods, restricted securities, and watch lists) on trading in securities that are held or may be held in client accounts. Any exceptions to the above must be pre-approved by the compliance department. Such approval will be given only where it is clear that the proposed activity could not create a conflict of interest or harm, disadvantage, or deprive any client of an opportunity. In the event of a conflict of interest, the foremost consideration is what is in the best interest of the client.

Additionally, all employees are subject to mandatory quarterly transaction and annual holdings certifications. The Code also requires that all employees certify on an annual basis that they have read and understand the Code and have disclosed all personal securities required to be reported.

Access persons of the Fund that we advise also are subject to the restrictions and reporting requirements of Rule 17j-1 of the Investment Company Act of 1940.

A copy of the ZCM Code of Ethics is available upon request by contacting the Chief Compliance Officer, at 312-368-1442 or by sending a written request to: Ziegler Capital Management, LLC, 70 W. Madison Street, Suite 2400, Chicago, IL 60602, Attention: Chief Compliance Officer.

## ***Item 12 - Brokerage Practices***

### **Account Funding**

Once any client account is initially funded, or additional assets are deposited into a client account over which ZCM has investment discretion, ZCM will promptly implement the intended investment strategy. The actual funding of the account will serve as explicit authorization that the account is active and should be traded. This is applicable for all accounts, including any Wrap Program accounts.

### **Investment or Brokerage Discretion**

ZCM generally has discretion over client accounts, which includes a determination of which positions are to be established; the total amount to be purchased or sold; which broker, dealer or futures commission merchant will effect such transactions; and the commission rate(s) at which the transactions will be effected.

Contracts with some clients, however, contain specific restrictions regarding, among other things, the size and type of individual stock investments relative to total assets; restrictions regarding the type of securities in which the client may invest; the nature of the issuer of such securities; and credit and other quality standards. Each client is responsible for informing us in writing of the investment objectives and cash needs of the account and of any changes or modifications made to its investment objectives, as well as any specific investment restrictions applicable to its account. Unless such investment restrictions and guidelines are based on specific, objective criteria (e.g., prohibitions on purchasing a specific security identified by CUSIP number, ticker symbol or some other clear security identifier), we will be responsible only for using our commercially reasonable efforts to comply with the client's investment restrictions and guidelines.

Except for violations of the duty of care stated in the client agreement, we are not responsible or liable for any good faith deviations from the investment objectives, restrictions and guidelines, especially where investment objectives, restrictions and guidelines involve non-specific or subjective criteria. The client must give prompt written notice if the client deems any investments made for the account to be in violation of the client's objectives or restrictions. Unless the client notifies us in writing of specific restrictions, the investments made on behalf of the client's account are deemed unrestricted.

For mutual funds that ZCM advises or sub-advises, ZCM will seek lower commission rates for portfolio transactions that are generated to meet fund flows. However, when trades are aggregated with other client trades, such as tactical trades as described below in Order Aggregation and Allocation, similar commission rates will be used.

### **Directed Brokerage and Broker Selection**

Our clients may provide us with written direction to affect all, or a portion, of their portfolio transactions through particular broker/dealers (“Directed Brokerage”). However, we believe that our clients are more likely to receive the best results on transactions executed for their accounts where we are not limited in selecting the executing broker. Such direction to utilize a particular executing entity (a “Directed Broker”) may be conditioned by the client on the broker/dealer being competitive as to price and execution of each transaction, or may be subject to varying degrees of “restrictions” (i.e., an instruction to utilize the broker or dealer whether or not competitive, or at specified levels of commission or commission discounts which are less favorable than we might otherwise attain). In the case of “restricted” designations, we generally will execute transactions in listed equity securities through the designated broker/dealer. On the other hand, unless the client has specifically directed that the designated broker be utilized for all transactions, without exception and regardless of the possible economic disadvantage to the client, we sometimes will not follow such general direction when, in our judgment, the designated broker/dealer will not afford the best price and execution. The following describes the manner in which transactions for Directed accounts will be handled, and it provides important information regarding Directed Brokerage arrangements in general:

- We may or may not be able to achieve best execution when we are directed to use a client’s Directed Broker depending on the Directed Broker the client has instructed us to use, the proportion of brokerage the client has instructed us to direct, the securities that we are buying or selling for the client account, and/or the fees that client has agreed to pay to the Directed Broker.
- We will generally not negotiate commission rates with the client’s Directed Broker.
- Directed Brokerage accounts may not generate the same returns as similar, non-directed accounts in the same strategy due to the disadvantages discussed above.

As it relates to client accounts that do not direct us to use a specific brokerage arrangement, we will choose the broker/dealer through which transactions will be effected for customer accounts. Several factors are considered in selecting an executing entity, including but not limited to, particular expertise in the type of position or transaction; access to relevant markets and prior experience with such executing entity; and commission rates. We may also consider research and/or brokerage services available from the entity. After considering the factors we believe are relevant to the services, we may determine to pay a commission in excess of that which the executing entity might have charged for effecting the same transaction in recognition of the value of research services provided. If securities orders are placed with broker/dealers that do not make a market in a particular security, such order subsequently may be executed with or through a market maker in that security. In such event, there may be a mark-up/down on the price of the security in addition to the commissions or other fees paid to the clients’ broker/dealers and custodians.

### **Order Aggregation and Allocation**

It is our practice, when feasible, to aggregate tactical equity orders, also referred to as model changes, when they are received at or around the same time of day in a given trading day. These “tactical” trades involve the purchase or sale of securities for portfolios in one or more of our Strategies and will, generally, affect many client accounts at one time.

Trade aggregation combines orders for a number of client accounts into a single “block” in order to seek a more advantageous net price and treat all clients fairly. The benefit, if any, obtained as a result of such aggregation is generally allocated pro rata among the accounts of the clients that participated in the aggregated transaction. There may be situations in which one investment strategy is selling a security that another investment strategy is buying, in these cases orders will be placed in the sequence they are ready to trade and in accordance with our Trade Rotation practices.

From time to time aggregation may not be possible because a security is thinly traded or otherwise not able to be aggregated and allocated among all accounts seeking the investment opportunity or a client may be limited in, or precluded from, participating in an aggregated trade as a result of an investment restriction, specific brokerage instructions, or other factors. It is also possible that different investment strategies may have differing trading methodologies that preclude orders from being aggregated. One strategy may therefore be selling a given security at the same time that another, similar strategy is buying the security.

In the case of a client that has restricted us to a particular broker/dealer with respect to transactions for that client account and has specified a particular commission rate for such transactions, the client account generally will be unable to participate in aggregated orders. Further, where such client account does participate in an aggregate order executed with the client’s designated broker, the client’s specification of a particular commission rate will preclude that client from receiving the benefit, if any, of a lower net price resulting from the aggregation. In those circumstances, the accounts of other clients participating in the aggregated order may receive a correspondingly greater benefit.

Some types of purchase or sale transactions cannot be included in aggregated orders. These types of trades are referred to as “maintenance” trades. They include, for instance, trades resulting from the opening and closing of accounts, or from contributions to or withdrawals from existing accounts. Maintenance trades often must be executed on an individual basis rather than aggregated with other trades. In such cases, clients may not receive as favorable executions as they might otherwise receive from aggregated orders. In particular, individual trades executed for fixed income securities may be subject to greater spreads (greater differences between bid and asked prices), and may result in trade executions that are less favorable than executions received on aggregated orders.

Fixed income transactions are executed by portfolio management personnel for a particular strategy. Portfolio management personnel who manage similar fixed income strategies communicate with each other and may coordinate trading efforts in certain circumstances, but otherwise operate independently. In considering whether to aggregate a fixed income transaction contemplated by multiple fixed income portfolio management teams, they will consider factors such as: the time frame over which different portfolio management teams wish to build, reduce or eliminate a position; price limits and other

instructions established by a portfolio management team for a specific order for a client account; client cash flows; the liquidity of the securities involved; and other relevant market information.

The fixed income teams may from time to time receive allocations of new security issues that may be purchased for client accounts. In determining the allocation of these securities, the allocation of such new issues will occur on a pro-rata for all eligible participating accounts, consistent with the specific investment strategy.

The FAMCO Covered Call Strategy and any mutual funds managed to this strategy will trade separately from other equity and option trades ZCM may place, given the nature of the Covered Call Strategy. The long stock positions are typically traded in tandem with the corresponding short call options. Brokers execute these trades as a package, therefore we are not able to block the equity portion of these trades in with other ZCM equity or option trades.

### **Wrap Fee Programs**

Wrap Program trades have the ability to be aggregated with other non-directed trades; these are known as step-out trades. Stepping out trades is a practice we will engage in, depending upon the Wrap Sponsor and the type of security, particularly fixed income wrap trades. This practice enables us to obtain more favorable executions, including better pricing and enhanced investment opportunities, than would otherwise be available if orders were not aggregated. Using block transactions may also assist in avoiding the adverse effect of the price of a security that could result from simultaneously placing a number of separate, successive or competing client orders with multiple Wrap Programs.

Generally, ZCM will direct maintenance trades through the Wrap Sponsor. Stepping-out these trades is usually not operationally efficient and will not likely add value since the transactions typically involve odd lots or smaller quantities of multiple securities.

In situations where ZCM is able to step-out trades, the Wrap Program clients are likely to receive the same aggregated price as other ZCM clients, but the Wrap Program client's overall transactional costs will be higher. In these situations, clients will pay transaction costs for the step-out trade as well as Wrap Program fees from the Sponsor, which are also inclusive of transaction costs. The commissions for each step-out trade placed by ZCM will be added to the price of the security, and then the Wrap Sponsor will add on its fee. A portion of the commissions generated for these step-out trades is used by ZCM to obtain soft dollar services, such as research, as described above.

### **Soft Dollars**

In determining whether to effect clients' brokerage transactions through brokers/dealers who provide us with "brokerage or research products or service" as that term is used in Section 28(e) of the Securities and Exchange Act of 1934, we review (i) whether the product or service is an eligible product or service under Section 28(e); (ii) whether the product or service provides us with lawful and appropriate assistance; and (iii) whether, in good faith, the commission is reasonable in consideration of the value received from the product or service. Furthermore, in addition to the 28(e) considerations, ZCM takes into

account the CFA Institute's Soft Dollar Standards and seeks to comply with those standards as well. The CFA Institute standards limit such payments for research services only.

Although we will, whenever possible, allocate brokerage to broker/dealers providing both best execution and research (either directly or via soft dollar credits), the commissions paid to such executing entities are expected to be comparable to those paid to other broker/dealers not providing ZCM with research or brokerage services. Moreover, we believe that soft dollar credits we receive from broker/dealers, viewed in terms of a particular transaction or our overall responsibility to all of our clients, are reasonable, although it is impossible to assign a precise monetary value to such research and execution services. Research services and other data received as a result of the soft dollar credits may relate to a specific transaction but, for the most part, will consist of a wide variety of information, products and services useful to our clients and us.

Generally, we seek to obtain proprietary research products and services, which include a broad variety of financial and related information and services. These products and services assist the portfolio managers in the decision-making process as it relates to client portfolios and may include research related to information concerning market, economic and financial data; a particular aspect of economics or on the economy in general; statistical information; data on pricing and availability of securities; financial publications; electronic market quotations; performance analytics; analyses concerning specific securities, companies, industries or sectors; and market, economic, financial studies and forecasts; and computer databases and quotation equipment.

We will not use client commissions to obtain brokerage products or services related to the connectivity between our trade order management system and our broker/dealers and various execution venues.

We obtain soft dollar credits which assist us in rendering investment advice inuring to the overall benefit of all of our clients. It is possible that certain equity accounts may bear a disproportionate soft dollar "cost" for research which primarily benefits fixed income clients. We believe, however, that the soft dollar transactions we undertake are generally fair and that those clients who benefit most from the research obtained with soft dollar credits are those that mainly bear the soft dollar costs. Further, depending upon the specific mandate of a particular strategy, its transactions may be excluded from bearing any soft dollar costs.

ZCM utilizes a Client Commission Agreement (CCA), administered by Instinet, to pay for 28(e)-eligible services. There are no direct soft dollar arrangements in place at this time. All eligible services are paid for via the CCA program. The CCA program separates the considerations of broker selection from the process of payment for eligible services and thereby further allows the Adviser to seek best execution. As a part of this program, the Adviser negotiates the base execution rates with brokerage firms separately. It then sets another "tack on" amount to the trades with the brokers for research. This amount is sent to the Instinet account for payment of eligible services. Bills for eligible services are sent to Instinet for payment.

In other instances, ZCM will also direct trading to brokers in order to access street research produced by those brokerage firms.

ZCM has controls in place that are designed to manage the conflicts associated with soft dollars. These include: oversight by the Brokerage Practice Committee for review and approval of soft dollar

arrangements; periodic review of commission rates; review of the soft dollar process to determine that commissions used to acquire research were reasonable relative to the value of the research received; and monitoring execution of transactions in clients' portfolios, including for best execution.

#### **Trade Order Rotation for Equity Securities**

As it relates to equity tactical trades, ZCM will rotate executions across broad trading categories ("Trade Categories"). The accounts are grouped largely based upon our ability to have control over the trading execution process. Accounts in each Trade Category will trade together and the Trade Categories will be rotated. This will result in some Trade Categories trading later than others and thereby potentially receiving different prices for the same securities. The intention of the rotation is to ensure that all clients, regardless of Trade Category, are treated fairly and consistently over time.

#### **Cross Transactions**

Periodically, when it may be appropriate for one or more clients to purchase a security and for another client to sell the same security, we may, but are not required to, simultaneously place cross-trades with one or more broker/dealers or to effect the cross-trade through the applicable custodians in an attempt to seek the best execution for each client by obtaining reduced transaction or execution costs for each client.

ZCM may have a conflict of interest, particularly where a limited market exists for the security, because the client-buyer's or the client-seller's financial interests may differ at the time of the transaction. However, ZCM will not recommend any such transaction unless it believes it is suitable for both the client-buyer and client-seller. In determining the reasonableness of prices for cross transactions, ZCM will examine the market for the particular investment including, where available, obtaining current bid and ask information on the security from an unaffiliated broker, and ZCM will make a determination as to what it believes to be a fair price at the time based on the information so obtained. Because cross transactions often involve investments that are less liquid, current price information may not be readily available.

We will not affect cross-trades for client accounts that are subject to the Employee Retirement Income Security Act of 1974, as amended. If applicable, we will only place cross-trades for mutual funds for which we provide investment management services in accordance with Section 17(a) of the Investment Advisers Act of 1940.

#### **Trade Errors**

ZCM employs a standard of care in the placement, execution and settlement of trades for clients' accounts and generally considers any deviation from the standard a trade error. ZCM does not consider reckless or intentional misconduct or good faith errors in judgment in making investment decisions for clients to be trade errors.

When a trade error occurs, ZCM takes action to resolve the error with the objective to return the client's account to the position that it would have been in had there not been an error. ZCM shall pay to correct any such error and shall reimburse a client for any loss resulting from an error.

### ***Item 13 - Review of Accounts and Reports***

ZCM reviews all managed accounts on an ongoing basis. A complete performance monitoring report is furnished to most clients at least quarterly. Quarterly performance reports detail assets under management and performance analysis from current quarter, year-to-date and since inception. An appraisal report, which includes a list of all securities in the portfolio, is also provided. Client meetings are available upon request.

The portfolio management team reviews client portfolios at multiple levels. Portfolios are continuously monitored to ensure they are positioned correctly versus the benchmark based on the current investment strategy. Portfolio performance attribution is performed to understand the sources of return. A review of portfolio performance to composite performance is performed monthly to ensure that any deviations are explained. Compliance personnel may also review client portfolios on a periodic basis in connection with testing of our policies and procedures. Finally, ZCM may utilize software programs to monitor client portfolios in light of their investment guidelines.

The agreement between the client and ZCM for other consulting services defines the nature of reports and account reviews and their frequency. Normally, each report includes information regarding investment results, in the absolute and relative to appropriate peer groups and benchmarks over a variety of time periods.

### ***Item 14 - Client Referrals and Other Compensation***

ZCM may enter into agreements with and compensate firms and individuals that refer prospective clients to the firm. Typically, payments for referrals are a percentage of the customary advisory fee received by ZCM from the referred client. Thus, a referred client pays no additional fee to ZCM. At the time of solicitation, each referred client is provided with details regarding the referral arrangement before the client signs an advisory agreement with us. Such arrangements create a conflict of interest for the person or firm making the referral because of the fee the person or firm will receive for making the referral.

Additionally, ZCM may enter into agreements and be compensated by other affiliated or unaffiliated investment advisers for referring prospective clients to those firms. Payments are typically a fee based upon a percentage of the advisory fee received by the affiliated firm. As stated above, the client will not pay an additional fee for ZCM's services and each referred client will be provided with details regarding the referral arrangements before entering into an advisory agreement.

ZCM negotiates compensation on a case-by-case basis with non-related entities that refer clients. In all cases, such marketing arrangements comply with Rule 206(4)-3 under the Investment Advisers Act of 1940.

### ***Item 15 - Custody***

We serve as investment adviser to the Piermont Long-Short Fund I, L.P. (the "Long-Short Fund"), a pooled investment vehicle that invests in securities and other investment products. In this capacity, we will have access to the Long-Short Fund's funds and securities and, therefore, are deemed to have custody over

such funds and securities. In accordance with the offering documents of the Long-Short Fund, we provide each investor in the Fund with audited financial statements within 120 days of the Fund's fiscal year end.

In some instances, as described in ***Item 5 – Fees and Compensation***, we may directly debit advisory fees from client accounts. In these situations, ZCM will notify the client's custodian of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send a statement to the client showing all of the transactions within the account during the period. ZCM recommends the client carefully review the custodian's statements and alert us of any discrepancy.

ZCM is a manager in a number of Wrap Programs for which there are qualified custodians. Further, ZCM participates as a manager in a wrap program sponsored by its affiliate, Stifel Nicolaus. As the wrap program sponsor, Stifel Nicolaus serves as custodian with respect to the wrap fee accounts managed by ZCM. Stifel Nicolaus undergoes an annual surprise examination of its accounts that it holds, and also obtains an internal control report from an independent public accounting firm that is registered and subject to regular inspection by the PCAOB. ZCM receives a copy of the internal control report issued by such independent public accounting firm.

#### ***Item 16 - Investment Discretion***

For most managed accounts, ZCM is granted discretionary authority by the client to buy and sell securities, including mutual funds, in the quantities and at the times it deems appropriate without obtaining the prior consent of the client before each transaction. We also offer such services on a nondiscretionary basis. Clients may place written limitations on the percentage of portfolio securities invested in each issuer and each industry segment.

ZCM currently serves as investment manager to a number of clients, including investment companies. We strive to cause purchase and sale transactions to be allocated among clients in such manner as it deems equitable. In making such allocations, the main factors considered are the respective investment objectives, the relative size of portfolio holdings of the same or comparable securities, the commitments generally held, and opinions of the persons responsible for managing client accounts. See ***Item 12 – Brokerage Practices*** for additional disclosures relating to our aggregation policies.

ZCM does not have authority or responsibility to pursue, maintain, participate in or defend any claims, proceedings, cause of actions, suits or disputes on behalf of a client, the plan, the trustee or the account. The client will need to provide ZCM with all additional powers of attorney and other documentation, if necessary, to appoint ZCM as agent and attorney-in-fact with respect to the account, but such powers will not authorize ZCM to take any action not authorized in the Investment Management Agreement.

#### ***Item 17 - Voting Client Securities***

Pursuant to various provisions of the Investment Advisers Act of 1940, ZCM acts in a fiduciary capacity with respect to each of its advisory clients and, therefore, we must act in the interest of the beneficial owners of the accounts we manage. We understand that proxy voting decisions may affect the value of

shareholdings. In the case of employee benefit plans, the power to vote proxies lies exclusively with the plan trustee or named fiduciary, unless the power has been delegated to ZCM.

Unless specific voting guidelines or directives are provided by a client, we have pre-selected certain proxy voting guidelines provided by Egan-Jones Ratings Co. ("Egan-Jones"), an independent provider of proxy research and voting recommendations. Clients may direct us to apply either one of the following proxy voting guidelines when voting their shares: Taft-Hartley Proxy Voting Policy, or Standard Proxy Guideline (collectively, "Egan-Jones Guidelines"). The Egan-Jones Guidelines are described as follows:

*Egan-Jones Standard Proxy Voting Principles and Guidelines*

The Egan-Jones Standard Voting Guidelines is based on principles that are influenced by current and forthcoming legislation, rules and regulations, and stock exchange rules. In general they concentrate on the following: Directors should be accountable to shareholders, and management should be accountable to directors; Information on the Company supplied to shareholders should be transparent, and Shareholders should be treated fairly and equitably according to the principle of one share, one vote.

*Egan-Jones Taft-Hartley Proxy Voting Guidelines*

Based upon the AFL-CIO, the Egan-Jones Taft-Hartley Voting Guidelines promote long-term shareholder value, while emphasizing the economic best interests of plan participants and beneficiaries. This policy addresses issues that affect long-term shareholder value, while considering workplace issues that may have an impact on long-term economic best interests of participants and beneficiaries, including corporate policies that affect job security and wage levels of plan participants, corporate policies that affect local economic development and stability, corporate responsibility to employees and communities in which a company operates, and workplace and environmental safety and health issues.

The Egan-Jones Guidelines are not exhaustive, do not address all potential voting issues, and do not necessarily always correspond with the opinions of ZCM. Therefore, there may be instances where ZCM may not vote the client's shares in accordance with Egan-Jones Guidelines. In the event that ZCM believes the Egan-Jones recommendation is not in the best interest of shareholders and on those matters for which Egan-Jones does not provide a specific voting recommendation, ZCM will determine how to vote the proxies. There may be instances when Egan-Jones does not send proxy vote recommendations in a timely manner or recommendations are not available. All proxies by an issuer will typically be voted similarly, unless there is a specific conflict of interest or client guidelines dictate otherwise. Clients may change the Egan-Jones Guidelines applied to their account at any time, with notice to ZCM.

ZCM has engaged Broadridge Investor Communication Solutions, Inc. ("Broadridge"), through the use of its electronic system ProxyEdge, to oversee the administration of its proxy voting.

In the event that shares are unavailable due to a securities loan agreement entered into by a client or for any other reason initiated by a client, ZCM will not be responsible for voting proxies on the loaned or unavailable shares. Further, we are not responsible for voting proxies we do not receive in a timely manner or for non-U.S. proxies.

Additionally, for certain accounts in Stifel wrap programs, Stifel Nicolaus, the custodian, will retain proxy voting authority. As a result, the votes cast for similar ballots involving these accounts may be different than those we vote through Broadridge.

Our proxy voting process is dynamic and subject to periodic review. Reflecting this ongoing review, our judgment concerning the manner in which the best economic interest of the shareholders is achieved has changed over time based on additional information, further analysis, and changes in the economic environment. From time-to-time our policy may be revised, in our discretion, to address any such changes.

We maintain records of proxy voting in accordance with the Investment Advisers Act of 1940, and will furnish proxy voting records regarding a client's securities if so requested by the client. Additionally, a copy of our current proxy voting policies and procedures will be provided upon request. Clients may request copies of their proxy voting records by calling our compliance department at 312-368-1442 or by sending a written request to: Ziegler Capital Management, LLC, 70 West Madison Street, Suite 2400, Chicago, IL 60602, Attention: Compliance.

We will neither advise nor act on behalf of a client in legal proceedings involving companies whose securities are held in client accounts including, but not limited to, the filings of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

#### ***Item 18 - Financial Information***

Because ZCM does not require prepayment of client fees more than six months in advance, we are not required to provide financial statements. ZCM does not have any financial condition that is reasonably likely to impair its ability to meet its contracted commitment to any client.

## ERISA SECTION 408(b)(2) DISCLOSURE NOTICE

With respect to retirement plan clients subject to ERISA, ZCM serves as a fiduciary to such clients pursuant to Section 3(21) of ERISA and by virtue of being a registered investment adviser providing fee-based advisory services. ZCM provides discretionary investment management services to the portion of plan assets that are assigned to ZCM's management, which services include determining the specific securities in which to invest such plan assets, as well as the specific brokers through which to trade such securities.

***Direct Compensation.*** As set forth in the "Fees and Compensation" above, for its services, ZCM accepts direct compensation in the form of fees. Each client's applicable fees are negotiated and set forth in the applicable investment management agreement pursuant to which ZCM manages the plan's account.

***Indirect Compensation.*** ZCM does not receive indirect compensation from any of the issuers of securities held in client accounts (such as 12b-1 or similar fees). From time to time, ZCM may receive research reports from broker-dealers through which it executes brokerage transactions in a client account. In selecting brokers to execute client transactions, ZCM does not base its decision solely on the research provided by such broker; rather, consistent with its fiduciary obligations, ZCM selects brokers on the basis of "best execution" considering all relevant circumstances. For more detailed discussion of the factors considered in selecting brokers, see "Brokerage Practices" in this Brochure.



**FORM ADV PART 2B BROCHURE SUPPLEMENT**  
**March 2, 2020**

Ziegler Capital Management, LLC  
70 West Madison Street, Suite 2400  
Chicago, IL 60602  
Phone (312) 368-1442 Fax (312) 750-1131

[www.zieglercap.com](http://www.zieglercap.com)

This brochure supplement provides information about Scott Roberts, Paula Horn, Don Nesbitt, Joel Vrabel, John Albert, Wiley Angell, David Bowman, Richard Burling, Mark Burka, Kevin Carlson, Kevin Conrath, Tom Dezort, David Drzadinski, Thomas Engle, Kevin Finn, Christian Greiner, Jeffrey Holmes, Sean Hughes, Gary Hurlbut, Zachary Newcomer, William O'Connor, Matt O'Neil, John Prys, John Russon, Richard Scargill, Dan Skubiz, Craig Vanucci, Keith Weldon, and Eric Zenner that supplements the Ziegler Capital Management, LLC ("ZCM") brochure. You should have received a copy of that brochure. Please contact ZCM's Chief Compliance Officer if you did not receive ZCM's brochure or if you have any questions about the contents of this supplement.

Additional information about the above-listed individuals is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Education and Business Standards**

ZCM requires that investment professionals in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial planning and tax planning. Examples of acceptable coursework include: an MBA, a CFP®, a CFA®, a ChFC, JD, CTFA, EA or CPA. Additionally, investment professional must have work experience that demonstrates their aptitude for financial planning and investment management.

## **Professional Certifications**

Employees have earned certifications and credentials that are required to be explained in further detail.

**Certified Financial Planner (CFP):** Certified Financial Planners are licensed by the CFP Board to use the CFP mark. CFP certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board ([www.cfp.net](http://www.cfp.net)).
- Successful completion of the 10-hour CFP Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.

**Chartered Financial Analyst (CFA):** Chartered Financial Analysts are licensed by the CFA Institute to use the CFA mark. CFA certification requirements:

- A bachelor's degree from an accredited institution or have equivalent education or work experience.
- Successful completion of all three exam levels of the CFA Program.
- Four years of acceptable professional work experience in the investment decision-making process.
- Fulfill society requirements.
- Agree to adhere to and sign the Member's Agreement and a Professional Conduct Statement.

## **Scott A. Roberts**

### ***Item 2 - Educational Background and Business Experience***

Mr. Roberts was born in 1963. He serves as ZCM's President and Chief Executive Officer. Mr. Roberts was President and Chief Investment Officer of Deerfield Capital Management and responsible for all investment management, marketing and operational activities of the firm. Mr. Roberts oversaw the growth of assets under management at Deerfield from less than \$400mm in 2000 to over \$15B at the end of 2007. Mr. Roberts was Chief Investment Officer at several Zurich Insurance Company subsidiaries including Scudder Kemper Investments, Zurich Investment Management and CentreRe. Prior to Zurich, Mr. Roberts was the Director of Fixed Income for Loomis Sayles in Milwaukee. Prior to Loomis Sayles, Mr. Roberts was a Senior Vice President and Portfolio Manager for Putnam Investments.

Mr. Roberts has a Master of Business Administration in Finance and Investments from the Applied Security Analysis Program at the University of Wisconsin at Madison and a Bachelor of Science in Accounting and Finance from Marquette University.

### ***Item 3 - Disciplinary Information***

Mr. Roberts does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Roberts serves as a Director on the Board of Federal Life Group, Inc. (OTCMKTS: FLFG), a publicly traded holding company of Federal Life Insurance Company. While Federal Life Group, Inc. is publicly traded, it was voluntarily delisted from the Nasdaq Capital Market and has filed a Form 15 with the SEC to suspend its reporting obligations under 15(d) of the Securities Exchange Act of 1934. Additionally, the services and business of Federal Life Group, Inc. are distinct and different from the services and business of ZCM.

Furthermore, serving as a Director on the Board of Federal Life Group, Inc. comprises less than 10% of Mr. Roberts' time and income. We do not believe that Mr. Roberts' Board activities with Federal Life Group, Inc. create material conflicts of interest, however, his activities, including those with Federal Life Group, Inc. are regularly reviewed by his supervisor and the Chief Compliance Officer.

### ***Item 5 - Additional Compensation***

Mr. Roberts does not receive addition compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Roberts is supervised by Ronald J. Kruszewski, Chairman of the Board, President & Chief Executive Officer of Stifel Financial Corporation, ZCM's parent company. Mr. Kruszewski, and other individuals he so designates, shall regularly review Mr. Roberts' activities on a quarterly basis. Furthermore, the Chief Compliance Officer will also regularly review Mr. Roberts' activities and all required compliance related disclosures.

## **Paula Horn**

### ***Item 2 - Educational Background and Business Experience***

Ms. Horn was born in 1968. Ms. Horn is ZCM's Chief Investment Officer. She was Managing Director of Investment Grade Credit at Deerfield Capital, which included the ABS and Investment Grade Corporate Bond Management teams. Ms. Horn was with Deerfield Capital for more than seven years. Prior to joining Deerfield Capital, Ms. Horn was a Vice President, Portfolio Manager and Corporate Bond Trader at Scudder Kemper Investments. While there, Ms. Horn was responsible for all corporate bond portfolio management and trading activities for the Firm's third party accounts totaling approximately U.S. \$4 billion. Prior to her position at Scudder Kemper, Ms. Horn was a Corporate Bond Portfolio Manager and Trader for several Zurich Insurance Company subsidiaries, including Zurich Investment Management and Centre Investment Services. Prior to Centre Investments, Ms. Horn was a software consultant with the PORTIA division of Thomson Financial Services.

Ms. Horn received a Bachelor of Arts degree from Tufts University and M.M. Degree from J.L. Kellogg Graduate School of Management at Northwestern University.

### ***Item 3 - Disciplinary Information***

Ms. Horn does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Ms. Horn is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Ms. Horn does not receive additional compensation for advisory services.

### ***Item 6 - Supervision***

Ms. Horn is supervised by Scott Roberts, ZCM's Chief Executive Officer. His contact information is [sroberts@zieglercap.com](mailto:sroberts@zieglercap.com) or 312-368-1442. Mr. Roberts, and other individuals as he designates, regularly review the accounts for which Ms. Horn provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

**Donald J. Nesbitt, CFA**

***Item 2 - Educational Background and Business Experience***

Mr. Nesbitt was born in 1960. He is Chief Investment Officer, Ziegler Equity Strategies and Senior Portfolio Manager, Large Cap Core and Value Equities. Prior to joining ZCM, Mr. Nesbitt was a Portfolio Manager for Qwest Asset Management Company from September 1998 to April 2002. He was employed in various investment capacities with the Illinois Teachers' Retirement System from October 1989 to September 1998, and served as its Chief Investment Officer, Director of Investments from September 1994 to September 1998. Mr. Nesbitt also worked as an investment analyst from Duff & Phelps, Inc. from February 1986 to October 1989.

Mr. Nesbitt received a B.S. degree in Economics from St. Cloud State University and a M.S. in Financial Analysis from the University of Wisconsin-Milwaukee. He also holds a CFA® designation.

***Item 3 - Disciplinary Information***

Mr. Nesbitt does not have any disciplinary information to disclose.

***Item 4 - Other Business Activities***

Mr. Nesbitt is not actively engaged in any other business activities.

***Item 5 - Additional Compensation***

Mr. Nesbitt does not receive any additional compensation for advisory services.

***Item 6 - Supervision***

Mr. Nesbitt is supervised by Paula Horn, ZCM's Chief Investment Officer. Her contact information is [phorn@zieglercap.com](mailto:phorn@zieglercap.com) or 312-368-1442. Ms. Horn, and other individuals she designates, regularly review the accounts for which Mr. Nesbitt provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

**Joel D. Vrabel, CFA**

***Item 2 – Educational Background and Experience***

Mr. Vrabel was born in 1949. His position with ZCM is Chief Investment Officer, Red Granite Growth Group and Senior Portfolio Manager, Large Cap Growth Equities. Prior to becoming part of ZCM, Mr. Vrabel was Managing Partner, Chief Investment Officer and Senior Portfolio Manager with Red Granite Advisors LLC starting in 2006. From 1995 to 2006, Mr. Vrabel was Senior Vice President and Senior Portfolio Manager with Robert W. Baird & Co., Inc. He has more than 40 years of investment experience.

Mr. Vrabel received a Bachelor of Business Administration from the University of Wisconsin at Milwaukee in 1971 and a Master of Business Administration from the University of Wisconsin at Milwaukee in 1973. He obtained his Chartered Financial Analyst charter in 1977.

***Item 3 - Disciplinary Information***

Mr. Vrabel does not have any disciplinary information to disclose.

***Item 4 - Other Business Activities***

Mr. Vrabel is not actively engaged in any other business activities.

***Item 5 - Additional Compensation***

Mr. Vrabel does not receive any additional compensation for advisory services.

***Item 6 - Supervision***

Mr. Vrabel is supervised by Scott Roberts, ZCM's Chief Executive Officer. His contact information is [sroberts@zieglercap.com](mailto:sroberts@zieglercap.com) or 312-368-1442. Mr. Roberts, and other individuals he designates, regularly review the accounts for which Mr. Vrabel provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

**John S. Albert, CFA**

***Item 2 – Educational Background and Experience***

Mr. Albert was born in 1971. He is a Senior Portfolio Manager for the Piermont Group at ZCM. In 2007, prior to becoming part of ZCM, Mr. Albert was a founding member and Portfolio Manager of Piermont Capital Management Inc. He has more than 20 years of investment experience.

Mr. Albert received a Bachelor of Arts in Accounting from Illinois Wesleyan University in 1994. He also received a Master of Business Administration, with a focus in Finance from the University of Illinois at Urbana-Champaign in 1996. Mr. Albert is also a CFA® charterholder.

***Item 3 - Disciplinary Information***

Mr. Albert does not have any disciplinary information to disclose.

***Item 4 - Other Business Activities***

Mr. Albert is not actively engaged in any other business activities.

***Item 5 - Additional Compensation***

Mr. Albert does not receive any additional compensation for advisory services.

***Item 6 - Supervision***

Mr. Albert is supervised by Scott Roberts, ZCM's Chief Executive Officer. His contact information is [sroberts@zieglercap.com](mailto:sroberts@zieglercap.com) or 312-368-1442. Mr. Roberts, and other individuals he designates, regularly review the accounts for which Mr. Albert provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Wiley D. Angell**

### ***Item 2 – Educational Background and Experience***

Mr. Angell was born in 1962. He is Chief Investment Officer, FAMCO Group and Senior Portfolio Manager. Prior to becoming part of ZCM, Mr. Angell served as Chief Executive Officer and Chief Investment Officer – Equities and Fixed Income for FAMCO since the firm's inception in 1994. He has managed institutional portfolios for 25 years. Mr. Angell served as Portfolio Manager for General Dynamics from 1991 to 1994 focusing on core, liability driven and immunization fixed income strategies. From 1985 to 1991 he was Treasurer of Franklin Savings Association where he managed a \$7 billion mortgage portfolio and was responsible for the firm's hedging strategies and balance sheet risk control.

Mr. Angell graduated from Ottawa University (Ottawa, Kansas) in 1985 with a B.A. in Business and Economics.

### ***Item 3 - Disciplinary Information***

Mr. Angell does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Angell is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Mr. Angell does not receive any additional compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Angell is supervised by Scott Roberts, ZCM's Chief Executive Officer. His contact information is [sroberts@zieglercap.com](mailto:sroberts@zieglercap.com) or 312-368-1442. Mr. Roberts, and other individuals he designates, regularly review the accounts for which Mr. Angell provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

**David W. Bowman, CFA**

***Item 2 – Educational Background and Experience***

Mr. Bowman was born in 1958. His position with ZCM is Senior Portfolio Manager. He is a member of ZCM's Red Granite Growth Equity Team. Prior to becoming part of ZCM, Mr. Bowman was Managing Partner and Senior Portfolio Manager with Red Granite Advisors LLC starting in 2006. From 1995 to 2006, Mr. Bowman was Senior Vice President and Senior Portfolio Manager with Robert W. Baird & Co., Inc. He has more than 34 years of investment experience.

Mr. Bowman received a Bachelor of Business Administration, with a focus in Finance, Investments & Banking, from the University of Wisconsin at Madison in 1978. He has been a Chartered Financial Analyst charter holder since 1981.

***Item 3 - Disciplinary Information***

Mr. Bowman does not have any disciplinary information to disclose.

***Item 4 - Other Business Activities***

Mr. Bowman is not actively engaged in any other business activities.

***Item 5 - Additional Compensation***

Mr. Bowman does not receive any additional compensation for advisory services.

***Item 6 - Supervision***

Mr. Bowman is supervised by Joel Vrabel, ZCM's Chief Investment Officer, Red Granite Growth Equity Group. His contact information is [jvrabel@zieglercap.com](mailto:jvrabel@zieglercap.com) or 414-326-3200. Mr. Vrabel, and other individuals as he designates, regularly review the accounts for which Mr. Bowman provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Mark B. Burka, CFA**

### ***Item 2 - Educational Background and Business Experience***

Mr. Burka was born in 1950. He is currently a Senior Portfolio Manager for ZCM. Prior to joining ZCM, Mr. Burka was a Portfolio Manager for Burnham, Sullivan, Andelbradt from 2003 to 2005. Burnham, Sullivan, Andelbradt was acquired by ZCM in 2005. He worked at Aon Corporation in various investment capacities, between 1977 and 2003. Mr. Burka worked as a research analyst for Burton J. Vincent Chesley & Co. from 1976 into 1977. From 1974 to 1976 he worked for Northern Trust Company as a research analyst.

Mr. Burka received Bachelors degrees in both Economics and Philosophy from University of Wisconsin at Madison in 1972, and a Masters Degree in Finance and Accounting in 1974 from the University of Chicago. He was awarded the Chartered Financial Analyst designation in 1977.

### ***Item 3 - Disciplinary Information***

Mr. Burka does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Burka is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Mr. Burka does not receive any additional compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Burka is supervised by Donald Nesbitt, Chief Investment Officer, Ziegler Equity Strategies. His contact information is [dnesbitt@zieglercap.com](mailto:dnesbitt@zieglercap.com) or 312-368-1442. Mr. Nesbitt, and other individuals as he designates, regularly review the accounts for which Mr. Burka provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

**Richard A. Burling, CFA**

***Item 2 – Educational Background and Experience***

Mr. Burling was born in 1958. His position with ZCM is Senior Portfolio Manager. He is a member of ZCM's Red Granite Growth Equity Team. Prior to becoming part of ZCM, Mr. Burling was a Partner and Senior Portfolio Manager with Red Granite Advisors LLC from 2006 to 2011. From 1995 to 2006, Mr. Burling was a Senior Vice President and Senior Portfolio Manager with Robert W. Baird & Co., Inc. He has more than 30 years of investment experience.

Mr. Burling received a Bachelor of Arts from Northwestern University in 1980 and a Master of Business Administration from the University of Wisconsin—Madison in 1982. He has been a CFA® charter holder since 1989.

***Item 3 – Disciplinary History***

Mr. Burling does not have any disciplinary information to disclose.

***Item 4 - Other Business Activities***

Mr. Burling is not actively engaged in any other business activities.

***Item 5 - Additional Compensation***

Mr. Burling does not receive any additional compensation for advisory services.

***Item 6 - Supervision***

Mr. Burling is supervised by Joel Vrabel, ZCM's Chief Investment Officer, Red Granite Growth Equity Group. His contact information is [jvrabel@zieglercap.com](mailto:jvrabel@zieglercap.com) or 414-326-3200. Mr. Vrabel, and other individuals as he designates, regularly review the accounts for which Mr. Burling provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Kevin Carlson**

### ***Item 2 - Educational Background and Business Experience***

Kevin Carlson was born in 1984. He is Senior Vice President of Sales and Client Service in the Chicago office. Prior to joining the firm in 2007, Mr. Carlson provided analytical support in the healthcare investment banking division of Ziegler Capital Markets.

Mr. Carlson received his B.A. from DePaul University. He is a member of the CFA Institute and CFA Society of Chicago.

### ***Item 3 - Disciplinary Information***

Mr. Carlson does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Carlson is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Mr. Carlson does not receive addition compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Carlson is supervised by John Brinckerhoff, Sr., ZCM's Chief Marketing Officer. His contact information is [jkb@zieglercap.com](mailto:jkb@zieglercap.com) or 312-454-6624. Mr. Brinckerhoff, and other individuals he designates, regularly reviews the accounts for which Mr. Carlson provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Kevin Conrath**

### ***Item 2 - Educational Background and Business Experience***

Kevin Conrath was born in 1989. He is a Fixed Income Portfolio Manager in the Chicago office, responsible for the management of ZCM's short duration strategies. Prior to portfolio management, Mr. Conrath was a Quantitative Analyst for ZCM, focusing on portfolio performance attribution.

Mr. Conrath received his B.S. in Business Administration from St. Norbert College. He earned the Financial Risk Manager (FRM) designation in 2014 and is a member of the Global Association of Risk Professionals.

### ***Item 3 - Disciplinary Information***

Mr. Conrath does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Conrath is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Mr. Conrath does not receive addition compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Conrath is supervised by Paula Horn, ZCM's Chief Investment Officer. Her contact information is [phorn@zieglercap.com](mailto:phorn@zieglercap.com) or 312-368-1442. Ms. Horn, and Mr. Richard Scargill, Director, Fixed Income Strategies, regularly review the activities of Mr. Conrath to monitor compliance with regulatory and internal procedures.

## **Tom Dezort**

### ***Item 2 - Educational Background and Business Experience***

Tom Dezort was born in 1950. He is Senior Vice President of Marketing and Client Service of the MVP Group at ZCM. Prior to joining the firm in 2014, Mr. Dezort was a Client Relations Portfolio Manager with the MVP Group since 2000. He began his investment career as an institutional portfolio manager in 1980. Mr. Dezort is a key relationship manager to many of the firm's clients and is a member of the MVP Group investment committee.

Mr. Dezort received his M.B.A. from Southern Illinois University and B.S. in Finance from the University of Illinois.

### ***Item 3 - Disciplinary Information***

Mr. Dezort does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Dezort is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Mr. Dezort does not receive addition compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Dezort is supervised by Dan Skubiz, ZCM's Chief Investment Officer, MVP Group and Senior Portfolio Manager. His contact information is [dskubiz@zieglercap.com](mailto:dskubiz@zieglercap.com) or 314-446-6700. Mr. Skubiz, and other individuals as he designates, regularly review the activities of Mr. Dezort to monitor suitability of recommendations and compliance with regulatory and internal procedures.

**David J. Drzadinski, CPA & CFA**

***Item 2 – Educational Background and Experience***

Mr. Drzadinski was born in 1971. His position with ZCM is Portfolio Manager and Senior Equity Analyst. He is a member of ZCM's Red Granite Growth Equity Team. Prior to becoming part of ZCM, Mr. Drzadinski was a Partner, Portfolio Manager and Senior Research Analyst with Red Granite Advisors LLC from 2006 to 2011. From 1995 to 2006, Mr. Drzadinski was a Vice President and Senior Research Analyst with Robert W. Baird & Co., Inc. He has more than 17 years of investment experience.

Mr. Drzadinski received a Bachelor of Science from Marquette University in 1993, where he was an Evans Scholar, and a Master of Business Administration from Marquette University in 1999. He has been a Chartered Financial Analyst since 2002.

***Item 3 – Disciplinary History***

Mr. Drzadinski does not have any disciplinary information to disclose.

***Item 4 - Other Business Activities***

Mr. Drzadinski is not actively engaged in any other business activities.

***Item 5 - Additional Compensation***

Mr. Drzadinski does not receive any additional compensation for advisory services.

***Item 6 - Supervision***

Mr. Drzadinski is supervised by Joel Vrabel, ZCM's Chief Investment Officer, Red Granite Growth Equity Group. His contact information is [jvrabel@zieglercap.com](mailto:jvrabel@zieglercap.com) or 414-326-3200. Mr. Vrabel, and other individuals as he designates, regularly review the accounts for which Mr. Drzadinski provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Thomas Engle**

### ***Item 2 – Educational Background and Business Experience***

Mr. Engle was born in 1959. Mr. Engle is a Senior Portfolio Manager in the FAMCO Group. Prior to joining ZCM, Mr. Engle was a Senior Vice President and Senior Portfolio Management with FAMCO beginning in 1997. He developed trading and risk control systems for the firm's fixed income department. In 2002, he created the Investment Information & Control group, which provides system design and development for each of the firm's investment products. Between 2007 and 2011 he worked independently to create, develop and implement proprietary trading strategies utilizing futures and options. Prior to joining FAMCO, he worked at Franklin Savings Association developing option adjusted spread models and managed their multi-billion dollar portfolio.

He holds a B.S. in computer science from the University of Kansas.

### ***Item 3 – Disciplinary Information***

Mr. Engle does not have any disciplinary information to disclose.

### ***Item 4 – Other Business Activities***

Mr. Engle is not actively engaged in any other business activities.

### ***Item 5 – Additional Compensation***

Mr. Engle does not receive any additional compensation for advisory services.

### ***Item 6 – Supervision***

Mr. Engle is supervised by Wiley Angell, ZCM's Chief Investment Officer, FAMCO Group and Senior Portfolio Manager. His contact information is [wangell@zieglercap.com](mailto:wangell@zieglercap.com) or 314-446-6700. Mr. Angell, and other individuals as he designates, regularly review the activities of Mr. Engle to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Kevin A. Finn, CFA**

### ***Item 2 – Educational Background and Experience***

Mr. Finn was born in 1974. He is a Senior Portfolio Manager for the Piermont Group at ZCM. In 2007, prior to becoming part of ZCM, Mr. Finn was a founding member and Portfolio Manager of Piermont Capital Management Inc. He has more than 20 years of investment experience.

Mr. Finn received a Bachelor of Science, with a focus in Business Administration from the University of Missouri in 1997. Mr. Finn is also a CFA® charterholder.

### ***Item 3 - Disciplinary Information***

Mr. Finn does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Finn is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Mr. Finn does not receive any additional compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Finn is supervised by Scott Roberts, ZCM's Chief Executive Officer. His contact information is [sroberts@zieglercap.com](mailto:sroberts@zieglercap.com) or 312-368-1442. Mr. Roberts, and other individuals he designates, regularly review the accounts for which Mr. Finn provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Christian J. Greiner, CFA**

### ***Item 2 – Educational Background and Business Experience***

Christian J. Greiner, CFA, was born in 1977. Mr. Greiner joined the firm in 2003 as an Equity Analyst. Currently, he is a Portfolio Manager who provides fundamental research across all sectors and participates in the decision making process for stock selection. He has a substantial role in the quantitative research effort, contributing to the stock scoring model research. He has been responsible for developing a system that aggregates investment community sentiment towards individual stocks, and in the past has worked on quantitative tax-effective investment strategies, as well as long-short equity products for the firm. Prior to joining the firm, he held positions with Checkfree Investment Services and Northern Trust.

Mr. Greiner holds a B.S. in Finance from DePaul University, as well as an M.B.A from the University of Chicago. Mr. Greiner earned the Chartered Financial Analyst designation, and is a member of the CFA Society of Chicago.

### ***Item 3 – Disciplinary Information***

Mr. Greiner does not have any disciplinary information to disclose.

### ***Item 4 – Other Business Activities***

Mr. Greiner does not have any other business activities.

### ***Item 5 – Additional Compensation***

Mr. Greiner does not receive any additional compensation for advisory services.

### ***Item 6 – Supervision***

Mr. Greiner is supervised by Donald Nesbitt, ZCM's Chief Investment Officer, Ziegler Equity Group. His contact information is [dnesbitt@zieglercap.com](mailto:dnesbitt@zieglercap.com) or 312-368-1442. Mr. Nesbitt, and other individuals as he designates, regularly review the accounts for which Mr. Greiner provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

**Jeffrey L. Holmes, CFA**

***Item 2 – Educational Background and Experience***

Mr. Holmes was born in 1956. His position with ZCM is Senior Equity Analyst for ZCM's Red Granite Growth Equity Team. Prior to becoming part of ZCM, Mr. Holmes was a Partner and Research Director with Red Granite Advisors LLC from 2006 to 2011. From 2002 to 2006, Mr. Holmes was a Senior Vice President and Senior Research Analyst with Robert W. Baird & Co., Inc. He has more than 32 years of investment experience.

Mr. Holmes received a Bachelor of Science in Pharmacology from the University of Wisconsin at Madison in 1979 and a Master of Business Administration from the University of Wisconsin at Madison in 1985. He has been a Chartered Financial Analyst since 1988.

***Item 3 – Disciplinary History***

Mr. Holmes does not have any disciplinary information to disclose.

***Item 4 - Other Business Activities***

Mr. Holmes is not actively engaged in any other business activities.

***Item 5 - Additional Compensation***

Mr. Holmes does not receive any additional compensation for advisory services.

***Item 6 - Supervision***

Mr. Holmes is supervised by Joel Vrabel, ZCM's Chief Investment Officer, Red Granite Growth Equity Group. His contact information is [jvrabel@zieglercap.com](mailto:jvrabel@zieglercap.com) or 414-326-3200. Mr. Vrabel, and other individuals as he designates, regularly review the accounts for which Mr. Holmes provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Sean Hughes, CFA**

### ***Item 2 – Educational Background and Business Experience***

Mr. Hughes was born in 1981. Mr. Hughes is a Senior Portfolio Manager in ZCM's FAMCO Group. Prior to joining ZCM, Mr. Hughes served as a research analyst for FAMCO beginning in April 2005 upon receipt of his M.B.A. from the Olin School of Business at Washington University in St. Louis. During his tenure at FAMCO he held various research positions focusing on macroeconomic, international, equity options and company specific analysis. While at Washington University, he was involved in managing the Investment Praxis Fund, a portion of the Washington University endowment. He has also worked as a corporate finance intern for McCarthy Building Companies, Inc., focusing on portfolio development and modeling.

Mr. Hughes is a CFA® charterholder and member of the St. Louis Society of Financial Analysts. He is a graduate of the Tuck School of Business Bridge Program and holds a B.A. from Oberlin College.

### ***Item 3 – Disciplinary Information***

Mr. Hughes does not have any disciplinary information to disclose.

### ***Item 4 – Other Business Activities***

Mr. Hughes is not actively engaged in any other business activities.

### ***Item 5 – Additional Compensation***

Mr. Hughes does not receive any additional compensation for advisory services.

### ***Item 6 – Supervision***

Mr. Hughes is supervised by Wiley Angell, ZCM's Chief Investment Officer, FAMCO Group and Senior Portfolio Manager. His contact information is [wangell@zieglercap.com](mailto:wangell@zieglercap.com) or 314-446-6700. Mr. Angell, and other individuals as he designates, regularly review the activities of Mr. Hughes to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Gary Hurlbut, CFA**

### ***Item 2 – Educational Background and Business Experience***

Mr. Hurlbut was born in 1958. He is currently a Senior Portfolio Manager for ZCM. Prior to becoming part of ZCM, Mr. Hurlbut was a Portfolio Manager with Missouri Valley Partners from 2000 – 2014. At Mississippi Valley Advisors, the predecessor firm of Missouri Valley Partners, Mr. Hurlbut held positions as a Portfolio Manager on the Fixed Income team managing tax-free bonds, an Equity Analyst, and an Equity Portfolio Manager. Prior to then, he was involved in credit research and tax-exempt bond underwriting at the Heitner Corporation. Mr. Hurlbut also served as an officer in the U.S. Navy from 1981 – 1987.

Mr. Hurlbut received his M.B.A. from the University of Missouri – St. Louis, and his B.A. from the University of Virginia. He is a CFA® charterholder and a member of the CFA Institute and CFA Society.

### ***Item 3 – Disciplinary Information***

Mr. Hurlbut does not have any disciplinary information to disclose.

### ***Item 4 – Other Business Activities***

Mr. Hurlbut is not actively engaged in any other business activities.

### ***Item 5 – Additional Compensation***

Mr. Hurlbut does not receive any additional compensation for advisory services.

### ***Item 6 – Supervision***

Mr. Hurlbut is supervised by Dan Skubiz, ZCM's Chief Investment Officer, MVP Group and Senior Portfolio Manager. His contact information is [dskubiz@zieglercap.com](mailto:dskubiz@zieglercap.com) or 314-446-6700. Mr. Skubiz, and other individuals as he designates, regularly review the activities of Mr. Hurlbut to monitor suitability of recommendations and compliance with regulatory and internal procedures.

**Zachary S. Newcomer, CFA**

***Item 2 – Educational Background and Experience***

Mr. Newcomer was born in 1975. His position with ZCM is Senior Research Analyst. He is a member of ZCM's Red Granite Growth Equity Team. Prior to becoming part of ZCM, Mr. Newcomer was a Partner and Senior Research Analyst with Red Granite Advisors LLC from 2006 to 2011. From 1998 to 2006, Mr. Newcomer was a Vice President and Senior Research Analyst with Robert W. Baird & Co., Inc. He has more than 14 years of investment experience.

Mr. Newcomer received a Bachelor of Science in Finance from Indiana University in 1997 and a Master of Business Administration from the University of Wisconsin at Milwaukee in 2005. He has been a Chartered Financial Analyst since 2001.

***Item 3 – Disciplinary History***

Mr. Newcomer does not have any disciplinary information to disclose.

***Item 4 - Other Business Activities***

Mr. Newcomer is not actively engaged in any other business activities.

***Item 5 - Additional Compensation***

Mr. Newcomer does not receive any additional compensation for advisory services.

***Item 6 - Supervision***

Mr. Newcomer is supervised by Joel Vrabel, ZCM's Chief Investment Officer, Red Granite Growth Equity Group. His contact information is [jvrabel@zieglercap.com](mailto:jvrabel@zieglercap.com) or 414-326-3200. Mr. Vrabel, and other individuals as he designates, regularly review the accounts for which Mr. Newcomer provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **William K. O'Connor, CFA**

### ***Item 2 - Educational Background and Business Experience***

Mr. O'Connor was born in 1963. He is a Senior Portfolio Manager in the Chicago office. Prior to joining ZCM, he was a Vice President at Incapital, LLC from 2009 to 2014. He was responsible for maintaining fixed income client relationships and specialized in mortgage backed securities. From 1988 to 2009, Mr. O'Connor was a Senior Portfolio Manager at Allstate Investments, LLC where he was responsible for managing Allstate's investments in Mortgage-Backed, Agency and Government securities totaling more than \$15 billion as well as interest rate management strategies and Allstate's Economically Targeted Investment portfolio.

Mr. O'Connor received an M.B.A from DePaul University and has a B.S. in Finance and Accounting from Northern Illinois University. He is a CFA® charterholder and a member of the CFA Institute and CFA Society of Chicago.

### ***Item 3 - Disciplinary Information***

Mr. O'Connor does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. O'Connor is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Mr. O'Connor does not receive any additional compensation for advisory services.

### ***Item 6 - Supervision***

Mr. O'Connor is supervised by Paula Horn, ZCM's Chief Investment Officer. Her contact information is [phorn@zieglercap.com](mailto:phorn@zieglercap.com) or 312-368-1442. Ms. Horn, and other individuals she designates, regularly review the accounts for which Mr. O'Connor provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Matthew O'Neil**

### ***Item 2 - Educational Background and Business Experience***

Mr. O'Neil was born in 1969. He is Senior Vice President of Sales and Client Service at ZCM. Mr. O'Neil entered the investment services industry in 1992 and spent three years as a registered representative in a retail brokerage office. He then turned his focus to marketing and communications, joining the proprietary mutual fund team of a large Midwestern bank holding company in 1995.

Mr. O'Neil received a B.S. in Business Economics from Marquette University in Milwaukee, Wisconsin.

### ***Item 3 - Disciplinary Information***

Mr. O'Neil does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. O'Neil is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Mr. O'Neil does not receive any additional compensation for advisory services.

### ***Item 6 - Supervision***

Mr. O'Neil is supervised by John Brinckerhoff, Sr., ZCM's Chief Marketing Officer. His contact information is [jkb@zieglercap.com](mailto:jkb@zieglercap.com) or 312-454-6624. Mr. Brinckerhoff, and other individuals he designates, regularly review the accounts for which Mr. O'Neil provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

**John Prys, CPA & CFA**

***Item 2 – Educational Background and Business Experience***

Mr. Prys was born in 1969. He is currently a Senior Portfolio Manager for the MVP Group at ZCM. Prior to joining ZCM, he was a founding member of PMK Capital Management where he oversaw daily operations and portfolio management duties. He also held positions as the Director of Research and Portfolio Manager at Todd Veredus Asset Management where he worked for over 10 years.

Mr. Prys received his B.S. in Accounting from the University of Louisville. He is a CFA® charterholder and a Certified Public Accountant.

***Item 3 – Disciplinary Information***

Mr. Prys does not have any disciplinary information to disclose.

***Item 4 – Other Business Activities***

Mr. Prys is not actively engaged in any other business activities.

***Item 5 – Additional Compensation***

Mr. Prys does not receive any additional compensation for advisory services.

***Item 6 – Supervision***

Mr. Prys is supervised by Dan Skubiz, ZCM's Chief Investment Officer, MVP Group and Senior Portfolio Manager. His contact information is [dskubiz@zieglercap.com](mailto:dskubiz@zieglercap.com) or 314-446-6700. Mr. Skubiz, and other individuals as he designates, regularly review the activities of Mr. Prys to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **John G. Russon, CFA**

### ***Item 2 – Educational Background and Experience***

Mr. Russon was born in 1958. He is a Senior Portfolio Manager for the Piermont Group at ZCM. Prior to becoming part of ZCM, Mr. Russon was a found member, President, and Portfolio Manager of Piermont Capital Management Inc. beginning in 2007. From 2005 to 2019, Mr. Russon also held a position of Managing Director of US Institutional Corporation. He has more than 25 years of investment experience.

Mr. Russon received a Bachelor of Arts, with a focus in Finance from the University of Pittsburgh in 1980. He also graduated from Southern Methodist University receiving both a Master of Business Administration in 1981, and a Master of Science in Real Estate 1987. Mr. Russon is also a CFA® charterholder.

### ***Item 3 - Disciplinary Information***

Mr. Russon does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Russon is the Managing Director of U.S. Institutional Corporation (“USI”), an unaffiliated registered investment adviser that offers pension consulting services to institutional clients as well as financial/business consulting services. This service is distinct and different from those services provided by ZCM.

Further, USI serves as the investment adviser to one account for which ZCM serves as the sub-adviser. Neither Mr. Russon, in his capacity with USI, nor USI receive any compensation for this activity.

Mr. Russon spends less than 10% of his time on USI matters. We do not believe that Mr. Russon’s activities with USI create material conflicts of interest, however, his activities, including those at USI, are regularly reviewed by his supervisor.

### ***Item 5 - Additional Compensation***

Mr. Russon does not receive any additional compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Russon is supervised by Scott Roberts, ZCM’s Chief Executive Officer. His contact information is [sroberts@zieglercap.com](mailto:sroberts@zieglercap.com) or 312-368-1442. Mr. Roberts, and other individuals he designates, regularly review the accounts for which Mr. Russon provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Richard D. Scargill**

### ***Item 2 - Educational Background and Business Experience***

Mr. Scargill was born in 1966. He is a Director, Fixed Income Strategies. He received a Bachelor of Science degree from the University of South Florida and a M.B.A degree from Marist College. Mr. Scargill was a Vice President, Fixed Income Portfolio Manager at Zurich Scudder Investments where he managed approximately U.S. \$5 billion mutual fund assets. Prior to joining the mutual fund group, Mr. Scargill was a Vice President, Fixed Income Portfolio Manager at Scudder, Stevens & Clark where he managed approximately U.S. \$2.5 billion of institutional and high yield assets. Prior to joining the assets management group at Scudder, Stevens & Clark, Mr. Scargill held a number of positions in their client investment services.

### ***Item 3 - Disciplinary Information***

Mr. Scargill does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Scargill is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Mr. Scargill does not receive any additional compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Scargill is supervised by Paula Horn, ZCM's Chief Investment Officer. Her contact information is [phorn@zieglercap.com](mailto:phorn@zieglercap.com) or 312-368-1442. Ms. Horn, and other individuals as she designates, regularly review the activities of Mr. Scargill to monitor compliance with regulatory and internal procedures.

## **Daniel Skubiz, CFA**

### ***Item 2 - Educational Background and Business Experience***

Mr. Skubiz was born in 1971. He is a Senior Portfolio Manager, Large Cap/Small Cap Equities. Mr. Skubiz was previously a Senior Portfolio Manager for Missouri Valley Partners, Inc. ("MVP"). Prior to re-joining MVP, Mr. Skubiz was Vice President - Business Development Manager in the Data Analytics and Research Group at Markit, Senior Equity Analyst at MVP, small cap growth fund co-manager at Fifth Third Asset Management, and Portfolio Manager and Quantitative Analyst at TradeStreet Investment Associates. He has 19 years of investment experience.

Mr. Skubiz received a B.S.B.A. in both Finance and Accounting from the University of Tulsa and an M.B.A. from St. Louis University. He earned the Chartered Financial Analyst designation in 2002.

### ***Item 3 - Disciplinary Information***

Mr. Skubiz does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Skubiz is not actively engaged in any other business activities

### ***Item 5 - Additional Compensation***

Mr. Skubiz does not receive additional compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Skubiz is supervised by Scott Roberts, ZCM's Chief Executive Officer. His contact information is [sroberts@zieglercap.com](mailto:sroberts@zieglercap.com) or 312-368-1442. Mr. Roberts, and other individuals he designates, regularly review the accounts for which Mr. Skubiz provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Craig Vanucci, CFA**

### ***Item 2 - Educational Background and Business Experience***

Mr. Vanucci was born in 1958. He is a Senior Managing Director of Sales and Client Service at ZCM. Prior to joining ZCM in 1994, Mr. Vanucci spent several years with a major regional bank holding company as manager of its Institutional Investments Division. He was also a managing director and partner in a private investment advisory firm. Mr. Vanucci currently serves as a member of the Investment Services Group Equity and Fixed Income Committees. Mr. Vanucci's primary area of expertise is in developing investment management strategies and solutions for the ongoing management of health care, senior living, municipal and corporate relationships.

Mr. Vanucci received a M.B.A. from the University of Toledo and a B.S. in Finance from Bowling Green State University. He earned the Chartered Financial Analyst designation and is a member of the Milwaukee Investment Analyst Society and the CFA Institute.

### ***Item 3 - Disciplinary Information***

Mr. Vanucci does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Vanucci is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Mr. Vanucci does not receive additional compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Vanucci is supervised by Scott Roberts, ZCM's Chief Executive Officer. His contact information is [sroberts@zieglercap.com](mailto:sroberts@zieglercap.com) or 312-454-6640. Mr. Roberts, and other individuals he designates regularly reviews the accounts for which Mr. Vanucci provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures.

## **Keith Weldon, CFA**

### ***Item 2 - Educational Background and Business Experience***

Mr. Weldon was born in 1959. He is a Senior Portfolio Manager. Mr. Weldon was previously the Director of Fixed Income of Missouri Valley Partners, Inc. ("MVP"). Mr. Weldon served as the Chairman of the Fixed Income Policy and Selection Committee, and also is a member of the Asset Allocation, Investment Policy and Trade Management committees of Missouri Valley Partners. Prior to joining Missouri Valley Partners, he was Vice President and Senior Portfolio Manager for a St. Louis based financial institution.

Mr. Weldon has an undergraduate degree from University of Kentucky and an M.B.A. from Case Western Reserve University. He also holds a CFA® designation.

### ***Item 3 - Disciplinary Information***

Mr. Weldon does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Weldon is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Mr. Weldon does not receive additional compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Weldon is supervised by Paula Horn, ZCM's Chief Investment Officer and Senior Portfolio Manager. Her contact information is [phorn@zieglercap.com](mailto:phorn@zieglercap.com) or 312-368-1442. Ms. Horn, and Mr. Richard Scargill, Director, Fixed Income Strategies, regularly review the accounts for which Mr. Weldon provides investment advisory services to monitor suitability of recommendations and compliance with regulatory and internal procedures

## **Eric E. Zenner, CFA**

### ***Item 2 - Educational Background and Business Experience***

Mr. Zenner was born in 1966. He is a Senior Portfolio Manager. He received a Bachelor of Science degree from The University of Illinois and M.B.A from DePaul University. Prior to joining ZCM, he was a Managing Director and Portfolio Manager for Deerfield Capital where he was responsible managing \$3.5 billion of investment grade corporate portfolios. Mr. Zenner was with Deerfield Capital for six years. Prior to joining Deerfield, he was a Director and Senior Corporate Bond Trader at Northwestern Mutual Life Insurance Company in Milwaukee, Wisconsin. At Northwestern Mutual Life, Mr. Zenner was responsible for trading the firm's \$12 billion general account portfolio of investment grade corporate bonds. Prior to Northwestern Mutual Life Insurance, Mr. Zenner was head taxable bond trader at Firststar Bank in Milwaukee. Prior to Firststar Bank, Mr. Zenner was municipal bond trader with Cronin and Company in Chicago.

Additionally, he is a member of the Investment Analysts Society of Milwaukee and the CFA Institute. Mr. Zenner is a CFA® charterholder.

### ***Item 3 - Disciplinary Information***

Mr. Zenner does not have any disciplinary information to disclose.

### ***Item 4 - Other Business Activities***

Mr. Zenner is not actively engaged in any other business activities.

### ***Item 5 - Additional Compensation***

Mr. Zenner does not receive any additional compensation for advisory services.

### ***Item 6 - Supervision***

Mr. Zenner is supervised by Paula Horn, ZCM's Chief Investment Officer. Her contact information is [phorn@zieglercap.com](mailto:phorn@zieglercap.com) or 312-368-1442. Ms. Horn, and Mr. Richard Scargill, Director, Fixed Income Strategies, regularly review the activities of Mr. Zenner to monitor compliance with regulatory and internal procedures.

# FACTS

## WHAT DOES STIFEL FINANCIAL CORP. (and affiliates) DO WITH YOUR PERSONAL INFORMATION?

<b>Why?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.		
<b>What?</b>	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> <li>■ Social Security number and income</li> <li>■ Investment experience and account balances</li> <li>■ Credit card/other debt and credit history</li> </ul>		
<b>How?</b>	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Stifel Financial Corp. (and affiliates) chooses to share; and whether you can limit this sharing.		
Reasons we can share your personal information	Does Stifel (and affiliates) share?	Can you limit this sharing?	
<b>For our everyday business purposes –</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No	
<b>For our marketing purposes –</b> to offer our products and services to you	Yes	No	
<b>For joint marketing with other financial companies</b>	Yes	No	
<b>For our affiliates' everyday business purposes –</b> information about your transactions and experiences	Yes	No	
<b>For our affiliates' everyday business purposes –</b> information about your creditworthiness	Yes	Yes	
<b>For our affiliates to market to you</b>	Yes	Yes	
<b>For nonaffiliates to market to you</b>	No	We Don't Share	
<b>To limit our sharing</b>	<ul style="list-style-type: none"> <li>■ Visit us online: <a href="http://www.stifel.com/privacy">www.stifel.com/privacy</a>, then click on <i>Privacy Opt Out</i> or</li> <li>■ Call (877) 816-4779 – our menu will prompt you through your choice(s)</li> </ul> <p><b>Please note:</b> If you are a <i>new</i> customer, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.</p>		
<b>Questions?</b>	Call (877) 816-4779 or go to <a href="http://www.stifel.com/privacy">www.stifel.com/privacy</a>		

# STIFEL

## Who we are

Who is providing this notice?	An affiliate of Stifel Financial Corp. ("Stifel")
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## What we do

How does Stifel protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Stifel collect my personal information?	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> <li>▪ Open an account with us or apply for a loan</li> <li>▪ Make deposits or withdrawals from your account</li> <li>▪ Give us your income information or provide employment history</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> <li>▪ Sharing for affiliates' everyday business purposes – information about your creditworthiness</li> <li>▪ Affiliates from using your information to market to you</li> <li>▪ Sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing. See "Other important information (continued)."</p>
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account.

## Definitions

Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ <i>Our affiliates include financial companies such as: Stifel; 1919 Investment Counsel; Century Securities; EquityCompass Investment Management, LLC; Keefe, Bruyette &amp; Woods (KBW); Thomas Weisel; Washington Crossing Advisors; or Ziegler Capital Management (ZCM).</i></li> </ul>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ <i>Nonaffiliates we share with can include credit bureaus, closing agents, card processors, check printers, mutual fund companies, annuity companies, insurance companies, and internet banking service providers.</i></li> </ul>
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>▪ <i>We do not have joint-marketing agreements with nonaffiliated third parties.</i></li> </ul>

## Other important information

This notice is provided to you by an affiliate or subsidiary of Stifel Financial Corp. In this notice, "Stifel," "We," "Our," and "Us" refer to the specific affiliate with whom you have a relationship. All other Stifel affiliates are simply referred to as "affiliates."

If your Financial Advisor's affiliation with our firm ends, and they join a non-affiliated securities broker-dealer, your Financial Advisor may be permitted to use limited information to contact you to join their new firm, as a usual means to continue to serve and maintain your accounts. The information they may use is limited to your name, address, e-mail address, phone number, and account title.

## **Other important information (continued)**

**Do Not Call Policy.** This notice is the Stifel (and affiliates) Do Not Call Policy under the Telephone Consumer Protection Act. We do not solicit via phone numbers listed on the state or federal Do Not Call lists, unless the law permits. Consumers who ask not to receive telephone solicitations from Stifel (and affiliates) will be placed on the Stifel Do Not Call list and will not be called in any future solicitations, including those of Stifel affiliates. If you communicate with us by telephone, we may monitor or record the call.

**European Personal Data.** Where personal data of individuals residing in the European Union (EU) is processed by Stifel Financial Corp. or its affiliates in the U.S. in relation to the offering of products or services to such individuals, or in relation to monitoring of such individuals' online behavior, then, in addition to the above, Stifel will comply with the provisions of the Stifel Europe Privacy Notice (available at [www.stifel.com/EUprivacy](http://www.stifel.com/EUprivacy)) with respect to such processing. In such cases, references to "Stifel" in the Stifel Europe Privacy Notice shall be deemed to be references to the relevant U.S. entity and, if there is any inconsistency between any provision of this notice and the Stifel Europe Privacy Notice, Stifel will comply with the provision of the Stifel Europe Privacy Notice.

**Nevada:** We are providing you this notice pursuant to state law. You may be placed on our internal Do Not Call List by following the directions in the "Can you limit this sharing" section by choosing to limit sharing "For our affiliates to market to you." Nevada law requires that we also provide you with the following contact information: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington Street, Suite 3900, Las Vegas, NV 89101; Phone number: (702) 486-3132; e-mail: [BCPINFO@ag.state.nv.us](mailto:BCPINFO@ag.state.nv.us). Stifel Financial Corp., 501 North Broadway, Saint Louis, MO 63102; Phone Number (314) 342-2000; e-mail: Click on "Contact Us" at the top of the page at [www.stifel.com/privacy](http://www.stifel.com/privacy).

**Vermont:** In accordance with Vermont law, we will not share information we collect about Vermont residents with companies outside of our corporate family, except as permitted by law, such as with your consent, to service your accounts or to other financial institutions with which we have joint marketing agreements. We will not share information about your creditworthiness within our corporate family except with your authorization or consent, but we may share information about our transactions or experiences with you within our corporate family without your consent.

**California:** Where Stifel collects personal information of California residents, then, in addition to the above, Stifel will comply with the provisions of its California Privacy Policy (available at [www.stifel.com/privacy](http://www.stifel.com/privacy)) with respect to such personal information. If there is an inconsistency between any provision of this notice and the aforementioned California Privacy Policy, for California residents, Stifel will comply with the California Privacy Policy.

**For Insurance Customers in AZ, CA, CT, GA, IL, ME, MA, MN, MT, NV, NJ, NC, OH, OR, and VA only.** The term "Information" in this part means customer information obtained in an insurance transaction. We may give your Information to state insurance officials, law enforcement, group policy holders about claims experience, or auditors as the law allows or requires. We may give your Information to insurance support companies that may keep it or give it to others. We may share medical Information so we can learn if you qualify for coverage, process claims, or prevent fraud or if you say we can. To see your Information, contact the employee who services your account by mail or telephone. You must state your full name, address, the insurance company, policy number (if relevant), and the Information you want. We will tell you what Information we have. You may see and copy the Information (unless privileged) at our office or ask that we mail you a copy for a fee. If you think any Information is wrong, you must write us. We will let you know what actions we take. If you do not agree with our actions, you may send us a statement.

**For MA Insurance Customers only.** You may ask in writing the specific reasons for an adverse underwriting decision. An adverse underwriting decision is where we decline your application for insurance, offer to insure you at a higher than standard rate, or terminate your coverage.

**Effective Date: January 1, 2020**