

# ARISTOTLE ATLANTIC PARTNERS, LLC

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This Brochure provides information about the qualifications and business practices of ARISTOTLE ATLANTIC PARTNERS, LLC (“Aristotle Atlantic” or “Adviser”). If you have any questions about the contents of this Brochure, please contact us at [compliance@aristotlecap.com](mailto:compliance@aristotlecap.com) or (212) 804-7731. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Aristotle Atlantic is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. Additional information about Aristotle Atlantic is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

This Brochure, dated 02/16/2017, is Aristotle Atlantic Partners, LLC’s Annual Amendment and replaces its initial filing with the Securities and Exchange Commission which was made 10/20/2016.

You will receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may provide other ongoing disclosure information about material changes, as necessary.

We will further provide you with a new Brochure, as needed at any time, based on changes or new information, without charge.

Aristotle Atlantic Partners, LLC will do business as “Aristotle” when referencing Aristotle Atlantic Partners, LLC, along with more than one of its affiliates as identified in Item 10.C of this disclosure.

Updates were made to the following sections of Part 2A since our last filing:

Item 4.E: Assets Under Management

Item 10.E: Business Continuity Plan and Cybersecurity Policy (new section)

Item 13.A: Frequency and Nature of Review

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## **Item 4 – Advisory Business**

### **Advisory Services**

#### **4. A. Advisory Firm Description**

Aristotle Atlantic Partners, LLC (“Aristotle Atlantic” or “Adviser”) is a registered investment adviser with its principal place of business located in New York, New York. The majority owner of Aristotle Atlantic Partners, LLC is RCB Acquisition Company, LLC (which is controlled by Richard Hollander).

#### **4. B. Types of Advisory Services**

Aristotle Atlantic generally provides investment advisory and management services as a discretionary investment adviser to institutional and separately managed accounts. Aristotle Atlantic may also provide investment advisory and management services as a discretionary adviser or sub-adviser to registered investment companies (“mutual funds”).

Aristotle Atlantic provides Large Cap Growth and Large Cap Core Equity portfolio management services for institutional and high net worth clients. Through discussions with clients and their advisors, we agree upon objectives that are compatible with our investment philosophy, and we manage portfolios designed to meet those objectives. Relevant factors in this data-gathering process include but are not limited to time horizons, risk tolerance, liquidity needs, and, in the case of individuals, tax issues.

#### **Sub-Advisory Accounts**

Aristotle Atlantic may enter into sub-advisory relationships with other investment advisers who provide investment supervisory services to its clients, including making recommendations of other investment advisers to render specific investment advice with respect to a client's portfolio. Aristotle Atlantic will manage the sub-advisory accounts on a discretionary basis.

#### **UMA Accounts**

Aristotle Atlantic may enter into arrangements with other investment advisers where Aristotle Atlantic provides a model and the investment adviser effects transactions in the client accounts. UMA accounts are managed by Aristotle Atlantic on a non-discretionary basis.

#### **4. C. Client Investment Objectives/Restrictions**

Adviser will tailor advisory services to individual client needs. Adviser manages each account according to the investment objectives of the strategy selected by the client and any restrictions placed on the account by the client.

Investments for separately managed client accounts are managed in accordance with each client's stated investment objectives, restrictions and guidelines. Investments for mutual funds will be managed in accordance with each fund's strategy, investment objectives restrictions and guidelines and are not tailored to the individualized needs of any particular investor in the Fund (each an "investor"). Therefore, investors should consider whether the fund meets their investment objectives and risk tolerance prior to investing. Information about each mutual fund will be available in its prospectus and statement of additional information ("SAI").

#### **4. D. Wrap Programs**

Aristotle Atlantic does not currently participate in wrap programs.

#### **4. E. Assets Under Management as of 01/31/2017**

Discretionary: \$18,340,331; 4 accounts

Non-Discretionary: \$225,664,384; 2 accounts

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

#### **Advisory Contracts and Fees**

##### **5. A. Adviser Compensation**

Aristotle Atlantic's fees are described generally below and detailed in each client's advisory agreement or applicable account documents. Fees for services may be negotiated with each client on an individual basis. Aristotle Atlantic may group multiple accounts of a client (or group of related clients) together for fee billing purposes.

Fees may change over time and, as discussed below, different fee schedules may apply to different types of clients, strategies and advisory arrangements. Fees may be negotiated on a basis different from Aristotle Atlantic's stated fee schedules, if circumstances warrant, and Aristotle Atlantic reserves the right to waive or reduce the fees charged to a particular client in its sole and absolute discretion. Fees are generally based on a percentage of assets under management.

#### **Fee Schedules**

##### **SEPARATELY MANAGED ACCOUNTS**

Aristotle Atlantic's annual management fees for separately managed accounts range from 0.50% - 1.00% on asset under management.

Aristotle Atlantic's advisory fees are subject to negotiated agreements with clients and are determined according to a number of factors including but not limited to, account size, investment strategy employed, and cost incurred by Aristotle Atlantic in managing such accounts.

***Limited Negotiability of Advisory Fees:*** Although Aristotle Atlantic has established the aforementioned fee schedule(s), we retain the sole discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, and reports, among other factors. The specific annual fee schedule is identified in the contract between Aristotle Atlantic and each client.

***Termination of the Advisory Relationship:*** An advisory agreement may be terminated according to the terms of the contract and written notice by either party. Upon termination, fees will be prorated to the date of termination. If any fees are prepaid, unearned fees will be promptly refunded.

## **5. B. Direct Billing of Advisory Fees**

Clients may request that fees owed to Aristotle Atlantic be deducted directly from the client's custodial account. In instances where a client has authorized direct billing, Aristotle Atlantic takes steps to ensure that the client's qualified custodian sends periodic account statements directly to the client no less frequently than quarterly, showing all transactions in the account, including fees paid to Aristotle Atlantic. Generally, Aristotle Atlantic will invoice clients for their advisory fees whether direct billing is used or not. Clients have the option to be billed by invoice to make a direct payment for fees rather than having fees deducted from their custodian account.

## **5. C. Other Non-Advisory Fees**

Aristotle Atlantic's advisory fee is exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers and other third parties, including but not limited to fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. A client's portfolio may include positions in mutual funds or exchange traded funds which also charge internal management fees, which are disclosed in the funds' prospectuses. Such charges, fees and commissions are exclusive of, and in addition to, Aristotle Atlantic's fee, and Aristotle Atlantic shall not receive any portion of these commissions, fees, and costs.

Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus and/or financial filings. Such charges, fees and commissions are exclusive of and in addition to Aristotle Atlantic's fee with regard to any mutual funds not managed by Aristotle Atlantic. To avoid the duplication of fees and the potential conflict of interest, we would not charge separate accounts a direct advisory fee on assets invested in any fund managed by Aristotle Atlantic. Any fees for client assets invested in a mutual fund managed by Aristotle Atlantic would be charged by the fund and reflected in the value of the client's investment.

Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm.

Item 12 further describes the factors that Aristotle Atlantic considers in selecting or recommending broker-dealers for client transactions and determining the fairness and reasonableness of their commissions and service charges.

#### **5. D. Advance Payment of Fees**

Advisory fees for separately managed accounts are generally billed quarterly in advance and are payable upon receipt, commencing upon opening of the account. Certain advisory clients may be billed quarterly in arrears. Fees are normally based on the level of total assets under management, including cash, securities, and accrued income, as of the last business day of the prior calendar quarter. Advisory agreements are typically terminable by the client upon prior written notice to Aristotle Atlantic, as specified in the relevant agreement and by Aristotle Atlantic, generally upon 30 days' prior written notice to the client or as specified in the relevant agreement. In the event that an advisory contract is terminated prior to the conclusion of a billing period, Aristotle Atlantic will refund a *pro rata* portion of any pre-paid fees, or if billed arrears, bill the account *pro rata* based on the date of termination.

#### **5. E. Compensation for Sale of Securities or Other Investment Products**

Aristotle Atlantic's supervised persons do not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of any mutual funds.

#### **Item 6 – Performance-Based Fees and Side-By-Side Management**

Aristotle Atlantic may receive performance-based fees. Aristotle Atlantic could be entitled to receive fees from any Mutual Fund it may manage pursuant to its management agreement with the Distributor of the Mutual Fund. Differing fee arrangements increase the risk that higher fee paying accounts may receive priority over other accounts during the allocation process. Aristotle Atlantic mitigates these risks by implementing procedures, such as blocking trades, maintaining proper written records with respect to allocations and allocating at average

price. These procedures are designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

Aristotle Atlantic manages client accounts within their respective strategies, given account restrictions and/or constraints and implements trade rotation procedures to ensure that no accounts take preference over other accounts in the allocation of trades.

## **Item 7 – Types of Clients**

Aristotle Atlantic will serve as a discretionary investment adviser to institutional and separate account clients such as individuals, charitable and taxable trusts, pensions, pooled accounts, foundations, Taft-Hartley, public companies and corporations. The minimum amount required to establish and maintain an institutional separately managed account is generally \$10,000,000. However, Aristotle Atlantic reserves the right, in its sole discretion, to reduce the minimum requirement for certain accounts under certain circumstances.

In advising or sub-advising mutual funds, Aristotle Atlantic may be subject to the supervision and direction of the respective fund's Board of Trustees. Mutual fund strategy objectives, fees and investment minimums are outlined in the fund's prospectus.

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

### **8. A. Methods of Analysis and Investment Strategies**

Aristotle Atlantic offers Large Cap Growth and Large Cap Core Equity investment strategies. Aristotle Atlantic's investment programs are listed below along with a brief description of each investment objective's general investment strategies typically used in managing the assets including the methods of analysis, and the material risks associated with investing in the objective.

There is no guarantee that a particular strategy will meet its investment goals. Additionally, the investment strategies and techniques Aristotle Atlantic uses within a given strategy will vary over time depending on various factors. Aristotle Atlantic may give advice and take action for clients which differs from advice given or the timing or nature of action taken for other clients with different objectives. Aristotle Atlantic is not obligated to initiate transactions for clients in any security which its principals, affiliates or employees may purchase or sell for their own accounts or for other clients.

Large Cap Growth: The objective is to achieve long-term capital growth of capital. The strategy focuses on established companies that are similar in size to the companies of the S&P 500® Index (generally 500 of the largest companies in the U.S.) or the Russell 1000® Growth Index (generally those stocks among the 1,000 largest U.S. companies that have relatively higher price-to-book earnings ratios and higher forecasted growth values). The



strategy mainly invest in U.S. common stocks but may also invest in other types of equity securities such as preferred stocks, convertible securities and American Depository Receipts (ADRs).

Large Cap Core Equity: The objective is to achieve long-term growth of capital, current income and growth of income. The strategy mainly invest in U.S. common stocks but may also invest in other types of equity securities such as preferred stocks, convertible securities and ADRs.

In choosing stocks for the Large Cap Growth and Large Cap Core Equity strategies, portfolio management uses bottom-up fundamental analysis combined with proprietary quantitative tools. Portfolio management seeks to identify companies that it believes are poised to benefit from one or more of the following:

- shifts in industry spending, government spending and consumer trends (secular themes)
- gains in market share from innovative products and strong intellectual property (product cycles)
- cyclical trends in the industry in which they operate and capable management that can take advantage of those trends (industry cycles)

Investing in securities involves risk of loss that clients should be prepared to bear.

## **8. B. Material Risks of Investment Strategies**

There can be no guarantee of success of the strategies offered by Aristotle Atlantic. Investment portfolios may be adversely affected by general economic and market conditions such as interest rates, foreign currency fluctuations, availability of credit, inflation rates, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of security pricing and the liquidity of an investment. These strategies may employ limitations on particular sectors, industries, countries, regions or securities.

Trading in the portfolios may affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Management Risk. Assessments about the value and potential appreciation of a particular security may not be right and there is no guarantee that individual securities will perform as anticipated. The value of an individual security can be more volatile than the market as a whole or Aristotle Atlantic's fair value approach may fail to produce the intended results.

Accuracy of Public Information. Aristotle Atlantic selects investments, in part, on the basis of information and data filed by issuers with various government regulators or made directly

available to the Adviser by the issuers or through sources other than the issuers. Although Aristotle Atlantic evaluates all such information and data and typically seeks independent corroboration when Aristotle Atlantic considers it is appropriate and reasonably available, Aristotle Atlantic is not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available.

Market Risk. There is the possibility that the value of equity securities may decline due to daily fluctuations in the securities markets. Stock prices change daily as a result of many factors, including developments affecting the condition of both individual companies and the market in general. The price of a stock may even be affected by factors unrelated to the value or condition of its issuer, such as changes in interest rates, national and international economic and/or political conditions and general equity market conditions. In a declining stock market, prices for all companies may decline regardless of their long-term prospects. Price fluctuations that may occur at the time of investment of a client account will impact the performance of the account. Analysis of pricing history or timing of investment in securities is not guaranteed to be accurate and could result in loss due to movements in a security's price and depending upon when action is taken to buy or sell a security.

### **8. C. Material Risks of Securities Used in Investment Strategies**

The Large-Cap Growth and Large-Cap Core Equity strategies primarily invest in domestic and foreign equity securities. Investments in equity and fixed income securities may be more volatile than their respective benchmark. Security values may also fluctuate based on events such as technological developments, government regulation, competition and outbreaks of war or terrorist acts which are beyond Aristotle Atlantic's control.

Equity Investments. Regardless of any one company's particular prospects, a declining stock market may produce a decline in prices for all equity securities, which could also result in losses.

Risks related to Other Equity Securities. In addition to common stocks, the equity securities in a portfolio may include preferred stocks, convertible preferred stocks, convertible bonds, and warrants. Like common stocks, the value of these equity securities may fluctuate in response to many factors, including the activities of the issuer, general market and economic conditions, interest rates, and specific industry changes. Convertible securities entitle the holder to receive interest payments or a dividend preference until the security matures, is redeemed, or the conversion feature is exercised. As a result of the conversion feature, the interest rate or dividend preference is generally less than if the securities were non-convertible. Warrants entitle the holder to purchase equity securities at specific prices for a certain period of time. The prices do not necessarily move parallel to the prices of the underlying

securities and the warrants have no voting rights, receive no dividends, and have no rights with respect to the assets of the issuer.

Exchange-Traded Funds. Portfolios may invest in exchange-traded funds (“ETFs”). An ETF is an investment company which offers shares that are listed on a national securities exchange. Shares of ETFs, because they are listed on a stock exchange, can be traded throughout the day on that stock exchange at market-determined prices. ETFs typically invest predominantly in the securities comprising any underlying index. Changes in the prices of such shares generally, but may not in all cases, track the movement in the underlying index or sector securities relatively closely. In particular, leveraged and inverse ETFs (that is, ETF’s that track some multiple of the daily return of an underlying index or sector, or seek to create an inverse of the daily return compared with such underlying index or sector, or both), may perform substantially differently over longer terms than would leveraged or short positions in the underlying investments. ETFs are generally seen as a relatively inexpensive way to gain exposure to the underlying market or sector as a whole.

Foreign Securities. Investments in foreign securities may be volatile and can decline significantly in response to foreign issuer political, regulatory, market or economic developments. Foreign securities are also subject to interest rate and currency exchange rate risks. These risks may be magnified in securities originating in emerging markets. Foreign securities may also be subject to additional or complex tax issues.

Non-diversified Risk. Because the portfolios may invest a greater portion of their assets in securities of a single issuer or a limited number of issuers than a portfolio with diversification requirements, they may be more susceptible to a single adverse economic or political occurrence affecting one or more of these issuers.

Sector Focus Risk. The portfolios may be more heavily invested in certain sectors, which may cause the value of their shares to be especially sensitive to factors and economic risks that specifically affect those sectors and may cause the value of the portfolios to fluctuate more widely than a comparative benchmark.

Competition. Equity securities selected by Aristotle Atlantic for its portfolios typically have significant market competitors and there is no guarantee that a portfolio security will perform better than its competitors and could be subject to risks competing with other companies with regard to product lines, technology advancements and/or management styles of the competing companies.

Investment in these types of securities involves risk and potential loss of capital. These strategies may not be suitable for all Investors. Past performance is not indicative of future results.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the investor’s evaluation of them or the integrity of their management. Aristotle Atlantic has no information applicable to this Item.

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

### **10. A. Registered Representatives**

Certain employees of Aristotle Capital Management, LLC (“Aristotle Capital”), an affiliate of Aristotle Atlantic, are registered representatives with IMST Distributors, LLC, a registered broker-dealer. Aristotle Capital and its Sales & Marketing employees solicit persons to invest in the Aristotle Funds and other funds sub-advised by its affiliates. See Item 10.C for a complete list of Aristotle Atlantic affiliates.

### **10. B. No Other Registrations**

Aristotle Atlantic’s management professionals are not registered, nor do any management professionals have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

### **10. C. Material Relationships or Arrangements**

Below is a list of all affiliated companies to Aristotle Atlantic.

- Aristotle Capital Management, LLC (Aristotle Capital) – Registered investment adviser with a focus on Value Equity, International Equity, Global Equity and Global Opportunities strategies.
- Aristotle Credit Partners, LLC (Aristotle Credit) – Registered investment adviser with a focus on credit strategies (High Yield Bonds, Investment Grade Corporate Bonds, Bank Loans).
- Aristotle Capital Boston, LLC (Aristotle Boston) – Registered investment adviser with a focus on Small and Small/Mid Cap Equity strategies.
- Saul Fund, LP Private Fund (Saul Fund) – A Private Fund managed by Aristotle Capital. The Saul Fund GP, LLC serves as the Managing Member to the Saul Fund. The Saul Fund GP is controlled by Howard Gleicher who is an Indirect Owner of Aristotle Capital. (The Saul Fund is currently closed to new investors.)
- RCB Acquisition Company, LLC – A holding company for the ownership interests of the members of the Board of Managers of Aristotle Capital Management, LLC.
- MetWest Ventures, LLC (MetWest Ventures) – A multi-strategy asset management platform that partners with management teams to help Investors achieve their

investment objectives; entity owned and controlled by Richard S. Hollander, Chairman of Aristotle Atlantic, Aristotle Capital, Aristotle Credit and Aristotle Boston.

- MetWest Realty Advisors, LLC (MetWest Realty), MetWest Terra Hospitality (MetWest Terra) – MetWest Realty Advisors provides investment management services primarily related to real estate related investments. These firms are owned by MetWest Ventures.
- MetWest Fund Manager, LLC (MetWest Fund) – A private fund manager associated with MetWest Realty and responsible for a number of real estate-related private funds. The MetWest Fund is also controlled by Richard Hollander and is a General Partner of several pooled vehicles managed by MetWest Realty Advisors, LLC.

Aristotle Atlantic will be referred to as “Aristotle” when referenced together with Aristotle Capital, Aristotle Credit and and/or Aristotle Boston.

Richard Hollander is a Director and control person of Aristotle Capital, Aristotle Credit, Aristotle Boston, MetWest Ventures, LLC and MetWest Realty Advisors, LLC. Mr. Hollander is also an Indirect Owner of Aristotle Capital. Richard Schweitzer also serves as Chief Risk Officer (“CRO”) and Chief Financial Officer (“CFO”) of Aristotle Capital as well as Senior Partner of Aristotle Credit and Aristotle Boston. Mr. Schweitzer also serves as COO and CFO of MetWest Ventures, LLC, MetWest Realty Advisors, LLC and MetWest Properties, LLC. Gary Lisenbee is also Co-Chief Executive Officer (“Co-CEO”) and Co-Chief Investment Officer (Co-CIO) of Aristotle Capital and Senior Partner of Aristotle Credit and Aristotle Boston. Michelle Gosom is also Chief Compliance Officer (“CCO”) of Aristotle Capital and Aristotle Boston. Aristotle Capital, Aristotle Credit, Aristotle Boston and Aristotle Atlantic may share supervised persons.

Certain employees of Aristotle Capital will be performing selected administrative functions on behalf of Aristotle Credit, Aristotle Boston and Aristotle Atlantic. The employees of Aristotle Capital who are performing certain administrative functions for Aristotle Credit, Aristotle Boston and Aristotle Atlantic will not devote their full time to the clients of Aristotle Credit, Aristotle Boston and Aristotle Atlantic. There may also be conflicts of the allocation of the time of Aristotle Capital’s employees devoted to Aristotle Credit, Aristotle Boston and Aristotle Atlantic.

It is anticipated that the investment strategies followed by Aristotle Capital, Aristotle Credit, Aristotle Boston and MetWest Realty Advisors will have little or no overlap with the investment strategies offered by Aristotle Atlantic.

#### **10. D. Recommendation of Other Investment Advisers**

Aristotle Atlantic may recommend to clients affiliated investment advisers offering different investment services. Engagement with affiliates will be done through execution of client consent as an addendum to the client’s investment management agreement or through a new

investment management agreement executed between the client and the other investment adviser.

### **10. E. Business Continuity Plan and Cybersecurity Policy**

Aristotle Atlantic, recognizing its operational dependency on computer systems, Local Area Network (LAN), Internet, and email, has authorized the preparation, implementation and maintenance of a comprehensive Disaster Recovery Plan. The intent of a Disaster Recovery Plan is to provide a written and tested plan directing the recovery process in the event of an interruption in continuous service resulting from an unplanned and unexpected disaster. The Chief Operations Officer and Chief Compliance Officer or their designees are responsible for the testing of the Disaster Recovery Plan not less than once every year to ensure the viability of the Plan and the recovery of computing capabilities within the Critical Time Frame established by the Business Impact Analysis.

Aristotle Atlantic has also adopted Cybersecurity Policies & Procedures to outline the policies and procedures governing technology use by the firm, individual users and vendors as well as physical security access policies. These policies and procedures are designed to protect confidential information entrusted to Aristotle Atlantic as we as protect Aristotle Atlantic's property. The intent of the Cybersecurity Policies & Procedures is to maintain systems and firm-wide awareness, to identify potential threats and prevent a cybersecurity attack. The Policies provide a written framework for a balanced approach to managing security risks while allowing users to be productive and efficient.

## **Item 11 - Code of Ethics**

### **11. A. Code of Ethics Document**

Aristotle Atlantic has adopted a Code of Ethics pursuant to SEC rule 204A-1 of the Investment Advisers Act of 1940, as amended. A basic tenet of Aristotle Atlantic's Code of Ethics is that the interests of clients are always placed first. In addition, Aristotle Atlantic has identified five major responsibilities that demonstrate its commitment as a trusted fiduciary. They are (1) to put the client's interest first, (2) to act with utmost good faith, (3) to provide full and fair disclosure, (4) to not mislead clients, and (5) to expose all conflicts of interest to clients. The Code of Ethics includes standards of business conduct requiring covered persons to comply with the federal securities laws and the fiduciary duties an investment adviser owes to its clients. Aristotle Atlantic will provide a copy of its Code of Ethics to any client or prospective client upon request.

## **11. B. Recommendations of Securities and Material Financial Interests**

As a matter of policy, Aristotle Atlantic does not engage in principal transactions, cross trading or agency cross transactions. Any exceptions to this policy must be approved in advance by the Chief Compliance Officer or her designee.

## **11. C. Personal Trading**

Aristotle Atlantic has adopted a Code of Ethics intended, among other things, to ensure that personal investing activities by Aristotle Atlantic's employees are consistent with Aristotle Atlantic's fiduciary duty to its clients. The Code of Ethics includes standards of business conduct requiring covered persons to comply with the federal securities laws and the fiduciary duties an investment adviser owes to its clients. For purposes of its Code of Ethics, Aristotle Atlantic has determined that all employees are Access Persons.

All Access Persons are required to notify Aristotle Atlantic's Chief Compliance Officer or the CCO's designee in order to pre-clear personal securities transactions in Reportable Securities (as defined in Aristotle Atlantic's Code of Ethics), IPOs and Limited Offerings.

In order to avoid potential conflicts of interests that could be created by personal trading among Aristotle Atlantic Access Persons, Access Persons must provide quarterly reports of their personal transactions within 30 days of the end of each calendar quarter, which may consist of monthly brokerage statements for all accounts in which they have a beneficial interest, to the CCO. Alternately, Access Persons may direct their brokers to send copies of all brokerage confirmations relating to all personal securities transactions in which they have a beneficial ownership interest. Access Persons must also submit to Aristotle Atlantic's CCO statements of their personal holdings in reportable securities as well as information about any brokerage accounts in which securities may be held within 10 days after becoming subject to the Code of Ethics and on an annual basis thereafter.

The Code also requires that all Access Persons comply with ethical restraints relating to clients and their accounts, including restrictions on gifts and provisions intended to prevent violations of laws prohibiting insider trading. Aristotle Atlantic and its respective officers and employees may act and continue to act as investment advisors and managers for others, and may choose to act as Investors on their own behalf.

Aristotle Atlantic is required to treat its clients fairly in relation to such conflicts of interest or material interests. Aristotle Atlantic has adequate policies and procedures to protect its clients' interests and disclosing to clients the possibility of such conflicts. Such policies and procedures include, but are not limited to, Aristotle Atlantic's Code of Ethics, personal trading policies, trade aggregation and allocation policies, policies governing outside business activities and gifts and entertainment.

## **11. D. Timing of Personal Trading**

Since Aristotle Atlantic Access Persons may invest in the same securities (or related securities, e.g., warrants, options or futures) that Aristotle Atlantic or a related person recommends to clients, no Access Person shall buy or sell a Reportable Security on the same day any trades in the security are made for Client accounts without pre-clearance from the Chief Compliance Officer. The price paid or received by a client account for any security should not be affected by a buying or selling interest on the part of an access person, or otherwise result in an inappropriate advantage to the Access Person.

## **Item 12 – Brokerage Practices**

### **12. A. Selection of Broker/Dealers**

Aristotle Atlantic's objective in selecting broker-dealers and in effecting portfolio transactions is to seek to obtain the best combination of price and execution with respect to its accounts' portfolio transactions. The best net price, giving effect to brokerage commissions, spreads and other costs, is normally an important factor in the decision making process, but a number of other factors are also considered as they are deemed relevant. In applying these factors, Aristotle Atlantic recognizes that different broker-dealers may have different execution capabilities with respect to different types of securities. The factors include, but are not limited to:

- Aristotle Atlantic's knowledge of negotiated commission rates and spreads currently available;
- the nature of the security being traded;
- the size and type of the transaction;
- the nature and character of the markets for the security to be purchased or sold;
- the desired timing of the trade and speed of execution;
- the activity existing and expected in the market for the particular security;
- the broker-dealer's access to primary markets and quotation sources;
- the ability of the broker-dealer to effect transactions when a large block of securities is involved or where liquidity is limited;
- confidentiality;
- the execution, clearance and settlement capabilities and history as well as the reputation and perceived soundness of the broker-dealer selected and others which are considered;
- Aristotle Atlantic's knowledge of actual or apparent operational problems of any broker-dealer;
- the broker-dealer's execution services rendered on a continuing basis and in other transactions;
- the broker-dealer's access to underwriting offerings and secondary markets;
- the broker-dealer's reliability in executing trades, keeping records and accounting for and correcting trade errors;



- the broker-dealer's ability to accommodate Aristotle Atlantic's needs with respect to one or more trades including willingness and ability to maintain quality execution in unusual or volatile market conditions and to commit capital by taking positions in order to complete trades;
- the quality of communication links between Aristotle Atlantic and the broker-dealer; and
- the reasonableness of spreads or commissions.

#### Research and Other Soft Dollar Benefits

Aristotle Atlantic may pay more than the lowest commission rate available to brokers whose proprietary research, services, execution abilities, or other legitimate and appropriate services are particularly helpful in Aristotle Atlantic's investment decision making process. As part of this determination, Aristotle Atlantic recognizes some brokerage firms are better at executing some types of orders than others. Thus, it may be in the best interest of the clients to utilize a broker whose commission rates are not the lowest, but whose executions result in lower overall transaction costs. Aristotle Atlantic does not maintain any formal soft dollar arrangements.

The overriding consideration in selecting brokers for executing portfolio orders is the maximization of client returns through a combination of controlling transaction and securities costs and seeking the most effective uses of brokers' research and execution capabilities.

#### Brokerage for Client Referrals

Aristotle Atlantic does not maintain any referral arrangement with broker-dealers.

#### Directed Brokerage

While Aristotle Atlantic generally selects broker-dealers for separately managed client accounts, Aristotle Atlantic may accept in limited instances, direction from a client as to which broker-dealer is to be used for trades placed in that specific client account. If the client directs the use of a particular broker-dealer, Aristotle Atlantic asks that the client also specify in writing (i) general types of securities for which a designated firm should be used and (ii) whether the designated firm should be used for all transactions, even though Aristotle Atlantic might be able to obtain a more favorable net price and execution from another broker-dealer in particular transactions. Clients who, in whole or in part, direct Aristotle Atlantic to use a particular broker-dealer to execute transactions for their accounts should be aware that, in so doing, they may adversely affect Aristotle Atlantic's ability to, among other things, obtain volume discounts on blocked orders or to obtain best price and execution by, for example, executing over-the-counter stock transactions with the market makers for such securities.

Additionally, as noted above, transactions for a client that directs brokerage are generally unable to be combined or 'blocked' for execution purposes with orders for the same securities for other accounts managed by Aristotle Atlantic. Accordingly, directed transactions may be subject to price movements, particularly in volatile markets, that may result in the client receiving a price that is less favorable than the price obtained for the blocked order. Under these circumstances, the direction by a client of a particular broker-dealer to execute transactions may result in higher commissions, greater spreads, or less favorable net prices than might be the case if Aristotle Atlantic could negotiate commission rates or spreads freely, or select broker-dealers based on best execution. Consequently, best price and execution may not be achieved.

## **12. B. Aggregation of Orders**

In making investment decisions for the accounts, securities considered for investment by one account may also be appropriate for another account managed by Aristotle Atlantic. On occasions when the purchase or sale of a security is deemed to be in the best interest of more than one account, Aristotle Atlantic may, but is not required to, aggregate or block orders for the purchase or sale of securities for all such accounts to the extent consistent with best execution and the terms of the relevant investment advisory agreements. Such combined or 'blocked' trades may be used to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing overall commission charges.

Aggregation of transactions will occur only when Aristotle Atlantic believes that such aggregation is consistent with Aristotle Atlantic's duty to seek best execution and best price for clients and is consistent with Aristotle Atlantic's investment advisory agreement with each client for which trades are being aggregated. Client accounts with certain restrictions and directed brokerage clients may be unable to participate in blocked transactions.

Aristotle Atlantic generally will not aggregate trades for clients that may have limited Aristotle Atlantic's brokerage discretion or other client accounts that it manages to the extent that those clients have directed their trading to a particular broker-dealer. Orders for such clients will generally be aggregated only with similar clients and allocated in the same manner as described above. The same manual process described above will be implemented for these accounts if random allocation would result in a partial fill for the last account selected.

Aristotle Atlantic may include proprietary accounts in such aggregate trades subject to its duty of seeking best execution and to its Code of Ethics.

## **Item 13 – Review of Accounts**

### **13. A. Frequency and Nature of Review**

The Portfolio Managers for a particular strategy are responsible and have ultimate authority for all trading and investment decisions made on behalf of client accounts. The Portfolio Managers and/or Chief Compliance Officer reviews client accounts periodically with the objective of ensuring that client portfolios are constructed according to client objectives and restrictions.

### **13. B. Factors That May Trigger an Account Review Outside of Regular Review**

Generally, client accounts are reviewed as needed depending on factors such as cash flows in or out of the account, changes in client objectives or restrictions, and changing market conditions.

### **13. C. Content and Frequency of Reports**

At least quarterly, Aristotle Atlantic produces account statements, which show account value, positions and performance, which are furnished to each separate account client. Other written reports may include client letters which discuss Aristotle Atlantic's strategies and market commentary. The manager will meet with clients when requested or at such other times as may be mutually agreed to by Aristotle Atlantic and the client. Such meetings may be conducted in person or via teleconference. Aristotle Atlantic may provide additional reports to clients upon request.

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

Aristotle Atlantic may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our Firm Brochure) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor;
- the client must acknowledge in writing this arrangement.

It is Aristotle Atlantic's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in

conjunction with the advisory services we provide to our clients. Aristotle Atlantic does not currently maintain any solicitation arrangements.

## **Item 15 - Custody**

### Account Statements

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains client's investment assets. Aristotle Atlantic takes steps to ensure that the client's qualified custodian sends periodic account statements to the client, no less frequently than quarterly, showing all transactions in the account, including fees paid to Aristotle Atlantic.

Aristotle Atlantic urges clients to carefully review and compare official custodial records to the account statements that Aristotle Atlantic provides. Aristotle Atlantic statements may vary slightly from custodial statements based on accounting procedures, reporting dates, and/or valuation methodologies of certain securities.

## **Item 16 - Investment Discretion**

Generally, Aristotle Atlantic is retained with respect to its client accounts clients, on a discretionary basis and is authorized to make the following determinations in accordance with the client's specified investment objectives without client consultation or consent before a transaction is effected:

- Which securities to buy or sell
- The total amount of securities to buy or sell
- The broker-dealer through whom securities are bought or sold
- The commission rates at which securities transactions for client accounts are affected
- The prices at which securities are to be bought or sold, which may include dealer spreads or mark-ups and transaction costs

Investments for separately managed client accounts are managed in accordance with each client's stated investment objectives, strategies, restrictions, and guidelines.

Aristotle Atlantic assumes discretion over the account upon execution of the advisory agreement with the client and upon notification from custodian that account is ready to trade.

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

### **17. A. Voting Policies and Procedures**

Aristotle Atlantic's policy is to vote proxies on behalf of client accounts. Aristotle Atlantic has adopted Proxy Voting Policies and Procedures. Where Aristotle Atlantic has proxy voting

authority for securities of its advisory clients, Aristotle Atlantic will vote such securities for the exclusive benefit, and in the best economic interest, of those clients and their beneficiaries, as determined by Aristotle Atlantic in good faith, subject to any restrictions or directions from the client. Aristotle Atlantic will not have the ability to accept direction from clients on a particular solicitation.

Aristotle Atlantic has written proxy voting policies and procedures (“Proxy Procedures”) as required by Rule 206(4)-6 under the Advisers Act. Such voting responsibilities are exercised in accordance with the general antifraud provisions of the Advisers Act, as well as with Aristotle Atlantic’s fiduciary duties under federal and state law to act in the best interests of its clients. Case-by-case proxy voting decisions are generally made by the Portfolio Manager or Portfolio Manager’s designee. Voting records are maintained including copies of any document created by Aristotle Atlantic that was material in making a determination of how to vote case-by-case proxy or that memorializes the basis for that decision.

Aristotle Atlantic acknowledges its responsibility for identifying material conflicts of interest related to voting proxies. In order to ensure that Aristotle Atlantic is aware of the facts necessary to identify conflicts, senior management of Aristotle Atlantic must disclose to the CCO any personal conflicts such as officer or director positions held by them, their spouses or close relatives, in any portfolio company. Conflicts based on business relationships with Aristotle Atlantic or any affiliate of Aristotle Atlantic will be considered only to the extent that Aristotle Atlantic has actual knowledge of such relationships. If a conflict may exist which cannot be otherwise addressed by the Portfolio Manager, Aristotle Atlantic may choose one of several options including: (1) “echo” or “mirror” voting the proxies in the same proportion as the votes of other proxy holders that are not Aristotle Atlantic clients; (2) if possible, erecting information barriers around the person or persons making the voting decision sufficient to insulate the decision from the conflict; or (3) if agreed upon in writing with the client, forwarding the proxies to affected clients and allowing them to vote their own proxies.

Clients may choose to vote their own proxies for securities held in their account or designate a third party to vote proxies. If this is the case, the Client must notify Aristotle Atlantic and proxy solicitations will be sent directly to clients or the third party designee who will then assume responsibility for voting them. If Aristotle Atlantic does not have the authority to vote proxies on behalf of the client, the client may contact Aristotle Atlantic with questions about a particular solicitation. On an exception basis, clients can instruct Aristotle Atlantic to vote proxies according to particular criteria (for example, to vote for or against a proposal to allow a so-called “poison pill” defense against a possible takeover). These requests must be made in writing and with sufficient advance notice so Aristotle Atlantic is able to meet the voting deadline.

Clients may obtain information from Aristotle Atlantic about how their securities were voted and obtain a copy of Aristotle Atlantic's proxy voting policies and procedures upon request by contacting us at [compliance@aristotlecap.com](mailto:compliance@aristotlecap.com) or calling (212) 804-7731.

Aristotle Atlantic will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are or were previously held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct Aristotle Atlantic to transmit copies of class action notices to the client or a third party. Upon such direction, Aristotle Atlantic will make commercially reasonable efforts to forward such notices in a timely manner.

## **Item 18 – Financial Information**

### **18. A. Advance Payment of Fees**

Aristotle Atlantic does not require or solicit prepayment of fees from clients, three months or more in advance.

### **18. B. Financial Condition**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition. Aristotle Atlantic has no financial commitments that impair its ability to meet contractual commitments and fiduciary commitments to clients.

### **18. C. No Bankruptcy Proceedings**

Aristotle Atlantic has not been the subject of a bankruptcy proceeding.