

Ruggiero Investments

Policy & Procedures

April 2025

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Introduction

Policy

Ruggiero Investments is a registered investment adviser with the U.S. Securities and Exchange Commission (SEC) under the Investment Advisers Act of 1940 (Advisers Act).

Our firm has a strong reputation based on the professionalism and high standards of the firm and our employees. The firm's reputation and our advisory client relationships are the firm's most important asset.

As a registered adviser, and as a fiduciary to our advisory clients, our firm has a duty of loyalty and to always act in utmost good faith, place our clients' interests first and foremost and to make full and fair disclosure of all material facts and in particular, information as to any potential and/or actual conflicts of interests.

As a SEC registered adviser, Ruggiero Investments and our employees are also subject to various requirements under the Advisers Act and rules adopted under the Advisers Act and our Code of Ethics. These requirements include various anti-fraud provisions, which make it unlawful for advisers to engage in any activities which may be fraudulent, deceptive or manipulative.

These antifraud provisions include the SEC Compliance Programs of Investment Companies and Investment Advisers (Compliance Programs Rule) (SEC Rule 206 (4)-7) which requires advisers to adopt a formal compliance program designed to prevent, detect and correct any actual or potential violations by the adviser or its supervised persons of the Advisers Act, and other federal securities laws and rules adopted under the Advisers Act.

Elements of Ruggiero Investments' compliance program include the designation of a Chief Compliance Officer, adoption and annual reviews of these IA Compliance Policies and Procedures, training, and recordkeeping, among other things.

Our IA Policies and Procedures cover Ruggiero Investments and each officer, member, or partner, as the case may be, and all employees who are subject to Ruggiero Investments' supervision and control (Supervised Persons).

Our IA Policies and Procedures are designed to meet the requirements of the SEC IA Compliance Programs Rule and to assist the firm and our Supervised Persons in preventing, detecting and correcting violations of law, rules and our policies.

Our IA Policies and Procedures cover many areas of the firm's businesses and compliance requirements. Each section provides the firm's policy on the topic and provides our firm's procedures to ensure that the particular policy is followed.

Ruggiero Investments' Chief Compliance Officer is responsible for administering our IA Policies and Procedures.

Compliance with the firm's IA Policies and Procedures is a requirement and a high priority for the firm and each person. Failure to abide by our policies may expose you and/or the firm to significant consequences which may include disciplinary action, termination, regulatory sanctions, potential monetary sanctions and/or civil and criminal penalties.

The Chief Compliance Officer will assist with any questions about Ruggiero Investments' IA Policies and Procedures, or any related matters. Further, in the event any employee becomes aware of, or suspects, any activity that is questionable, or a violation, or possible violation of law, rules or the firm's policies and procedure, the Chief Compliance Officer is to be notified immediately.

Our IA Policies and Procedures will be updated on a periodic basis to be current with our business practices and regulatory requirements.

Advertising

Policy

Ruggiero Investments uses various advertising and marketing materials to obtain new advisory clients and to maintain existing client relationships. Ruggiero Investments' policy requires that any advertising and marketing materials must be truthful and accurate, consistent with applicable rules, and reviewed and approved by a designated person.

Ruggiero Investments' policy prohibits any advertising or marketing materials that:

1. Include any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statement made, in the light of the circumstances under which it was made, not misleading;
2. Include a material statement of fact that we do not have a reasonable basis for believing we will be able to substantiate upon demand by the SEC;
3. Include information that would reasonably be likely to cause an untrue or misleading implication or inference to be drawn concerning a material fact relating to Ruggiero Investments;
4. Discuss any potential benefits to clients or investors connected with or resulting from our services or methods of operation without providing fair and balanced treatment of any material risks or material limitations associated with the potential benefits;
5. Include a reference to specific investment advice provided by Ruggiero Investments where such investment advice is not presented in a manner that is fair and balanced;
6. Include or exclude performance results, or present performance time periods, in a manner that is not fair and balanced; or
7. Is otherwise materially misleading.

Background

In December 2020, the SEC announced it had finalized reforms to modernize rules that govern investment adviser advertisements and compensation to solicitors under the Investment Advisers Act of 1940. The amendments create a single rule that replaces the previous advertising and cash solicitation rules, Rule 206(4)-1 and Rule 206(4)-3, respectively, creating the new Marketing Rule.

Advertisement

For purposes of this section, Advertisement is defined as:

1. Any direct or indirect communication an investment adviser makes to more than one person, or to one or more persons if the communication includes hypothetical performance, that offers the investment adviser's investment advisory services with regard to securities to prospective clients or investors in a private fund advised by the investment adviser or offers new investment advisory services with regard to securities to current clients or investors in a private fund advised by the investment adviser, but does not include:
 - a. Extemporaneous, live, oral communications;

- b. Information contained in a statutory or regulatory notice, filing, or other required communication; or
- c. A communication that includes hypothetical performance that is provided:
 - i. In response to an unsolicited request for such information from a prospective or current client or investor in a private fund advised by the investment adviser; or
 - ii. To a prospective or current investor in a private fund advised by the investment adviser in a one-on-one communication.
- 2. Any endorsement or testimonial for which an investment adviser provides compensation, directly or indirectly.

Performance Advertising

An investment adviser may not include in any advertisement:

- 1. Any presentation of gross performance, unless the advertisement also presents net performance:
 - a. With at least equal prominence to, and in a format designed to facilitate comparison with, the gross performance; and
 - b. Calculated over the same time period, and using the same type of return and methodology, as the gross performance.
- 2. Any performance results, of any portfolio or any composite aggregation of related portfolios, in each case other than any private fund, unless the advertisement includes performance results of the same portfolio or composite aggregation for one-, five-, and ten-year periods, each presented with equal prominence and ending on a date that is no less recent than the most recent calendar year-end; except that if the relevant portfolio did not exist for a particular prescribed period, then the life of the portfolio must be substituted for that period.
- 3. Any statement, express or implied, that the calculation or presentation of performance results in the advertisement has been approved or reviewed by the SEC.
- 4. Any related performance, unless it includes all related portfolios; provided that related performance may exclude any related portfolios if:
 - a. The advertised performance results are not materially higher than if all related portfolios had been included; and
 - b. The exclusion of any related portfolio does not alter the presentation of any applicable prescribed time periods
- 5. Any extracted performance, unless the advertisement provides, or offers to provide promptly, the performance results of the total portfolio from which the performance was extracted.
- 6. Any hypothetical performance unless the investment adviser:
 - a. Adopts and implements policies and procedures reasonably designed to ensure that the hypothetical performance is relevant to the likely financial situation and investment objectives of the intended audience of the advertisement,
 - b. Provides sufficient information to enable the intended audience to understand the criteria used and assumptions made in calculating such hypothetical performance, and
 - c. Provides (or, if the intended audience is an investor in a private fund provides, or offers to provide promptly) sufficient information to enable the intended audience to

understand the risks and limitations of using such hypothetical performance in making investment decisions.

Testimonials and Endorsements

An advertisement may not include any testimonial or endorsement, and an adviser may not provide compensation, directly or indirectly, for a testimonial or endorsement, unless:

1. The investment adviser clearly and prominently discloses, or reasonably believes that the person giving the testimonial or endorsement discloses the following at the time the testimonial or endorsement is disseminated:
 - a. That the testimonial was given by a current client or investor, or the endorsement was given by a person other than a current client or investor;
 - b. That cash or non-cash compensation was provided for the testimonial or endorsement, if applicable;
 - c. A brief statement of any material conflicts of interest on the part of the person giving the testimonial or endorsement resulting from the investment adviser's relationship with such person;
 - d. The material terms of any compensation arrangement, including a description of the compensation provided or to be provided, directly or indirectly, to the person for the testimonial or endorsement; and
 - e. A description of any material conflicts of interest on the part of the person giving the testimonial or endorsement resulting from the investment adviser's relationship with such person and/or any compensation arrangement.
2. If a testimonial or endorsement is disseminated for compensation or above de minimis compensation:
 - a. The investment adviser has a written agreement with any person giving a testimonial or endorsement that describes the scope of the agreed-upon activities and the terms of compensation for those activities; and
 - b. The investment adviser may not compensate a person, directly or indirectly, for a testimonial or endorsement if the adviser knows, or in the exercise of reasonable care should know, that the person giving the testimonial or endorsement is an ineligible person at the time the testimonial or endorsement is disseminated.

Third-Party Ratings

An advertisement may not include any third-party rating, unless the investment adviser:

1. Has a reasonable basis for believing that any questionnaire or survey used in the preparation of the third-party rating is structured to make it equally easy for a participant to provide favorable and unfavorable responses, and is not designed or prepared to produce any predetermined result; and
2. Clearly and prominently discloses, or the investment adviser reasonably believes that the third-party rating clearly and prominently discloses:
 - a. The date on which the rating was given and the period of time upon which the rating was based;

- b. The identity of the third party that created and tabulated the rating; and
- c. If applicable, that compensation has been provided directly or indirectly by the adviser in connection with obtaining or using the third-party rating.

Responsibility

Christopher T. Ruggiero and the designated persons have the responsibility for implementing and monitoring our policy, and for reviewing and approving any advertising and marketing to ensure any materials are consistent with our policy and regulatory requirements. These designated individuals are also responsible for maintaining, as part of the firm's books and records, copies of all advertising and marketing materials with a record of reviews and approvals in accordance with applicable recordkeeping requirements.

Procedure

Ruggiero Investments has adopted procedures to implement Ruggiero Investments' policy and conducts reviews to monitor and ensure our policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- review and approve all advertisements and promotional materials prior to use;
- each employee is responsible for ensuring that only approved materials are used and that approved materials are not modified without the express written approval of Christopher T. Ruggiero;
- conduct periodic reviews of materials containing advertising and/or performance reports to ensure that only approved materials are distributed;
- determine whether a particular communication meets the definition of an advertisement;
- review any advertisements of performance information to ensure that they are presented in accordance with the relevant requirements, include all required related portfolios, and reflect prescribed time periods;
- use of hypothetical performance in advertising materials is strictly prohibited unless reviewed and approved by Christopher T. Ruggiero, being deemed relevant to Ruggiero Investments and the investment objectives of the intended audience of the advertisement;
- all testimonials and endorsements included in our advertising materials or provided for compensation by third-parties must be pre-approved;
- all agreements for compensation beyond the de minimis amount of promoters providing testimonials, endorsements and/or referrals must be in writing and provide attestations by such promoters regarding applicable disqualification events and an undertaking by such promoters to provide prospects with required disclosures;
- all agreements with promoters must be pre-approved;
- exercise reasonable care and conduct reasonable due diligence to confirm that the engaged promoter is not subject to any applicable disqualification events;
- prior to the publication of any third-party ratings or survey results, conduct reasonable due inquiry regarding the methodology used by the third-party;

- any discussion, direct or indirect, of past performance of specific securities that were or may have been profitable to our firm, will be reviewed to ensure that it is fair and balanced, depending on the facts and circumstances;
- review responses to Form ADV Item 5.L. to ensure that our responses are current and accurate regarding our use in advertisements of performance results, hypothetical performance, references to specific investment advice, testimonials, endorsements, or third-party ratings;
- create processes and testing mechanisms designed to ensure that we make and keep records of the following:
 - advertisements we disseminate, including recordings or a copy of any written or recorded materials used in connection with an oral advertisement;
 - any communication or other document related to our determination that we have a reasonable basis for believing that a testimonial or endorsement complies with Rule 206(4)-1 and that a third-party rating complies with Rule 206(4)-1(c)(1);
 - the disclosures delivered to investors, as they apply to testimonials, endorsements, and third-party ratings; and
 - a copy of any questionnaire or survey used in the preparation of a third-party rating included or appearing in any advertisement.

Advisory Agreement

Policy

Ruggiero Investments' policy requires a written investment advisory agreement for each client relationship which includes a description of our services, discretionary/non-discretionary authority, advisory fees, important disclosures and other terms of our client relationship. Ruggiero Investments' advisory agreements meet all appropriate regulatory requirements and contain a non-assignment clause and do not contain any "hedge clauses."

As part of Ruggiero Investments' policy, the firm also obtains important relevant and current information concerning the client's identity, occupation, financial circumstances and investment objectives, among many other things, as part of our advisory and fiduciary responsibilities.

Background

Written advisory agreements form the legal and contractual basis for an advisory relationship with each client and as a matter of industry and business best practices provide protections for both the client and an investment adviser. An advisory agreement is the most appropriate place for an adviser to describe its advisory services, fees, liability, and disclosures for any conflicts of interest, among other things. It is also a best business practice to provide a copy of the advisory agreement to the client and for the agreement to provide for all client financial and personal information to be treated on a confidential basis.

Responsibility

Thomas Anthony Ruggiero has the responsibility for the implementation and monitoring of the firm's advisory agreement policy, practices, disclosures and recordkeeping.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Ruggiero Investments' advisory agreements and advisory fee schedules, and any changes, for the firm's services are approved by management;
- the fee schedules are annually reviewed by Ruggiero Investments to be fair, current and competitive;
- a designated officer, or the Compliance Officer, annually reviews the firm's disclosure brochure, marketing materials, advisory agreements and other material for accuracy and consistency of disclosures regarding advisory services and fees;
- performance-based fee arrangements, if any, are appropriately disclosed, quarterly reviewed to evaluate client suitability, and approved by the designated officer and/or management;

- written client investment objectives or guidelines are obtained or recommended as part of a client's advisory agreement;
- client investment objectives or guidelines are monitored on an on-going and also annual basis for consistency with client investments/portfolios;
- any solicitation/referral arrangements and solicitor/referral fees must be in writing, reviewed and approved by the designated officer and/or management, and meet regulatory requirements and appropriate records maintained;
- any additional compensation arrangements are to be monitored by the designated officer or Compliance Officer, approved, and disclosed with appropriate records maintained; and

Advisory Fees

Policy

Ruggiero Investments details the terms of our clients' advisory fees and expenses in an advisory agreement and describes it in our Form ADV and other materials provided to the client.

As a matter of policy and practice, Ruggiero Investments has also adopted and implemented written policies and procedures designed to prevent failing to adhere to the terms of any client agreements and disclosures, or otherwise engage in inappropriate fee billing and expense practices.

Background

Proper fee billing has continued to be a consistent focus for the SEC. In March 2021, the SEC's Division of Examinations released its exam priorities for the year. The Division's examinations will review firms' disclosures regarding their conflicts of interest, including those related to fees and expenses. Fee and compensation-based conflicts of interest may take many forms, including revenue sharing arrangements between a registered firm and issuers, service providers, and others, and direct or indirect compensation to personnel for executing client transactions.

One particular area the Division will prioritize is the examination of investment advisers operating and utilizing turnkey asset management platforms, assessing whether fees and revenue sharing arrangements are adequately disclosed.

In reviewing fees and expenses, the staff will also review for: (1) advisory fee calculation errors, including, but not limited to, failure to exclude certain holdings from management fee calculations; (2) inaccurate calculations of tiered fees, including failure to provide breakpoints and aggregate household accounts; and (3) failures to refund prepaid fees for terminated accounts.

In November 2021, the SEC's Division of Examinations issued a Risk Alert focusing on investment advisers' fee calculations. Through a national exam initiative that included about 130 SEC registered firms, the Division assessed the various ways in which investment advisers charge fees for their services, as well as evaluated the adequacy of fee disclosures and the accuracy of fee calculations.

The advisory fee-related deficiencies commonly resulted in financial harm to clients, including:

1. Advisory fee calculation errors, such as over-billing of advisory fees, inaccurate calculations of tiered or breakpoint fees, and inaccurate calculations due to incorrect householding of accounts; and
2. Not crediting certain fees due to clients, such as prepaid fees for terminated accounts or pro-rated fees for onboarding clients. Fee-related compliance and disclosure issues were also observed during these exams.

In the firms examined, the following deficiencies were found:

- Advisory fee calculations were done incorrectly, included double-billing, breakpoints not calculated, or incorrect account valuations were used.
- Refunds of fees were not done or were not pro-rated correctly for new or terminated accounts and unearned advisory fees were not returned.
- Disclosure issues identified were related to incomplete or misleading Form ADV Part 2 brochures and/or other disclosures that did not reflect current fees charged or whether fees were negotiable; that did not accurately describe how fees would be calculated or billed; and that were inconsistent across advisory documents.
- Lack of any disclosures or documents establishing a client fee amount.
- Disclosures that were insufficient in describing how cash flows would impact fees, the timing of advisory fee billing, the method for valuations, wrap fee programs, as well as the minimum fees, additional fees and discounts.
- Policies and procedures that either did not address specifics related to the processes for computing, billing, and testing advisory fees or missing policies completely.
- Policies and procedures that were missing a variety of critical fee components that were relevant to the firms' businesses, including valuations, fee offsets, fee reimbursements for terminated accounts, prorating of fees and householding for breakpoints.
- Inaccurate financial statements which did not accurately address pre-paid advisory fees as liabilities and not recording fee revenue particularly those exchanged for goods and services or paid directly to representatives as well as mixing accounting methods in preparing financial statements.

Our policy and the procedures set forth below are designed to address these regulatory concerns and reasonably ensure that Ruggiero Investments' fees are accurate.

Responsibility

Ruggiero Investments' CFO is responsible for the implementation of the firm's Advisory Fees, maintaining relevant records regarding the policies and procedures, and documenting these reviews.

Procedure

Ruggiero Investments has adopted procedures to implement Ruggiero Investments' policy, and conducts internal reviews to monitor and ensure that the policy is observed, implemented properly, and amended or updated, as appropriate. These include the following:

- Ruggiero Investments' CFO or designated person will review the process of valuing of assets specified in the client agreement and compare it with the actual method used to ensure they match;
- Ruggiero Investments' CFO or designated person will review the process of billing advisory fees specified in our advisory contract, Form ADV Part 2, and Form CRS and ensure that the firm is not billing clients incorrectly or with improper frequency;
- Ruggiero Investments' CFO or designated person will review the advisory fee rate specified in the client agreement and compare it with the actual rate charged to ensure they match;

- Ruggiero Investments' CFO or designated person will record all advisory expenses and fees assessed to and received from clients, including those paid directly to advisory personnel; and
- Ruggiero Investments' CFO or designated person will review any rebates or discounts specified in the client agreement and ensure the correct ones are given to ensure overcharging does not occur.

Agency Cross Transactions

Policy

Ruggiero Investments' policy and practice is to NOT engage in any agency cross transactions and our firm's policy is appropriately disclosed in Form ADV Part 1 and Part 2A responses.

Background

An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction (SEC Rule 206(3)-2(b)). Agency cross transactions typically may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Agency cross transactions are permitted for advisers only if certain conditions are met under Advisers Act rules including prior written consent, client disclosures regarding trade information and annual disclosures, among other things.

Responsibility

Christopher T. Ruggiero has the overall responsibility for implementing and monitoring our policy of not engaging in any agency cross transactions.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated as appropriate, which include the following:

- Ruggiero Investments' policy of prohibiting any agency cross transactions for advisory clients has been communicated to relevant individuals including portfolio managers, traders and others;
- the policy is appropriately disclosed in the firm's Form ADV;
- Christopher T. Ruggiero annually monitors the firm's advisory services and trading practices to help ensure that no agency cross transactions occur for advisory clients; and
- in the event of any change in the firm's policy, any such change must be approved by management, any agency cross transactions would only be allowed after appropriate authorizations, reviews, approvals, disclosures, reporting and meeting appropriate regulatory requirements and maintaining proper records.

Annual Compliance Reviews

Policy

As a SEC registered adviser, it is Ruggiero Investments' policy to conduct an annual review of the firm's policies and procedures to determine that they are adequate, current and effective in view of the firm's businesses, practices, advisory services, and current regulatory requirements. Our policy includes amending or updating the firm's policies and procedures to reflect any changes in the firm's activities, personnel, or regulatory developments, among other things, either as part of the firm's annual review, or more frequently, as may be appropriate, and to maintain relevant records of such reviews.

Background

In December 2003, the SEC adopted Rule 206(4)-7, *Compliance Programs of Investment Companies and Investment Advisers* (Compliance Program Rule) under the Advisers Act and Investment Company Act, (SEC Release Nos. IA-2204 and IC-26299). The rules require SEC registered advisers and investment companies to adopt and implement written policies and procedures designed to detect and prevent violations of the federal securities laws. The rules are also designed to protect investors by ensuring all funds and advisers have internal programs to enhance compliance with the federal securities laws. Among other things, the rules require that advisers and investment companies annually review their policies and procedures for their adequacy and effectiveness and maintain records of the reviews. A Chief Compliance Officer must also be designated by advisers and investment companies to be responsible for administering the compliance policies, procedures and the firm's annual reviews.

The required reviews are to consider any changes in the adviser's or fund's activities, any compliance matters that have occurred in the past year and any new regulatory requirements or developments, among other things. Appropriate revisions of a firm's or fund's policies or procedures should be made to help ensure that the policies and procedures are adequate and effective. Advisers and funds were to have completed their first annual review within eighteen months of the approval of their compliance policies and procedures.

Although the SEC amended the rule in August 2023 to require written documentation of the annual review (effective November 13, 2023), this amendment was vacated by the Fifth Circuit Court of Appeals in June 2024. As a result, written documentation is no longer mandatory, but it remains a recommended best practice.

Responsibility

Christopher T. Ruggiero has the overall responsibility and authority to develop and implement the firm's compliance policies and procedures and to conduct an annual review to determine their adequacy and effectiveness in detecting and preventing violations of the firm's policies, procedures or federal securities laws. Christopher T. Ruggiero also has the responsibility for maintaining relevant records regarding the policies and procedures.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- on at least an annual basis, Christopher T. Ruggiero, and such other persons as may be designated, will undertake a complete review of all Ruggiero Investments' written compliance policies and procedures, which shall be documented in writing in a manner determined by Christopher T. Ruggiero;
- the review will include a review of each policy to determine the following:
 - a) adequacy;
 - b) effectiveness;
 - c) accuracy;
 - d) appropriateness for the firm's or fund's current activities
 - e) current regulatory requirements;
 - f) any prior policy issues, violations or sanctions; and
 - g) any changes or updates that may otherwise be required or appropriate.
- the annual review process should also consider and assess the risk areas for the firm and review and update any risk assessments in view of any changes in advisory services, client base and/or regulatory developments;
- Christopher T. Ruggiero, or designee(s), will coordinate the review of each policy with an appropriate person, department manager, management person or officer to ensure that each of the firm's policies and procedures is adequate and appropriate for the business activity covered, e.g., a review of trading policies and procedures with the person responsible for the firm's trading activities;
- Christopher T. Ruggiero, or designee(s), will revise or update any of the firm's policies and/or procedures as necessary or appropriate and obtain the approval of the person, department manager, management person or officer responsible for a particular activity as part of the review;
- Christopher T. Ruggiero will obtain the approval of the firm's compliance policies and procedures from the appropriate senior management person or officer, or chief executive officer;
- the firm's annual reviews will include a consideration of any prior violations or issues under any of the firm's policies or procedures with any revisions or amendments to the policy or procedures designed to address such violations or issues to help avoid similar violations or issues in the future;
- Christopher T. Ruggiero will maintain hardcopy or electronic records of the firm's policies and procedures as in effect from its date of registration as an investment adviser;
- Christopher T. Ruggiero will also maintain an Annual Compliance Review file for each year which will include and reflect any revisions, changes, updates, and materials supporting such changes and approvals, of any of the firm's policies and/or procedures;
- Christopher T. Ruggiero, or designee(s), will also conduct more frequent reviews of the Ruggiero Investments' policies or procedures, or any specific policy or procedure, in the event of any

change in personnel, business activities, regulatory requirements or developments, or other circumstances requiring a revision or update; and

- relevant records of such additional reviews and changes will also be maintained by Christopher T. Ruggiero.

Anti-Money Laundering

Policy

It is the policy of Ruggiero Investments to seek to prevent the misuse of the funds it manages, as well as preventing the use of its personnel and facilities for the purpose of money laundering and terrorist financing. Ruggiero Investments has adopted and enforces policies, procedures and controls with the objective of detecting and deterring the occurrence of money laundering, terrorist financing and other illegal activity. Anti-money laundering (AML) compliance is the responsibility of every employee. Therefore, any employee detecting any suspicious activity is required to immediately report such activity to the AML Compliance Officer. The employee making such report should not discuss the suspicious activity or the report with the client in question.

Background

On October 26, 2001, the President signed into law the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* of 2001 (USA PATRIOT Act). Prior to the passage of the USA PATRIOT Act, regulations applying the anti-money laundering provisions of the Bank Secrecy Act (BSA) were issued only for banks and certain other institutions that offer bank-like services or that regularly deal in cash. The USA PATRIOT Act required the extension of the anti-money laundering requirements to financial institutions, such as registered and unregistered investment companies, that had not previously been subjected to BSA regulations.

On August 25, 2015, the Financial Crimes Enforcement Network (FinCEN) issued for public comment a notice of proposed rulemaking (NPRM) that would prescribe minimum standards for anti-money laundering programs to be established by certain investment advisers, file reports of suspicious activity to FinCEN pursuant to the Bank Secrecy Act ("BSA"), and comply with certain other requirements. FinCEN also proposed including certain investment advisers in the general definition of "financial institution" in rules implementing the BSA.

Foreign Sanctions Evaders List. The Treasury Department's Office of Foreign Assets Control created a new list – the Foreign Sanctions Evaders List ("FSE List") in February 2014, identifying non-U.S. persons and entities that have engaged in conduct evading U.S. economic sanctions with respect to Iran or Syria. As OFAC has elected to maintain a separate FSE List rather than incorporate the FSE entries on the SDN List, advisers should screen their counterparties against both lists.

While currently there are no anti-money laundering rules imposed directly on SEC-registered investment advisers, advisers may agree to perform some or all of a broker-dealer's Customer Identification Program (CIP) obligations subject to certain conditions set forth in a series of no-action letters issued by the SEC's Division of Trading and Markets (the "Division").

On December 12, 2016 the Division once again extended relief that allows broker-dealers to rely on registered investment advisers to satisfy the broker-dealer's CIP obligations for shared customers under certain conditions (the "2016 Letter"). The 2016 Letter represents the eighth extension since the

Division originally provided relief in a no-action letter issued on February 12, 2004 (the "2004 Letter"). Most notably, the no-action letter issued on January 11, 2011 (the "2011 Letter") imposed new requirements on the adviser that must be set forth in a contract entered into by the adviser and the broker-dealer in addition to retaining the conditions set forth in the 2004 letter. The most recent letter extends the no-action position in the 2011 Letter for an additional two years (i.e., until December 12, 2018). In May 2016, FinCEN issued rules intended to clarify and strengthen customer due diligence requirements for 'covered financial institutions.' These new rules include Beneficial Ownership Requirements for legal entity customers, which contain a reliance provision similar to one contained in the CIP Rule permitting a covered financial institution to rely on the performance by another financial institution of the rule's requirements subject to certain conditions, including that the other financial institution is subject to an AML Program Rule.

The 2016 Letter extends the no-action position set forth in the previous letter (issued 1/9/2015) until the earlier of: (i) the date upon which an AML Program Rule for investment advisers becomes effective, or (ii) two years from the date of this letter. (See *Securities Industry and Financial Markets Association* SEC No-Action letter dated December 12, 2016.)

Anti-Money Laundering Act of 2020

The Anti-Money Laundering Act of 2020 (AMLA) passed in January 2020, and covers, among other things: 1) expanded whistleblower rewards and protections, 2) the establishment of a beneficial ownership registration database that will be implemented by the Financial Crimes Enforcement Network (FinCEN), and 3) new Bank Secrecy Act (BSA) violations.

AMLA's Whistleblower Program closely mirrors the whistleblower programs established as a result of the Dodd-Frank Act, and 1) narrows the government's discretion to pay an award, 2) increases the potential amount of whistleblower awards and 3) provides protections specific to money laundering whistleblowers. The provision also prohibits employers from engaging in retaliatory acts, such as discharging, demoting, threatening or harassing employees who provide information relating to money laundering.

Under the AMLA, FinCEN will maintain a nonpublic beneficial ownership database. This database will be the result of new requirements that certain "reporting companies" provide beneficial ownership information to FinCEN. This requirement is separate from state requirements. Although the requirement exempts most regulated entities, publicly traded companies, nonprofits, inactive companies, and operating businesses over certain size limits would be required to file information with FinCEN. Those required to register must disclose their beneficial owners, generally defined as those who directly or indirectly "exercise substantial control" over the entity or who own or control more than 25 percent of the ownership interest of such entities.

Further, the AMLA expands the US government's authority to subpoena records from foreign financial institutions that maintain a correspondent bank account in the United States, allowing investigators to seek "any records relating to the corresponding account or any account at the foreign bank, including

records maintained outside the United States ..” so long as the records are relevant to at least one of several enumerated types of investigations.

In March 2021, the SEC’s Division of Examinations published its exam priorities for the year, including firms’ compliance with AML obligations in order to assess, among other things, whether they have established appropriate customer identification programs and whether they are satisfying their SAR filing obligations, conducting due diligence on customers, complying with beneficial ownership requirements, and conducting robust and timely independent tests of their AML programs. The goal of these examinations is to evaluate whether firms have adequate policies and procedures in place that are reasonably designed to identify suspicious activity and illegal money-laundering activities.

Responsibility

Ruggiero Investments has designated Christopher T. Ruggiero as Ruggiero Investments' AML Compliance Officer.

In this capacity, the AML Compliance Officer is responsible for coordinating and monitoring the firm's AML program as well as maintaining the firm's compliance with applicable AML rules and regulations. The AML Compliance Officer will review any reports of suspicious activity which have been observed and reported by employees.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

Client Identification Procedures

As part of Ruggiero Investments' AML program, the firm has established procedures to ensure that all clients' identities have been verified before an account is opened.

Before opening an account for an individual client, Ruggiero Investments will require satisfactory documentary evidence of a client's name, address, date of birth, social security number or, if applicable, tax identification number. Before opening an account for a corporation or other legal entity, Ruggiero Investments will require satisfactory evidence of the entity's name, address and that the acting principal has been duly authorized to open the account. The AML Compliance Officer will retain records of all documentation that has been relied upon for client identification for a period of five years.

Ruggiero Investments will verify that the documentation is genuine and that all related information furnished is accurate. Ruggiero Investments will also confirm that the investor is investing as principal and not for the benefit of any third party.

If Ruggiero Investments determines that it is acceptable to rely on the investor due diligence performed by a third party (such as a fund administrator or an investor intermediary), certain procedures must be followed.

Christopher T. Ruggiero will retain records of all documentation that has been relied upon for investor identification for a period of five years.

Christopher T. Ruggiero will periodically review and update the AML policies and procedures based on amendments to existing anti-money laundering legislation and amendments, as well as changes in the characteristics of the pooled investment vehicles funds managed or in the investor base.

Prohibited Clients

Ruggiero Investments will not open accounts or accept funds or securities from, or on behalf of, any person or entity whose name appears on either the List of Specially Designated Nationals and Blocked Persons, or the Foreign Sanctions Evaders List maintained by the U.S. Office of Foreign Assets Control, from any Foreign Shell Bank or from any other prohibited persons or entities as may be mandated by applicable law or regulation.

Ruggiero Investments will also not accept high-risk clients (with respect to money laundering or terrorist financing) without conducting enhanced, well-documented due diligence regarding such prospective client.

Annual Training and Review

The AML Compliance Officer will conduct annual employee training programs for appropriate personnel regarding the AML program. Such training programs will review applicable laws, regulations and recent trends in money laundering and their relation to Ruggiero Investments' business. Attendance at these programs is mandatory for appropriate personnel, and session and attendance records will be retained for a five-year period.

The AML program will be reviewed annually by the AML Officer, the Chief Compliance Officer or an independent auditor. The review of the AML program will be conducted as part of the firm's Annual Compliance Program Review of the policies and procedures. The AML review will also evaluate Ruggiero Investments' AML program for compliance with current AML laws and regulations.

In addition, Ruggiero Investments has contractually agreed to assume some of the broker-dealer's CIP obligations. As set forth in the agreement between our firms:

1. our firm will update our AML Program as necessary to implement changes in applicable laws and guidance;
2. Ruggiero Investments (or our custodian) will perform the specified requirements of the broker-dealer's CIP and/or beneficial ownership practices in a manner consistent with Section 326 of the PATRIOT Act and the Beneficial Ownership Requirements, respectively;

3. we will promptly disclose to the broker-dealer potentially suspicious or unusual activity detected as part of the CIP and/or beneficial ownership procedures being performed on the broker's behalf in order to enable that firm to file a Suspicious Activity Report ("SAR"), as appropriate based on the broker-dealer's judgment;
4. we will annually certify to the broker-dealer that the representations made in the contractual agreement are accurate and that our firm is in compliance with its representations; and
5. will promptly provide books and records in connection with our performance of the broker-dealer's CIP and/or beneficial ownership procedural obligations to the SEC, a self-regulatory organization ("SRO") that maintains jurisdiction over the broker, or to authorized law enforcement agencies, either directly through the broker or at the request of (a) the broker-dealer, (b) the SEC, (c) a SRO maintaining jurisdiction over such broker-dealer, or (d) an authorized law enforcement agency.

Best Execution

Policy

As an investment advisory firm, Ruggiero Investments has a fiduciary and fundamental duty to seek best execution for client transactions.

Ruggiero Investments, as a matter of policy and practice, seeks to obtain best execution for client transactions, *i.e.*, seeking to obtain not necessarily the lowest commission but the best overall qualitative execution in the particular circumstances.

Background

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

The SEC has stated that investment advisers have a duty to seek the most favorable execution terms reasonably available given the specific circumstances of each trade. In that regard, Ruggiero Investments considers both qualitative and quantitative factors when available.

Best execution requires that transactions are executed in such a manner that the total cost or proceeds in each transaction is the most favorable for clients under the circumstances. For best execution, the determining factor is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution. Considerations include level of commissions and overall net price.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our best execution policy, practices, disclosures and recordkeeping.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- as part of Ruggiero Investments' brokerage and best execution practices, Ruggiero Investments has adopted and implemented written best execution practices and established a designated individual;
- the designated individual has responsibility for monitoring our firm's trading practices, gathering relevant information, quarterly reviewing and evaluating the services provided by broker-dealers. Ruggiero Investments will place trades for execution only with approved brokers. The

factors that may be considered in selecting and approving brokers (each may be given a different priority depending on asset class), as well as the ongoing monitoring of such brokers may include, but are not limited to, the following:

- overall costs of a trade (i.e., net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of Ruggiero Investments' knowledge of negotiated commission rates currently available and other current transaction costs;
 - quality of execution including accurate and timely execution, clearance and error/dispute resolution;
 - the broker's ability to execute transactions of size in both liquid and illiquid markets at competitive market prices without disrupting the market for the security traded and the ability of the broker to obtain exposure in the countries traded;
 - the range of services offered by the broker, including the quality and timeliness of market information (market color, ideas), range of markets and products covered, quality of research services provided and recommendations made by the broker;
 - the broker's provision of, and access to, companies (e.g., coverage of securities, access to public offerings and research materials);
 - research availability through soft dollar relationships (if applicable);
 - the broker's financial responsibility, creditworthiness and responsiveness;
 - the broker's reputation, financial strength and stability as compared with others; and
 - the broker's ability to maintain confidentiality.
- Ruggiero Investments may also maintain and update quarterly "Approved Broker-Dealer List" based upon the firm's reviews;
-
- when the designated individual meets to review best execution issues it will review the following information:
 - commission dollars by broker, broken down by actual versus estimated, on either a dollar or percentage basis;
 - commissions trended by month, by broker;
 - other services provided by the broker, such as introductory company meetings and research;
 - ranking of brokers based on overall best execution;
 - results of broker evaluations; and
 - additions or deletions to the Approved Broker List.
- Ruggiero Investments will document consideration of quality and cost of services available from other brokers;

- Ruggiero Investments also conducts annual reviews of the firm's brokerage and best execution policies and documents these reviews, and discloses a summary of brokerage and best execution practices in response to Item 12 in Part 2A of Form ADV: Firm Brochure; and
- a Best Execution file is maintained for the information obtained and used in Ruggiero Investments periodic best execution reviews and analysis and to document the firm's best execution practices.

Branch Office Supervision

Policy

Ruggiero Investments recognizes our fiduciary duty to reasonably supervise our branch office(s). In accordance with our duty, it is our firm's policy that the branch office(s) create and maintain all required records, with Christopher T. Ruggiero conducting periodic reviews of those records to determine whether supervisory systems and compliance procedures are being followed.

All of the firm's branch offices and investment adviser representatives will be appropriately registered with the state securities agencies. No investment advisory activity may occur in any branch office location until such time as the firm receives approval that such location qualifies a branch office. Before the branch officer is registered, a supervisor, who satisfies all examination qualifications and is a registered investment adviser representative, must be named.

In the event of the closing of a branch office, Ruggiero Investments will promptly notify the state securities agencies by amending our Forms ADV and BR.

Background

Branch offices can pose unique risks and challenges to investment advisers, particularly in the design and implementation of a compliance program and the supervision of people and processes. Challenges include implementation of policies and procedures, supervision structure, role and empowerment of compliance personnel, accuracy of filings, calculation of fees and overall billing processes, control over advertising materials originating and/or disseminated from branch offices, implementation of a firm's Code of Ethics, asset controls, and provision of investment recommendations.

Branch offices may be subject to unannounced inspections by state securities regulators at any time during normal business hours.

On November 9, 2020, OCIE released its observations after conducting a series of examinations focusing on investment advisers' branch offices.

The staff focused on advisers' compliance programs, as well as on the oversight by the main offices of advisory services provided through branch offices. In particular, the staff reviewed firms' main and branch office practices for:

1. compliance with certain rules, such as the Code of Ethics Rule and Custody Rule;
2. consistency with fiduciary obligations, such as those related to fees, expenses, and advertising; and
3. branch office supervision of investment advice, focusing on the advisers':
 - oversight of investment recommendations, both within specific branch offices and across all of the advisers' branch offices;
 - management and disclosure of conflicts of interest; and
 - allocation of investment opportunities.

The staff noted that while many of the issues discussed were not unique to advisers that use the branch office model, such entities may be more susceptible because, among other things, geographically dispersed personnel may develop different practices or disparate ways of communicating.

Responsibility

Ruggiero Investments' designated officer, together with our branch officer, have the primary responsibility for the implementation and monitoring of the firm's branch office policy, procedures, and recordkeeping for the firm.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated as appropriate, which include the following:

- Christopher T. Ruggiero will deliver to the Designated Supervisor the firm's Branch Office Checklist which includes a list of required records that the branch must create, maintain and share with the CCO as well as a list of Ruggiero Investments' policies and procedures for the branch office;
- Request of the Branch Office a sample of documents, including but not limited to those referenced on the Branch Office Checklist, to check for errors, inconsistencies, or irregularities;
- Annually, review procedures and address deficiencies and remedies. Annual review minutes and findings will be kept for examination with Corporate records;
- Ensure the branch office information is correct on Schedule D, Section 1.F of the Form ADV Annual Updating Amendment;
- Quarterly:
 - Review for the sufficiency of documentation of investment suitability vs. investments placed or recommended to clients;
 - Review adequacy of the branch office's disaster recovery/business continuity plan, including data replication to approved back-up facility(ies) and viability of remote operations;
 - Review client account and trade activity of the Branch Office to ensure fair and proper procedure;
 - Review personal securities transaction reports of branch office employees who are subject to reporting; and
 - Conduct internet and social media searches to check if branch office personnel are using inappropriate/unauthorized marketing materials

Books and Records

Policy

As a registered investment adviser, Ruggiero Investments is required, and as a matter of policy, maintains various books and records on a current and accurate basis which are subject to periodic regulatory examination. Our firm's policy is to maintain firm and client files and records in an appropriate, current, accurate and well-organized manner in various areas of the firm depending on the nature of the records.

Ruggiero Investments' policy is to maintain required firm and client records and files in an appropriate office of Ruggiero Investments for the at least first two years and in a readily accessible facility and location for up to an additional three years for a total of not less than five years from the end of the applicable fiscal year. Certain records for the firm's performance, advertising and corporate existence are kept for longer periods. (Certain states may require longer record retention.)

Background

Registered investment advisers, as regulated entities, are required to maintain specified books and records. There are generally two groups of books and records to be maintained. The first group is financial records for an adviser as an on-going business such as financial journals, balance sheets, bills, etc. The second general group of records is client related files as a fiduciary to the firm's advisory clients and these include agreements, statements, correspondence and advertising, and trade records, among many others.

In December 2020, the SEC announced it had finalized reforms to modernize rules that govern investment adviser advertisements and compensation to solicitors under the Investment Advisers Act of 1940. The amendments create a single rule that replaces the previous advertising and cash solicitation rules, Rule 206(4)-1 and Rule 206(4)-3, respectively, creating the new Marketing Rule and made the following changes to the Books and Records Rule as it relates to advertising.

If not included in the advertisement, a record of the disclosures provided to clients or investors pursuant to the final rule 206(4)-1 must be maintained. Documentation substantiating the adviser's reasonable basis for believing that any testimonials or endorsements comply with the final rule and that any third-party ratings comply with rule 206(4)-1(c)(1). In addition firms are required to maintain a record of the names of all persons who are an investment adviser's partners, officers, directors, or employees, or a person that controls, is controlled by, or is under common control with the investment adviser, or is a partner, officer, director or employee of such a person, pursuant to the final rule 206(4)-1(b)(4)(ii).

Responsibility

Christopher T. Ruggiero has the overall responsibility for the implementation and monitoring of our books and records policy, practices, disclosures and recordkeeping for the firm.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

Ruggiero Investments' filing systems for the books, records and files, whether stored in files or electronic media, are designed to meet the firm's policy, business needs and regulatory requirements as follows:

- arranging for easy location, access and retrieval;
- having available the means to provide legible, true and complete copies;
- for records stored on electronic media, back-up files are made and such records stored separately;
- reasonably safeguarding all files, including electronic media, from loss, alteration or destruction (see back-up procedures in Disaster Recovery Policy);
- limiting access by authorized persons to Ruggiero Investments' records (see additional Cybersecurity and Privacy procedures related to passwords and safeguarding practices);
- ensuring that any non-electronic original records that are electronically reproduced and stored are accurate reproductions;
- identifying the different types of data stored electronically and the appropriate controls for each type of data;
- checking for and implementing any software patches or hardware updates in our electronic media, followed by reviews to ensure that the patches and updates did not unintentionally change, weaken, or otherwise modify the security configuration;
- maintaining client and firm records for five years from the end of the fiscal year during which the last entry was made with longer retention periods for advertising, performance, Code of Ethics and firm corporate/organization documents; and
- annual reviews will be conducted by the designated officer, individual(s) or department managers to monitor Ruggiero Investments' recordkeeping systems, controls, and firm and client files.

Complaints

Policy

As a registered adviser, and as a fiduciary to our advisory clients, our firm has adopted this policy, which requires a prompt, thorough and fair review of any advisory client complaint, and a prompt and fair resolution which is documented with appropriate supervisory review.

Background

Based on an adviser's fiduciary duty to its clients and as a good business practice of maintaining strong and long term client relationships, any advisory client complaints of whatever nature and size should be handled in a prompt, thorough and professional manner. Regulatory agencies may also require or request information about the receipt, review and disposition of any written client complaints.

Responsibility

Ruggiero Investments' designated officer has the primary responsibility for the implementation and monitoring of the firm's complaint policy, practices and recordkeeping for the firm.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated as appropriate, which include the following:

- Ruggiero Investments maintains a Complaint File for any written complaints received from any advisory clients;
- any person receiving any written client complaint is to forward the client complaint to Ruggiero Investments' designated officer;
- if appropriate, the designated officer will promptly send the client a letter acknowledging receipt of the client's complaint letter indicating the matter is under review and a response will be provided promptly;
- the designated officer will forward the client complaint letter to the appropriate person or department, depending on the nature of the complaint, for research, review and information to respond to the client complaint;
- the designated officer will then either review and approve or draft a letter to the client responding to the client's complaint and providing background information and a resolution of the client's complaint. Any appropriate supervisory review or approval will be done and noted; and
- the designated officer will maintain records and supporting information for each written client complaint in the firm's complaint file.

Continuing Education

Policy

Ruggiero Investments recognizes the importance of continuing education, particularly as it relates to investment adviser representatives' knowledge of investment products, strategies, and standards, compliance practices, and ethical obligations. Ruggiero Investments requires that its investment adviser representatives complete and report continuing education in accordance with the applicable state and federal rules, regulations, and statutes.

Background

On November 24, 2020, NASAA adopted Model Rule 2002-411(h) or 1956-204(b)(6)-CE, which requires every investment adviser representative registered under section 404 of the 2002 Act or section 201 of the 1956 Act to complete continuing education requirements.

Jurisdictions

The following states currently have adopted an IAR continuing education requirement: Arkansas, California, Colorado, Florida, Hawaii, Kentucky, Maryland, Michigan, Minnesota, Mississippi, Nevada, North Dakota, Oklahoma, Oregon, South Carolina, Tennessee, Vermont, Washington, D.C., and Wisconsin.

Nebraska, New Jersey, Rhode Island, and the U.S. Virgin Islands have informed NASAA that they plan to adopt an IAR continuing education requirement in 2025.

Model Rule Requirements

Continuing Education. NASAA Model Rule on Investment Adviser Representative Continuing Education requires every investment adviser representative registered under section 404 of the 2002 Act or 201 of the 1956 Act to complete the following continuing education requirements each reporting period:

1. **IAR Ethics and Professional Responsibility.** Each investment adviser representative to whom this model rule applies must complete six credits of IAR Regulatory and Ethics content from an authorized provider. At least three hours must cover the topic of ethics.
2. **IAR Products and Practice.** Each investment adviser representative to whom this model rule applies must complete six credits of IAR Products and Practice content from an authorized provider.

Reporting Period. Each "reporting period" is defined as a twelve-month period determined by NASAA. An investment adviser representative's initial reporting period with a state begins on the first day of the

first full reporting period after the individual either registered or is required to be registered with the state.

Agent of FINRA-Registered Broker-Dealer Compliance. Any investment adviser representative who is also a registered agent of a FINRA member broker-dealer and who complies with FINRA's continuing education requirements complies with the IAR Products and Practice requirement for a reporting period if the FINRA continuing education content, at minimum, meets all the following criteria:

- The continuing education content focuses on compliance, regulatory, ethical, and sales practices standards.
- The continuing education content is based on state and federal investment advisory statutes, rules, and regulations, securities industry rules and regulations, and accepted standards and practices in the financial services industry.
- The continuing education content requires that its participants demonstrate proficiency in the education materials' subject matter.

IAR Continuing Education Reporting. Each investment adviser representative must ensure that the authorized provider reports the completion of the applicable IAR continuing education requirements.

No Carry-Forward Permitted. An investment adviser representative who earns credit hours in excess of a reporting period's required credit hours cannot apply those excess credit hours to the next year's continuing education requirement.

Failure to Complete or Report Continuing Education. If an investment adviser representative fails to fulfill his continuing education obligation by the end of a reporting period, he must renew in the state as "CE Inactive" at the end of the calendar year. An investment adviser is not eligible for investment adviser representative registration or registration renewal if he is "CE Inactive" at the close of the next calendar year. An investment adviser representative who completes and reports all IAR continuing education credits for all incomplete reporting periods will no longer be considered "CE Inactive".

Unregistered Periods. When an investment adviser representative previously registered under the Act becomes unregistered, he must complete IAR continuing education for all reporting periods that occurred between the time he became unregistered and when he became registered again under the Act. However, the unregistered individual is exempt from this requirement when he takes and passes the examination or receives an examination waiver as required by Rule USA 2002 412(e)-1 in connection with his subsequent registration application.

Home State. An investment adviser representative registered in the state or who must register in the state who is also registered as an investment adviser representative in his Home State complies with this rule when:

- The investment adviser representative's home state has continuing education requirements that are at least as stringent as the NASAA Model Rule on Investment Adviser Representative Education; and
- The investment adviser representative complies with the Home State's investment adviser representative continuing education requirements.

Procedures and Documentation

At least annually, our CCO shall determine whether states in which we have registered investment adviser representatives have adopted an IAR continuing education requirement and develop and maintain appropriate policies and procedures based upon those continuing education requirements.

Our CCO ensures that we have an appropriate, written continuing education plan that is communicated to all registered investment adviser representatives and to their immediate supervisors that includes:

- the investment adviser representatives' continuing education obligation;
- the procedures for complying with the continuing education requirement;
- the repercussions for failing to comply with continuing education obligations, which may include termination

Our investment adviser representatives shall provide our CCO a copy of all certificates of completion or other documentation showing completion of the continuing education credits as soon as practicable.

When an individual has registered—or needs to register— as “CE Inactive”, he or she will be suspended from all activities pending completion of the required training and, in some instances, may be terminated.

Corporate Records

Policy

As a registered investment adviser and legal entity, Ruggiero Investments has a duty to maintain accurate and current “Organization Documents.” As a matter of policy, Ruggiero Investments maintains all Organization Documents and related records at its principal office. All Organization Documents are maintained in a well-organized and current manner and reflect current directors, officers and members or partners, as appropriate. Our Organization Documents will be maintained for the life of the firm in a secure manner and location and for an additional three years after the termination of the firm.

Background

Organization Documents, depending on the legal form of an adviser, may include the following, among others:

- Articles of Incorporation, By-laws, etc. (for corporations)
- Agreements and/or Articles of Organization (for limited liability companies)
- Partnership Agreements and/or Articles (for partnerships and limited liability partnerships)
- Charters
- Minute Books
- Stock certificate books/ledgers
- Organization resolutions
- Any changes or amendments of the Organization Documents

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our Organization Documents policy, practices, and recordkeeping.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Ruggiero Investments' designated officer will maintain the Organization Documents in Ruggiero Investments' principal office in a secure location; and
- Organization Documents will be maintained on a current and accurate basis and reviewed annually and updated by the designated officer so as to remain current and accurate with Ruggiero Investments' regulatory filings and disclosures, among other things.

Custody

Policy

As a matter of policy and practice, Ruggiero Investments does maintain custody of advisory client funds, securities or assets. As an adviser with custody, Ruggiero Investments' general policy is to ensure that we maintain client funds and securities with "qualified custodians" which provide at least quarterly account statements directly to our clients or a selected "independent representative."

Background

In a major revamping and updating of the SEC Custody Rule (Rule 206(4)-2), the SEC adopted final rule amendments released December 30, 2009, imposing more rigorous requirements for SEC advisers maintaining custody or deemed to have custody of client assets.

In the National Exam Program Risk Alert, *Significant Deficiencies Involving Adviser Custody and Safety of Client Assets*, issued by OCIE on March 4, 2013, SEC staff grouped custody-related deficiencies into four categories: (i) failure by advisers to recognize they have custody; (ii) failure to comply with the rule's "surprise exam" requirement; (iii) failures to comply with the "qualified custodian" requirements; and (iv) failures to comply with the audit approach for pooled investment vehicles. The Alert, which can be accessed [here](#), includes detailed examples of the deficiencies observed.

The custody rule under the Investment Advisers Act of 1940 defines custody as "holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them." The custody definition includes three examples to clarify what constitutes custody for advisers as follows:

- possession of client funds or securities (but not of checks drawn by clients and made payable to third parties) unless you receive them inadvertently and you return them to the sender promptly but in any case within three business days of receiving them;
- any arrangement (including a general power of attorney) under which you are authorized or permitted to withdraw client funds or securities maintained with a custodian upon your instruction to the custodian; and
- any capacity (such as general partner of a limited partnership, managing member of a limited liability company or a comparable position for another type of pooled investment vehicle, or a trustee of a trust) that gives you or your supervised person legal ownership of or access to client funds or securities.

NOTE: If a related person of the adviser is appointed as trustee as a result of a family or personal relationship with the grantor or beneficiary of the trust, and not as a result of employment with the adviser, the role of the supervised person as trustee will not be imputed to the adviser; thus the adviser will not be deemed to have custody of such client's assets.

Use of Qualified Custodians. The custody rule requires advisers with custody to maintain client funds and securities with "qualified custodians," which include U.S. banks and insured savings associations; registered broker-dealers; futures commission merchants registered under the U.S. Commodity

Exchange Act (but only with respect to clients' funds and security futures, or other securities incidental to futures transactions); and certain foreign custodians.

Exceptions. (1) Shares of mutual funds may be held with the fund's transfer agent in lieu of a qualified custodian.

(2) Certain privately offered securities provided such securities meet specified conditions. Privately offered securities are securities that are (i) acquired from the issuer in a transaction or chain of transactions not involving any public offering; (ii) uncertificated, and ownership therefore is recorded only on the books of the issuer or its transfer agent in the name of the client; and (iii) transferrable only with the prior consent of the issuer or holders of the outstanding securities of the issuer.

In August 2013, the SEC's Division of Investment Management issued IM Guidance Update No. 2013-04 addressing the treatment of certain privately offered securities under the custody rule. Importantly, the relief provided is only applicable where "the client is a pooled investment vehicle that is subject to a financial statement audit."

Division staff indicated in the Guidance that it would "not object" if an adviser does not maintain certificates evidencing privately offered securities with a qualified custodian provided that: (i) the client is a pooled investment vehicle that complies with the audit exception; the certificate can only be used to effect a transfer or to otherwise facilitate a change in beneficial ownership of the security with the prior consent of the issuer or holders of the outstanding securities of the issuer; (ii) ownership of the security is recorded on the books of the issuer or its transfer agent in the name of the client; (iii) the private stock certificate contains a legend restricting the transfer; and (iv) the private stock certificate is appropriately safeguarded by the adviser and can be replaced upon loss or destruction.

Use of Affiliated Custodians. However, when the adviser or its related person serves as qualified custodian for client assets in connection with advisory services provided by the adviser ("affiliated custodian"), the adviser is required to undergo a surprise annual audit *and* annually obtain, or receive from the related person, an internal control report regarding the affiliated custodian's controls applicable to custody of client assets. An independent public accountant registered with and subject to regular inspection by the Public Company Accounting Oversight Board ("PCAOB") must issue the report.

Exceptions.

- A limited exception from the surprise examination requirement is available when the adviser is deemed to have custody as a result of a related person having custody. (1) An adviser that can evidence that it is *operationally independent* from a related person that serves as a qualified custodian for client assets would not have to obtain a surprise examination of client assets held by the related person. The rule sets forth the conditions that must be met.
- A limited exception to obtaining an internal control report from a related person is available when the related person is deemed to have custody of client assets but does not act as qualified

custodian to such assets. For example, an adviser to a private fund the general partner ("GP") of which is a related person of the adviser would not need to obtain an internal control report from (i) the GP if the GP is not serving as the qualified custodian and (ii) the prime broker that is serving as the qualified custodian is not a related person of the adviser.

- A limited exception from the surprise examination requirement is available when the adviser has authority under Standing Letters of Authority (SLOA) under certain conditions as outlined in the IAA No-Action Letter, February 21, 2017.

Account Statements to Clients. Advisers must also have a reasonable belief after "due inquiry" that the qualified custodians provide at least quarterly account statements directly to the adviser's clients.

If the adviser elects also to send account statements to its advisory clients in addition to those sent by the qualified custodian(s), the adviser must include a legend in its account statements urging clients to compare the account statements they receive from the custodian with those received from the adviser.

Notice to Clients. Advisers that open an account(s) with a qualified custodian on the client's behalf, either (i) as a separate account under the client's name or (ii) in accounts under the adviser's name as agent or trustee (provided such account contains only clients' funds and securities), must promptly notify the client in writing, detailing the qualified custodian's name, address and the manner in which the client's funds or securities are maintained.

Exceptions. Investment-related limited partnerships, limited liability companies or other pooled investment vehicles (collectively 'pooled investment vehicles') that are annually audited with copies of the audited financials delivered to all investors within specified timeframes.

Surprise Annual Audit. Advisers deemed to have custody of clients' funds or securities are required to obtain a surprise annual examination of client assets by an independent public accountant, except as provided below.

The independent accountant must file its surprise examination report with the SEC within 120 days of the commencement of the examination. Any material discrepancies found by the accountant must be reported to the SEC within one day. Effective January 1, 2011, investment adviser firms submit Form ADV-E filings electronically via the IARD, while the reporting public accountants utilize a separate Form ADV-E Surprise Examination Filing Website.

Exceptions.

(1) Advisers deemed to have custody **solely** as a result of their ability to directly debit advisory fees from clients' accounts.

(2) Investment-related limited partnerships, limited liability companies or other pooled investment vehicles (collectively 'pooled investment vehicles') that are annually audited with copies of the audited financials delivered to all investors within specified timeframes.

(3) Advisers that have in place an SLOA that is structured such that the adviser does not have discretion as to the payee and that the following conditions are met:

- The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
- The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer.
- The client has the ability to terminate or change the instruction to the client's qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
- The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

(See IAA No-Action Letter February 21, 2017 -

<https://www.sec.gov/divisions/investment/noaction/2017/investment-adviser-association-022117-206-4.htm>)

Note: SEC IM Guidance Update No. 2014-07 clarifies how the audit provision of the Custody Rule Private applies to fund managers using special purpose vehicles (SPVs) and escrow accounts.

Form ADV Disclosures: Although advisers that deduct fees directly from client accounts are deemed to have custody and must comply with the applicable rule requirements, advisers that have custody **solely** because they deduct advisory fees may continue to answer "No" to the custody questions in Item 9 of Form ADV Part 1.

In the IAA No-Action Letter (February 21, 2017) the SEC advised firms that beginning with the next annual updating amendment after October 1, 2017, an investment adviser should include client assets that are subject to a SLOA that result in custody in its response to Item 9 of Form ADV.

Form ADV Part 1. Except as provided below, advisers are required to promptly amend their responses to most subsections of Item 9 (and related Schedule D disclosures) when previously reported information becomes inaccurate. Advisers need only update their responses to the following when filing their annual updating amendment: (i) the approximate amount of funds and securities and (ii) total number of clients

for which you and/or your related persons have custody; (iii) the date a surprise exam commenced; and (iv) the number of persons acting as qualified custodians for your clients.

Form ADV Part 2. Advisers must disclose whether they require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance in response to Item 18.A. of Part 2A of Form ADV and if so, must include a balance sheet for its most recent fiscal year. An adviser that has not completed its first fiscal year must include a balance sheet dated not more than 90 days prior to the filing date of the Firm Brochure. The balance sheet must be prepared in accordance with GAAP, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.

In addition, an adviser having discretionary authority or custody of client assets, or who solicits or requires the aforementioned prepayment of fees, is required to disclose any financial condition reasonably likely to impair its ability to meet contractual commitments to its clients.

Exceptions. An adviser that is also (i) a qualified custodian as defined in SEC Rule 206(4)-2 or a similar state rule; or (ii) an insurance company, is not required to respond to Item 18.A.

MUTUAL FUND EXEMPTION. Advisers are exempt from all provisions of the custody rule with respect to clients that are registered investment companies. These accounts are subject to the requirements of section 17(f) of the Investment Company Act and custody rules adopted thereunder.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our policies, practices, disclosures, recordkeeping and other requirements as an advisory firm which does maintain custody of client funds, securities or assets.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy, conducts reviews to monitor and ensure the firm's policy is observed, properly implemented and amended or updated, as appropriate. As an advisory firm with custody, Ruggiero Investments' procedures include the following practices:

- with the possible exception of certain privately-offered securities, Ruggiero Investments will conduct a review of a random sample of client accounts to verify quarterly that securities and funds of advisory clients are maintained with an unaffiliated qualified custodian or, in the case of accounts holding shares of open-end mutual funds, the fund's transfer agent and held in the client's name or under Ruggiero Investments as agent or trustee for the clients;
- after conducting due inquiry quarterly on a sample of client accounts, Ruggiero Investments has a reasonable belief that the qualified custodian(s) holding client assets provides at least quarterly account statements directly to those clients or an "independent representative" of their choosing that does not have a "control" relationship with Ruggiero Investments and has not had a material business relationship within the past two years with Ruggiero Investments;

- Ruggiero Investments' account statements to clients include notification urging the client to compare the information contained therein with the account statements received directly from the custodian;
- in response to a client's email requesting a wire transfer payable to a third party, Ruggiero Investments will contact the client directly to obtain written or verbal verification of the request prior to effecting such wire transfer;
- if Ruggiero Investments receives inadvertently from a client any funds or securities, these assets shall be returned to the client promptly, *i.e.*, within three business days of receipt;
- no employee or supervised person of Ruggiero Investments shall knowingly accept actual possession of any client funds or securities. Persons receiving a request from a client to deposit assets with a qualified custodian may assist the client to complete necessary forms and/or mailings, but shall not take physical possession of the funds or securities;
- Ruggiero Investments will report, in response to Item 9 of Part 1A of Form ADV, that it has custody of client funds or securities;
- additional books and records are maintained for those clients for which Ruggiero Investments maintains custody regarding client transactions, receipts/deliveries of funds and securities, confirmations and positions;
- As some client accounts have standing letters of authorization on file, the firm will maintain a list of all of those accounts and comply with the seven conditions as laid out in the February 21, 2017 No-Action Letter.

Furthermore, pursuant to our authority to directly debit advisory fees from client accounts, Ruggiero Investments may adopt the following additional procedures:

- conduct quarterly testing of a sample of client fee calculations to verify accuracy;
- conduct overall testing of the reasonableness of fees in comparison to aggregate assets under management; and
- segregate duties among those employees responsible for:
 - processing billing invoices or listings of fees due from clients that are used by custodians to deduct advisory fees from clients' accounts;
 - reviewing such invoices/fee listings for accuracy; and/or
 - reconciling those invoices/fee listings with deposits of advisory fees by the custodians into our firm's bank account to confirm accurate fee amounts were deducted.

Cybersecurity

Policy

Ruggiero Investments' cybersecurity policy, in conjunction with our Firm's Identity Theft and Privacy policies as set forth in this manual, recognizes the critical importance of safeguarding clients' personal information as well as the confidential and proprietary information of the firm and its employees. Maintaining the security, integrity and accessibility of the data maintained or conveyed through the Firm's operating systems is a fundamental requisite of our business operations and an important component of our fiduciary duty to our clients. While recognizing that the very nature of cybercrime is constantly evolving, Ruggiero Investments conducts periodic vulnerability assessments based on our firm's use of technology, third-party vendor relationships, reported changes in cybercrime methodologies, and in response to any attempted cyber incident, among other circumstances.

Protecting all the assets of our clients and safeguarding the proprietary and confidential information of the firm and its employees is a fundamental responsibility of every Ruggiero Investments employee, and repeated or serious violations of these policies may result in disciplinary action, including, for example, restricted permissions or prohibitions limiting remote access, restrictions on the use of mobile devices, and/or termination.

Background

In addition to rules and regulations under the Advisers Act that an advisory firm needs to abide by to be considered compliant, there are mandates beyond the Advisers Act that place further significant regulatory obligations on advisory firms. Security laws and regulations that impose data security and privacy requirements on investment advisers include, among others: (i) Gramm-Leach-Bliley Act/Regulation S-P; (ii) Regulation S-AM (Limitation on Affiliate Marketing); (iii) FACT Act – Red Flags Rule; (iv) Regulation S-ID Identity Theft Red Flags Rules; (v) Standards for the Protection of Personal Information of Residents of the Commonwealth of Massachusetts (201 CMR 17.00); (vi) California Financial Information Privacy Act (SB1); and (vii) U.S. Data Breach Disclosure Legislation. Furthermore, according to information posted on the National Conference of State Legislatures (NCSL) website, as of March 2018, all fifty states, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam have enacted legislation requiring private or governmental entities to notify individuals of security breaches of information involving personally identifiable information.

On March 26, 2014, the SEC sponsored a Cybersecurity Roundtable to develop a better understanding of the growing cybersecurity risks and to facilitate discussions about the ways in which regulators and the industry can work together to address them, according to Commissioner Luis Aguilar, in a speech he presented on April 2, 2014 to the Mutual Fund Directors Forum.

On April 15, 2014, OCIE staff issued an NEP Risk Alert, *OCIE Cybersecurity Initiative*, "to provide additional information concerning its initiative to assess cybersecurity preparedness in the securities industry." Pursuant to its examination of 49 registered investment advisers and 57 registered broker-

dealers, OCIE issued a Risk Alert, *Cybersecurity Examination Sweep Summary*, on February 3, 2015 outlining its observations.

Significantly, the Alert notes, "The examinations did not include reviews of technical sufficiency of the firms' programs."

Staff of the Division of Investment Management issued *Cybersecurity Guidance* (IM Guidance Update No. 2015-02) on April 28, 2015, highlighting best practices for firms to consider implementing when developing or assessing their cybersecurity program. Importantly, the guidance also warns that cybersecurity breaches and deficiencies in cybersecurity programs could cause advisers and funds to violate securities laws, citing as an example, cyber breaches by insiders could constitute fraud.

OCIE's Risk Alert, 2015 *Cybersecurity Examination Initiative*, was published on September 15, 2015, to announce a second round of cybersecurity sweep examinations (the "2015 Initiative"). This second round of examinations is being launched to (i) build upon previous guidance provided by the Commission and (ii) further assess cybersecurity preparedness in the securities industry. Noting that some public reports have identified a weakness in basic controls as a factor in certain cybersecurity breaches, examiners will focus on firms' cybersecurity-related controls and conduct testing of such controls to assess their effectiveness.

Staff of the Division of Investment Management issued *Business Continuity Planning for Registered Investment Companies* (IM Guidance Update No. 2016-04) on June 28, 2016. The guidance emphasized the importance of implementing business continuity plans ("BCPs") for the firm and also for the firm to understand the business continuity and disaster recovery protocols of critical fund service providers, including third-party providers. In determining whether a service provider is critical, the firm may wish to consider day- to-day operational reliance on the service provider and the existence of backup processes or multiple providers.

On August 7, 2017, OCIE staff issued an NEP Risk Alert, *Observations from Cybersecurity Examinations*, as a follow-up to the 2014 Cybersecurity Initiative. In this Cybersecurity 2 Initiative, 75 firms, including broker-dealers, investment advisers, and investment companies were examined and "involved more validation and testing of procedures and controls surrounding cybersecurity preparedness than was previously performed" during the original Cybersecurity 1 Initiative. The staff outlined their observations, noting that while they have observed increased cybersecurity preparedness since the Cybersecurity 1 Initiative, there were also areas observed where compliance and oversight could be improved.

In March 2022, the SEC's Division of Exams released its exam priorities for the year, including a continued focus on cybersecurity. The Division will continue to review whether firms have taken appropriate measures to: (1) safeguard customer accounts and prevent account intrusions, including verifying an investor's identity to prevent unauthorized account access; (2) oversee vendors and service providers; (3) address malicious email activities, such as phishing or account intrusions; (4) respond to incidents, including those related to ransomware attacks; (5) identify and detect red flags related to identity theft; and (6) manage operational risk as a result of a dispersed workforce in a work-from-home

environment. In the context of these examinations, the Division will focus on, among other things, investment advisers' compliance with Regulations S-P and S-ID, where applicable.

In July 2023, the SEC adopted rules regarding cybersecurity disclosures, which become effective on September 5, 2023. Registrants must disclose on Form 8-K's new Item 1.05 any material cybersecurity incident and information about the incident's nature, scope, timing, and material impact on the registrant. Form 8-K must be submitted four business days after a registrant determines an incident is material, but disclosure may be delayed if the United States Attorney General provides the SEC a written determination that immediate disclosure poses a substantial risk to national security or public safety. All registrants besides smaller reporting companies must begin complying on December 18, 2023. Smaller reporting companies must begin complying on June 15, 2024.

Item 106 of Regulation S-K requires that registrants annually report on Form 10-K the processes for assessing, identifying, and managing material risks due to cybersecurity threats. The material effects of previous cybersecurity incidents and reasonably likely material effects of cybersecurity threats will be disclosed as well. Firms must also disclose the board of directors' role in overseeing cybersecurity threats and management's role in assessing and managing material risks from cybersecurity threats. All registrants must provide such disclosures beginning with annual reports for fiscal years ending on or after December 15, 2023.

A September 6, 2023 Risk Alert highlighted that business continuity plans continued to be an area of interest for examinations, as did cybersecurity incidents and breaches.

Regulation S-P was amended in May 2024. The amendments require firms to have greater oversight of third parties and vendors through due diligence and ongoing monitoring. Specifically, firms must adopt policies and procedures reasonably designed to ensure service providers take appropriate measures to protect against unauthorized access to or use of customer information and notify a firm as soon as possible, but no later than 72 hours after becoming aware that a breach in security has occurred resulting in unauthorized access to a customer information system maintained by the service provider. Registered investment advisers with \$1.5 billion or more in assets under management, large broker-dealers, and large transfer agents must comply with these requirements by December 3, 2025, and small entities must comply with these requirements by June 3, 2026.

Responsibility

Ruggiero Investments' cybersecurity policies and procedures have been adopted pursuant to approval by the firm's senior management. Christopher T. Ruggiero is responsible for reviewing, maintaining and enforcing these policies and procedures to ensure meeting Ruggiero Investments' overall cybersecurity goals and objectives while at a minimum ensuring compliance with applicable federal and state laws and regulations. Christopher T. Ruggiero may recommend to the firm's principal(s) any disciplinary or other action as appropriate. Christopher T. Ruggiero is also responsible for distributing these policies and procedures to employees and conducting appropriate employee training to ensure employee adherence to these policies and procedures.

Any questions regarding Ruggiero Investments' cybersecurity policies should be directed to Christopher T. Ruggiero.

Procedure

In addition to the firm's procedures as set forth in the Identity Theft and Privacy sections of this manual, Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Ruggiero Investments has designated Christopher T. Ruggiero as the firm's Chief Information Security Officer (CISO) with responsibility for overseeing our firm's cybersecurity practices;
- Ruggiero Investments' cybersecurity policies and procedures have been communicated to all employees of the firm;
- Ruggiero Investments maintains cybersecurity organizational charts and/or identifies and describes cybersecurity roles and responsibilities for the firms' employees;
- Ruggiero Investments restricts employees' access to those networks resources necessary for their business functions, and maintains documentation reflecting changes in employees' access rights, including management approval, when necessary;
- Christopher T. Ruggiero conducts periodic risk assessments of critical systems at least annually to identify cybersecurity threats, vulnerabilities, and potential business consequences;
- The Ruggiero Investments third party IT company conducts penetration tests and vulnerability scans on systems that they considers critical, and fully remediates the high risk observations are discovered from these tests and scans;
- Christopher T. Ruggiero utilizes some form of system, utility, or tool—such as authentication protocols, secure access control measures, and encryption of all transmitted files—to prevent, detect, and monitor data loss as it relates to personally identifiable information;
- Ruggiero Investments obtains written authority from customers/shareholders to transfer funds to third party accounts in the event of a cybersecurity breach or incident;
- Christopher T. Ruggiero or other designated person(s) is responsible for Ruggiero Investments' patch management practices, including monitoring and prompt installation of critical patches, and the creation and retention of appropriate documentation of such revisions;
- Christopher T. Ruggiero or other designated person(s) oversee the selection and retention of third-party service providers, taking reasonable steps to select those capable of protecting against unauthorized access to or use of customer information and requiring that they notify the firm as soon as possible, but no later than 72 hours after becoming aware that a breach in security has occurred resulting in unauthorized access to a customer information system maintained by the service provider;
- Ruggiero Investments provides training to employees regarding information security risks and responsibilities; such training is provided to all new employees as part of their onboarding

process and is provided to all employees no less than annually; additional training and/or written guidance also may be provided to employees in response to relevant cyber-attacks;

- Christopher T. Ruggiero maintains records documenting such training and ad hoc employee guidance and/or system notifications;
- Ruggiero Investments has adopted procedures to promptly eliminate access to all firm networks, devices and resources as part of its HR procedures in the event an employee resigns or is terminated, such employee is required to immediately return all firm-related equipment and information to Christopher T. Ruggiero;
- Ruggiero Investments has adopted procedures governing the use of mobile devices for firm business purposes, including required and enforced restrictions and controls for mobile devices that connect to the firms' systems, such as passwords and software that encrypts communications;
- Ruggiero Investments prohibits employees from installing software on company owned equipment without first obtaining written approval from Christopher T. Ruggiero or other designated person(s);
- Christopher T. Ruggiero or other designated person(s) conducts periodic monitoring of the firm's networks to detect potential cybersecurity events;
- Christopher T. Ruggiero or other designated person(s) oversee the selection and retention of third-party service providers, taking reasonable steps to select those capable of maintaining appropriate safeguards for the data at issue and require service providers by contract to implement and maintain appropriate safeguards;
- Ruggiero Investments conducts initial and ongoing due diligence processes on third-party service providers, including review of applicable business continuity and disaster recovery plans for critical providers. Christopher T. Ruggiero, in conducting oversight, may seek service provider presentations, onsite visits, questionnaires, certifications, independent control reports, and summaries of programs and testing. Oversight may also include the review of a service provider's financial condition and resources, insurance arrangements, and any indemnification provisions covering the service provider and its activities;
- Ruggiero Investments maintains records of any due diligence reviews, including a complete inventory of data and information, along with classifications of the risks, vulnerabilities, data, business consequences, and information of third party service providers conducted by Christopher T. Ruggiero or other designated person(s);
- Christopher T. Ruggiero or other designated person(s) requires third-party service providers having access to the firm's networks to periodically provide logs of such activities;
- Christopher T. Ruggiero examines critical service providers' backup processes and redundancies, robustness of the provider's contingency plans, including reliance on other critical service providers, and how they intend to maintain operations during a significant business disruption;
- If a critical service provider experiences a significant disruption, Christopher T. Ruggiero will monitor and determine any potential impacts it may have on fund operations and investors and create communication protocols and steps that may be necessary to successfully navigate such events;

- Christopher T. Ruggiero will create external communications plans addressing ongoing discussions with the affected service provider, providing timely communications that report progress and next steps, which may include posting updates to websites or portals to facilitate accessibility and broad dissemination of information;
- Christopher T. Ruggiero will also create backup procedures that address steps to be taken to navigate through a service provider disruption;
- Christopher T. Ruggiero and/or other designated person(s) prepares an annual BCP presentation to be presented to the fund's boards of directors (which can be given separately or as part of a periodic presentation or annual update to the board), reporting any business continuity outages and results of any tests, along with updates on progress, resumption, recovery, and remediation efforts during and after any outages;
- Christopher T. Ruggiero will ensure that, after the applicable date of either December 18, 2023 or June 15, 2024, that any material cybersecurity incident will be reported on Form 8-K and submitted to the SEC within four business days after determining that the incident is material;
- to best protect our clients and the firm, all suspicious activity recognized or uncovered by personnel should be promptly reported to Christopher T. Ruggiero and/or other designated persons;
- an employee must immediately notify his or her supervisor and/or Christopher T. Ruggiero to report a lost or stolen laptop, mobile device and/or flash drive; and
- Ruggiero Investments maintains a written cybersecurity incident response policy.

Death of a Client

Policy

A client's death does not end the firm's fiduciary obligations to the client, and registered investment advisers must continue to act in the client's best interest. If and when Ruggiero Investments learns that a client has passed away, it will review the investment advisory contract to determine if the contract remains in effect after the client's death. If the firm has discretionary authority and the contract does not terminate upon client death, then the adviser will continue to manage the assets in fulfilling its fiduciary obligation to the client until instructed otherwise by the executor of the client's estate.

Procedure

Once the firm has received notification of the client's death, it will:

- Notify the custodian and any other applicable third parties.
- Obtain a copy of the client's death certificate.
- Identify the executor and obtain copies of documents to evidence the executor's authority.
- Determine any other authorized representatives for communication (e.g., attorneys, CPAs, etc.).
- If instructed by the executor, re-paper and transfer accounts to the new owners.
- Document communication with the executor and any other authorized representative of the estate.

Additionally, if instructed by the executor, the firm should work with the custodian to provide any additional documentation required by the custodian to liquidate and/or transfer assets, which may include the following:

- Court Letter of Appointment, which names the executor (current in its date and with a visible or original court seal).
- A "stock power," a type of power of attorney allowing for the transfer of ownership of stock.
- State tax inheritance waiver, if applicable.
- Affidavit of domicile.
- For accounts held in trust, the trustee certification showing successor trustee.
- For joint accounts, a Letter of Authorization signed by the survivor if the assets are moving anywhere other than his or her own account. Alternatively, if there is no surviving tenant and the assets are moving anywhere other than the last decedent's estate account, the firm will require a Letter of Authorization signed by the executor.

All documents obtained to complete the liquidation and/or transfer process will be maintained as a part of the firm's books and records.

Digital Assets

Policy

Ruggiero Investments, as a matter of policy and practice, does not invest in digital assets on behalf of clients. Ruggiero Investments reviews all firm accounts on an annual basis to ensure that there are no regulatory assets invested in digital assets. Ruggiero Investments' policy of not holding digital assets is disclosed to clients.

If a client chooses to withdraw funds from their account to invest in digital assets, Ruggiero Investments will provide a disclosure stating that Ruggiero Investments does not recommend this course of action, and obtain the client's signature.

Directed Brokerage

Policy

Ruggiero Investments' policy and practice is to not accept advisory clients' instructions for directing a client's brokerage transactions to a particular broker-dealer.

Background

Clients may direct advisers to use a particular broker-dealer under various circumstances, including where a client has a pre-existing relationship with the broker or participates in a commission recapture program, among other situations. Advisers may also elect not to exercise brokerage discretion and, therefore, require clients to direct brokerage. Advisers should recommend to clients the use of broker-dealers providing reasonable, competitive and quality brokerage services and advise clients if a client's directed broker does not provide competitive and quality services.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our directed brokerage policy that the firm does not accept client instructions for directing brokerage to a particular broker-dealer.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Ruggiero Investments' policy of prohibiting the acceptance of client instruction for the direction of brokerage has been communicated to relevant individuals including management, traders, and portfolio managers, among others;
- the firm's advisory agreements and Item 12 of Part 2A of Form ADV: Firm Brochure(s) disclose that the firm has discretion as to the selection of broker-dealers and discloses the firm's policy of not accepting client directed brokerage instructions;
- Christopher T. Ruggiero semi-annually monitors the firm's advisory services and trading practices to help ensure no directed brokerage instructions exist or are accepted by the firm; and
- in the event of any change in the firm's policy, any such change must be approved by management, and any directed brokerage instructions would only be allowed after appropriate reviews and approvals, received in writing, with appropriate disclosures made, regulatory requirements met and proper records maintained.

Disaster Recovery

Policy

As part of its fiduciary duty to its clients and as a matter of best business practices, Ruggiero Investments has adopted policies and procedures for disaster recovery and for continuing Ruggiero Investments' business in the event of an emergency or a disaster. These policies are designed to allow Ruggiero Investments to resume providing service to its clients in as short a period of time as possible. These policies are, to the extent practicable, designed to address those specific types of disasters that Ruggiero Investments might reasonably face given its business and location.

Background

Since the terrorist activities of 9/11/2001 and various catastrophic natural disasters, up to and including Hurricanes Katrina and Sandy, all advisory firms need to establish written disaster recovery and business continuity plans for the firm's business. This will allow advisers to meet their responsibilities to clients as a fiduciary in managing client assets, among other things. It also allows a firm to meet its regulatory requirements in the event of any kind of an emergency or disaster, such as a bombing, fire, flood, earthquake, power failure, the loss of a key principal, or any other event that may disable the firm, key personnel, or prevent access to our office(s).

In response to the substantial and wide-spread damage caused by Hurricane Sandy in October 2012, the SEC, FINRA and CFTC communicated with a number of leading market participants to ascertain the storm's impact on various aspects of their operations. Following the issuance of a joint advisory by the SEC, CFTC and FINRA on August 16, 2013, the SEC's Office of Compliance Inspections and Examinations (OCIE) issued a Risk Alert focused specifically on business continuity and disaster recovery planning by investment advisers. While both the joint advisory and the Risk Alert identify the same six key areas, the SEC's alert provides more detailed guidance including (i) general observations and notable practices, (ii) weakness noted, and (iii) possible future considerations. Advisers should consider the following areas in their review of business continuity and disaster recovery planning ("BCP") practices: (1) preparation for widespread disruption; (2) planning for alternative locations; (3) preparedness of key vendors; (4) telecommunications services and technology; (5) communications plans; (6) regulatory and compliance considerations; and (7) BCP review and testing.

Staff of the Division of Investment Management issued Business Continuity Planning for Registered Investment Companies (IM Guidance Update No. 2016-04) on June 28, 2016. The guidance emphasized the importance of implementing business continuity plans ("BCPs") for the firm and also for the firm to understand the business continuity and disaster recovery protocols of critical fund service providers, including third-party providers. In determining whether a service provider is critical, the firm may wish to consider day- to-day operational reliance on the service provider and the existence of backup processes or multiple providers.

In March 2022, the SEC's Division of Examinations released its exam priorities for the year. The Division will again be reviewing registrants' business continuity and disaster recovery plans, with particular focus

on the impact of climate risk and substantial disruptions to normal business operations. As the Division described last year, these efforts build on previous examinations and outreach in this area. In some cases, particularly in regard to systemically important registrants, examinations will account for certain climate related risks. The scope of these examinations will include a focus on the maturation and improvements to business continuity and disaster recovery plans over the years as well as these registrants' resiliency as organizations to anticipate, prepare for, respond to, and adapt to both sudden disruptions and incremental changes stemming from climate-related situations.

Responsibility

Christopher T. Ruggiero is responsible for maintaining and implementing Ruggiero Investments' Disaster Recovery and Business Continuity Plan.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts internal reviews to monitor and ensure such policy is observed, implemented properly and amended or updated, as appropriate.

Basic elements considered while developing the Disaster Recovery plan included:

- financial assessments and operations;
- means of communication between and among managers, employees and investors;
- the physical location of the parties;
- the ability to evaluate the impact of an event on Ruggiero Investments;
- regulatory and reporting obligations; and
- mechanisms to ensure the safety of assets and keep them preserved until they can be redeemed to ensure the orderly liquidation of the assets in the event that Ruggiero Investments' business cannot continue.

Overall implementation and monitoring of the firm's BCP is the responsibility of Christopher T. Ruggiero, supported by key personnel whose primary BCP roles and responsibilities have been defined. Where necessary and appropriate, Ruggiero Investments may also utilize outsourced service provider(s) to assist in fulfilling one or more of the following functions:

Telecommunications Services and Technology

- maintain an inventory of office equipment, including hardware and software, as well as key vendors;
- documentation of computer/server/network back-up procedures, i.e., frequency, procedure, person(s) responsible, etc., and the designated location(s) and retrieval procedures for the back-up information;
- identification and listing of key or mission critical people in the event of an emergency or disaster, maintained and kept current on an ongoing basis, including their names, addresses, e-mail, fax, cell phone and other information; developing a communication plan to contact essential management, staff and essential service providers (i.e., senior management, portfolio

managers, risk managers, brokers and trading, vendors and disaster recovery specialists) and distributing this information to personnel as needed;

- providing key employees with wireless cards and uninterruptible power supply (UPS) units to facilitate extended re-charging of laptops and cell phones;
- evaluation of, and, as appropriate, provisions for offsite technology available to key or mission critical people to facilitate their working from remote locations;
- review of current communications service providers to assess the need for multiple communications carriers to maintain fax, voicemail, landline and VoIP services, particularly for mission critical staff; and
- designing and arranging for continuance of trading, reporting and other essential systems within a reasonable time period.

Communications

- proactively communicate with clients (either directly or via an e-mail blast) prior to a major storm to determine whether they have any transactions (e.g., cash raised, funds transferred, wire instructions executed, etc.) they will need executed if an extended outage occurs;
- communicating the status of Ruggiero Investments' operations to clients through (i) recorded messages on the firm's main phone line; (ii) notifications posted on the firm's website; (iii) via e-mail blasts that include instructions for contacting the firm and employees who are working remotely; and/or (iv) through the use of third-party vendors in the event of a protracted disruption;
- providing trading counterparties and key vendors with contact information; and
- consider creating a Skype account and direct staff and clients to access this resource in the event of an emergency.

Alternative Locations

- establishment of a back-up facility in a separate geographic area with the ability to continue to conduct business;
- determine the accessibility of such location(s) for mission critical staff and their ability to travel to such locations, including lodging requirements, if any;
- assessment of operational and logistical requirements (e.g., backup generator capacity, furniture, office equipment and supplies, etc.); and
- availability of current BCP, contact lists and other necessary documents, procedures and manuals—ideally in paper form – in the event that electronic files cannot be accessed.

Preparedness of Key Vendors

- obtain and/or critically review key vendors' Statement on Standards for Attestation Engagements No. 16 reports ("SSAE 16 reports"), BCPs and disaster recovery plans. Christopher T. Ruggiero, in conducting oversight, may seek service provider presentations, onsite visits, questionnaires, certifications, independent control reports, and summaries of programs and testing. Oversight may also include the review of a service provider's financial condition and resources, insurance arrangements, and any indemnification provisions covering the service provider and its activities;

- assessment of back-up systems for key vendors and mission critical service providers, including consideration of their geographic location(s) and whether, based on risk, the need exists for multiple back-up servers to be located in other regions, the robustness of the provider's contingency plans, including reliance on other critical service providers, and how they intend to maintain operations during a significant business disruption;
- Christopher T. Ruggiero will create backup procedures that address steps to be taken to navigate through a service provider disruption;
- consideration of the impact of business interruptions encountered by third parties and identifying ways to minimize the impact. This includes the development of contingency plans for responding to the failure of a third-party administrator, credit provider, or other mission-critical parties that would affect the market, credit, or liquidity risk of Ruggiero Investments;
- Christopher T. Ruggiero will create external communications plans addressing ongoing discussions with the affected service provider, providing timely communications that report progress and next steps, which may include posting updates to websites or portals to facilitate accessibility and broad dissemination of information;
- if a critical service provider experiences a significant disruption, Christopher T. Ruggiero will monitor and determine any potential impacts it may have on fund operations and investors and create communication protocols and steps that may be necessary to successfully navigate such events;
- require key vendors to conduct annual BCP testing and provide a report of results to Ruggiero Investments; and

Regulatory and Compliance Obligations

- update BCP pursuant to any applicable new regulatory requirements;
- assess upcoming regulatory obligations, particularly in advance of anticipated major storms, etc.; and
- ensure that key staff members separately retain login data required to access regulatory reporting systems (e.g., user name and passwords for EDGAR, the IARD and CRD systems).

BCP Review and Testing

- conduct BCP testing and training for mission critical systems and all personnel quarterly;
- conduct annually testing of the disaster recovery system(s) and operational functionality from remote location(s); and
- review of Ruggiero Investments' Disaster Recovery Plan periodically, and at least annually, by Christopher T. Ruggiero or other applicable employee(s).

Key Personnel

While outside service providers may provide templates for Business Continuity and Disaster Recovery Plans, Christopher T. Ruggiero has also worked with personnel responsible for information technology, accounting, trading and operations to develop a plan that is specifically drafted for Ruggiero Investments. This plan includes contingencies in the event of the death or incapacity of key principals. The plan addresses any "Key Man" provisions that exist in partnership arrangements, as well as policies and procedures to promptly disclose such an event.

Threat Awareness

Christopher T. Ruggiero will continue to be aware of resources available from federal and local governments to gather information about threat dissemination services that are targeted to the financial services industry and that provide threats to both physical and cyber security. To the extent that federal, state and local governments offer threat alert services among other resources, Christopher T. Ruggiero will investigate subscribing to these services as part of the firm's disaster recovery planning. Examples of such resources include:

- **DisasterAssistance.gov** which provides news, information and resources to help businesses, individuals and families prepare for, respond to and recover from disasters. Resources include the latest information on (i) declared disasters such as wildfires, hurricanes, floods and earthquakes; (ii) guidance pertaining to evacuations; accessing shelter, food, water and medical services; and (iii) assistance locating loved ones and pets.
- **Financial Services Information Sharing and Analysis Center**, www.fsisac.com, an industry forum for collaboration on critical security threats facing the global financial services sector. Members worldwide receive timely notification and information designed to help protect critical systems and assets from physical and cyber security threats.

Disclosure Brochures

Policy

Ruggiero Investments, as a matter of policy, complies with relevant regulatory requirements and maintains required disclosure brochures on a current and accurate basis. Our firm's Form ADV Part 2 provides information about the firm's advisory services, business practices, professionals, policies and any actual and potential conflicts of interest, among other things.

Our firm's Form ADV Part 3 (Form CRS) provides information to retail investors to assist them in deciding whether to establish an investment advisory relationship, engage our firm and our financial professionals, or to terminate or switch a relationship or specific service.

Background

In July 2010, the SEC unanimously approved and adopted *Amendments to Form ADV* (Release No. IA-3060, File No. S7-10-00, publicly available July 28, 2010), significantly changing the form and content of disclosures that registered investment advisers are generally required to provide to clients and prospective clients. The new Part 2 is comprised of three parts:

- Part 2A, *Firm Brochure*;
- Part 2A Appendix 1, *Wrap Fee Program Brochure* (only required to be filed by investment advisers who sponsor wrap programs; refer to the section below for more detailed information); and
- Part 2B, *Brochure Supplement*.

An adviser's Form ADV Part 2 is a narrative disclosure document, written in plain English. Investment advisers are required to respond to each of the required items in a consistent, uniform manner that will facilitate clients' and potential clients' ability to evaluate and compare firms. Each brochure must follow the prescribed format, including a table of contents that lists the eighteen separate items for SEC-registered advisers (nineteen for state-registered advisers), using the headings provided in the current 'form'. All advisers are required to respond to each item, even if it is inapplicable to the adviser's business; however, if required disclosure is provided elsewhere in the brochure, the adviser can direct the reader to that item rather than duplicate disclosure.

On June 5, 2019, the SEC adopted new rules requiring all SEC-registered investment advisers with retail clients to create a new Form ADV Part 3, also known as a Client Relationship Summary (Form CRS), with the purpose of further explaining the nature of their services and relationship, their fees and costs, and their standard of conduct and conflicts of interest to prospective clients.

Effective June 30, 2020, investment advisers are required to prepare and deliver a Form CRS that provides, in a concise plain English format, information about their investment-related services and fees. Form CRS is intended to be a primary document that retail investors will use to decide whether an investment advisory relationship is best after considering services, fees, and other factors and after comparison shopping among advisory and brokerage firms. The requirement to prepare and file Form

CRS applies to SEC-registered firms that offer services to "retail investors," which is defined as "a natural person who seeks or receives services primarily for personal, family, or household purposes."

As a registered investment adviser, Ruggiero Investments has a duty to comply with the disclosure brochure delivery requirements of Rule 204-3 under the Advisers Act, or similar state regulations.

Responsibility

Christopher T. Ruggiero has the responsibility for maintaining Ruggiero Investments' required Brochures on a current and accurate basis, making appropriate amendments and filings, ensuring initial delivery of the applicable Brochure(s) to new clients, annual delivery of the Brochures or a Summary of Material Changes, and maintaining all appropriate files.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's disclosure policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

1. Initial Delivery

- a representative of Ruggiero Investments will provide a copy of the *Firm Brochure*, to each prospective client either prior to or at the time of entering into an advisory agreement with a client;
- deliver to each client or prospective client a current Brochure Supplement for a supervised person before or at the time that supervised person begins to provide advisory services to the client. (See the Regulatory Reference section for updated information regarding the SEC's extension of the compliance date for delivery of Part 2B of Form ADV, the *Firm Brochure*, to clients of SEC-registered firms.); and
- the Compliance Officer will maintain dated copies of all Ruggiero Investments' Brochure(s) so as to be able to identify which Brochures were in use at any time.

2. Annual Delivery

- deliver to each client, annually within 120 days of the firm's fiscal year end and without charge, if there are material changes since the firm's last Annual Updating Amendment ("AUA"), either (i) a current copy of the Firm Brochure (and/or Wrap Fee Program Brochure, if applicable), or (ii) a summary of material changes and an offer to provide clients with a copy of the firm's current Brochure(s) without charge. The summary of material changes will include, as applicable, the following contact information by which a client may request a copy of the Brochure(s):
 - the firm's website;
 - an e-mail address;
 - a phone number; and
 - the website address for the IAPD, through which the client may obtain information about the firm.

3. Review and Amendment

- the designated officer will annually review the firm's required Brochure(s) to ensure they are maintained on a current and accurate basis, and properly reflect and are consistent with the firm's current services, business practices, fees, investment professionals, affiliations and conflicts of interest, among other things;
- when changes or updates to the Brochure(s) are necessary or appropriate, the designated officer will make any and all amendments timely and promptly, deliver either the revised Brochure(s) or a summary of material changes to clients, and maintain records of the amended filings and subsequent delivery to clients as required; and
- if the amendment adds disclosure of an event or materially revises information already disclosed, in response to Item 9 of Part 2A or Item 3 of Part 2B (Disciplinary Information), respectively, the designated officer will promptly deliver, (i) the amended Firm Brochure and/or Brochure Supplement(s), as applicable, along with a statement describing the material facts relating to the change of disciplinary information, or (ii) a statement describing the material facts relating to the change in disciplinary information.

Form ADV Part 3 (Form CRS)

Initial and Interim Delivery

- Updating the relationship summary and filing it in accordance with Form CRS instructions within 30 days whenever any information in the relationship summary becomes materially inaccurate. The filing must include an exhibit highlighting the changes;
- Creating and maintaining a list of all retail investors to whom we must deliver our Form CRS;
- If Form CRS is delivered electronically, it will be presented prominently and will be easily accessible by the recipient;
- Posting current Form CRS prominently on our public website(s), if any. Note: the mere posting of Form CRS on the website will not satisfy our delivery obligation;
- Delivering the most recent relationship summary within 30 days to a retail investor who is an existing client or customer before or at the time Ruggiero Investments: (i) opens a new account that is different from the retail investor's existing account(s); (ii) recommends that the retail investor roll over assets from a retirement account into a new or existing account or investment; or (iii) recommends or provides a new brokerage or investment advisory service or investment that does not necessarily involve the opening of a new account and would not be held in an existing account;
- Delivering the current Form CRS to each prospective client either prior to or at the time of entering into an advisory agreement with the client;
- Communicating any changes in the updated relationship summary to retail investors who are existing clients or customers within 60 days after the updates are required to be made and without charge;
- Delivering the relationship summary within 30 days upon an investor's request; and
- Conducting periodic reviews of our Form CRS to ensure the most up-to-date version is being used. Christopher T. Ruggiero will initial and date the documents that are reviewed.

Review and Amendment

- Annually, Christopher T. Ruggiero will review the firm's Form CRS to ensure it is maintained on a current and accurate basis, and properly reflects and is consistent with the firm's current services, business practices, fees, investment professionals, affiliations, and conflicts of interest, as well as with disclosures made in our Form ADV Part 1 and Part 2, advisory contracts, and marketing materials and communication; and
- Christopher T. Ruggiero will make any necessary and appropriate changes in a timely manner, deliver the revised Form CRS along with an exhibit highlighting changes made, and maintain records of the amended filings and subsequent delivery to clients as required.

Electronic Signatures (E-signatures)

Policy

Ruggiero Investments allows for the use of electronic signatures for SEC filings and other firm documents. Our firm's policy is to maintain files and records of all authentication documents in an appropriate, current, accurate, and well-organized manner. All manually signed attestations are retained for as long as the signatory may use an electronic signature to sign an authentication document and for a minimum period of seven years after the date of the most recent electronically signed authentication document.

Background

The SEC adopted amendments to Rule 302(b) of Regulation S-T, which allows for the use of electronic signatures in SEC filings, and which went into effect on December 4, 2020. The rules permit a signatory to an electronic filing who follows certain procedures to sign an authentication document through an electronic signature that meets certain requirements specified in the EDGAR Filer Manual. These requirements are intended to be technologically neutral and allow for different types and forms of electronic signatures.

The signing process must incorporate a security procedure that requires the authentication of a signatory's individual identity through a physical, logical, or digital credential, and the signing process must reasonably provide for the non-repudiation of the electronic signature. The signing process requirements also provide that the signature be logically associated with the signature page or document being signed, thereby providing the signatory with notice of the nature and substance of the document and an opportunity to review it before signing, and that the electronic signature be linked to the signature page or document in a manner that allows for later confirmation that the signatory signed the signature page or document. Finally, given that a signatory must execute an authentication document pursuant to Rule 302(b) before or at the time an electronic filing is made, the signing process must include a timestamp that records the date and time of the electronic signature.

The SEC also included a requirement in new Rule 302(b)(2) that, before a signatory initially uses an electronic signature to sign an authentication document, the signatory must manually sign a document attesting that the signatory agrees that the use of an electronic signature in any authentication document constitutes the legal equivalent of such individual's manual signature for purposes of authenticating the signature to any filing for which it is. An electronic filer must retain this manually signed document for as long as the signatory may use an electronic signature to sign an authentication document and for a minimum period of seven years after the date of the most recent electronically signed authentication document.

Responsibility

Christopher T. Ruggiero has the overall responsibility for the implementation and monitoring of our e-signatures policy, practices, disclosures, and recordkeeping for the firm.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Before a signatory initially uses an electronic signature to sign an authentication document, the signatory must manually sign a document attesting that the signatory agrees that the use of an electronic signature in any authentication document constitutes the legal equivalent of such individual's manual signature for purposes of authenticating the signature to any filing for which it is provided;
- Ruggiero Investments will retain this manually signed document for as long as the signatory may use an electronic signature to sign an authentication document and for a minimum period of seven years after the date of the most recent electronically signed authentication document; and
- The signing process for signatories signing an authentication document must, at a minimum:
 - Require the signatory to present a physical, logical, or digital credential that authenticates the signatory's individual identity;
 - Reasonably provide for non-repudiation of the signature;
 - Provide that the signature be attached, affixed, or otherwise logically associated with the signature page or document being signed; and
 - Include a timestamp to record the date and time of the signature.

E-Mail and Other Electronic Communications

Policy

Ruggiero Investments' policy provides that e-mail, instant messaging, social networks and other electronic communications are treated as written communications and that such communications must always be of a professional nature. Our policy covers electronic communications for the firm, to or from our clients, any personal e-mail communications within the firm and social networking sites. Personal use of the firm's e-mail and any other electronic systems is strongly discouraged. Also, all firm and client related electronic communications must be on the firm's systems, and use of personal e-mail addresses, personal social networks and other personal electronic communications for firm or client communications is prohibited.

To the extent that an employee utilizes a social networking site for business purposes, all communications are to be fundamentally regarded as advertising (i.e., any untrue statements of material fact are prohibited; information provided must not be false or misleading, etc.) and specific securities recommendations are expressly prohibited. Our firm's Social Media policy and procedures are now separately set forth in this document; our firm's Code of Ethics also provides employees with a summary of Ruggiero Investments' Social Media practices.

Background

As a result of recent financial industry issues and several regulatory actions against major firms involving very significant fines, financial industry regulators, e.g., SEC and FINRA are focusing attention on advisers and broker-dealer policies and practices on the use of e-mail, other electronic communications and retention practices.

The Books and Records rule (Rule 204-2(a)(7)) provides that specific written communications must be kept including those relating to a) investment recommendations or advice given or proposed; b) receipt or delivery of funds or securities; and c) placing and execution of orders for the purchase or sale of securities.

All electronic communications are viewed as written communications, and the SEC has publicly indicated its expectation that firms retain all electronic communications for the required record retention periods. If a method of communication lacks a retention method, then it must be prohibited from use by the firm. Further, SEC regulators also will request and expect all electronic communications of supervised persons to be monitored and maintained for the same required periods. E-mails consisting of spam or viruses are not required to be maintained.

NOTE: Advisers should review and update e-mail communications policies and procedures to recognize the regulatory challenges and related issues of social networking sites used by the firm and/or employees for business and personal uses. While these sites offer advantages such as research and marketing, they also present regulatory concerns of confidentiality, security risks, surveillance and recordkeeping.

In January 2012, the SEC issued a National Examination Risk Alert concerning investment advisers' use of social media noting that a firm's use of such technology(ies) must comply with various provisions of federal securities laws, including, but not limited to, anti-fraud, recordkeeping and compliance provisions.

In December 2020, the SEC announced it had finalized reforms to modernize rules that govern investment adviser advertisements and compensation to solicitors under the Investment Advisers Act of 1940. The amendments create a single rule that replaces the previous advertising and cash solicitation rules, Rule 206(4)-1 and Rule 206(4)-3, respectively, creating the new Marketing Rule.

Advertisement

For purposes of this section, Advertisement is defined as:

1. Any direct or indirect communication an investment adviser makes to more than one person, or to one or more persons if the communication includes hypothetical performance, that offers the investment adviser's investment advisory services with regard to securities to prospective clients or investors in a private fund advised by the investment adviser or offers new investment advisory services with regard to securities to current clients or investors in a private fund advised by the investment adviser, but does not include:
 - a. Extemporaneous, live, oral communications;
 - b. Information contained in a statutory or regulatory notice, filing, or other required communication; or
 - c. A communication that includes hypothetical performance that is provided.
2. Any endorsement or testimonial for which an investment adviser provides compensation, directly or indirectly.

Responsibility

Each employee has an initial responsibility to be familiar with and follow the firm's e-mail policy with respect to their individual e-mail communications. Christopher T. Ruggiero has the overall responsibility for making sure all employees are familiar with the firm's e-mail policy, implementing and monitoring our e-mail policy, practices and recordkeeping.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure that the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- our firm's e-mail and electronic communications policy has been communicated to all persons within the firm and any changes in our policy will be promptly communicated;
- obtaining attestations from personnel at the commencement of employment and regularly thereafter that employees (i) have received a copy of our policy, (ii) have complied with all such requirements, and (iii) commit to do so in the future;

- e-mails and any other electronic communications relating to the firm's advisory services and client relationships will be maintained and monitored by Christopher T. Ruggiero on an on-going or quarterly basis through appropriate software programming or sampling of e-mail, as the firm deems most appropriate based on the size and nature of our firm and our business;
- only those forms of electronic communication that our firm determines can be used in compliance with the books and records requirements of the Advisers Act are permitted;
- electronic communications records will be maintained and arranged for easy access and retrieval so as to provide true and complete copies with appropriate backup and separate storage for the required periods;
- Christopher T. Ruggiero may conduct quarterly Internet searches to monitor the activities of employees to determine if such persons are engaged in activities not previously disclosed to and/or approved by the firm;
- electronic communications will be maintained in electronic media, with printed copies if appropriate, for a period of two years on-site at our offices and at an off-site location for an additional three years;
- specifically prohibiting business use of apps and other technologies that allows an employee to send messages or otherwise communicate anonymously, allowing for automatic destruction of messages, or prohibiting third-party viewing or back-up; and
- including a statement in our policies and procedures informing employees that violations may result in discipline or dismissal.

ERISA

Policy

As a matter of policy and practice, Ruggiero Investments does not serve as an investment manager as defined under ERISA Section 3(38). However, Ruggiero Investments may act as a financial advisor to 401(k) plans subject to ERISA in a non-discretionary capacity under Section 3(21). We currently provide advisory services to such plans through platforms like EPIC Retirement and Human Interest.

Background

ERISA imposes duties on investment advisers that may exceed the scope of an adviser's duties to its other clients. For example, ERISA specifically prohibits certain types of transactions with ERISA plan clients that are permissible (with appropriate disclosure) for other types of clients. Under Department of Labor (DOL) guidelines, when the authority to manage plan assets has been delegated to an investment manager, the manager has the authority and responsibility to vote proxies, unless a named fiduciary has retained or designated another fiduciary with authority to vote proxies. In instances where an investment manager's client agreement is silent on proxy voting authority, the investment manager would still have proxy voting authority. (Plan document provisions supersede any contractual attempt to disclaim proxy authority. In the event that plan documents are silent and an adviser's agreement disclaims proxy voting, the responsibility for proxy voting rests with the plan fiduciary(s). In certain instances, the Internal Revenue Code may impose requirements on non-ERISA retirement accounts that may mirror ERISA requirements.

In March 2006, the DOL issued guidance for employers, including advisers, to file annual reports (LM-10) to disclose financial dealings, including gifts and entertainment, with representatives of a union subject to a \$250 de minimis.

Union officers and employees have a comparable reporting obligation (Form LM-30) to report any financial dealings with employers, including the receipt of any gifts or entertainment above the de minimis amount.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our ERISA policy that the firm does not act as investment manager for any clients subject to ERISA.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy, conducts reviews to monitor and ensure the firm's policy is observed, properly implemented and amended or updated, as appropriate, which include the following:

- Ruggiero Investments' policy of prohibiting any client relationships with any prospective client that is governed by ERISA has been communicated to relevant individuals including management, marketing/sales and portfolio managers, among others;
- Christopher T. Ruggiero monitors quarterly the firm's advisory services, existing and new client relationships to help ensure that no client relationships are established with ERISA plans; and
- in the event of any change in the firm's policy, any such change must be approved by management, and any client relationships with any entity or plan subject to ERISA would only be allowed after appropriate reviews and approvals, meeting strict regulatory requirements and maintaining appropriate bonding and proper records.

Ruggiero Investments provides rollover assistance from qualified retirement plans and IRAs and may be considered to be making a recommendation under the Department of Labor's fiduciary standard. If we choose to rely on DOL Prohibited Transaction Exemption 2020-02 in connection with rollover recommendations, the CCO will ensure that we perform the following obligations:

- apply the DOL's Impartial Conduct Standards.
 - Recommendations must:
 - be subject to ERISA's prudence standard;
 - not place the financial or other interests of the firm, its representative, or any affiliate or other party ahead of the interests of the retirement investor, or subordinate the retirement investor's interests to their own.
 - In addition, the firm must:
 - charge reasonable compensation;
 - obtain (or provide) best execution (if applicable);
 - not make materially misleading statements; and
 - use the Prohibited Transactions Exemption's self-correction procedures, which state that a non-exempt prohibited transaction will not have occurred due to a violation of the rule provided that:
 1. Either the violation did not result in investment losses to the Retirement Investor or the investment adviser made the Retirement Investor whole for any resulting losses;
 2. The investment adviser corrects the violation and notifies the DOL via email at IIAWR@dol.gov within thirty (30) days of the correction;
 3. The correction occurs no later than ninety (90) days after the investment adviser learned of the violation or reasonably should have learned of the violation; and
 4. The investment adviser notifies the persons responsible for conducting the retrospective review during the applicable review cycle, and the violation correction is specifically set forth in the written report of the retrospective review.

- ensure our incentive practices are prudently designed to avoid misalignment of the interests of Ruggiero Investments and our investment professionals with the interests of the retirement investors in connection with covered fiduciary advice and transactions;
- for rollover transactions, document the specific reasons why a recommendation to roll over assets from a retirement plan to another plan or IRA, from an IRA to a plan, from an IRA to another IRA, or from one type of account to another would be in the best interest of the retirement investor;
- Disclose reasons for rollover advice to clients
 - From plan to IRA or IRA to plan:
 - Alternatives to a rollover, such as leaving funds in current plan or offering a cash distribution
 - Fees and expenses associated with plan and IRA
 - If employer pays for some or all administrative expenses
 - Different levels of service available through plan and IRA
 - From IRA to IRA or one type of account to another:
 - Describe services to be provided under a new arrangement
 - Other rollover factors to consider:
 - Distribution alternatives such as installments
 - Required minimum distribution rules
 - Protection from creditors and legal judgments
 - Employer stock and NUA treatment
 - Quality of customer support via phone, app, website, in-person, etc.
 - Vested balances under \$5,000 could have a “force-out” provision
 - Account consolidation
- maintain, for a period of six years, records demonstrating compliance with the Exemption and make such records available to:
 - any authorized DOL employee;
 - any fiduciary of a retirement plan that engaged in an investment transaction pursuant to the Exemption;
 - any contributing employer and any employee organization whose members are covered by a retirement plan that engaged in an investment transaction pursuant to the Exemption; or
 - any participant or beneficiary of a retirement plan, or IRA owner that engaged in an investment transaction pursuant to the Exemption;
- make disclosures to the retirement investor prior to engaging in a transaction in reliance on the PTE, including:
 - a written acknowledgment that Ruggiero Investments and our investment professionals are fiduciaries under ERISA and the Code, as applicable, with respect to any fiduciary investment advice provided to the retirement investor; and
 - a written description of the services to be provided and Ruggiero Investments and our investment professional’s material conflicts of interest that is in all material respects accurate and not misleading.

- Conduct a retrospective review, at least annually, that is reasonably designed to assist in detecting and preventing violations of, and achieving compliance with, the impartial conduct standards and the policies and procedures governing compliance with the PTE.
 - The methodology and results of the retrospective review must be detailed in a written report provided to the Chief Executive Officer (or equivalent officer) and Christopher T. Ruggiero (or equivalent officer).
 - The Chief Executive Officer would then have to certify:
 - He/She has reviewed the report of the retrospective review;
 - Our firm has in place policies and procedures prudently designed to achieve compliance with the conditions of the Exemption; and
 - Our firm has a prudent process in place to modify such policies and procedures as business, regulatory, and legislative changes and events dictate, and to test the effectiveness of such policies and procedures on a periodic basis, the timing and extent of which are reasonably designed to ensure continuing compliance with the conditions of the exemption.

This review, report, and certification would have to be completed no later than six months following the end of the period covered by the review and will be maintained for a period of six years.

Form CRS

Policy

As a registered investment adviser, Ruggiero Investments has a duty to provide an updated version of Form CRS any time when clients: 1) open a new account different from their existing accounts; 2) receive a recommendation to roll over assets from a retirement account; or 3) receive a recommendation for a new investment advisory service that would not be held in an existing account.

Form CRS is also Part 3 of Form ADV, which Ruggiero Investments, under Rule 204-5, must deliver alongside the Part 2A brochure to prospective clients. As a matter of policy, Ruggiero Investments maintains all drafts of its Form CRS at its principal office in a secure manner and location and for five years.

Background

On June 5, 2019, the SEC adopted new rules requiring all SEC-registered investment advisers with retail clients to create a new Form ADV Part 3, also known as a Client Relationship Summary (Form CRS), with the purpose of further explaining the nature of their services and relationship, their fees and costs, and their standard of conduct and conflicts of interest to prospective clients.

Investment advisers' initial relationship summaries can be filed on or after May 1, 2020 and by no later than June 30, 2020 on IARD either as: 1) an other-than-annual amendment, or 2) part of the initial application or annual updating amendment.

The Form CRS rules take effect on June 30, 2020, and the initial Form CRS must be delivered to each of the investment adviser's existing clients and customers who are retail clients within 30 days of this date.

Fiduciary Obligations

As a part of its Regulation Best Interest and Form CRS rulemaking, the SEC also issued updated interpretations of an investment adviser's fiduciary obligations and the requirement to avoid or at least disclose any conflicts of interest.

The SEC noted that simply saying the adviser "may" have a conflict of interest is not sufficient--the adviser must disclose the specific conflict to ensure that clients can give informed consent--and investment advisers trading for multiple clients at once must have clear policies and procedures to either mitigate or at least disclose whether/how their allocation policies may impact clients.

The updated interpretations are effective on September 10, 2019.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our policies, practices, disclosures, and recordkeeping and to ensure our Form CRS is updated and delivered on a timely basis.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly, and amended or updated, as appropriate, which include the following:

- Updating the relationship summary and filing it in accordance with Form CRS instructions within 30 days whenever any information in the relationship summary becomes materially inaccurate. The filing must include an exhibit highlighting the changes;
- Delivering the current Form CRS to each prospective client either prior to or at the time of entering into an advisory agreement with the client;
- Communicating any changes in the updated relationship summary to retail investors who are existing clients or customers within 60 days after the updates are required to be made and without charge;
- Disclosing specific conflicts of interest to ensure that clients give informed consent;
- Mitigating or at the very least disclosing whether and/or how our allocation policies may impact our clients;
- Delivering the amended relationship summaries highlighting the most recent changes or providing an additional disclosure showing revised text or summarizing the material changes as an exhibit to the unmarked amended relationship summary;
- Delivering the most recent relationship summary to a retail investor who is an existing client or customer before or at the time Ruggiero Investments: (i) opens a new account that is different from the retail investor's existing account(s); (ii) recommends that the retail investor roll over assets from a retirement account into a new or existing account or investment; or (iii) recommends or provides a new brokerage or investment advisory service or investment that does not necessarily involve the opening of a new account and would not be held in an existing account;
- Delivering the relationship summary within 30 days upon an investor's request; and
- Conducting quarterly reviews of our Form CRS records to ensure:
 - the most up-to-date version is being used and has also been updated/is in the process of being updated in the Form ADV;
 - evidence of the delivery of both initial and amended summaries to clients; and
 - any changes in the amended summaries are properly disclosed

Christopher T. Ruggiero will initial and date the documents that are reviewed.

Form N-PX

Background

Since 2003, the SEC has required registered funds to disclose their proxy votes on Form N-PX. In November 2022, the SEC made changes to Form N-PX to enhance the information mutual funds, exchange-traded funds, and other registered funds report about their proxy votes.

Form N-PX is used by registered management investment companies, but not small business investment companies registered on Form N-5, to file the registered management investment company's complete proxy voting record in accordance with Section 30 of the Investment Company Act and Rule 30b1-4.

Form N-PX is also used by an individual who is required to file reports under Rule 13f-1 to file the Institutional Manager's proxy voting record regarding votes on certain executive compensation matters. Each year, Form N-PX must be filed by August 31 for the most recent 12-month period ending June 30, except for Institutional Managers that make initial or final filings on Form 13F during the 12-month period.

Under the 2022 amendments, beginning on July 1, 2024, funds must report each say-on-pay vote over which the manager exercised voting power. A manager must report say-on-pay votes when it uses voting power to influence a voting decision regarding a security. Managers or managers and funds may jointly report these say-on-pay votes in certain circumstances. It also requires additional disclosure to allow identification of a given manager's full say-on-pay voting record. Managers will also be required to comply with the other requirements of Form N-PX for their say-on-pay votes.

Funds must also disclose the number of shares voted or instructed to be cast, along with the number of shares loaned but not recalled and, therefore, not voted on Form N-PX.

An abbreviated version of Form N-PX may be filed if:

- A fund did not hold any securities it was entitled to vote and therefore does not have any proxy votes to report. Check the box for report type "Fund Notice Report". File the cover page, required signature, and, if applicable, the summary page information about the series.
- The institutional manager does not have proxy votes to report. Check the box for report type "Institutional Manager Notice Report," on the cover page. Complete the notice report filing explanation.
 - If all the votes required to be reported by the Institutional Manager are reported by another Institutional Manager or by one or more Funds, check the explanatory box indicating "all proxy votes are reported by other reporting persons," include the list of other persons reporting for this manager, and file the cover page and required signature only. All other reporting persons may omit this section.
 - If the reporting manager did not exercise voting power over securities involving any reportable voting matter, check the explanatory box indicating "the reporting person did not exercise voting power for any reportable voting matter and therefore does not

have any proxy votes to report for the reporting period.” File the cover page and required signature only.

- The reporting manager has a policy not to vote on any proxy matters, clearly disclosed the policy, and did not vote any proxy matters during the reporting period. Check the box indicating “the reporting person has a clearly disclosed policy of not voting, and did not vote, on any proxy voting matters.” File the cover page and required signature only.

Policy & Procedure

Ruggiero Investments is obligated to file Form N-PX. It is the CCO’s responsibility to ensure that this form is filed by August 31 of each year.

All fund advisers and institutional managers who are required to file Form N-PX must coordinate with the CCO to ensure that Form N-PX is accurately completed.

Beginning on July 1 of each year, the CCO will begin gathering the information necessary to timely file Form NP-X. The CCO will work with all necessary parties who have information germane to the completion of Form NP-X. The CCO will obtain the signatures of all necessary parties.

Generative Artificial Intelligence

Background

Generative Artificial Intelligence (AI) is artificial intelligence capable of generating text, images, or other data using generative models, often in response to prompts. A generative AI model learns the input training data's patterns and structures and creates new data with similar characteristics. Examples of generative AI include, but are not limited to, Microsoft Copilot, Google Bard/Gemini, and ChatGPT.

While this emerging technology has the potential to be a powerful driver of optimization and efficiency, there are many risks, especially with regard to information security.

Policy

Due to the risks associated with generative AI platforms, this firm does not use generative AI in any way, and it is a violation of this firm's policy to:

- Share any information relating to the firm, including information regarding its business model and trading strategies, on a generative AI platform;
- Share any data the firm has that contains personally identifiable information or nonpublic personal information on a generative AI platform;
- Share any information on a generative AI platform that, if exposed publicly, might tarnish the reputation of the company, or information that would open the company to regulatory or legal action; or
- Share any information on a generative AI platform that could reveal private information about the firm or its employees.

Failure to adhere to this policy will result in disciplinary action, up to and including termination of employment. Employees are encouraged to make a report to the CCO in a reasonable time if he or she learns that another employee is using generative AI for unauthorized business purposes.

Procedures and Documentation

Our firm will implement appropriate cybersecurity safeguards to ensure that employees do not use generative AI platforms in violation of this policy. These safeguards will be reviewed regularly to verify that they remain effective in protecting against unauthorized use of generative AI platforms.

After receiving a report that an employee has used generative AI or learning in another way that an employee has used generative AI for business purposes, the CCO will review any documentation that resulted from generative AI. The CCO will determine whether any of the information generated is inaccurate, false, or otherwise misleading. Depending on the type of documentation that was produced and the audience to whom the documentation was directed, the CCO may determine that corrective action must be taken. This corrective action may include rescinding and clarifying the previous documentation.

The CCO will maintain any documentation created from generative AI, the review of such documentation, any disciplinary action taken, and any corrective action taken for a period of at least six years.

Identity Theft

Policy

As a matter of policy, Ruggiero Investments seeks to prevent the theft or misappropriation and misuse of the identities and identifying information of its clients. In order to prepare this program, the firm has evaluated the risks of identity theft in connection with its investment advisory practice including the firm's:

- methods of opening client accounts;
- methods for accessing client accounts; and
- previous experience with identity theft.

Background

The Securities and Exchange Commission ("SEC") and the Commodity Futures Trading Commission ("CFTC") jointly issued Regulation S-ID (the "Identity Theft Red Flags Rules") which became effective on May 20, 2013. The final rules require each SEC and/or CFTC-regulated entity that meets the definition of a "financial institution" or a "creditor" that offers a "covered account" (as those terms are defined under the Fair Credit Reporting Act) to develop and implement by November 20, 2013, a written identity theft prevention program designed to detect, prevent and mitigate identity theft in connection with certain existing accounts and the opening of new accounts. The firm must also periodically update its identity theft prevention program and provide staff training in accordance with the Commissions' identity theft rules.

A firm is a "*financial institution*" if it (i) holds a "*transaction account*" (ii) for a "*consumer*."

What is a "*transaction account*"? Under the Red Flag Rules, a "transaction account" is an account on which the "...account holder is permitted to make withdrawals by negotiable or transferable instrument, payment orders of withdrawal, telephone transfers, or other similar items for the purpose of making payments or transfers to third parties or others."

Who is a "*consumer*"? An individual. Institutions are excluded from the definition of "consumer." Individuals who invest in a private fund may be considered "consumers" in this context.

For investment advisers, this typically includes advisers that have custody of client accounts or that assist clients in sending funds to third parties (through standing letters of authorization, etc.). This will also include advisers to private funds if the adviser has the ability to direct redemptions, distributions, etc., to third parties. This does not include advisers whose ability to direct funds is limited to directly debiting advisory fees from client accounts.

For purposes of the Rule, a *creditor* is defined as a person that regularly extends, renews or continues credit, or makes those arrangements, or that regularly and in the course of ordinary business, advances

funds to or on behalf of a person, based on an obligation of the person to repay the funds or repayable from specific property pledged by or on behalf of the person.

"Covered Account" Determination. Advisers that may qualify as financial institutions and that have natural persons as clients or investors in funds that they manage would have obligations under the Red Flags Rules if they maintain "covered accounts" (i.e., accounts primarily for personal, family or household purposes that permit multiple payments or transactions or accounts for which there is a reasonably foreseeable risk of identity theft).

Ascertaining whether the Identity Theft Red Flags Rules apply is a two-step process:

1. determine if the firm is a *financial institution* or *creditor*. If it is, it must then:
2. determine whether it offers or maintains one or more *covered accounts*.

If the answer to both questions is 'yes' the firm must adopt a written Identity Theft Prevention Program ("Program"). If the answer to only the first question is 'yes', the firm is not required to adopt a Program; however, it will need to periodically reassess that decision to account for changes in its business model, types of client accounts and services, or identity theft experience.

Notably, the final rules require that a firm's board of directors, an appropriate committee of the board of directors, or if the firm does not have a board, a designated senior management employee (i) provide initial approval of the Program (unless the firm already has a program in place that meets the requirements of the final rules) and (ii) maintain responsibility for the ongoing oversight, development, implementation, and administration of the Program.

Responsibility

Ruggiero Investments' Identity Theft Prevention Program has been adopted pursuant to approval by the firm's senior management. Christopher T. Ruggiero has the responsibility for the implementation and administration of the Program.

Procedure

Ruggiero Investments provides advisory services to various types of clients including individuals, corporations and other business entities, among others. Managed account clients are provided with instructions for wiring funds into a separate custodial account set up by Ruggiero Investments in the client's name, or in the firm's name for the benefit of the client, or the client may provide Ruggiero Investments with trading authorization on an account previously established by the client himself or herself. Checks made payable to the client's custodian, which identify the client's account number and that are received by Ruggiero Investments are logged by the firm and forwarded to the custodian with instructions to deposit the check in the client's account. Other than for the payment of advisory fees, checks received from clients made payable to the firm or any other party other than the client's account custodian are logged by Ruggiero Investments and returned to the client within three business days.

As the firm has not had any past experience with identity theft, the principal risks of identity theft acknowledged by Ruggiero Investments lie in the methods for accessing accounts and the acceptance of instructions for transfers out of an account for the payment of third party payees or otherwise.

Ruggiero Investments will periodically assess whether client accounts are considered 'covered accounts' or if new types of accounts would be considered 'covered accounts' under Regulation S-ID. The firm will maintain documentation of this review.

Identification of Red Flags

From time to time, Ruggiero Investments or its staff may receive indications that the identities of clients or investors may have been compromised, stolen or are otherwise at risk. It is critical that these "red flags" are recognized so that the firm can take appropriate measures to safeguard clients and investors and prevent the misappropriation and misuse of client or investor identities and assets. Categories of red flags to consider include the following:

- alerts, notifications or other warnings received from consumer reporting agencies or service providers, such as fraud detection agencies;
- presentation of suspicious personal identifying information, such as suspicious address change;
- unusual use of, or other suspicious activity related to a covered account, including, but not limited to:
 - unexplained or urgent requests for large transfers or payments to be made from the account to third parties;
 - telephone requests for urgent transfers from the client's account on a unclear or poor connection, particularly where the client is unwilling to remain on the line or claims to be in a hurry;
 - requests to transfer funds from the client's account to a new or recently opened bank account;
 - notice from clients or investors regarding unusual transfers or account activity, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft in connection with covered accounts held by Ruggiero Investments client custodians;
- consideration of new types of accounts and how clients access those accounts; and
- any Ruggiero Investments personnel becoming aware of red flags, suspicious activity or unusual transfer requests must promptly notify the CCO and/or other designated person(s) before taking any further action to facilitate a transfer from the client's account (if applicable).

Detection of Red Flags

Ruggiero Investments and its staff should be conscious of suspicious activity or transfer requests and actively seek to detect red flags in connection with the opening and maintenance of accounts.

Opening Accounts

With respect to the opening of separately managed client accounts, Ruggiero Investments seeks to obtain appropriate identifying information about, and verification of the identity of, the client. For

detailed guidance regarding acceptable identification and authorizations to be obtained and reviewed when opening a new account, please refer to the firm's Anti-Money Laundering Policy and Procedures contained within the Compliance Manual and incorporated herein by way of reference.

Transfer/Payment Requests and Address Changes

Ruggiero Investments is also committed to monitoring transfers and transactions within client accounts and seeking to authenticate clients and client requests for transfers, whether such requests direct the transfer of funds from the client's account to third party payees or to another account in the client's name, particularly (though not exclusively) when the receiving client account was only recently opened and/or the request was received via email or other electronic communication.

Should a client request that Ruggiero Investments facilitate a transfer of monies from the client's account to a new or different account held in the client's name, the firm shall:

- request written instructions with the client's original signature requesting that Ruggiero Investments update the wire instructions on file with the firm;
- verify that written instructions submitted are from the client or other authorized signatory on the account;
- seek to ensure that the signature on the written instructions match the signature on file with the firm; and
- ensure the request is addressed to Ruggiero Investments.

Any request received (ostensibly) from a client to facilitate a transfer of monies from the client's account to a third party payee, must undergo the same process set forth above **and** Ruggiero Investments should seek to verify the request as set forth below. Similarly, any request for a change of address on a client's account must be verified by Ruggiero Investments before being processed.

Verifications are to be accomplished through direct contact with the client at the telephone number held on record with Ruggiero Investments. Telephone contact with the client must be documented and is required regardless of whether the request for transfer or address change was received by email or telephone as a fraudster impersonating the client could have easily contacted the firm to make the request from a different phone number. When seeking verification at the client's telephone number of record, should a client deny having requested the transfer, the Ruggiero Investments employee having spoken to the client must immediately notify the CCO or other designated person(s).

Responding to Red Flags

To best protect our clients and investors and ensure that the firm responds in an appropriate manner to red flags and suspicious activity, all red flags and suspicious activity recognized or uncovered by personnel should be promptly reported to the CCO and/or other designated person(s).

When determining the appropriate response to red flags, Ruggiero Investments will consider the degree of risk posed and aggravating factors that may heighten the risk of identity theft, such as a data security incident that results in unauthorized access to a client's or investor's account records held by the

Ruggiero Investments or other third party, or notice that a client has provided information to someone fraudulently claiming to represent Ruggiero Investments or to a fraudulent website. Appropriate responses may include the following, based on a consideration of the relevant facts and circumstances:

- monitoring a covered account for evidence of identity theft;
- contacting the client or investor;
- contacting the account custodian;
- temporarily requesting a freeze on any asset transfers from the account;
- changing any passwords, security codes, or other security devices that permit access to the account;
- reopening an account with a new account number;
- not opening a new account;
- closing an existing account;
- notifying law enforcement and regulatory authorities; or
- determining that no response is warranted under the particular circumstances.

Oversight of Third-Party Service Providers

Our firm uses various service providers, including custodians and brokers in connection with our covered accounts. We have a process to confirm that relevant service providers that perform activities in connection with our covered accounts comply with reasonable policies and procedures designed to detect, prevent and mitigate identity theft by contractually requiring them to have policies and procedures to detect Red Flags. Typically, we will request an effective identity theft prevention program implementation certification from each critical service provider (e.g., brokers, custodians, etc.) on an initial and annual basis.

Furthermore, when appropriate and to ensure that our firm's identity theft prevention program is consistently implemented, we may require certain service providers who directly or indirectly participate in the identity theft prevention effort to agree not to take, without Ruggiero Investments' specific approval, actions such as the following:

- not to change wire instruction;
- not to direct any redemption proceeds to an account not listed in the original subscription document;
- not to partition, retitle, or otherwise change any indicia of ownership of an investment or account (including changes purportedly for estate planning and domestic relations reasons); or
- not to consent to liens or control agreements being placed on an investment or account.

Updates and Approval

Ruggiero Investments' identity theft program shall be reviewed and approved in writing by senior management of the firm. Periodically, and at least annually, the CCO and/or other designated person(s) shall review the program and present senior management with a report regarding the effectiveness of the program and any suggestions for improving the program based on changing or newly perceived risks, such as:

- the experiences of Ruggiero Investments with identity theft;
- changes in the types of accounts that Ruggiero Investments offers or maintains;
- changes in methods used by fraudsters to perpetrate identity theft;
- changes in methods to detect, prevent, and mitigate identity theft; and
- changes in the business arrangements of Ruggiero Investments, including mergers, acquisitions, alliances, joint ventures, and service provider arrangements.

Training

It is imperative that all personnel be familiar with the firm's identity theft program and have a thorough understanding of his/her role and responsibilities in protecting our clients and investors. To this end, Ruggiero Investments will conduct initial and annual training regarding its identity theft program to assist personnel to recognize and appropriately respond to and report red flags and other suspicious activity. Employees are encouraged to ask the CCO or other designated person(s) for clarification or additional information regarding the program in general or any suspicious activity in particular.

Incident Response

Policy

Ruggiero Investments' incident response policy, in conjunction with our firm's Cybersecurity, Identity Theft, and Privacy policies as set forth in this Manual, recognizes the critical importance of safeguarding the confidential and proprietary information of the firm and its employees. Maintaining the security, integrity and accessibility of the data maintained or conveyed through the Firm's operating systems is a fundamental requisite of our business operations and an important component of our fiduciary duty to our clients.

It is Ruggiero Investments' policy to respond promptly and appropriately, based on the particular circumstances, should the firm suspect or detect that unauthorized individuals have gained access to nonpublic information.

When determining the appropriate response, we will consider the degree of risk posed and aggravating factors that may heighten the risk of a data security incident that results in unauthorized access to nonpublic information held by us or a third party service provider. Primary and immediate consideration will be given to evaluating and halting any ongoing attack and to promptly securing firm systems and information.

Each incident will be reviewed to determine if changes are necessary to the existing security structure and the firm's electronic and procedural safeguards to guard against similar attacks or infiltrations in the future. All reported incidents are logged as well as the remedial actions taken. It is the responsibility of Christopher T. Ruggiero to provide training on any procedural changes that may be required as a result of the investigation of an incident.

Background

In addition to rules and regulations under the Advisers Act that an advisory firm needs to abide by to be considered compliant, there are mandates beyond the Advisers Act that place further significant regulatory obligations on advisory firms. Security laws and regulations that impose data security and privacy requirements on investment advisers include, among others: (i) Gramm-Leach-Bliley Act/Regulation S-P; (ii) Regulation S-AM (Limitation on Affiliate Marketing); (iii) FACT Act – Red Flags Rule; (iv) Regulation S-ID Identity Theft Red Flags Rules; (v) Standards for the Protection of Personal Information of Residents of the Commonwealth of Massachusetts (201 CMR 17.00); (vi) California Financial Information Privacy Act (SB1); and (vii) U.S. Data Breach Disclosure Legislation. Furthermore, according to information posted on the National Conference of State Legislatures (NCSL) website, as of March 2018, all fifty states, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam have enacted legislation requiring private or governmental entities to notify individuals of security breaches of information involving personally identifiable information.

Responsibility

Ruggiero Investments' incident response policies and procedures have been adopted pursuant to approval by the firm's senior management. Christopher T. Ruggiero is responsible for reviewing, maintaining and enforcing these policies and procedures to ensure meeting Ruggiero Investments' overall incident response goals and objectives. Further, Ruggiero Investments has created an incident response team, consisting of the following designated individuals, to address this critical area of oversight and protection:

Thomas A Ruggiero

Thomas W. Ruggiero

Christopher T. Ruggiero

All suspicious activity recognized or uncovered by personnel should be promptly reported to Christopher T. Ruggiero or the incident response team.

Any questions regarding Ruggiero Investments' incident response policies should be directed to Christopher T. Ruggiero.

Procedure

In addition to the firm's procedures as set forth in the Cybersecurity, Identity Theft, and Privacy sections of this Manual, Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Conduct due diligence and ongoing monitoring of third-party providers to ensure they take appropriate measures to protect against unauthorized access to or use of customer information and notify the firm as soon as possible, but no later than 72 hours after becoming aware that a breach in security has occurred resulting in unauthorized access to a customer information system maintained by the service provider.

- Third party, IT team will run incident response drill scenarios and quarterly conduct mock data breaches to evaluate our incident response plan. They will generate reports from such testing and any responsive remediation efforts taken, if applicable;

In the event of a breach:

Compliance/Legal

- Contact Ruggiero Investments' insurance agents and proper authorities in order to mitigate and enact any compensation controls, if needed, such as payouts for damages or providing extra protection services to our clients like free credit monitoring services;
- Provide notice to authorities and law enforcement such as the FBI;
- Contact our IT provider and make sure that they can correctly gain control of the data loss event;
- Draft notices to client that the breach occurred. The notice must include details about the incident, the breached data, and how affected individuals can respond to the breach to protect themselves.
- Notify clients that a breach occurred. Depending on the firm's compliance date under the amended Regulation S-P, beginning in December 2025 or June 2026, each affected individual whose sensitive customer information was, or was reasonably likely to have been, accessed or used without authorization must be notified within 30 days of the unauthorized access. HR/Marketing will coordinate with other internal stakeholders to timely disseminate this information to customers; and
- Provide training on any procedural changes that may be required as a result of the investigation of an incident.

IT

- Review each incident to determine if changes are necessary to the existing security structure and our electronic and procedural safeguards to guard against similar attacks or infiltrations in the future. All reported incidents must be logged as well as the remedial actions taken;
- Assess the nature and scope of the incident. Identify what has been taken, what may have been accessed or used without authorization, determine the damage of that leaked or accessed information, and take immediate steps to stop the exfiltration of data;
- Correlate all of the information from the firm's logs and determine what was taken and who took it to provide to authorities;
- Remove all malware, harden and patch systems, and apply any updates;
- Document as much information as possible during the actual breach;
- Review the inventory list and make sure all items are accounted for;
- Evaluate system processes to ensure they have all been restored; and
- Document any issues and difficulties that arose during the restoration process.

Incident Response Team

- Once the investigation is complete, hold an after-action meeting with all incident response team members and discuss what was learned from the breach. Analyze and document everything

about the breach. Determine what worked well in your response plan, and where there were some holes;

- Designate members of the incident response team or lead cybersecurity personnel to review the incident, including the response and recovery process. Evaluate what happened, how quickly the response started, and how long it lasted. During the post-incident analysis, review documentation of the incident. During this analysis, create a report to document the findings;
 - If the incident was due in part or in totality to a vendor, determine the source of the vendor's failure. Determine the changes that must be implemented to reasonably prevent similar failures in the future. Consider additional safeguards, like limiting access to customer information.
- Draft a list of names and contact information for all of the vendors that are going to take a part in discovering, documenting, and fixing a breach;
- Use the post-incident analysis to evaluate the effectiveness of the current incident response plan. Address question such as:
 - Was the incident found in a reasonable amount of time?
 - Was the system down as long as expected?
 - Were the right personnel available to respond?
 - Did recovery and restoration happen in the time expected?
 - Were backups available and as up to date as possible?
- Gather all of the pertinent personnel to review the incident and collaborate on everyone's view on the success or failure of the response to the incident;
- If flaws are found in the incident response protocols, document potential changes to the plan based on the response to the incident; and
- Evaluate the team's performance, if the plan was clear to every member that plays a role in incident response, and if Ruggiero Investments was able to contact everyone necessary during the event.

HR/Marketing

- Determine how to communicate the breach to internal employees, the public, and those directly affected.

Insider Trading

Policy

Ruggiero Investments' policy prohibits any employee from acting upon, misusing or disclosing any material non-public information, known as inside information. Any instances or questions regarding possible inside information must be immediately brought to the attention of the designated officer, Legal/Compliance Officer or senior management, and any violations of the firm's policy will result in disciplinary action and/or termination.

Background

Various federal and state securities laws and the Advisers Act (Section 204A) require every investment adviser to establish, maintain and enforce written policies and procedures reasonably designed, taking into consideration the nature of such adviser's business, to prevent the misuse of material, non-public information in violation of the Advisers Act or other securities laws by the investment adviser or any person associated with the investment adviser.

In August 2011, the State of Massachusetts became the first state to regulate the use of investment consultants by investment advisers when it adopted a rule requiring an adviser to first obtain a written certification that discloses all confidentiality restrictions that the consultant has that are relevant to its work for the adviser. The consultant must sign and date the attestation that acknowledged that the consultant will not provide the adviser with any material non-public information.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of the firm's Insider Trading Policy, practices, disclosures and recordkeeping.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's insider trading policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- the Insider Trading Policy is distributed to all employees, and new employees upon hire, and requires a written acknowledgement by each employee;
- access persons (supervised persons) must disclose personal securities accounts, initial/annual securities holdings and report at least quarterly any reportable transactions in their employee and employee-related personal accounts;
- employees must report to a designated person or Compliance Officer all business, financial or personal relationships that may result in access to material, non-public information;
- a designated officer or Compliance Officer reviews all reportable personal investment activity for employee and employee-related accounts;

- a designated officer or Compliance Officer provides guidance to employees on any possible insider trading situation or question;
- Ruggiero Investments' Insider Trading Policy is reviewed and evaluated annually and updated as may be appropriate; and
- a designated officer or Compliance Officer prepares a written report to management and/or legal counsel of any possible violation of the firm's Insider Trading Policy for implementing corrective and/or disciplinary action.

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Investment Processes

Policy

As a registered adviser, and as a fiduciary to our advisory clients, Ruggiero Investments is required, and as a matter of policy, to obtain background information as to each client's financial circumstances, investment objectives, investment restrictions and risk tolerance, among many other things, and provide its advisory services consistent with the client's objectives, etc., based on the information provided by each client.

Background

The U.S. Supreme Court has held that Section 206 (Prohibited Activities) of the Investment Advisers Act imposes a fiduciary duty on investment advisers by operation of law (SEC v. Capital Gains Research Bureau, Inc., 1963).

Also, the SEC has indicated that an adviser has a duty, among other things, to ensure that its investment advice is suitable to the client's objectives, needs and circumstances, (SEC No-Action Letter, *In re John G. Kinnard and Co.*, publicly available November 30, 1973).

Every fiduciary has the duty and a responsibility to act in the utmost good faith and in the best interests of the client and to always place the client's interests first and foremost.

As part of this duty, a fiduciary and an adviser with such duties, must eliminate conflicts of interest, whether actual or potential, or make full and fair disclosure of all material facts of any conflicts so a client, or prospective client, may make an informed decision in each particular circumstance.

Responsibility

The firm's investment professionals responsible for the particular client relationship have the primary responsibility for determining and knowing each client's circumstances and managing the client's portfolio consistent with the client's objectives. Ruggiero Investments' designated officer has the overall responsibility for the implementation and monitoring of our investment processes policy, practices, disclosures and recordkeeping for the firm.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Ruggiero Investments obtains substantial background information about each client's financial circumstances, investment objectives, and risk tolerance, among other things, through an in-depth interview and information gathering process which includes client profile or relationship forms;

- advisory clients may also have and provide written investment policy statements or written investment guidelines that the firm reviews, approves, and monitors as part of the firm's investment services, subject to any written revisions or updates received from a client;
- Ruggiero Investments provides the firm's applicable Form ADV Part 2 (*i.e.*, *Firm Brochure* and/or *Wrap Fee Program Brochure*) to all prospective clients, and Part 3 (Form CRS) to any retail clients, disclosing the firm's advisory services, fees, conflicts of interest and portfolio/supervisory reviews and investment reports provided by the firm to clients;
- Ruggiero Investments may provide quarterly reports to advisory clients which include important information about a client's financial situation, portfolio holdings, values and transactions, among other things. The firm may also provide performance information to advisory clients about the client's account performance, which may also include a reference to a relevant market index or benchmark;
- investment professionals may also schedule annually client meetings or upon client request, to review a client's portfolio, performance, market conditions, financial circumstances, and investment objectives, among other things; and to confirm the firm's investment decisions and services are consistent with the client's objectives and goals. Documentation of such reviews should be made in the client file; and
- client relationships and/or portfolios may be reviewed on a more formal basis annually or other periodic basis by designated supervisors or management personnel.

Market Manipulative Trading

Background

Ruggiero Investments is strictly prohibited from engaging in any manipulative or misleading trading practices. As a fiduciary, Ruggiero Investments cannot engage in "window dressing", "portfolio pumping", "marking the close", or any other market manipulative tactics, like short selling in connection with a public offering.

Window dressing occurs when an investment adviser buys and sells portfolio securities shortly before the date as of which its client holdings are publicly disclosed, to convey an impression that the investment adviser has been investing in companies that have had strong performance during the reporting period.

Portfolio pumping occurs when an investment adviser causes a client to buy shares of stock the client already owns near the end of a reporting period for the purpose of artificially inflating the client's performance results.

Marking the close is the practice of placing late-day orders to raise the reported closing price of the stock.

Rule 105 of Regulation M (as amended) generally prohibits a person from purchasing equity securities from an underwriter or broker-dealer participating in a firm commitment offering if such person sold short the security that is the subject of the offering during the "restricted period."

If any Supervised Person has any questions regarding Rule 105 or the applicability of an exemption under Rule 105, he/she must consult with the CCO prior to the execution of the related transaction.

Policy

Ruggiero Investments is strictly prohibited from engaging in any manipulative or misleading trading practices. Specifically, it does not engage in trading practices that:

- lack an investment purpose,
- are designed to artificially inflate a security's price,
- are designed to mislead investors or prospective investors,
- qualify as portfolio pumping, window dressing, or marking the close,
- constitute short selling in connection with a public offering, or
- otherwise constitute market manipulative tactics.

The firm and each of its Supervised Persons will comply with the provisions of Rule 105 (as amended) as it relates to the short sale made in connection with a public offering.

Engaging in any instances of market manipulative trading activities can result in disciplinary action up to and including termination.

As it relates to Rule 105, registered investment advisers may not purchase equity securities from an underwriter or broker-dealer participating in a firm commitment offering if such person sold short the security that is the subject of the offering during the "restricted period." The "restricted period is the shorter of the period: (1) beginning five business days before the pricing of the offering securities and ending with such pricing or (2) beginning with the initial filing of such registration statement or notification on Form 1-A or Form 1-E ending with the pricing.

Procedure

The CCO will periodically spot check trading activity for any non-routine purchases of a material amount immediately prior to a reporting period.

Supervised persons will immediately report any suspected instances of window dressing, portfolio pumping, marking the close, or any other market manipulative tactics to the CCO.

To ensure compliance with Rule 105 the following procedures must be followed prior to Ruggiero Investments's participation in any offering:

1. Prior to putting in for an offering, Ruggiero Investments shall check whether or not a short position has been established or added to within the restricted period set forth above.
2. In the event that a short has been established or added, the CCO shall indicate the same to the Ruggiero Investments personnel initiating the trade.
3. Ruggiero Investments then has two choices:
 - a. non-participation; or
 - b. close the short position.
4. If and only if the short position is closed prior to the offering may the firm indicate an interest in the offering. In this case, the short position MUST be closed at least one business day prior to the offering
5. Documentation of the conversation shall be sent to (or retained by) the CCO with a copy sent to the execution desk.
6. Immediately prior to the closing of an offering, the trader responsible for putting in for and confirming the allocation shall recheck the firm's aggregate position to determine whether or not the firm has established or added to a short position within the restricted time period set forth above. If there has been such activity, this position must be closed prior to the closing of the offering and an e-mail sent to the CCO.

Mutual Fund Share Class Selection

Policy

As a matter of policy and as a fiduciary to our clients, Ruggiero Investments acts in the best interests of clients when recommending investments, including shares of mutual funds. Absent compelling reasons to the contrary and in keeping with each client's best interests, Ruggiero Investments will generally seek to recommend the lowest overall cost share class of mutual funds available to clients under the circumstances and to disclose all conflicts of interest arising in the selection of mutual fund share classes.

Background

Section 206 of the Investment Advisers Act of 1940 imposes a fiduciary duty on investment advisers to act in their clients' best interests, including an affirmative duty to disclose all conflicts of interest. A conflict of interest arises when an adviser receives compensation (either directly or indirectly through an affiliated broker-dealer) for selecting a more expensive mutual fund share class for a client when a less expensive share class for the same fund is available and appropriate. That conflict of interest must be disclosed.

The Commission has long been focused on the conflicts of interest associated with mutual fund share class selection. Differing share classes facilitate many functions and relationships. However, investment advisers must be mindful of their duties when recommending and selecting share classes for their clients and disclose their conflicts of interest related thereto.

Even absent a pecuniary conflict of interest that may incentivize advisers or representatives to recommend a higher cost share class, advisers have the duty to seek best execution of securities transactions for clients. In a mutual fund transaction, the price for open-end mutual fund shares is not set by the market, but determined by the fund at the end of each business day based on the fund's net asset value. Trades are executed by the mutual fund itself, and the transactions can be entered by a broker, an adviser, or directly through the fund. Unlike equity transactions, mutual fund trades are not subject to market fluctuations throughout the day, so brokers cannot add value by working the trade. Other typical "best execution" factors, such as the value of research provided, commission rates, and the broker's execution capability and responsiveness, are not as pertinent in an open-end mutual fund transaction. Therefore, SEC Staff generally take the position that the best interests of clients are not served when advisers cause clients to purchase a more expensive share class when a less expensive class is available.

Responsibility

Christopher T. Ruggiero has the responsibility for implementing and monitoring our policy, including employee training. The investment committee and its designees are responsible for the initial selection, periodic review and documentation of mutual fund shares selected for clients.

Procedures

Ruggiero Investments has implemented the following procedures for selecting and reviewing the appropriate mutual fund share classes:

- Prior to making an initial investment in a mutual fund, the firm's investment committee or selected designees will review all available share classes and related expense ratios to determine which class meets the firm's duty of best execution, taking into account cost, client's time horizons, restrictions and preferences. Documentation of selection decisions will be created for any shares chosen that do not represent the lowest cost share class;
- Any clients who were erroneously invested in higher cost share classes will be reimbursed or otherwise made whole;
- Communication and training will be provided to the firm's investment professionals and trader(s) and staff on the application of these criteria and review process;
- Ruggiero Investments will allocate investment opportunities fairly among client accounts and document the allocations for our records;
- On a quarterly, our investment committee or a designee will review invoices to ensure our clients are accurately billed. Documentation of this review will be kept in our files; and
- For conflicts that cannot be avoided, we will provide full and fair disclosure about the conflict and let the client decide whether to do business on those terms.

Our investment committee or selected designees will conduct quarterly reviews of client holdings in mutual fund investments to ensure the appropriateness of mutual fund share class selections. These reviews will take into account whether a client's situation has changed, and/or whether new share class options are available, with the goal of evaluating whether the client now qualifies for, or has access to, a lower-cost share class.

Off-Channel Communications

Background

Off-channel communications occur when a firm member uses an unapproved type of communication to discuss business. Typically, off-channel communications occur through text messages, online text platforms like WhatsApp, or social media messaging.

The firm has a responsibility to ensure its business-related communications only occur through approved and supervised channels. Over the past few years, the SEC has begun enforcement actions against investment advisers for their off-channel communications. An individual who uses off-channel communications can lead to a firm failing to follow its own policies and procedures, which violates the Compliance Rule. Off-channel communications can also lead to a violation of the Books and Records Rule. Some firms have been charged with failures to supervise related to their off-channel communications.

Policy

Ruggiero Investments' policy provides that advisers and their agents and employees may not engage in communications of a business nature on unauthorized platforms. Specifically, advisers may not use off-channel communications to discuss with advisory clients any recommendations made or advice given, any placement or execution of orders to buy or sell securities, any discussion of predecessor performance, or any receipt, disbursement, or delivery of securities or funds.

If an adviser receives a client-initiated off-channel communication, the advisor must forward the communication to one of the firm's on-channel communication methods.

If an adviser or other employee of the firm learns of another adviser's improper use of off-channel communication, that adviser has an obligation to inform the CCO of the off-channel communication within a reasonable period of time.

At least annually, employees must acknowledge that they understand this policy, have completed all required training related to off-channel communications, have complied with all such requirements, and commit to do ongoing compliance with this policy. The CCO will retain the attestations for at least six years.

At least annually, the CCO will ensure that advisers and supervised staff receive training on off-channel communications, this policy, and any changes that have been made to this policy. The CCO will retain evidence, such as signed and dated training logs, that advisers have been trained on these topics for at least six years.

The CCO will also monitor on-channel communication to determine whether the adviser uses off-channel communication with clients. The CCO will monitor keywords that indicate that the adviser is using off-channel communication. A list of keywords will be developed and refined over time, and may

include terms such as “text”, “switch”, “DM”, “direct message”, or platform names, like “WhatsApp”, “Instagram” or “Facebook”.

Outside Business Activities

Policy

Ruggiero Investments' policy allows employees to participate in outside business activities so long as the activities are consistent with Ruggiero Investments' fiduciary duty to its clients and regulatory requirements, and the employee provides prior written notice to Ruggiero Investments before engaging in such activities.

Prior to beginning such activity, each employee must identify any new outside business activities to the firm's CCO, or other designated officer.

Background

An outside business activity ("OBA") is any business activity outside the scope of a firm where an employee of the firm:

- May be compensated or have the reasonable expectation of compensation;
- Is working with or for a client, regardless of whether compensation is received; or
- Is in a position to receive material non-public information concerning a publicly-traded company.

Ruggiero Investments' policies and procedures covering the outside business activities of employees and others represents an internal control and supervisory review to detect unapproved outside business activities and to prevent possible conflicts of interests and regulatory violations.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our policy on outside business activities, disclosures, and recordkeeping.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy on OBAs and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Upon hiring, employees must provide our CCO with a list of outside business activities in which the employee would like to continue;
- Current employees must provide written notice prior to beginning any OBA, and include the following information:
 - The activity's start and end date (if applicable);
 - The name of the entity where the activity is taking place;
 - The position title; and
 - A description of the employee's duties and an estimated hours per week that would be dedicated to the activity.

- Upon receiving a written notice, Christopher T. Ruggiero will evaluate the information and give consideration to whether:
 - The activity will interfere with or compromise the employee's responsibilities to Ruggiero Investments and our clients; and
 - The activity will be viewed by our clients or the public as part of Ruggiero Investments' business based on the nature of the activity.
- Our CCO will evaluate each activity and decide on the advisability of imposing specific conditions or limitations or completely prohibiting the activity. These evaluations will be dated and initialed and kept in our records;
- Any employees engaged in approved OBAs must inform our CCO of any changes in, or new conflicts of interest relating to the OBA once the employee becomes aware;
- Annually, our CCO will obtain attestations from employees that they are not engaging in any other outside business activities beyond those that have been disclosed and approved;
- Christopher T. Ruggiero conducts email reviews specifically focused on identifying potential OBAs;
- We maintain a list of our employees' current OBAs, which is updated annually;
- Our CCO, or other designated officer, will review all employees' reports of outside business activities for compliance with the firm's policies, regulatory requirements, and the firm's fiduciary duty to its clients, among other things; and
- Ruggiero Investments will retain all documentation of notices, reviews, and evaluations in accordance with our applicable recordkeeping requirements.

Performance

Policy

Ruggiero Investments, as a matter of policy and practice, does not prepare or distribute any performance history or record relating to the investment performance of the firm or advisory clients.

Background

An investment adviser's performance information is included as part of a firm's advertising practices which are regulated by the SEC under Section 206 of the Advisers Act, which prohibits advisers from engaging in fraudulent, deceptive, or manipulative activities. The manner in which investment advisers portray themselves and their investment returns to existing and prospective clients is highly regulated. These standards include how performance is presented. SEC Rule 206(4)-1 proscribes various advertising practices of investment advisers as fraudulent, deceptive or manipulative.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our performance policy that the firm does not prepare or distribute any performance history for the firm or advisory clients.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Ruggiero Investments' policy of prohibiting the preparation and distribution of performance information has been communicated to relevant individuals including management, marketing/sales, and portfolio managers, among others;
- Christopher T. Ruggiero monitors the firm's advisory services, marketing/sales materials and other materials quarterly to help ensure that no performance information is prepared and distributed as advertising or marketing materials to any prospective client or others; and
- in the event of any change in the firm's policy, any such change must be approved by management, and any performance information would only be allowed after appropriate reviews and approvals, disclosures, meeting strict regulatory requirements and maintaining proper records.

Code of Ethics

Policy

Ruggiero Investments, as a matter of policy and practice, and consistent with industry best practices and SEC requirements (SEC Rule 204A-1 under the Advisers Act and Rule 17j-1 under the Investment Company Act, which is applicable if the firm acts as investment adviser to a registered investment company), has adopted a written Code of Ethics covering all supervised persons. Our firm's Code of Ethics requires high standards of business conduct, compliance with federal securities laws, reporting and recordkeeping of personal securities transactions and holdings, reviews and sanctions. The firm's current Code of Ethics, and as amended, while maintained as a separate document, is incorporated by reference and made a part of these Policies and Procedures.

Background

In July 2004, the SEC adopted an important rule (Rule 204A-1) similar to Rule 17j-1 under the Investment Company Act, requiring SEC advisers to adopt a code of ethics. The new rule was designed to prevent fraud by reinforcing fiduciary principles that govern the conduct of advisory firms and their personnel.

The Code of Ethics rule had an effective date of August 31, 2004 and a compliance date of February 1, 2005. Among other things, the Code of Ethics rule requires the following:

- setting a high ethical standard of business conduct reflecting an adviser's fiduciary obligations;
- compliance with federal securities laws;
- access persons to periodically report personal securities transactions and holdings, with limited exceptions;
- prior approval for any IPO or private placement investments by access persons;
- reporting of violations;
- delivery and acknowledgement of the Code of Ethics by each supervised person;
- reviews and sanctions;
- recordkeeping; and
- summary Form ADV disclosure.

An investment adviser's Code of Ethics and related policies and procedures represent a strong internal control with supervisory reviews to detect and prevent possible insider trading, conflicts of interest and potential regulatory violations.

Responsibility

Christopher T. Ruggiero has the primary responsibility for the preparation, distribution, administration, periodically reviews, and monitoring our Code of Ethics, practices, disclosures, sanctions and recordkeeping.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy on personal securities transactions and our Code of Ethics and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended, as appropriate, which include the following:

- formal adoption of the firm's Code of Ethics by management;
- the Chief Compliance Officer distributes the current Code of Ethics annually to all supervised persons and to all new supervised persons upon hire;
- each supervised person must acknowledge receipt of the firm's Code of Ethics initially upon hire and annually and return a signed acknowledgement/certification form to the Chief Compliance Officer;
- the Chief Compliance Officer, with other designated officer(s), conduct a review of the firm's Code of Ethics at least annually and update the Code of Ethics as may be appropriate;
- the Chief Compliance Officer obtains and reviews access persons' personal transactions/holdings reports quarterly;
- the Chief Compliance Officer, or his/her designee, retains and conducts a review at least annually of relevant Code of Ethics records as required, including but not limited to, Codes of Ethics, as amended from time to time, acknowledgement/certification forms, records identifying individuals deemed to be access persons of the firm, initial and annual holdings reports, reports of personal securities transactions, violations and sanctions, among other documentation;
- the firm provides initial and annual education about the Code of Ethics, and each person's responsibilities and reporting requirements, under the Code of Ethics;
- the firm's Form ADV is reviewed annually and amended, when necessary, by the Chief Compliance Officer to appropriately disclose a summary of the firm's Code of Ethics which includes an offer to deliver a copy of the Code upon request by an existing or prospective advisory client; and
- the Chief Compliance Officer is responsible for receiving and responding to any client requests for the firm's Code of Ethics and maintaining required records.

Pandemic Response

Policy

As part of its fiduciary duty to its clients and as a matter of best business practices, Ruggiero Investments has adopted policies and procedures for pandemic response and for continuing Ruggiero Investments' business in the event of a national pandemic. These policies are designed to allow Ruggiero Investments to resume providing service to its clients in as short a period of time as possible.

Background

A pandemic is a global disease outbreak which occurs when a new virus emerges for which there is little or no immunity in the human population and begins to cause serious illness and then spreads easily person-to-person worldwide. A pandemic could have a major effect on the global economy, including travel, trade, tourism, food, consumption and investment and financial markets. Planning is essential to minimize a pandemic's impact. As with any catastrophe, having a contingency plan is essential.

Unlike natural disasters or terrorist events, a pandemic will be widespread, affecting multiple areas of the United States and other countries at the same time. A pandemic will also be an extended event, with multiple waves of outbreaks in the same geographic area.

Responsibility

Christopher T. Ruggiero is responsible for maintaining and implementing Ruggiero Investments's Pandemic Response Plan, which is intended to be used in coordination with the firm's Business Continuity Plan.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts internal reviews to monitor and ensure such policy is observed, implemented properly and amended or updated, as appropriate.

Overall implementation and monitoring of the firm's Pandemic Response Plan is the responsibility of Christopher T. Ruggiero, supported by key personnel whose primary roles and responsibilities have been defined. Where necessary and appropriate, Ruggiero Investments may also utilize outsourced service provider(s) to assist in fulfilling one or more of the following functions:

Working from Home

- Organize and identify a central team of people or focal point to serve as a communication source so that our employees and clients can have accurate information during the crisis;
- Ensure that IT provides the correct technology and security measures for employees who are working from home, including:
 - telework arrangements and any weak points (and respective solutions);
 - connectivity issues due to the increased demand of bandwidth;

- setting up VPNs for employees;
- determining the costs and effort to set up secure, compatible systems;
- providing any requisite software if an employee is using a personal computer; and
- identifying backup systems and testing for e-mails, conference calls, and video conferencing
- Disseminate additional guidance and training regarding use of firm technology, tools and services in a remote work environment;
- Set clear expectations and show examples of what Ruggiero Investments expects to be done task-wise, along with deadlines and calendar sharing;
- Create regular meetings for supervisors to discuss concerns and raise questions with compliance staff;
- Provide staff with updated contact information for their assigned points of contact in Compliance, Legal, Operations and other departments;
- Transition to virtual training to continue preparing for upcoming regulatory obligations;
- Set up work-from-home guidelines, such as emails must be responded to within 24 hours, use text for urgent matters, and no calls between certain hours to make sure teammates are not working around the clock;
- Arrange for regular (weekly or more frequent) meetings or conference calls to review the latest information, develop consistent messaging, and make decisions; and
- Ruggiero Investments may need to request employees' personal contact information (phone numbers, e-mail addresses, or contact's information of where they may be if they are caring for family members).

Social Distancing

- Employees should avoid close contact with coworkers and clients (maintain a separation of at least 6 feet);
- Avoid shaking hands and always wash hands after contact with others;
- Encourage telephone use, videoconferencing, and the Internet to conduct business as much as possible, even when participants are in the same building;
- Minimize situations where groups of people are crowded together, such as in a meeting;
- If a face-to-face meeting is unavoidable, minimize the meeting time, choose a large meeting room, and sit at least 6 feet from one another;
- Reduce or eliminate unnecessary social interactions--reconsider all situations that permit or require employees, clients, and visitors to enter the workplace; and
- Avoid any unnecessary travel and cancel or postpone nonessential meetings, gatherings, workshops, and training sessions.

Personal Protective Equipment (PPE) and Office Cleanliness

- Stockpile items such as soap, tissue, hand sanitizer, cleaning supplies and recommended personal protective equipment. When stockpiling items, be aware of each product's shelf life and storage conditions (e.g., avoid areas that are damp or have temperature extremes) and incorporate product rotation (e.g., consume oldest supplies first) into your stockpile management program;

- Provide employees and clients in the workplace with easy access to infection control supplies, such as soap, hand sanitizers, personal protective equipment (such as gloves or surgical masks), tissues, and office cleaning supplies;
- Provide training, education, and informational material about employee health and safety, including proper hygiene practices and the use of any personal protective equipment to be used in the workplace;
- Provide clients and the public with tissues and trash receptacles, and with a place to wash or disinfect their hands;
- Regularly clean work surfaces, telephones, computer equipment, and other frequently touched surfaces and office equipment; and
- Discourage employees from using other employees' phones, desks, offices, or other work tools and equipment.

Sick Leave

- Consider flexible leave policies to allow workers to stay home to care for sick family members or for children if schools dismiss students or child care programs close;
- Allow employees to exhaust paid time off (PTO) hours and go into negative balances;
- Advance sick time up to a year of accrual;
- Provide a special time off allotment for the existing pandemic;
- Allow employees to donate leave to others;
- Encourage sick employees to stay home; and
- Offer any existing vaccine at the workplace or allow employees to take time off to get the vaccine.

Political Contributions

Policy

It is Ruggiero Investments' policy to permit the firm, and its covered associates, to make political contributions to elected officials, candidates and others, consistent with this policy and regulatory requirements.

Ruggiero Investments recognizes that it is never appropriate to make or solicit political contributions, or provide gifts or entertainment for the purpose of improperly influencing the actions of public officials. Accordingly, our firm's policy is to restrict certain political contributions made to government officials and candidates of state and state political subdivisions who can influence or have the authority for hiring an investment adviser.

The firm also maintains appropriate records for all political contributions made by the firm and/or its covered associates. Our firm's Code of Ethics also provides employees with a summary of Ruggiero Investments' 'Pay-to-Play' practices.

Background

On June 22, 2011, the SEC adopted amendments to rule 206(4)-5, adding provisions that extend the scope of the rule, making it applicable to (i) exempt reporting advisers, defined as an investment adviser that is exempt from registration because it is an adviser solely to one or more venture capital funds, or because it is an adviser solely to private funds and has assets under management in the United States of less than \$150 million; and foreign private advisers, as defined under rule 202(a)(30)-1.

The amendments also permit an adviser to pay a registered municipal advisor to act as a placement agent to solicit government entities on its behalf provided that the municipal advisor is subject to a pay-to-play rule adopted by the Municipal Securities Rulemaking Board (MSRB) that is at least as stringent as the investment adviser pay-to-play rule.

The Political Contributions rule addresses certain pay-to-play practices such as making or soliciting campaign contributions or payments to certain government officials to influence the awarding of investment contracts for managing public pension plan assets and other state governmental investments.

The rule applies to SEC registered advisers as well as advisers exempt from registration with the SEC pursuant to reliance on the private adviser exemption as provided in Section 203(b)(3) of the Advisers Act (hereafter, the "adviser"), which manage or seek to manage private investment funds in which government and governmental plans invest.

SEC Sets Compliance Date for Ban on Third-Party Solicitation

Rule 206(4)-5 prohibits an investment adviser subject to the rule, and its covered associates, from providing or agreeing to provide, directly or indirectly, payment to any third party for a solicitation of

advisory business from any government entity on behalf of such adviser, unless such third party is a "regulated person," defined as (i) an SEC-registered investment adviser, (ii) a registered broker or dealer subject to pay-to-play rules adopted by a registered national securities association, or (iii) a registered municipal advisor that is subject to pay-to-play rules adopted by the MSRB. The Commission must find, by order, that the rules applicable to broker-dealers and municipal advisors (i) impose substantially equivalent or more stringent restrictions than rule 206(4)-5 imposes on investment advisers, and (ii) are consistent with the objectives of rule 206(4)-5.

Advisers to registered investment companies that are "covered investment pools" must comply with the Rule requirements pertaining to such covered pools.

Responsibility

Our firm's designated officer has the responsibility for the implementation and monitoring of our firm's political contribution policy, practices, disclosures and recordkeeping.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy, conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Christopher T. Ruggiero, or other designated officer, determines who is deemed to be a "Covered Associate" of the firm and promptly advises those individuals of their status as such; maintains records including the names, titles, and business and residence addresses of all covered associates;
- Christopher T. Ruggiero, or other designated officer, obtains appropriate information from new employees (or employees promoted or otherwise transferred into positions) deemed to be covered associates, regarding any political contributions made within the preceding two years (from the date s/he becomes a covered associate) if such person will be soliciting municipal business; such review may include an online search of the individual's contribution history as part of the firm's general background check;
- political contributions made by covered associates must not exceed the rule's *de minimis* amount;
- prior to accepting a new advisory client that is a government entity, Christopher T. Ruggiero, or other designated officer will conduct a review of political contributions made by covered associates to ensure that any such contribution(s) did not exceed the rule's permissible *de minimis* amount;
- Christopher T. Ruggiero, or other designated officer, quarterly monitors and maintains records identifying all government entities to which Ruggiero Investments provides advisory services, if any;
- Christopher T. Ruggiero, or other designated officer, monitors and maintains records detailing political contributions made by the firm and/or its covered associates;

- such records will be maintained in chronological order and will detail:
 - i. the name and title of the contributor;
 - ii. the name and title (including any city/county/state or other political subdivision) of each recipient of a contribution or payment;
 - iii. the amount and date of each contribution or payment; and
 - iv. whether any such contribution was the subject of the exception for certain returned contributions.
- the Compliance Officer, or other designated officer, will maintain appropriate records following the departure of a covered associate who made a political contribution triggering the two-year 'time out' period;
- the Compliance Officer, or other designated officer, maintains records reflecting approval of political contributions made by the firm and/or its covered associates;
- prior to engaging a third party solicitor to solicit advisory business from a government entity, the Compliance Officer, or other designated officer, will determine that such solicitor is (1) a "regulated person" as defined under this Rule and (2) determined that such individual has not made certain political contributions or otherwise engaged in conduct that would disqualify the solicitor from meeting the definition of "regulated person";
- at least annually, the Compliance Officer, or other designated officer, will require covered associates and any third party solicitors to confirm that such person(s) have reported any and all political contributions, and continue to meet the definition of "regulated person";
- the Compliance Officer, or other designated officer, maintains records of each regulated person to whom the firm provides or agrees to provide (either directly or indirectly) payment to solicit a government entity for advisory services on its behalf; and
- the Compliance Officer, or other designated officer, will monitor states' registration and/or reporting requirements pursuant to the firm's use of any "placement agents" (including employees of the firm and/or its affiliates) for the solicitation of or arrangements for providing advisory services to any government entity or public pension plan.

Principal Trading

Policy

Ruggiero Investments' policy and practice is to NOT engage in any principal transactions and our firm's policy is appropriately disclosed in Part 1A and Part 2A of Form ADV.

Background

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. As a fiduciary and under the anti-fraud section of the Advisers Act, principal transactions by advisers are prohibited unless the adviser 1) discloses its principal capacity in writing to the client in the transaction and 2) obtains the client's consent to each principal transaction before the settlement of the transaction.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our principal trading policy and disclosures that the firm/affiliated firm does not engage in any principal transactions with advisory clients.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly, and amended or updated, as appropriate, which include the following:

- Ruggiero Investments' policy of prohibiting any principal trades with advisory clients has been communicated to relevant individuals, including management, traders and portfolio managers, among others;
- the firm's policy is appropriately disclosed in the firm's Form ADV, Parts 1A and 2A;
- Christopher T. Ruggiero semi-annually monitors the firm's advisory services and trading practices to help ensure no principal trades occur for advisory clients; and
- in the event of any change in the firm's policy, any such change must be approved by management, and any principal transactions would only be allowed after appropriate reviews and approvals, disclosures, meeting strict regulatory requirements and maintaining proper records.

Privacy

Policy

As a registered investment adviser, Ruggiero Investments must comply with SEC Regulation S-P, which requires registered advisers to adopt policies and procedures to protect the "non-public personal information" of natural person consumers and customers and to disclose to such persons policies and procedures for protecting that information.

Further, and as a SEC registered advisory firm, our firm must comply with SEC Regulation S-AM, to the extent that the firm has affiliated entities with which it may share and use consumer information received from affiliates.

Currently, all 50 states have data breach laws which require private entities or government agencies to notify individuals who have been impacted by security breaches that may compromise their personally identifiable information ("PII"). Ruggiero Investments will follow industry and business best practices when it comes to notifying our clients on data breaches, and will also periodically review our state's requirements.

Background

Regulation S-P / Privacy Rule

The purpose of these regulatory requirements and privacy policies and procedures is to provide administrative, technical and physical safeguards which assist employees in maintaining the confidentiality of non-public personal information ("NPI") collected from the consumers and customers of an investment adviser. All NPI, whether relating to an adviser's current or former clients, is subject to these privacy policies and procedures. Any doubts about the confidentiality of client information must be resolved in favor of confidentiality.

For these purposes, NPI includes non-public "personally identifiable financial information" plus any list, description or grouping of customers that is derived from non-public personally identifiable financial information. Such information may include personal financial and account information, information relating to services performed for or transactions entered into on behalf of clients, advice provided by the firm to clients, and data or analyses derived from such NPI.

Regulation S-P implements the GLB Act's requirements with respect to privacy of consumer nonpublic personal information for registered investment advisers, investment companies, and broker-dealers (each, a "financial institution"). Among other provisions, financial institutions are required to provide an **initial** notice to each customer that sets forth the financial institution's policies and practices with respect to the collection, disclosure and protection of customers' nonpublic personal information to both affiliated and nonaffiliated third parties. Thereafter, as long as the customer relationship continues to exist, the financial institution is required to provide an annual privacy disclosure to its customers

describing the financial institution's privacy policies and practices unless it meets the requirements for the annual delivery exception as set forth below.

Significantly, on December 4, 2015, the President signed the *Fixing America's Surface Transportation Act* (the "FAST Act") into law. Among other provisions, the FAST Act includes an amendment of the consumer privacy provisions within the GLB Act. The amendment, which went into effect immediately, now provides an exception to the **annual** privacy notice distribution requirement if the financial institution meets the following two criteria: (i) the financial institution does not share nonpublic personal information with nonaffiliated third parties (other than as permitted under certain enumerated exceptions) and (ii) the financial institution's policies and practices regarding disclosure of nonpublic personal information have not changed since the last distribution of its policies and practices to its customers.

Regulation S-P was amended in May 2024 to require broker-dealers, funding portals, investment companies, registered investment advisers, and transfer agents to perform two tasks: (i) developing, implementing, and maintaining written policies and procedures for an incident response program that is reasonably designed to detect, respond to, and recover from unauthorized access to or use of customer information; and (ii) including procedures in the incident response program to give timely notice to individuals whose sensitive customer information was, or was reasonably likely, accessed or used without authorization.

Registered investment advisers with \$1.5 billion or more in assets under management, large broker-dealers, and large transfer agents must comply with these requirements by December 3, 2025, and small entities must comply with these requirements by June 3, 2026.

Regulation S-AM

SEC Regulation S-AM, effective September 10, 2009, with a postponed compliance date from January 1, 2010 to June 1, 2010, requires SEC investment advisers, and other SEC regulated entities, to the extent relevant, to implement limitations on the firm's use of certain consumer information received from an affiliated entity to solicit that consumer for marketing purposes. Regulation S-AM provides for notice and opt-out procedures, among other things. The compliance date was extended to allow registered firms to establish systems to meet the new regulatory requirements.

Responsibility

Christopher T. Ruggiero is responsible for reviewing, maintaining and enforcing these policies and procedures to ensure meeting Ruggiero Investments' client privacy goals and objectives while at a minimum ensuring compliance with applicable federal and state laws and regulations. Christopher T. Ruggiero may recommend to the firm's principal(s) any disciplinary or other action as appropriate. Christopher T. Ruggiero is also responsible for distributing these policies and procedures to employees and conducting appropriate employee training to ensure employee adherence to these policies and procedures.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

Non-Disclosure of Client Information

- Ruggiero Investments maintains safeguards to comply with federal and state standards to guard each client's non-public personal information ("NPI"). Ruggiero Investments does not share any NPI with any nonaffiliated third parties, except in the following circumstances:
- as necessary to provide the service that the client has requested or authorized, or to maintain and service the client's account;
- as required by regulatory authorities or law enforcement officials who have jurisdiction over Ruggiero Investments, or as otherwise required by any applicable law;
- to protect the confidentiality or security of the financial institution's records against fraud and for institutional risk control purposes; and
- to provide information to the firm's attorneys, accountants and auditors or others determining compliance with industry standards.

Employees are prohibited, either during or after termination of their employment, from disclosing NPI to any person or entity outside Ruggiero Investments, including family members, except under the circumstances described above. An employee is permitted to disclose NPI only to such other employees who need to have access to such information to deliver our services to the client.

Safeguarding and Disposal of Client Information

Ruggiero Investments restricts access to NPI to those employees who need to know such information to provide services to our clients.

Any employee who is authorized to have access to NPI is required to keep such information in a secure compartment or receptacle annually. All electronic or computer files containing such information shall be password secured and firewall protected from access by unauthorized persons. Any conversations involving NPI, if appropriate at all, must be conducted by employees in private, and care must be taken to avoid any unauthorized persons overhearing or intercepting such conversations.

Safeguarding standards encompass all aspects of the Ruggiero Investments that affect security. This includes not just computer security standards but also such areas as physical security and personnel procedures. Examples of important safeguarding standards that Ruggiero Investments may adopt include:

- access controls on customer information systems, including controls to authenticate and permit access only to authorized individuals and controls to prevent employees from providing customer information to unauthorized individuals who may seek to obtain this information through fraudulent means (*e.g.*, requiring employee use of user ID numbers and passwords, etc.);

- access restrictions at physical locations containing customer information, such as buildings, computer facilities, and records storage facilities to permit access only to authorized individuals (*e.g.*, intruder detection devices, use of fire and burglar resistant storage devices);
- encryption of electronic customer information, including while in transit or in storage on networks or systems to which unauthorized individuals may have access;
- ensuring measures are put in place for the ability to access client information from any third-parties, including CRM systems, in order to review, delete, or perform security assessments, as necessary;
- procedures designed to ensure that customer information system modifications are consistent with the firm's information security program (*e.g.*, independent approval and periodic audits of system modifications);
- dual control procedures, segregation of duties, and employee background checks for employees with responsibilities for or access to customer information (*e.g.*, require data entry to be reviewed for accuracy by personnel not involved in its preparation; adjustments and correction of master records should be reviewed and approved by personnel other than those approving routine transactions, etc.);
- monitoring systems and procedures to detect actual and attempted attacks on or intrusions into customer information systems (*e.g.*, data should be auditable for detection of loss and accidental and intentional manipulation);
- response programs that specify actions to be taken when the firm suspects or detects that unauthorized individuals have gained access to customer information systems, including appropriate reports to regulatory and law enforcement agencies;
- measures to protect against destruction, loss, or damage of customer information due to potential environmental hazards, such as fire and water damage or technological failures (*e.g.*, use of fire resistant storage facilities and vaults; backup and store off site key data to ensure proper recovery); and
- information systems security should incorporate system audits and monitoring, security of physical facilities and personnel, the use of commercial or in-house services (such as networking services), and contingency planning.

Any employee who is authorized to possess "consumer report information" for a business purpose is required to take reasonable measures to protect against unauthorized access to or use of the information in connection with its disposal. There are several components to establishing 'reasonable' measures that are appropriate for the firm:

- assessing the sensitivity of the consumer report information we collect;
- the nature of our advisory services and the size of our operation;
- evaluating the costs and benefits of different disposal methods; and
- researching relevant technological changes and capabilities.

Some methods of disposal to ensure that the information cannot practicably be read or reconstructed that Ruggiero Investments may adopt include:

- procedures requiring the burning, pulverizing, or shredding of papers containing consumer report information;
- procedures to ensure the destruction or erasure of electronic media; and
- after conducting due diligence, contracting with a service provider engaged in the business of record destruction, to provide such services in a manner consistent with the disposal rule.

Privacy Notices

Initial Privacy Notice Delivery

- Ruggiero Investments will provide each natural person client with initial notice of the firm's current policy when the client relationship is established. Ruggiero Investments shall also provide each such client with a new notice of the firm's current privacy policies at least annually.
- If Ruggiero Investments shares non-public personal information ("NPI") relating to a non-California consumer with a nonaffiliated company under circumstances not covered by an exception under Regulation S-P, the firm will deliver to each affected consumer an opportunity to ***opt out*** of such information sharing.
- If Ruggiero Investments shares NPI relating to a California consumer with a nonaffiliated company under circumstances not covered by an exception under SB1, the firm will deliver to each affected consumer an opportunity to ***opt in*** regarding such information sharing.

Annual Privacy Notice Delivery

- If Ruggiero Investments shares non-public personal information ("NPI") relating to a non-California consumer with a nonaffiliated company under circumstances not covered by an exception under Regulation S-P, the firm will annually deliver to each affected consumer an opportunity to ***opt out*** of such information sharing.
- If Ruggiero Investments shares NPI relating to a California consumer with a nonaffiliated company under circumstances not covered by an exception under SB1, the firm will annually deliver to each affected consumer an opportunity to ***opt in*** regarding such information sharing.

Annual Privacy Notice Exception

Ruggiero Investments will not have to deliver an annual privacy notice provided it (1) only shares NPI with nonaffiliated third-parties in a manner that does not require an opt-out right be provided to customers (e.g., if the institution discloses NPI to a service provider or for fraud detection and prevention purposes) and (2) has not changed its policies and practices with respect to disclosing NPI since it last provided a privacy notice to its customers.

If, at any time, Ruggiero Investments adopts material changes to its privacy policies, the firm shall provide each such client with a revised notice reflecting the new privacy policies. The Compliance Officer is responsible for ensuring that required notices are distributed to the Ruggiero Investments' consumers and customers.

Data Breaches and Compromise of PII

Ruggiero Investments will follow industry and business best practices when it comes to notifying our clients on data breaches, including:

- Immediate written notification to the client and appropriate state governmental agencies within 30 days of the breach;
- When a data security incident involves a client's Social Security number, driver's license number, or state identification card number, our firm is required (state requirements may vary) to provide an offer for a complimentary credit monitoring for at least 18 months; and
- Ruggiero Investments will provide instructions to affected clients on how to sign up for complimentary credit monitoring services and will not require impacted clients to waive their private right of action as a condition of the offer of such services.

Incident Response Program

Before the compliance date applicable to our firm under the amended Regulation S-P, Ruggiero Investments will update its incident response program in accordance with the requirements of Regulation S-P. The policies and procedures relevant to this program will be contained in the "Incident Response Program" section of this manual.

The CCO will be responsible for ensuring that this program complies with the amended requirements of Regulation S-P, including methods for detecting, responding to, and recovering from unauthorized access to or use of customer information. The program will also assess the nature and scope of any incident and will delineate the steps for containing and controlling such incidents to prevent further unauthorized access or use. The program will also establish, maintain, and provide for enforcement of written policies and procedures related to the oversight of service providers through due diligence and ongoing monitoring.

Proxy Voting

Policy

Ruggiero Investments, as a matter of policy and practice, has no authority to vote proxies on behalf of advisory clients. The firm may offer assistance as to proxy matters upon a client's request, but the client always retains the proxy voting responsibility. Ruggiero Investments' policy of having no proxy voting responsibility is disclosed to clients.

Background

Proxy voting is an important right of shareholders and reasonable care and diligence must be undertaken to ensure that such rights are properly and timely exercised.

Investment advisers registered with the SEC, and which exercise voting authority with respect to client securities, are required by Rule 206(4)-6 of the Advisers Act to (a) adopt and implement written policies and procedures that are reasonably designed to ensure that client securities are voted in the best interests of clients, which must include how an adviser addresses material conflicts that may arise between an adviser's interests and those of its clients; (b) to disclose to clients how they may obtain information from the adviser with respect to the voting of proxies for their securities; (c) to describe to clients a summary of its proxy voting policies and procedures and, upon request, furnish a copy to its clients; and (d) maintain certain records relating to the adviser's proxy voting activities when the adviser does have proxy voting authority.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our proxy policy and to ensure that the firm does not accept or exercise any proxy voting authority on behalf of clients without an appropriate review and change of the firm's policy with appropriate regulatory requirements being met and records maintained.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Ruggiero Investments discloses its proxy voting policy of not having proxy voting authority in its Firm Brochure or other client information;
- Ruggiero Investments' advisory agreements provide that the firm has no proxy voting responsibilities and that the advisory clients expressly retain such voting authority;
- Ruggiero Investments' new client information materials may also indicate that advisory clients retain proxy voting authority;
- Christopher T. Ruggiero reviews the nature and extent of advisory services provided by the firm and monitors such services annually to determine and confirm that client proxies are not being voted by the firm or anyone within the firm.

Registration

Policy

As an SEC-registered investment adviser, Ruggiero Investments maintains and renews its adviser registration on an annual basis through the Investment Adviser Registration Depository (IARD), for the firm, state notice filings, as appropriate, and licensing of its investment adviser representatives (IARs).

Ruggiero Investments' policy is to monitor and maintain all appropriate firm notice filings and IAR registrations that may be required for providing advisory services to our clients in any location. Ruggiero Investments monitors the state residences of our advisory clients, and will not provide advisory services unless appropriately registered as required, or a de minimis or other exemption exists.

Background

In accordance with the Advisers Act, and unless otherwise exempt from registration requirements, investment adviser firms are required to be registered either with the Securities and Exchange Commission (SEC) or with the state(s) in which the firm maintains a place of business and/or is otherwise required to register in accordance with each individual state(s) regulations and de minimis requirements. The registered investment adviser is required to maintain such registrations on an annual basis through the timely payment of renewal fees and filing of the firm's Annual Updating Amendment.

Individuals providing advisory services on behalf of the firm are also required to maintain appropriate registration(s) in accordance with each state(s) regulations unless otherwise exempt from such registration requirements. The definition of investment adviser representative may vary on a state-by-state basis. Supervised persons providing advice on behalf of SEC-registered advisers are governed by the federal definition of investment adviser representative to determine whether or not state IAR registration is required. The investment adviser representative registration(s) must also be renewed on an annual basis through the IARD and the timely payment of renewal fees.

On February 15, 2012, the SEC adopted amendments to Rule 205-3 increasing the dollar thresholds used to determine whether an advisory client is a 'qualified client.' In addition to its primary application for ascertaining whether the adviser may charge a performance-based fee, the definition of a 'qualified client' is an important component of the federal definition of investment adviser representative.

Section 418 of the Dodd-Frank Act and Rule 205-3 require the SEC to adjust the dollar amounts in these tests for inflation, rounding to the nearest \$100,000, beginning July 21, 2011 and every five years thereafter. Accordingly, on June 14, 2016, the Commission issued an order approving an inflation adjustment for the dollar amount test in Rule 205-3. On June 17, 2021, the Commission issued an order, effective as of August 16, 2021, increasing the dollar amount threshold of the assets-under-management test from \$1,000,000 to \$1,100,000 and the dollar amount threshold of the net worth test from \$2,100,000 to \$2,200,000.

Beginning in November 2011, FINRA implemented an annual Entitlement User Accounts Certification Process which requires the firm's designated Super Account Administrator (SAA) to review and update as necessary each user at their organization who is authorized to access specific applications on the IARD and/or CRD systems. If the SAA fails to complete the Certification Process within the proscribed 30 days, neither the SAA nor the firm's Accounts Administrators will be able to create, edit and clone user accounts for the firm until such time as the SAA complete the Certification Process.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our registration policy, practices, disclosures and recordkeeping.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- the Chief Compliance Officer, or other designated officer, monitors the state residences of our advisory clients, and the firm and/or its IARs will not provide advisory services unless appropriately notice filed or licensed as required, or a de minimis or other exemption exists;
- Ruggiero Investments' Chief Compliance Officer, or other designated officer, monitors the firm's and IAR registration requirements and reporting obligations on an on-going and quarterly basis to ensure timely filing of registrations and revised disclosures in accordance with applicable regulatory requirements;
- IARs are required to promptly notify Ruggiero Investments' Chief Compliance Officer, or other designated officer, reporting any changes to their legal name, residence and/or other business activities, among other information reported on Form U4;
 - upon receipt of such information and where applicable, the Chief Compliance Officer, or other designated officer, shall promptly file an amendment to that individual's Form U4;
- notice filings and IAR licensing filings are made on a timely basis and appropriate files and copies of all filings are maintained by the Chief Compliance Officer or other designated officer;
- Ruggiero Investments makes the annual filing of Form ADV within 90 days of the end of the firm's fiscal year (Annual Updating Amendment) to update all disclosures, including certain information required to be updated only on an annual basis; and
- the firm's designated SAA will promptly respond to and complete FINRA's annual Entitlement User Accounts Certification Process to ensure that the firm maintains necessary and appropriate access to these systems. Annually, the SAA will conduct a full review of individuals authorized as Users on the firm's IARD/CRD system, including an assessment of each User's current authorization(s). The SAA will terminate or modify such authorizations based on each individual's need to access such applications.

Annually, Ruggiero Investments' Chief Compliance Officer, or other designated officer, is responsible for overseeing the IARD/CRD Annual Renewal Program, including:

- conducting a review of the current notice filings/registrations for the firm and its IARs prior to FINRA's publication of the current year's Preliminary Renewal Statement (typically published in early November);
- adding any necessary notice filings/registrations and/or withdrawing unnecessary notice filings/registrations on the IARD/CRD systems prior to the issuance of the Preliminary Renewal Statement to facilitate renewals and avoid payment of unnecessary registration fees;
- ensuring that payment of the firm's Preliminary Renewal Statement is made in a timely manner to avoid (i) termination of required notice filings and IAR registrations, and (ii) violations of regulatory requirements; and
- obtains and reviews the firm's Final Renewal Statement (published by FINRA on the first business day of the new year), and ensures prompt payment of any additional registration fees or obtains a refund for terminated registrations, if applicable.

Regulatory Reporting

Policy

As a registered investment adviser with the SEC, or appropriate state(s), Ruggiero Investments' policy is to maintain the firm's regulatory reporting requirements on an effective and good standing basis at all times. Ruggiero Investments also monitors, on an on-going and periodic basis, any regulatory filings or other matters that may require amendment or additional filings with the SEC and/or any states for the firm and its associated persons.

Any regulatory filings for the firm are to be made promptly and accurately. Our firm's regulatory filings may include Form ADV, Form PF, Schedules 13D, 13G, Form N-PX, Form 13F, Form 13H, FBAR, FATCA, AIFMD, TIC Form SLT, and/or TIC B Forms filings, and Form SHO, among others that may be appropriate.

Background

Form ADV serves as an adviser's registration and disclosure brochures. Form ADV, therefore, provides information to the public and to regulators regarding an investment adviser. Regulations require that material changes to Form ADV be updated promptly and that Form ADV be updated annually.

On June 5, 2019, the SEC adopted new rules requiring all SEC-registered investment advisers with retail clients to create a new Form ADV Part 3, also known as a Client Relationship Summary (Form CRS), with the purpose of further explaining the nature of their services and relationship, their fees and costs, and their standard of conduct and conflicts of interest to prospective clients.

Pursuant to rules adopted by the SEC implementing Sections 404 and 406 of the Dodd-Frank Act, SEC-registered investment advisers with at least \$150 million in private fund assets under management are required to periodically file Form PF.

Schedules 13D, 13G, and Form 13F filings are required under the Securities Exchange Acts related to client holdings in equity securities. Form N-PX is required annually for firms filing Form 13F. Form 13H filings are required under the Exchange Act for firms designated as large traders. Form D filings under Regulation D of the Securities Act of 1933 allow issuers of private securities to make offerings, e.g., hedge and private equity fund offerings to investors without registration under the 1933 Act. The SEC has proposed amendments to Form D pursuant to rules adopted (i) permitting general solicitation and general advertising in Rule 506 offerings and (ii) 'Bad Actor' provisions that disqualify securities offerings involving certain "felons" and other 'bad actors' from relying on Rule 506 where an issuer or certain other 'covered persons' have had a disqualifying event.

U. S. Department of the Treasury TIC Form SLT is filed with the Federal Reserve Bank of New York to report certain foreign-resident holdings of long-term U.S. securities and/or U.S.-resident holdings of long-term foreign securities; TIC B Forms require reporting of cross-border claims on and liabilities to foreign residents by various 'financial institutions' which include investment advisers and managers, hedge funds, private equity funds, pension funds and mutual funds, among many others. FBAR filings

are required for every U.S. person who has a financial interest in, or signature or other authority over, any foreign financial accounts, including bank, securities, or other types of financial accounts in a foreign country, must report that relationship each calendar year by filing an FBAR with Treasury on or before June 30 of the succeeding year, if the aggregate value of these financial accounts exceeds \$10,000 at any time during the calendar year.

In October 2023, the SEC created new Rule 13(f)(2), which requires institutional investment managers that meet or exceed certain thresholds to report on Form SHO specified short position data and short activity data for equity securities. The Commission has since granted , pursuant to Section 13(f)(3) of the Exchange Act, a temporary exemption from compliance with Rule 13f-2 and Form SHO reporting effective February 7, 2025, and ending January 2, 2026. Therefore, Form SHO reports for the January 2026 reporting period would be required to be filed within 14 calendar days after the end of January 2026. Beginning in January 2026, institutional investment managers must file Form SHO via EDGAR within 14 calendar days after the end of each month for:

- Any equity security of an issuer registered pursuant to Section 12 of the Exchange Act or for which the issuer is required to file reports pursuant to Section 15(d) of the Exchange Act in which the manager meets or exceeds either (1) a gross short position in the equity security that meets or exceeds \$10 million or (2) a monthly average gross short position as a percentage of shares outstanding in the equity security of 2.5 percent or more; and
- Any equity security of a class of securities of an issuer that is not a reporting company issuer over which the institutional investment manager meets or exceeds a gross short position in the equity security with a U.S. dollar value of \$500,000 or more.

Form SHO must include the end-of-month gross short position in the equity security at the close of regular trading hours on the last settlement day of the month and, for each individual settlement date during the calendar month, the net activity in the reported equity security, including activity in derivatives, such as options.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our regulatory reporting policy, practices, disclosures and recordkeeping.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Ruggiero Investments makes the annual filing of Form ADV within 90 days of the end of the firm's fiscal year (Annual Updating Amendment) to update all disclosures, including certain information required to be updated only on an annual basis;

- Ruggiero Investments promptly updates our Disclosure Document and certain information in Form ADV, Part 1, Part 2, and Part 3, as appropriate, when material changes occur and/or pursuant to any revisions to applicable reporting requirements;
- all employees should report to the Chief Compliance Officer or other designated officer any information in Form ADV that such employee believes to be materially inaccurate or omits material information;
- as applicable, Christopher T. Ruggiero will review Schedules 13D, 13G, Form N-PX, Form 13F, 13H and D, FBAR, TIC Forms (e.g., Forms B, C and SLT, as applicable) and Form PF filing requirements among others and make such filings and keep appropriate records as required; and
- If our firm must file Form SHO, beginning in February 2026, the CCO will ensure that the reporting requirements of Form SHO are met. The CCO will designate an individual responsible for determining, by the fifth of every month, whether Form SHO needs to be filed. If Form SHO must be filed, the designated principal will take appropriate steps to ensure the form is filed by the 14th of the month.

Safeguarding Client Assets

Background

As a fiduciary, the firm must prevent client assets from being mishandled. The firm has created safeguards to prevent and detect unauthorized or inappropriate activity in client accounts.

Policy

The CCO will review reports available to the firm from each custodian and/or clearing firm holding client assets to ensure that client assets are protected by the firm.

In addition to outside reports, the firm's CCO will monitor the firm's personnel for suspicious activities that might indicate unauthorized use of client assets.

Procedures and Documentation

At least annually, the CCO will review reports available to the firm from each custodian and/or clearing firm holding client assets to ensure that client assets are being protected. Such reports may include:

- Client change of address requests;
- Requests to send documents, including statements or reports, to addresses other than the home addresses listed on clients' account documents;
- Trading activity reports, including redemption and repurchase requests. Most custodians create reports identifying activities in clients' accounts that are "exceptions" to the clients' normal activities; and
- Comparisons of IARs' personal trading activity and IARs' clients' trading activity.

At least annually, the firm's CCO will monitor the firm's IARs for suspicious activities that might indicate unauthorized use of client assets, which may include:

- Unapproved custom reports or statements produced by IARs or support staff;
- Unapproved outside business activities;
- Unapproved seminars or invitations sent to clients, or unapproved changes made to approved seminars or invitations;
- Calls or emails from clients with questions about unapproved products or offerings;
- Calls or emails from unapproved product sponsors (more than just the occasional contact to solicit business);
- Customer complaints;
- "Abnormal" or "suspicious" activities by firm personnel (e.g., frequent "closed door" meetings or calls not due to client privacy).

Social Media

Policy

It is Ruggiero Investments' policy to monitor employee use of social media, networking and similar communications. Employees should take note that their social media and networking use will be monitored. There should be no expectation of privacy in the use of the Firm's Internet, e-mails, any use of blogs, instant messages, company-owned cellular phones and text messages on company-owned equipment under this policy. Every message leaves an electronic trail that's both traceable to a specific individual and accessible by Ruggiero Investments even if it is deleted. Blogging or other forms of social media or technology include but are not limited to: video or wiki postings, sites such as LinkedIn, Facebook and Twitter, chat rooms, pod casts, virtual worlds, personal blogs, microblogs or other similar forms of online journals, diaries or personal newsletters.

General Provisions

Unless specific to job scope requirements, employees are not authorized to and therefore may not speak on behalf of Ruggiero Investments through social media or otherwise. Employees may not publicly discuss clients, investment strategies or recommendations, investment performance, other products or services offered by our Firm (or affiliates, if applicable), employees or any work-related matters, whether confidential or not, outside company-authorized communications. Employees are required to protect the privacy of Ruggiero Investments, its clients and employees, and are prohibited from disclosing personal employee and non-employee information and any other proprietary and non-public information to which employees have access. Such information includes but is not limited to customer information, trade secrets, financial information and strategic business plans.

Personal Blogs and Social Networking Sites. Bloggers and commenters are personally responsible for their commentary on blogs and social media sites. Bloggers and commenters can be held personally liable for commentary that is considered defamatory, obscene, proprietary or libelous by any offended party, not just Ruggiero Investments.

It is Ruggiero Investments' policy that no employee may use employer-owned equipment, including computers, company-licensed software or other electronic equipment, nor facilities or company time, to conduct personal blogging or social networking activities. Employees cannot use blogs or social media sites to harass, threaten, discriminate or disparage against employees or anyone associated with or doing business with Ruggiero Investments.

Employees may not post on personal blogs or other sites the name, trademark or logo of Ruggiero Investments or any business with a connection to Ruggiero Investments. Employees cannot post company-privileged information, including copyrighted or trademarked information or company-issued documents. Employees cannot post on personal blogs or social networking sites photographs of other employees, clients, vendors or suppliers, nor can employees post photographs of persons engaged in company business or at company events.

Employees cannot post on personal blogs and social media sites any advertisements or photographs of company products, nor sell company products and services. Employees cannot link from a personal blog or social networking site to Ruggiero Investments' internal or external website.

Text Messaging Policy. Text messaging is enabled on company-issued devices or similar "smartphones" for your traveling and/or communications convenience. All text messages will be captured and are subject to supervisory reviews.

Internet Monitoring. Employees are cautioned that they should have no expectation of privacy while using company equipment or facilities for any purpose, including authorized blogging. Employees are cautioned that they should have no expectation of privacy while using the Internet. Your postings can be reviewed by anyone, including Ruggiero Investments. Ruggiero Investments reserves the right to monitor comments or discussions about the company, its employees, clients and the industry, including products and competitors, posted on the Internet by anyone, including employees and non-employees. Ruggiero Investments uses blog-search tools and software, and/or may engage outside service providers to periodically monitor forums such as blogs and other types of personal journals, diaries, personal and business discussion forums, and social networking sites.

Ruggiero Investments' Social Media policy, however, will not be construed or applied to limit employees' rights under the under the National Labor Relations Act ("NLRA") or applicable law.

Background

Social media and/or methods of publishing opinions or commentary electronically is a fast growing phenomenon which takes many forms, including internet forums, blogs and microblogs, online profiles, wikis, podcasts, picture and video posts, virtual worlds, e-mail, instant messaging, text messaging, music and other file-sharing, to name just a few. Examples of social media applications include, among others, LinkedIn, Facebook, YouTube, Twitter, Yelp, Flickr, Yahoo groups, Wordpress, and ZoomInfo. The proliferation of such electronic communications presents new and ever changing regulatory risks for our firm.

As a registered investment adviser, use of social media by our Firm and/or related persons of the Firm must comply with applicable provisions of the federal securities laws, including, but not limited to the following laws and regulations under the Advisers Act, as well as additional rules and regulations identified below:

Anti-Fraud Provisions: Sections 206(1), 206(2), and 206(4), and Rule 206(4)-1 thereunder;

Advertising: Rule 206(4)-1;

Compliance/Supervision: Rule 206(4)-7;

Privacy: Regulation S-P; and

Recordkeeping: Rule 204(2).

For example, business or client related comments or posts made through social media may breach applicable privacy laws or be considered "Advertising" under applicable regulations triggering content restrictions and special disclosure and recordkeeping requirements. Employees should be aware that the use of social media for personal purposes may also have implications for our Firm, particularly where the employee is identified as an officer, employee or representative of the firm. Accordingly, Ruggiero Investments seeks to adopt reasonable policies and procedures to safeguard the Firm and our clients.

On March 28, 2014 the staff of the SEC's Division of Investment Management published *Guidance on the Testimonial Rule and Social Media*. Recognizing that consumers are increasingly reliant on third-party recommendations, the SEC has issued this guidance "to clarify application of the testimonial rule as it relates to the dissemination of genuine third-party commentary that could be useful to consumers."

In summary and consistent with previously issued guidance, an investment adviser's or investment advisory representative's (IAR's) publication of ALL of the testimonials about the firm or its representatives from an independent social media site on the adviser's or IAR's own social media site or website would not implicate the concern underlying the testimonial rule – provided such advertisement complies with Rule 206(4)-1(a)(5) under the Advisers Act, i.e., it does not contain any untrue statement of a material fact, or is otherwise false or misleading.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our firm's Social Media policy, practices, and recordkeeping.

Procedure

Ruggiero Investments has adopted procedures to implement Ruggiero Investments' policy, and conducts internal reviews to monitor and ensure that the policy is observed, implemented properly, and amended or updated, as appropriate. These include the following:

- Ruggiero Investments' e-mail and electronic communications policy has been communicated to all persons within the Firm and any changes in our policy will be promptly communicated;
- obtaining attestations from personnel at the commencement of employment and regularly thereafter that employees (i) have received a copy of our policy, (ii) have complied with all such requirements, and (iii) commit to do so in the future;
- unless otherwise prohibited by federal or state laws, Ruggiero Investments will request or require employees provide the Christopher T. Ruggiero with access to any approved social networking accounts. Furthermore, static content posted on social networking sites must be preapproved by Christopher T. Ruggiero;
- e-mails and any other electronic communications relating to Ruggiero Investments' advisory services and client relationships will be maintained on an on-going basis and arranged for easy access and retrieval so as to provide true and complete copies with appropriate backup and separate storage for the required periods;

- establishing a reporting program or other confidential means by which employees can report concerns about a colleague's electronic messaging, website, or use of social media for business communications;
- the Chief Compliance Officer will monitor a random sampling of employee electronic communications, surveil social media use by employees and maintain documentary evidence of such surveillance in an applicable location quarterly;
- every social media post about our firm must be evaluated and approved by Christopher T. Ruggiero, including tracking the lifecycle of each social media message, including the exact date and time it was created or deleted, and ensuring that a post meets regulatory standards;
- Ruggiero Investments will record the precise actions taken when a message is flagged during a review;
- Ruggiero Investments reserves the right to use content management tools to monitor, review or block content on company blogs that violate company blogging rules and guidelines;
- our advisors will receive ongoing training on these rapidly changing platforms, with emphasis placed on:
 - personal versus business communication;
 - the consequences for violating the written rules;
 - which social media posts need to be approved prior to posting;
 - which posts need reviewing after being posted; and
 - how to manage third-party social media accounts
- Ruggiero Investments requires employees to report any violation, or possible or perceived violation, to their supervisor, manager or the HR or Compliance department. Violations include discussions of Ruggiero Investments, its clients and/or employees, any discussion of proprietary information (including trade secrets, or copyrighted or trademarked material) and any unlawful activity related to blogging or social networking; and
- Ruggiero Investments investigates and responds to all reports of violations of the social media policy and other related policies. Violation of the company's social media policy may result in disciplinary action up to and including immediate termination. Any disciplinary action or termination will be determined based on the nature and factors of any blog or social networking post, or any unauthorized communication. Ruggiero Investments reserves the right to take legal action where necessary against employees who engage in prohibited or unlawful conduct. If you have any questions about this policy or a specific posting on the web, please contact the Compliance Department or Human Resources.

Soft Dollars

Policy

Ruggiero Investments, as a matter of policy and practice, does not have any formal or informal arrangements or commitments to utilize research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis.

Background

Soft dollars generally refers to arrangements whereby a discretionary investment adviser is allowed to pay for and receive research, research-related or execution services from a broker-dealer or third-party provider, in addition to the execution of transactions, in exchange for the brokerage commissions from transactions for client accounts.

Section 28(e) of the Securities Exchange Act of 1934 allows and provides a safe harbor for discretionary investment advisers to pay an increased commission, above what another broker-dealer would charge for executing a transaction, for research and brokerage services, provided the adviser has made a good faith determination that the value of the research and brokerage services qualifies as reasonable in relation to the amount of commissions paid. Further, under SEC guidelines, the determination as to whether a product or service is research or other brokerage services, and eligible for the Section 28(e) safe harbor, is whether it provides lawful and appropriate assistance to the investment manager in performance of its investment decision-making responsibilities.

In Interpretative Release *Commission Guidance Regarding Client Commission Practices Under Section 28(e)*, dated July 24, 2006, the SEC revised and clarified "brokerage and research services" in view of evolving technologies and industry practices. The Release updated prior Section 28(e) guidance and revised definitions including eligible and non-eligible research products and services for the Section 28(2) safe harbor. The SEC Release was effective July 24, 2006.

In 2008, the SEC proposed guidance about the responsibilities of boards of directors of investment companies regarding portfolio trading practices including soft dollars and best execution practices. (See Release Nos. 34-58264, IC-28345, and IA-2763, July 20, 2008).

On July 30, 2013, staff of the SEC's Division of Trading and Markets issued a no action letter confirming that commissions from certain fixed-income trades conducted on an agency basis can qualify for the Section 28(e) safe harbor, and that commissions from these fixed-income trades may be used to purchase third-party research, provided that (i) all applicable conditions of the Section 28(e) safe harbor are met and (ii) the institutional asset managers and [CCM] are otherwise complying with federal securities laws. (See *Carolina Capital Markets, Inc.*, SEC No-Action letter, available July 30, 2013)

Pursuant to the SEC's adoption of Amendments to Form ADV (Release No. IA-3060), advisers are required to disclose their practices regarding their use of soft dollars in response to Item 12 of the new Form ADV Part 2. Such disclosures should describe the adviser's practices, including:

- whether the firm's practices will cause the client to pay-up (i.e., client accounts will pay more than the lowest available commission rate in exchange for the adviser receiving soft dollar products or services);
- the types of products and services received by the adviser or its related persons using client brokerage commissions ***within the adviser's last fiscal year***;
- procedures used ***during its last fiscal year*** to direct client transactions to certain brokers in return for soft dollar benefits; and
- identify potential conflicts of interest and how the adviser will address them (note that advisers must provide more explicit details for any products or services received that **do not** qualify under Section 28(e)).

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our soft dollar policy that the firm does not utilize any research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Ruggiero Investments' policy of prohibiting utilizing any research, and research-related products or services has been communicated to relevant individuals including management, traders and portfolio managers, among others;
- Ruggiero Investments' policy is appropriately disclosed in the firm's Part 2A of Form ADV: *Firm Brochure*;
- Christopher T. Ruggiero semi-annually monitors the firm's business relationships and advisory services to ensure no research services or products are being obtained on a soft dollar basis; and
- in the event of any change in the firm's policy, any such change must be approved by management, and any soft dollar arrangements would only be allowed after appropriate reviews and approvals, disclosures, meeting regulatory requirements and maintaining proper records.

Solicitors/Promoters

Policy

Ruggiero Investments, as a matter policy and practice, may compensate persons, i.e., individuals or entities, for testimonials and endorsements provided that appropriate disclosures are made and regulatory requirements are met.

Background

In December 2020, the SEC announced it had finalized reforms to modernize rules that govern investment adviser advertisements and compensation to promoters under the Investment Advisers Act of 1940. The amendments create a single rule that replaces the previous advertising and cash solicitation rules, Rule 206(4)-1 and Rule 206(4)-3, respectively, creating the new Marketing Rule.

Testimonials and Endorsements

Under the new Marketing Rule, the definitions of “testimonial” and “endorsement” include referral activities. In addition, the amended definition of “advertisement” governs solicitation activities previously covered by the cash solicitation rule.

An advertisement may not include any testimonial or endorsement, and an adviser may not provide compensation, directly or indirectly, for a testimonial or endorsement, unless:

1. The investment adviser clearly and prominently discloses, or reasonably believes that the person giving the testimonial or endorsement discloses the following at the time the testimonial or endorsement is disseminated:
 - a. That the testimonial was given by a current client or investor, or the endorsement was given by a person other than a current client or investor;
 - b. That cash or non-cash compensation was provided for the testimonial or endorsement, if applicable;
 - c. A brief statement of any material conflicts of interest on the part of the person giving the testimonial or endorsement resulting from the investment adviser’s relationship with such person;
 - d. The material terms of any compensation arrangement, including a description of the compensation provided or to be provided, directly or indirectly, to the person for the testimonial or endorsement; and
 - e. A description of any material conflicts of interest on the part of the person giving the testimonial or endorsement resulting from the investment adviser’s relationship with such person and/or any compensation arrangement.
2. If a testimonial or endorsement is disseminated for compensation or above de minimis compensation(\$1,000):
 - a. The investment adviser has a written agreement with any person giving a testimonial or endorsement that describes the scope of the agreed-upon activities and the terms of compensation for those activities; and

- b. The investment adviser may not compensate a person, directly or indirectly, for a testimonial or endorsement if the adviser knows, or in the exercise of reasonable care should know, that the person giving the testimonial or endorsement is an ineligible person at the time the testimonial or endorsement is disseminated. The SEC included a blanket disqualification to cover any potential “bad actors” who may act as promoters.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our cash solicitation policy, practices, disclosures and recordkeeping.

Procedure

Ruggiero Investments has adopted various procedures to implement the our policy and conducts reviews to monitor and ensure the our policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- review and approve any promoter arrangements including approval of the particular promoter's agreement(s), exercising reasonable care and conducting reasonable due diligence to confirm that the engaged promoter is not subject to any applicable disqualification events, compensation arrangements, and related matters;
- pre-approve all testimonials and endorsements included in our advertising materials or provided for compensation by third-parties;
- all agreements for compensation beyond the de minimis amount of promoters providing testimonials, endorsements and/or referrals must be in writing and provide attestations by such promoters regarding applicable disqualification events and an undertaking by such promoters to provide prospects with required disclosures;
- monitor the firm's use of any "placement agents" for the solicitation of or arrangements for providing advisory services to any government entity or public pension plan;
- to the extent that Ruggiero Investments engages in soliciting government entities, Ruggiero Investments' designated officer will verify annually that each individual engaged in such solicitation activities meets the definition of "regulated person" as provided in Rule 206(4)-5; and
- monitor annually the our promoter arrangements to note any new or terminated relationships, makes sure appropriate records are maintained and promoter fees paid and Form ADV disclosures are current and accurate; and
- maintain required books and records for such regulated persons, including:
 - written agreements with any person giving a testimonial or endorsement that describes the scope of the agreed-upon activities and the terms of compensation for those activities;
 - statements of any material conflicts of interest on the part of the person giving the testimonial or endorsement resulting from Ruggiero Investments' relationship with such person;

- the material terms of any compensation arrangement, including a description of the compensation provided or to be provided, directly or indirectly, to the person for the testimonial or endorsement;
- any advertisements disseminated, including recordings or a copy of any written or recorded materials used in connection with an oral advertisement;
- any communication or other document related to our determination that we have a reasonable basis for believing that a testimonial or endorsement complies with Rule 206(4)-1; and
- the disclosures delivered to investors, as they apply to testimonials and endorsements.

Supervision and Internal Controls

Policy

Ruggiero Investments has adopted these written policies and procedures which are designed to set standards and internal controls for the firm, its employees, and its businesses and are also reasonably designed to prevent, detect, and correct any violations of regulatory requirements and the firm's policies and procedures. Every employee and manager is required to be responsible for and monitor those individuals and departments he or she supervises to detect, prevent and report any activities inconsistent with the firm's procedures, policies, high professional standards, or legal/regulatory requirements.

Consistent with our firm's overriding commitment as fiduciaries to our clients, we rely on all employees to abide by our firm's policies and procedures; and, equally importantly, to internally report instances in which it is believed that one or more of those policies and/or practices is being violated. It is the expressed policy of this firm that no employee will suffer adverse consequences for any report made in good faith.

Any unlawful or unethical activities are strictly prohibited. All firm personnel are expected to conduct business legally and ethically, regardless of where in the world such business is transacted.

Background

The SEC adopted the anti-fraud rule titled Compliance Procedures and Practices (Rule 206(4)-7) under the Advisers Act requiring more formal compliance programs for all SEC registered advisers. The rule became effective February 5, 2004 and SEC advisers had until October 5, 2004 (compliance date) to be in compliance with the rule.

Rule 206(4)-7 makes it unlawful for a SEC adviser to provide investment advice to clients unless the adviser:

- adopts and implements written policies and procedures reasonably designed to prevent violations by the firm and its supervised persons;
- reviews, at least annually, the adequacy and effectiveness of the policies and procedures;
- designates a chief compliance officer who is responsible for administering the policies and procedures; and
- maintains records of the policies and procedures and annual reviews.

Under Section 203(e)(6), the SEC is authorized to take action against an adviser or any associated person who has failed to supervise reasonably in an effort designed to prevent violations of the securities laws, rules and regulations. This section also provides that no person will be deemed to have failed to supervise reasonably provided:

1. there are established procedures and a system which would reasonably be expected to prevent any violations; and

2. and such person has reasonably discharged his duties and obligations under the firm's procedures and system without reasonable cause to believe that the procedures and system were not being complied with.

Furthermore, on May 25, 2011, the SEC adopted final rules implementing the whistleblower provisions of the Dodd-Frank Act, which offer monetary incentives to persons who provide the SEC with information leading to a successful enforcement action. While the rules incentive rather than require prospective whistleblowers to use the internal company compliance program, the regulations clarify that the SEC, when considering the amount of an award, will consider to what extent (if any) the whistleblower participated in the internal compliance processes of the firm.

Bribery of a public official is a federal crime, and many states have adopted their own anti-bribery statutes. Accordingly, Ruggiero Investments expressly forbids any employee from engaging in, or attempting to engage in, the bribery of a public official or government actor.

Firms that engage in business activities outside of the United States may be subject to additional laws and regulations, including among others, the U.S. Foreign Corrupt Practices Act of 1977 as amended (the "FCPA") and the U.K. Bribery Act 2010 (the "Bribery Act"). Both these laws make it illegal for U.S. citizens and companies, including their employees, directors, stockholders, agents and anyone acting on their behalf (regardless of whether they are U.S. citizens or companies), to bribe non-U.S. government officials. The Bribery Act is more expansive in that it criminalizes commercial bribery and public corruption, as well as the receipt of improper payments.

Responsibility

Every employee has a responsibility for knowing and following the firm's policies and procedures. Every person in a supervisory role is also responsible for those individuals under his/her supervision. The President, or a similarly designated officer, has overall supervisory responsibility for the firm.

Recognizing our shared commitment to our clients, all employees are required to conduct themselves with the utmost loyalty and integrity in their dealings with our clients, customers, stakeholders and one another. Improper conduct on the part of any employee puts the firm and company personnel at risk. Therefore, while managers and senior management ultimately have supervisory responsibility and authority, these individuals cannot stop or remedy misconduct unless they know about it. Accordingly, all employees are not only expected to, but are required to report their concerns about potentially illegal conduct as well as violations of our company's policies.

Christopher T. Ruggiero, as the Chief Compliance Officer, has the overall responsibility for administering, monitoring and testing compliance with Ruggiero Investments' policies and procedures. Possible violations of these policies or procedures will be documented and reported to the appropriate department manager for remedial action. Repeated violations, or violations that the Compliance Officer deems to be of serious nature, will be reported by the Compliance Officer directly to the President, or a similarly designated officer, and/or the Board of Directors for remedial action.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy, conducts reviews of internal controls to monitor and ensure the firm's supervision policy is observed, implemented properly and amended or updated, as appropriate which including the following:

- designation of a Chief Compliance Officer as responsible for implementing and monitoring the firm's compliance policies and procedures;
- an Annual Compliance Meeting and on-going and targeted compliance training;
- prior to hiring any employee, we will undertake the following steps:
 - conduct a background screening of potential new employees;
 - hold an initial training about the firm's compliance policies;
 - conduct an initial check of the CRD/IARD systems for the potential new employee's filings;
 - conduct internet and social media searches; and
 - request potential new hires to provide our firm with copies of their Form U5s, as applicable, and self-attestation regarding disciplinary histories and/or events and recent bankruptcies
- for existing employees, we will undertake the following steps:
 - annually, request employees to complete a self-attestation regarding disciplinary histories and/or events and recent bankruptcies;
 - annually, review Ruggiero Investments' disclosures regarding disciplinary histories and events relating to our supervised persons to ensure that the information remains accurate, fully disclosed and up-to-date;
 - for any new disciplinary events, we will ensure that timely updates, including any accompanying conflicts of interest, are made and filed to all relevant disclosure items and disseminated to all existing clients if such information is deemed to be relevant and material;
 - establish enhanced oversight measures for any employees with prior disciplinary events depending on their job function, including limiting of physical and/or electronic access to portfolio management, custodial and trading platforms, enhanced cash flow monitoring of relevant accounts, enhanced review of accounts, account types recommended and services provided by these employees, enhanced communications review (e.g. e-mail communications and client-facing materials and documents), end-of-day trade blotter reviews, expedited escalation and enhanced review and investigation of any complaints made against these employees; and
 - any employees working remotely will be subject to the firm's branch office supervision policies and procedures. Any remote employees with disciplinary histories will be subject to enhanced supervision procedures, including more frequent visitations, unannounced visitations, robust communications monitoring, books and records review

and monitoring, additional training and self-attestations and based on the employee's job function.

- adoption of these written policies and procedures with statements of policy, designated persons responsible for the policy and procedures designed to implement and monitor the firm's policy;
- the annual review of the firm's policies and procedures by the Compliance Officer and senior management;
- annually reviews of employees' activities, e.g., outside business activities, personal trading, etc., are conducted;
- annual written representations by employees as to understanding and abiding by the firm's policies;
- to facilitate internal reporting by firm employees, the firm has established several alternative methods to allow employees to report their concerns, including drop boxes, a toll-free number, and open channels of communications to the firm's compliance staff;
- on an annual basis, Ruggiero Investments reviews employee confidentiality and severance agreements to ensure that they are not prohibitive or retaliatory against a current or former employee reporting concerns to the SEC;
- internal reports will be handled promptly and discretely, with the overall intent to maintain the anonymity of the individual making the report. When appropriate, investigations of such reports may be conducted by independent personnel; and
- supervisory reviews and sanctions for violations of the firm's policies or regulatory requirements.

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Senior Investors

Policy

As a registered investment adviser, Ruggiero Investments, as a part of its fiduciary duty to its clients and as a matter of best business practices, has adopted a policy in regard to senior investors. This policy, designed to offer extra protection to senior investors who plan to purchase complex, non-traditional securities, includes annual investment adviser trainings, creating detailed disclosures, annual reviews of senior accounts, and maintaining vigilance over suspected diminished capacity and senior abuse.

Background

Senior investors, comprised of investors aged 62 and older, are a fast-growing demographic which has previously made economic gains through strong performances of both the housing and stock markets. Due to the economic downturn from 2007-2010, interest rates on savings accounts, certificates of deposit, and bonds have dropped dramatically. Many senior investors have experienced a significant reduction in the income streams which they tend to rely on upon retirement. As such, more complex, and potentially unsuitable, securities may be recommended to senior investors without providing proper and understandable disclosures regarding the terms and related risks of these recommended securities.

Beginning in 2006, regulators have made collaborative efforts aimed at protecting senior investors by providing educational programs and conducting examinations focused on senior issues. In 2018, the SEC issued their 2018 National Exam Program Examination Priorities, in which they continue to prioritize the financial exploitation of senior investors. The SEC plans on focusing on several areas, including: the clear and proper disclosures provided to the investors in regards to the calculation of fees, expenses, and other charges; investment recommendations; and internal controls.

Realizing that senior financial abuse is an escalating problem, lawmakers in Congress passed bipartisan legislation aimed at curbing it and protecting potential victims, known as the Senior Safe Act, on May 24, 2018. The Act, should a firm choose to administer it, will grant immunity to individuals and their firms from any civil or administrative proceedings that may arise from disclosing any suspected exploitation of a senior citizen to a regulatory agency.

In order for immunity to be granted, the firm must administer the entire Senior Safe Act program. The firm, or a third party selected by the firm, must provide training to each officer or employee who: a) served as a supervisor or in a compliance or legal function; b) may come into contact with a senior client as a regular part of the professional duties of the individual; or c) may review or approve the financial documents, records, or transactions of a senior client in connection with providing financial services to that client. This training should occur as soon as reasonably practicable and no later than one year after any relevant individual becomes employed with the firm. An employee who received training and served as a supervisor or in a compliance or legal function will not be held liable for disclosing suspected exploitation as long as the disclosure was made in good faith and with reasonable care. Similarly, the firm will also not be held liable if the employee meets the Senior Safe Act's requirements.

The procedures below will also address industry best practices regarding the Senior Safe Act.

In January 2020, OCIE issued its 2020 Examination Priorities, in which OCIE has stated it will once again emphasize the protection of retail investors, particularly seniors and those saving for retirement. OCIE plans to prioritize the examinations of investment advisers, broker-dealers, and dually registered firms, focusing on recommendations and advice made by entities and individuals targeting retirement communities.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our policy on senior investors. Christopher T. Ruggiero will also identify by name and title those employees who are authorized to place a temporary hold on an account on behalf of the firm if financial exploitation is suspected. In addition, any associated persons should be alert to signs of diminished capacity and/or senior abuse when dealing with senior clients.

Procedures

Ruggiero Investments has adopted procedures to implement our policy and reviews to monitor and ensure the policy is observed, implemented properly, and amended or updated, as appropriate, which may be summarized as follows:

- define the criteria, such as age, retirement status, or other factors in order to determine which clients our firm counts as seniors;
- include directions for escalation for associated persons and other employees that make clear what steps should be taken and who they should notify;
- incorporate annual training plans specific to senior investors and senior issues which address topics such as senior investors being fully informed of the features of any security they are purchasing, including the potential return and associated risks, changes in investment needs as investors age, and general training to educate investment advisers on sensitive matters relating to senior investors;
- require Christopher T. Ruggiero to review and pre-approve all seminar and marketing materials directed towards senior investors;
- require the senior client to confirm any changes in beneficiaries, powers of attorney, or trustees in-person with an associated person of the firm--document the meeting in writing along with the client's signature;
- maintain an up-to-date list of all senior investors and the amount of the firm's regulatory assets under management in these accounts;
- at least annually, associated persons will communicate with all senior clients via phone or mail and make any necessary account updates;
- facilitate the transition of a senior client from actively employed to a retired status by communicating with the client to setup an updated investment profile;

- conduct an annual review of any activity in all senior investor accounts and maintain a log of such reviews, including the dates and scope of the reviews, the client names, and any findings;
- encourage senior clients to have a trusted contact person present during all meetings and phone calls and make reasonable efforts to obtain the name and contact information of the trusted contact person when opening and updating account information;
- [optional] Ruggiero Investments may communicate with the trusted contact regarding the client's health status, potential financial exploitation, and to confirm the identity of a legal guardian, executor, trustee, or holder of a power of attorney;
- upon the death of a senior client, Ruggiero Investments will work with the beneficiaries, trustee, or executor on the next steps to take, which could include transitioning the current account to a new account, liquidating the current account, or transferring assets to the appropriate parties; and
- associated persons should immediately report any concerns of diminished capacity and senior abuse to Christopher T. Ruggiero, who will work with senior management in addressing concerns. This could include contacting the trusted contact person or placing a temporary hold on a disbursement of funds or securities if it is reasonably believed that financial exploitation has occurred, is occurring, or has or will be attempted.

Our firm, seeking immunity from suit under the Senior Safe Act (S.2155 Section 303), will also:

- implement a training program that will instruct employees on how to identify and report suspected exploitation internally, and, as appropriate, to government officials or law enforcement
- The training will include
 - common signs that indicate financial exploitation of a senior client,
 - discuss the need to protect the privacy and respect the integrity of each individual customer of the firm, and
 - appropriateness to the job responsibilities of the individuals attending the training
- maintain records of each individual employed by the firm who has completed the training.

Third-Party Vendors

Policy

As a registered Investment Adviser with fiduciary obligations to our clients, Ruggiero Investments conducts initial and ongoing due diligence on third-party vendors who are involved in the delivery and/or support of mission-critical products and services to our firm and our clients.

Background

Ruggiero Investments may rely on third-party vendors for varying services and core applications required to support our critical business processes. Although some day-to-day operational responsibilities can be and are delegated to third-party vendors, our core fiduciary responsibilities cannot be assigned to any third party and run directly from Ruggiero Investments to our clients and investors. Our firm will determine and consistently apply appropriate criteria to our selection and ongoing oversight of key vendors, particularly when we share or outsource business process implementation with/to outside entities by sharing sensitive client and organizational information or where we rely on the integrity of data derived from vendor systems and imported into our internal systems and reporting applications.

In OCIE's 2019 Examination Priorities report, OCIE stated that it would continue to prioritize cybersecurity during its examinations, including vendor management practices. See the "Cybersecurity" section of this manual for additional procedures on vendor management.

Regulation S-P, passed by the SEC in May 2024, requires firms to include policies and procedures reasonably designed to require oversight, through due diligence on and monitoring, of service providers, defined as "any person or entity that receives, maintains, processes, or otherwise is permitted access to customer information through its provision of services directly to a covered institution."

These policies and procedures must be reasonably designed to ensure service providers take appropriate measures to protect against unauthorized access to or use of customer information. The service providers must also provide notification to the firm as soon as possible, but no later than 72 hours after becoming aware that a breach in security has occurred resulting in unauthorized access to a customer information system maintained by the service provider. Registered investment advisers with \$1.5 billion or more in assets under management, large broker-dealers, and large transfer agents must comply with these requirements by December 3, 2025, and small entities must comply with these requirements by June 3, 2026.

Responsibility

Ruggiero Investments' designated officer has the primary responsibility for the implementation and monitoring of the firm's third-party vendor policy, procedures, and recordkeeping for the firm.

Procedures

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated as appropriate, which include the following:

- Ensure that Ruggiero Investments maintains the identity and responsibilities of each third-party, including all third-party outsourcing contracts and/or agreements in our files;
- Perform and document annually due diligence reviews of any third-party vendors, including product or service quality, performance of covered activities, and satisfactory resolution of any problems through formal corrective action;
- Review our agreements with third-party vendors and ensure they specify that the SEC and other regulatory bodies have complete access to their work product, as if the covered activities were actually performed directly by us;
- Review and update agreements with third-party vendors to ensure they protect against unauthorized access to or use of customer information and require vendors to notify the firm as soon as possible, but no later than 72 hours after becoming aware that a breach in security has occurred resulting in unauthorized access to a customer information system maintained by the service provider;
- Review and document all our outsourcing arrangements to determine whether they continue to be appropriate based on their performance; and
- Ensure that any third-party systems or other outsourcing support have mechanisms that can be easily and rapidly updated or amended to reflect new or altered regulatory rules and requirements.

Trading

Policy

As an adviser and a fiduciary to our clients, our clients' interests must always be placed first and foremost, and our trading practices and procedures prohibit unfair trading practices and seek to disclose and avoid any actual or potential conflicts of interests or resolve such conflicts in the client's favor.

Our firm has adopted the following policies and practices to meet the firm's fiduciary responsibilities and to ensure our trading practices are fair to all clients and that no client or account is advantaged or disadvantaged over any other.

Also, Ruggiero Investments' trading practices are generally disclosed in response to Item 12 in Part 2A of Form ADV, which is provided to prospective clients and annually delivered to current clients.

Background

As a fiduciary, many conflicts of interest may arise in the trading activities on behalf of our clients, our firm and our employees, and must be disclosed and resolved in the interests of the clients. These conflicts must also be disclosed in Form ADV Part 3 (Form CRS). In addition, securities laws, insider trading prohibitions and the Advisers Act, and rules thereunder, prohibit certain types of trading activities.

Indicative of heightened regulatory concerns, the SEC's Office of Compliance Inspections and Examinations (OCIE) issued a Risk Alert on February 27, 2012, focused on an adviser's practices and controls designed to prevent unauthorized trading and other trade-related unauthorized activities. (See Strengthening Practices for Preventing and Detecting Unauthorized Trading and Similar Activities, publicly available February 27, 2012)

In December 2018, OCIE issued its 2019 Examination Priorities, in which OCIE listed plans to review firms' practices for executing investment transactions on behalf of clients, fairly allocating investment opportunities among clients, ensuring consistency of investments with the objectives obtained from clients, disclosing critical information to clients, and complying with other legal restrictions. OCIE will also examine investment adviser portfolio recommendations to assess, among other things, whether investment or trading strategies of advisers are: (1) suitable for and in the best interests of investors based on their investment objectives and risk tolerance; (2) contrary to, or have drifted from, disclosures to investors; (3) venturing into new, risky investments or products without adequate risk disclosure; and (4) appropriately monitored for attendant risks.

In June 2020, OCIE issued a Risk Alert which listed certain compliance issues found when OCIE performed examinations on registered investment advisers, including conflicts related to the allocation of investments. The staff observed private fund advisers that did not provide adequate disclosure about conflicts relating to allocations of investments among clients, including preferentially allocating limited investment opportunities to new clients, higher fee-paying clients, or proprietary accounts, and also

advisers allocating securities at different prices or in apparently inequitable amounts among clients (1) without providing adequate disclosure about the allocation process or (2) in a manner inconsistent with the allocation process disclosed to investors.

Aggregation

The aggregation or blocking of client transactions allows an adviser to execute transactions in a more timely, equitable, and efficient manner and seeks to reduce overall commission charges to clients.

Our firm's policy is to aggregate client transactions where possible and when advantageous to clients. In these instances, clients participating in any aggregated transactions will receive an average share price and transaction costs will be shared equally and on a pro-rata basis.

In the event transactions for an adviser, its employees or principals ("proprietary accounts") are aggregated with client transactions, conflicts arise and special policies and procedures must be adopted to disclose and address these conflicts.

Allocation

As a matter of policy, an adviser's allocation procedures must be fair and equitable to all clients with no particular group or client(s) being favored or disfavored over any other clients. Adequate disclosure must also be provided in the event of any conflicts arising.

Ruggiero Investments' policy prohibits any allocation of trades in a manner that Ruggiero Investments' proprietary accounts, affiliated accounts, or any particular client(s) or group of clients receive more favorable treatment than other client accounts.

Ruggiero Investments has adopted a clear written policy for the fair and equitable allocation of transactions, (e.g., pro-rata allocation, rotational allocation, or other means) which is disclosed in Ruggiero Investments' Form ADV Part 2A.

IPOs

Initial public offerings ("IPOs") or new issues are offerings of securities which frequently are of limited size and limited availability. These offerings may trade at a premium above the initial offering price.

In the event Ruggiero Investments participates in any new issues, Ruggiero Investments' policy and practice is to allocate new issues shares fairly and equitably among our advisory clients according to a specific and consistent basis so as not to advantage any firm, personal or related account and so as not to favor or disfavor any client, or group of clients, over any other.

Trade Errors

As a fiduciary, Ruggiero Investments has the responsibility to effect orders correctly, promptly and in the best interests of our clients. In the event any error occurs in the handling of any client transactions, due to Ruggiero Investments' actions, or inaction, or actions of others, Ruggiero Investments' policy is to

seek to identify and correct any errors as promptly as possible without disadvantaging the client or benefiting Ruggiero Investments in any way.

If the error is the responsibility of Ruggiero Investments, any client transaction will be corrected and Ruggiero Investments will be responsible for any client loss resulting from an inaccurate or erroneous order.

Ruggiero Investments' policy and practice is to monitor and reconcile all trading activity, identify and resolve any trade errors promptly, document each trade error with appropriate supervisory approval and maintain a trade error file.

Large Trader Reporting

Large traders (defined as a person whose transactions in NMS securities in aggregate equal to or exceed two million shares or \$20 million during any calendar day, or 20 million shares or \$200 million during any calendar month) will be required to identify themselves to the SEC through the filing of Form 13H on the EDGAR system.

Ruggiero Investments' policy and practice is to monitor the volume of trading conducted to determine if and when we become subject to filing Form 13H.

Upon the determination that Ruggiero Investments is a large trader subject to the large trading reporting requirements, the firm will submit its initial Form 13H filing (i.e., within 10 days of first effecting transactions in an aggregate amount equal to or greater than the identifying activity level) and disclose our status as a large trader to registered broker-dealers effecting transactions on our behalf.

Once designated as a large trader, Ruggiero Investments will effect the annual filing of Form 13H within 45 days of our fiscal year end and ensure that any amendments to Form 13H are timely filed. Large traders may complete an annual filing and also designate it as an amended filing. Doing so allows a large trader to satisfy both the amended 4th quarter filing as well as the annual update, as long as the submission is made within the period permitted for the 4th quarter amendment.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our trading policies and practices, disclosures and recordkeeping for the firm.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's trading policies are observed, implemented properly, and amended or updated, which include the following:

- trading reviews, reconciliations of any and all securities transactions for advisory clients;
- monitoring the volume of the firm's transactions in NMS securities to determine if and when the firm is subject to large trader reporting obligations;

- (where possible,) instituting a segregation of trading-related roles and functions to ensure a functional process of checks and balances;
- providing adequate disclosure about conflicts relating to allocations of investments among clients;
- establishing threshold reporting levels that require the trader to report to a member of senior management whenever a position loses value beyond a defined limit or begins to lose value in an unanticipated manner;
- Quarterly monitoring our representatives' trading activity to thresholds in our compensation structure to detect practices that may be motivated by a desire to move up in the compensation structure and, thereby, receive a higher payout percentage. If suspicious activity is detected, Christopher T. Ruggiero will place the representative under heightened supervision, and may enforce disciplinary action, such as termination, regulatory sanctions, potential monetary sanctions and/or civil and criminal penalties;
- Ruggiero Investments will conduct quarterly supervisory reviews of the firm's trading practices;
- monitoring defined criteria that will trigger additional or heightened scrutiny of trading activity, including but not limited to, (i) unusual or high volume of trade error account activity; (ii) frequency of risk limit breaches; (iii) frequent requests for trade limit increases for the same counterparty; (iv) concentration of profitable or unprofitable trades, or patterns of trades and offsetting trades with the same counterparty; (v) reasons for and patterns in remote access trading accounts;
- Ruggiero Investments will coordinate with all applicable custodians, broker-dealers, and/or clearing firms to provide the information specified/requested by those entities related to trade settlement. To that end, Ruggiero Investments will consider any appropriate changes for to technology systems, operations, and processes used to coordinate with its custodians, broker-dealers, and/or clearing firms to allow for proper completion of the allocation, confirmation, or affirmation process for applicable transactions.
- annually conducts reviews of the firm's Form ADV, advisory agreements, and other materials for appropriate disclosures of the firm's trading practices and any conflicts of interests;
- designation of a Brokerage Committee, or other designated person, to review and monitor the firm's trading practices; and
- maintaining the requisite records, including originals of all written communications received and copies of all written communications sent by the investment adviser relating to:
 - any receipt, disbursement, or delivery of funds or securities,
 - any placing or execution of orders to purchase or sell any security, and
 - for each confirmation received, any allocation, and each affirmation sent or received, a date and time stamp for each allocation and affirmation that indicates when the allocation and affirmation was sent or received.
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Valuation of Securities

Policy

As a registered adviser and as a fiduciary to our advisory clients, Ruggiero Investments, has adopted this policy which requires that all client portfolios and investments reflect current, fair and accurate market valuations. Any pricing errors, adjustments or corrections are to be verified, preferably through independent sources or services, and reviewed and approved by the firm's designated person(s) or pricing committee.

Background

As a fiduciary, our firm must always place our client's interests first and foremost and this includes pricing processes, which ensure fair, accurate and current valuations of client securities of whatever nature. Proper valuations are necessary for accurate performance calculations and fee billing purposes, among others. Because of the many possible investments, various pricing services and sources and diverse characteristics of many investment vehicles, independent sources, periodic reviews and testing, exception reporting, and approvals and documentation or pricing changes are necessary with appropriate summary disclosures as to the firm's pricing policy and practices. Independent custodians of client accounts may serve as the primary pricing source.

On May 12, 2011, the Financial Accounting Standards Board (FASB) and the International Accounting Standards Board (IASB) issued new guidance on fair value measurement and disclosure requirements under US generally accepted accounting principles GAAP and International Financial Reporting Standards (IFRS).

Among other things, the update defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Furthermore, when measuring fair value, a reporting entity must take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Additional guidance is provided on valuations techniques such as market approach, cost approach and income approach.

In June 2020, OCIE issued a Risk Alert which listed certain compliance issues found when OCIE performed examinations on registered investment advisers, including conflicts related to valuations. The staff observed private fund advisers that did not value client assets in accordance with their valuation processes or in accordance with disclosures to clients. In some cases, the staff observed that this failure to value a private fund's holdings in accordance with the disclosed valuation process led to overcharging management fees and carried interest because such fees were based on inappropriately overvalued holdings.

Rule 2a-5

Rule 2a-5 under the Investment Company Act of 1940 (the “Act”) provides a framework for fund valuation practices, including establishing requirements for determining fair value in good faith for purposes of the Act.

Under the Act, fund investments must be fair valued where market quotations are not “readily available.” Rule 2a-5 provides that a market quotation is readily available only when that quotation is a quoted price (unadjusted) in active markets for identical investments that the fund can access at the measurement date, provided that a quotation will not be readily available if it is not reliable.

Under Rule 2a-5, determining fair value in good faith involves satisfying four requirements:

1. Periodically assessing material risks associated with determining fair value of fund investments (valuation risks), including material conflicts of interest, and managing identified valuation risks;
2. Establishing and applying fair value methodologies, taking into account the fund’s valuation risks;
3. Testing the appropriateness and accuracy of fair value methodologies selected, including identifying testing methods and minimum frequency for their use; and
4. Overseeing pricing services, if used.

The SEC noted that types and sources of valuation risk are fact-dependent and may include, without limitation:

- Types of investments held or intended to be held and their characteristics (e.g., size relative to market demand);
- Potential market or sector shocks or dislocations and other types of disruptions that may affect a valuation designee’s or a third-party’s ability to operate (e.g., significant changes in short-term volatility, liquidity, or trading volume; sudden increases in trading suspensions; and system failures or cyberattack);
- The extent to which unobservable inputs are used in a fair value methodology, especially where such inputs are provided by the valuation designee;
- The proportion of fund investments that are fair valued and their contribution to fund returns;
- Reliance on service providers with more limited experience in relevant asset classes, the use of fair value methodologies that rely on third party-provided inputs, and the extent to which service providers rely on other service providers; and
- The use of inappropriate fair value methodologies, or the inconsistent or incorrect application of such methodologies.

The rule permits a fund’s board to designate the fund’s “valuation designee,” which the board would continue to oversee, to perform fair value determinations relating to any or all fund investments. “Valuation designee” is defined as the fund’s investment adviser (excluding sub-advisers) or, for internally managed funds, a fund officer or officers.

The SEC also adopted a recordkeeping rule – Rule 31a-4 – that requires certain records relating to fair value determinations to be maintained and preserved. These recordkeeping requirements relate to

documentation to support fair value determinations and, when the board designates a valuation designee, certain board reports and lists of investments or investment types designated to the valuation designee.

Responsibility

Christopher T. Ruggiero, or the firm's pricing committee, if any, has overall responsibility for the firm's pricing policy, determining pricing sources and pricing practices, including any reviews and re-pricing practices to help ensure fair, accurate and current valuations.

Procedure

Ruggiero Investments has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Ruggiero Investments utilizes, to the fullest extent possible, recognized and independent pricing services and/or qualified custodians for timely valuation information for advisory client securities and portfolios;
- whenever valuation information for specific illiquid, foreign, derivative, private or other investments is not available through pricing services or custodians, Ruggiero Investments' designated officer, trader(s) or portfolio manager(s) will obtain and document price information from at least one independent source, whether it be a broker-dealer, bank, pricing service or other source;
- any securities without market valuation information are to be reviewed and priced by the Christopher T. Ruggiero or pricing committee in good faith to reflect the security's fair and current market value, and supporting documentation maintained;
- Christopher T. Ruggiero will arrange for quarterly reviews of valuation information from whatever source to promptly identify any incorrect, stale or mispriced securities;
- any errors in pricing or valuations are to be resolved as promptly as possible, preferably upon a same day or next day basis, with repricing information obtained, reviewed and approved by the Christopher T. Ruggiero or the firm's pricing committee; and
- a summary of the firm's pricing practices should be included in the firm's investment management agreement.

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Wrap Fee Adviser

Policy

Ruggiero Investments does not act as an adviser or subadviser in any wrap fee program.

Background

A wrap fee program is defined as any program under which any client is charged a specified fee or fees not based directly upon transactions in a client's account for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and execution of client transactions.

Wrap fee programs also typically include custody services as part of the all-inclusive services in the program.

Responsibility

Christopher T. Ruggiero has the responsibility for insuring the firm's policy is followed and that Ruggiero Investments does not participate as an adviser/subadviser in any wrap fee programs unless appropriately approved and all regulatory requirements are met.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Ruggiero Investments' designated officer annually monitors the firm's businesses and advisory services, including reviews of the firm's Form ADV and disclosures; and
- Ruggiero Investments' designated officer also monitors the firm's advisory services to ensure that participation in any wrap fee programs as an adviser/subadviser would only be allowed after appropriate management approvals, disclosures and meeting regulatory requirements.

Wrap Fee Sponsor

Policy

Ruggiero Investments, as a matter of policy and practice, does not sponsor any wrap fee program, defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions.

Background

A wrap fee program is defined as any program under which any client is charged a specified fee or fees not based directly upon transactions in a client's account for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and execution of client transactions.

Wrap fee programs also typically include custody services as part of the all-inclusive services in the program.

Responsibility

Christopher T. Ruggiero has the responsibility for the implementation and monitoring of our wrap fee policy that the firm prohibits sponsoring any wrap fee programs unless appropriately approved and all regulatory requirements are met.

Procedure

Ruggiero Investments has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

- Ruggiero Investments' designated officer monitors the firm's businesses and advisory services, including annual reviews of the firm's Form ADV and disclosures to prohibit any arrangements for sponsoring any wrap fee program; and
- Ruggiero Investments' designated officer also monitors the firm's advisory services to ensure that any arrangements to sponsor any wrap fee program would only be allowed after appropriate management approvals, disclosures and meeting regulatory requirements.