

**FORM CRS RELATIONSHIP SUMMARY FOR CYRUS J. LAWRENCE LLC**  
**June 30, 2020**

**Item I: INTRODUCTION**

The name of our firm is Cyrus J. Lawrence LLC and we are registered as an investment adviser with the SEC. It is important for you to understand that investment advisory fees and brokerage fees are different from one another. You may wish to avail yourself of free and simple tools that are available to you for the purposes of researching our firm as well as other firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides information about broker-dealers, investment advisers, and investing in general.

***Is an Investment Advisory Account Right for You?***

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you. We are an investment adviser and provide investment advisory services rather than brokerage accounts and services. This document gives you a summary of the types of services we provide and how you pay. This document also provides specific questions you may want to ask us to understand our services in greater detail.

**Item II: RELATIONSHIP AND SERVICES**

***What investment services and advice can you provide me?***

We provide investment advice to our clients on either a discretionary or non-discretionary basis. If you open an account with us on a discretionary basis, we will be responsible for making all of the investment decisions for your account, in accordance with your stated investment objectives, without providing contemporaneous notification or consent to or from you. If you elect to open an account on a non-discretionary basis, we must receive your consent prior to making any transactions in your account. The nature and terms of your account will be agreed upon and memorialized in your investment management agreement (“IMA”) with us. Our advice may involve us providing you with asset allocation and the selection of investments. The advice we provide is guided by your stated investment objectives (i.e., maximum capital appreciation, growth, etc.). Please see our ADV Part 2A (“Brochure”) that contains greater details about the firm’s services, personnel, risks and policies at: [https://www.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=555393](https://www.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=555393)

We believe it is important for you to understand your account, its terms and limitations and our mutual relationship thoroughly. It is in this connection that we should have a conversation where we, at minimum, help you to understand the answers to the following questions:

***\*Given my financial situation, should I choose an investment advisory service? Why or why not?***

***\*How will you choose investments to recommend to me?***

***\*What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?***

**Item III: FEES, COSTS, CONFLICTS AND STANDARD OF CONDUCT**

***What fees will I pay?***

Your account will be charged a negotiable, asset-based management fee (although we may negotiate different fee arrangements with clients, and in each case, fees are memorialized in each client’s IMA). The management fee is agreed upon and memorialized in your IMA with us and is generally paid on a quarterly basis in arrears. In addition to the management fee, your account could incur management and/or [incentive fees] from underlying collective investment vehicles, as well as brokerage fees and other transactional costs that are assessed by your account’s broker-dealer/custodian, if applicable, or incurred by the underlying collective investment vehicles. Such additional fees and costs, if applicable, are listed in offering documents and/or periodic reports you receive from the underlying collective investment vehicles you are invested in, or your account’s broker-dealer/custodian if applicable. For example, such fees may consist of management and incentive fees; brokerage commissions or mark-ups, custodian fees, account maintenance fees, fees related to ETF’s, mutual funds and variable annuities, and other transactional fees and product-level fees. ***You will pay fees and costs whether you make or lose money on your investments.***

*Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.* The main conflict that exists between our interests and yours is that the greater the assets in your account, the greater the management fee we will collect; we, therefore, have an incentive to encourage or facilitate the increase of assets in your account. Also, a conflict inherently exists between accounts that charge a performance fee and accounts that do not.

*\*Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

*\*What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?*

Standard of Conduct *When we act as your investment adviser*, we are obligated to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. For example, the more money you have invested with us the more money we make, so it is in our interest that you remain invested and invest as much as possible with us. For a complete list of risks and conflicts related to your account or your relationship with the firm, please see the firm's Brochure that can be accessed using the link provided in **Item II** above.

*\*How might your conflicts of interest affect me, and how will you address them?*

*\*How do your financial professionals make money?*

We make money based on our collection of the management fee. The management fee we assess to your account is based on the amount of assets we advise on your behalf; the greater amount of assets, the greater the management fee we collect. While we will typically collect the management fee whether your account generates a positive or negative return, it is in our best interest for your account balance to increase.

#### **Item IV: DISCIPLINARY HISTORY**

*Do you or your financial professionals have legal or disciplinary history?*

No. However, we welcome you to visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

*As a financial professional, do you have any disciplinary history? For what type of conduct?*

No.

#### **Item V: ADDITIONAL INFORMATION**

Should you wish to obtain additional materials about us and/or the services we provide, please see our Brochure that can be accessed using the link provided in **Item II** above. **If you wish to receive a copy of this Relationship Summary or other available, up-to-date information regarding our firm, please call us at 212-888-6158 or email us at [bkoepp@cjlawrence.com](mailto:bkoepp@cjlawrence.com).**

*Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*

Your primary contact person at the firm is the firm's principal, Bernhard Koepp. He can be reached at either the phone number or email address listed above in **Item V**.

**BROCHURE OF**  
**Cyrus. J. Lawrence LLC**

A Delaware limited liability company registered with the Securities and Exchange Commission  
as an Investment Adviser (CRD #174034)

**C.J. Lawrence<sup>®</sup>**

**1330 Avenue of the Americas  
Suite 7A  
New York, NY 10019**

**Telephone: 212-888-6158**

**[www.cjlawrence.com](http://www.cjlawrence.com)**

**Brochure Date: July 9, 2020**

**Contact Person: Bernhard Koepp, Managing Member**

**This brochure (“brochure”) provides information about the qualifications and business practices of Cyrus J. Lawrence LLC (“CJL”, “C.J. Lawrence” or the “Firm”). If you have any questions about the contents of this brochure, please contact us at 1-877-446-1783 or [bkoepp@cjlawrence.com](mailto:bkoepp@cjlawrence.com).**

**The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or any state securities authority.**

**CJL is a registered investment adviser. Registration of an investment adviser does not imply a certain level of skill or training.**

**Additional information about CJL also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and the Firm’s website at [www.cjlawrence.com](http://www.cjlawrence.com).**

The delivery of this Brochure at any time does not imply that the information contained herein is correct as of any time subsequent to the date shown above. This Brochure will supersede all other documents containing information about Firm. C.J. Lawrence is a registered trademark of Cyrus J. Lawrence LLC.

## Item 2 Material Changes

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There are material changes to report regarding our advisory business since March 31, 2019, which was the date of CJL’s last Brochure, as follows:

CJL has the ability to employ option(s) strategies in CJL’s client portfolios when requested and/or proposed, and for the potential of additional fees associated with this instrument.

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## Item 4 Advisory Business

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### Firm Description

Cyrus J. Lawrence LLC is a New York based investment management boutique providing platinum level service and investment portfolio customization to individuals, families, foundations, and institutions. The Firm combines the talents of a highly experienced portfolio management team with an environment centered only on delivering optimal results for its clients. From analysis to implementation, CJL's managers serve as its clients' trusted financial advisor and investment manager. With a legacy dating back to 1864, C.J. Lawrence was re-launched in November 2014 as an independent SEC registered investment advisor. The Firm's investment management team is led by Bernhard Koepp, its CEO and Managing Member. Its principals include its Chairman, Jim Moltz, and Senior Managing Directors, David Gallacher, Terry Gardner, and Bruce Benedict.

### Types of Advisory Services

The Firm manages core-equity, balanced, and equity-income portfolios for high net worth and institutional clients. It shapes accounts to meet individual clients' investment goals. A number of the Firm's clients are second and third generation families and it has the flexibility to serve a spectrum of different objectives. Stock selection is focused on fundamental research and the time horizon is normally three to five years so turnover tends to be modest. Equity positions usually number between 30 and 40 names and are diversified.

There is a conscious research effort to identify major economic trends to insure participation in key developments affecting new consumption patterns. Our C.J. Lawrence Weekly shares our Firm's thoughts on the economy and markets based on our proprietary work. The Firm's long-term record for identifying these trends has resulted in CJL acting as a portfolio consultant for thematic unit trusts focused on three major asset classes; *Bulldog*-equities, defined as market share dominant companies in fast growing sectors; *American Renaissance* equities, which focus on companies benefitting from a resurgence in US manufacturing & energy production; and the *European Select* equities, which identifies special opportunities among established European companies.

Fixed Income allocations for balanced accounts are generally made in high quality fixed income securities commingled with exchange traded funds. A related approach adopted for prolonged low yield conditions is to identify equities with above average yields that have a history of consistent dividend increases and the ability to sustain higher outlays.

Clients can restrict specific industries from their portfolios or request monitoring of low-cost significant positions.

### Wrap Fee Programs

The Firm, as an investment adviser, participates in certain "wrap programs" (i.e., programs in which a client pays a program sponsor or broker a single "wrap fee" for advisory services, certain brokerage services, monitoring of the investment adviser's performance and custodial services, or some combination of these or other services). For each wrap program, clients are given the opportunity to select an investment adviser from among a list of advisers.

When a wrap program client selects the Firm as investment adviser, the Firm provides discretionary investment advisory services for the client's account under the terms of a wrap program agreement. As with the Firm's other clients, the Firm provides continuous investment advice based on the individual needs of the wrap program client. Apart from the advisory services provided by the Firm, all services provided for the client's account under the terms of the wrap program agreement (such as brokerage, custodial or monitoring services) are provided by the program sponsor, the broker, or a party other than the Firm. In addition, account performance reports are generally provided to the wrap program client by the program sponsor.

The Firm does not act as sponsor of any wrap program.

### Wrap Program Agreements

The wrap program agreement and any ancillary documents are executed by the program sponsor or broker, the wrap program client and/or the Firm depending on the wrap sponsor. Generally, any party may terminate the relationship as provided in the documents. Advance notice of termination may be required as specified in the documents.

### Fees

The program sponsor, or broker, charges the wrap program client a total "wrap fee" in accordance with the terms of the wrap program agreement. The Firm generally receives its advisory fee from this wrap fee paid to the program sponsor or broker.

In connection with wrap programs, the Firm generally does not negotiate its advisory fees with any wrap program client. Rather, the Firm's advisory fees are as described on a fee schedule that the Firm agrees to with the program sponsor or broker. The advisory fee received by the Firm in connection with wrap programs may vary from fees charged to the Firm's other clients.

### Special Considerations

When determining whether to participate in a wrap program, a client should consider whether participation in the wrap program will cost the client more or less than purchasing the wrap program services separately (depending on such factors as the amount of the wrap fee, the type and size of the account, the type of assets to be purchased for the account, the historical and or expected size and number of trades for the account, the value the client attributes to monitoring, custodial and other services that may be provided pursuant to the wrap program, and the value the client places on having access to the particular investment advisors participating in the wrap program). In evaluating a wrap program, a client should understand that trades for the wrap program client's account would generally be executed with the program broker. A client should also understand that the Firm generally would not negotiate brokerage commissions with the program broker with respect to transactions effected for the wrap fee client's accounts since those brokerage commissions are generally included in the wrap fee. The program broker may charge higher commissions or may provide less advantageous execution of transactions with respect to transactions effected for the wrap program client's accounts, or may provide less advantageous execution of transactions, than if the Firm selected the broker to execute the transactions or negotiated the commissions.

### **Client Assets**

The Firm's assets under supervision are approximately \$817 million as of 06-30-2020. These include assets where CJL acts as portfolio consultant for commingled Unit Investment Trusts sponsored by Advisors Asset Management ("AAM"). Regulatory assets under management were \$492 million as of 06-30-2020.

## Item 5 Fees and Compensation

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### Description

#### **Separately Managed Accounts (SMAs)**

Investment management fees for the Firm's in-house SMAs are charged in arrears and are calculated on the total assets at the end of the quarter. Fees are either directly debited from the account or invoiced quarterly. The standard charges are as follows:

<u>Portfolio Size</u>	<u>Annual Fee as a % of Assets</u>
Up to \$10 million	1.00%
\$10 million to \$20 million	0.75%
Assets over \$20 million	0.625%

The Firm, in its discretion, may negotiate the foregoing fees in appropriate circumstances. SMAs not meeting our account minimum may be subject to a minimum annual fee of \$500.

#### **SMAs through Third-Party Platforms**

CJL's SMAs are also available through third-party platforms: Envestnet and Brinker. CJL's products available on these platforms are: CJL Bulldog Equity and CJL Balanced portfolios. Fees received by CJL on these platforms are based on a contracted rate between CJL and the platform sponsor. Client fees are negotiated between the third-party advisor and the client. Account management fees on these third-party platforms are subject to additional platform and third-party advisor fees and may vary substantially from CJL's in-house fee schedule.

#### **Non-Asset Based Advisory Services**

In some cases, the Firm may receive a fee for advisory services not involving investment management or corporate advisory services. For this advice, which may include periodic research reports, advice on portfolio strategy, macro trends, asset allocation, and special projects, the Firm may receive an advisory fee negotiated quarterly in advance. The amount of the fee depends on the scope and nature of the advisory service.

#### **Options and Derivatives Services**

C.J. Lawrence reserves the right to charge additional advisory fees where option(s) strategies are requested and/or proposed. Such fees shall be proportionate to the additional oversight/time required to design and manage appropriate derivative strategies and will be agreed with client prior to their employment in accounts.

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

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The Firm currently does not charge any performance-based fees (fees based on a share of capital gains or on capital appreciation of the assets of a client).

The Firm does not participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

## Item 7      Types of Clients

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### Description

The Firm may offer investment advisory services to individuals; investment companies; pension and profit-sharing plans; trusts, estates, or charitable organizations; corporations or business entities; and offshore mutual funds and offshore trusts with offshore investors.

### Account Minimums

Generally, the Firm has established a minimum relationship size of \$1,000,000 for its investment supervisory or other investment management services. Higher fees may apply for accounts not meeting our minimum.

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

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### Methods of Analysis and Investment Strategies

Investing in securities involves the risk of loss that clients should be prepared to bear including total loss. Methods of analysis include fundamental, technical, charting and cycle. The risks involved with each method are as follows.

**Fundamental Analysis:** Publicly released financial data on which fundamental analysis is based may no longer serve as the basis on which future trading is based either because non-financial data is judged of greater importance or because the next anticipated release is expected to dominate. Changes of trends in fundamental data and/or complete lack of trends in data may indeed be more normative than the continuance of trends. In addition, analyst estimates for future financial data are notoriously managed and entail risks in missed estimations.

**Technical Analysis:** Technical measures of price and volume trading rules used as relative measures and rules of thumb provide some additional measures for comparing different securities, industries and markets, but may equally suffer from overly rigid interpretation, over-broad allowances, or setting a comparison out-of-sync or out-of-context.

**Charting Analysis:** Risks include discontinuities in the data, erroneous price data, unadjusted price files, and price files that may include prices for the current security as well as a prior security, which formerly made use of the same ticker. Adjusted views of the periodicity of the data and the scale viewed may result in divergent pictures that a failure to appreciate may result in erroneous conclusions. Uncorrected errors together with cognitive error may result in misapprehension or misinterpretation of the data and misappraisal of risks on the basis of analysis of trading in the security. Further, price and volume histories reflect historic markets which may not be indicative of trading conditions congruent with those likely to dominate future trading in the security.

**Cycle Analysis:** Seeks to adjust data for calendar and cycle effects and may in turn misestimate the error correction applied. Allowed tolerances may result in missed signals.

The sources of information used when selecting and analyzing securities include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, annual reports, prospectuses, filings with the SEC, and company press releases. Additionally, the Firm's portfolio



managers participate in issuer sponsored conference calls, and directly communicate with appropriate members of an issuer's management team and investor relations department. They will also speak with representatives of broker-dealers, their trading desks, research departments and industry experts regarding particular companies and investment opportunities.

Investments include long term purchases (securities held at least a year) and short-term purchases (securities sold within a year).

Exchange Traded Funds ("ETFs"): For separately managed accounts, the Firm may purchase ETFs. These ETFs may be used as a proxy for the portfolio's index, such as the S&P500 (SPY), commodities like gold (GLD), or ETFs used tactically to include high-grade fixed income securities (LQD, AGG) or exposure to bank loan portfolios (BKLN). The Firm may also buy commingled funds or structured notes for discretionary accounts to seek exposure to asset classes like floating rate bonds, pools of high yield debt issues or alternate investments which seek to employ leveraged and/or hedged investment strategies.

For balanced accounts, the Firm may include highly liquid ETFs as a part of the permanent strategy of the fixed income and cash portion of the account. For smaller accounts, where buying or selling individual bond odd-lots may be impractical, ETFs of fixed income securities may represent all or part of the fixed income portion of the account.

**Hedging Policies/Risks:** Clients may employ hedging techniques designed to protect them against adverse movements in currency and/or interest rates and other risks. While such transactions may reduce certain risks, the transactions themselves may entail certain other risks. Thus, while the Clients may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, currency exchange rates, volatility, credit charges or other factors may result in a poorer overall performance for the Clients than if they had not entered into such hedging transactions. The Clients may, to the extent that hedging arrangements result in currency exchange gain which has not been paid over by the hedging provider, be exposed to the creditworthiness of the selected hedging provider(s) from time to time. The amount of such exposure will vary from time to time according to (i) the difference between the then prevailing market rate of exchange of the relevant currencies and the forward rate applicable for the purposes of the hedging arrangements and (ii) the amount hedged. If the hedging arrangements result in a currency exchange gain for the Clients, then such gain may constitute a taxable profit for the Clients, notwithstanding that such gain is accompanied by a reduction in the value of investments. If the hedging arrangements result in a currency exchange loss for the Clients, such Client may not be able to claim a corresponding reduction in any amount of taxable income or gains. If the hedging arrangements are terminated at any time in accordance with their terms, whether as a result of an event of default thereunder or otherwise, the Clients may be liable to make a payment to or receive a payment from the hedging provider in connection with such termination reflecting the market value of the transactions comprising such hedging arrangements (or, in certain circumstances, the loss or gain, as applicable, of the party making the relevant determination). If the Clients are required to make such a payment, they may be required to liquidate investments to fund any such payment. Furthermore, the Clients may be unable to locate an alternative provider of currency hedging arrangements within a reasonable period of time or at all. If no such alternative provider or hedging arrangements is located, then the Clients may be fully exposed to currency fluctuations.

## Risk of Loss

### *Asset allocation risk*

The allocations to the various asset classes and market sectors could cause the fund to underperform other strategies with a similar investment objective.

### *Risks of stock investing*

Stocks generally fluctuate in value more than bonds and may decline significantly over short time periods. There is the chance that stock prices overall will decline because stock markets tend to move in cycles, with periods of rising prices and falling prices. The value of a stock in which a portfolio invests may decline due to general weakness in the stock market or because of factors that affect a company or a particular industry.

### *Risks of bond investing*

Bonds have two main sources of risk. *Interest rate risk* is the risk that a rise in interest rates will cause the price of a debt security held by the fund to fall. Securities with longer maturities typically suffer greater declines than those with shorter maturities. Mortgage-backed securities can react somewhat differently to interest rate changes because falling rates can cause losses of principal due to increased mortgage prepayments and rising rates can lead to decreased prepayments and greater volatility. *Credit risk* is the risk that an issuer of a debt security will default (fail to make scheduled interest or principal payments), potentially reducing income distributions and market values. This risk is increased when a security is downgraded or the perceived creditworthiness of the issuer deteriorates.

### *Foreign investing risk*

A portfolio's investments in foreign securities may be adversely affected by political and economic conditions overseas, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

### *Liquidity risk*

Liquidity risk is the risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. With liquidity risk, typically reflected in unusually wide bid-ask spreads or large price movements, the rule of thumb is that the smaller the size of the security or its issuer, the larger the liquidity risk. Drops in the value of stocks and other securities in the aftermath of the 9/11 attacks and the 2007-2008 global credit crisis motivated many investors to sell their holdings at any price, causing widening bid-ask spreads and large price declines, which further contributed to market illiquidity and portfolio losses.

### *Risks Associated with Investing in Options and Derivatives*

The Adviser may invest, from time to time, in options and derivative instruments, including buying and writing puts and calls on some of the securities held by client accounts in an attempt to supplement income derived from those securities. The prices of many derivative instruments, including many options and swaps, are highly volatile. The value of options and swap agreements depend primarily upon the price of the securities, indexes, commodities, currencies or other instruments underlying them. Price movements of options contracts and payments pursuant to swap agreements are also influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The cost of options is related, in part, to the degree of volatility of the underlying securities, currencies or other assets. Accordingly, options on highly volatile securities, currencies or other assets may be more expensive than options on other investments.

Put options and call options typically have similar structural characteristics and operational mechanics regardless of the underlying instrument or asset on which they are purchased or sold. A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the writer the obligation to

buy, the underlying security, commodity, index, currency or other instrument or asset at the exercise price. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller the obligation to sell, the underlying instrument at the exercise price.

If a put or call option purchased on behalf of a client account by the Adviser were permitted to expire without being sold or exercised, the client account would lose the entire premium it paid for the option. The risk involved in writing a put option is that there could be a decrease in the market value of the underlying instrument or asset caused by rising interest rates or other factors. If this occurred, the option could be exercised and the underlying instrument or asset would then be sold to the Adviser on behalf of the client account at a higher price than its current market value. The risk involved in writing a call option is that there could be an increase in the market value of the underlying instrument or asset caused by declining interest rates or other factors. If this occurred, the option could be exercised and the underlying instrument or asset would then be sold by the Adviser on behalf of the client account at a lower price than its current market value.

Purchasing and writing put and call options and, in particular, writing “uncovered” options are highly specialized activities and entail greater than ordinary investment risks. In particular, the writer of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying instrument or asset above the exercise price of the option. This risk is enhanced if the instrument or asset being sold short is highly volatile and there is a significant outstanding short interest. These conditions exist in the stocks of many companies. The instrument or asset necessary to satisfy the exercise of the call option may be unavailable for purchase except at much higher prices. Purchasing instruments or assets to satisfy the exercise of the call option can itself cause the price of the instruments or assets to rise further, sometimes by a significant amount, thereby exacerbating the loss. Accordingly, the sale of an uncovered call option could result in a loss by the client account of all or a substantial portion of its assets.

## Item 9 Disciplinary Information

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The Firm and its employees have not been involved in any legal or disciplinary events that would be material to a client’s evaluation of the company or our personnel.

## Item 10 Other Financial Industry Activities and Affiliations

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Neither CJL nor any of its representatives is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

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

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### Code of Ethics

The Firm has adopted a Code of Ethics (“the Code”) pursuant to Rule 204A-1 of the Investment Advisers

Act of 1940, as amended (the “Advisers Act”), which establishes a standard of business conduct for all of our employees based upon fundamental principles of openness, integrity, honesty, and transparency. The Code is designed to reinforce fiduciary principles governing the conduct of the Firm and its personnel to protect the public interest as well as the interests of the Firm and our clients. The Code requires that all personnel perform their duties with complete propriety and must avoid activities, interests and relationships that might interfere or appear to interfere with making decisions in the best interests of our advisory clients. All of our employees must acknowledge the terms of the Code annually, and whenever they are amended. A complete copy of the Firm’s Code is available to our clients or prospective clients upon request.

We and/or representatives may buy or sell securities that we also recommend to clients. This practice may create a situation where we and/or our representatives may be in a position to benefit from the sale or purchase of those securities. We have a personal securities transaction policy in place to mitigate any potential conflict of interest and we monitor the personal securities transactions and securities holdings of each of our Access Persons. The policy is designed to detect activities that may violate our Code of Ethics, such as: insider trading, “front-running” (i.e., personal trades executed prior to those of our clients), “scalping” (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) and other potentially abusive practices.

Our securities transaction policy requires that our Access Persons provide our Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide our Chief Compliance Officer with a report of the Access Person’s current securities holdings at least once each twelve (12) month period thereafter on a date we select. Access Persons provide our Chief Compliance Officer transaction reports for their securities holdings quarterly. In addition, our Chief Compliance Officer or his/her designee must approve all reportable personal security transactions prior to execution.

## Item 12 Brokerage Practices

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### Selecting Brokerage Firms

Each client is given the option of selecting a custodian, which will include the designation of a specific broker for that client. For clients that do not have existing custodial relationships, the Firm recommends for its in-house (“in-house”) accounts Fidelity Brokerage Services LLC (“Fidelity”).

The Firm has an arrangement with National Financial Services LLC (“National”) and Fidelity (together with all affiliates, “Fidelity”) through which Fidelity provides the Firm with Fidelity’s “platform” services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like the Firm in conducting business and in serving the best interests of their clients but that may benefit the Firm.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables the Firm to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity’s commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

As part of the arrangement, Fidelity also makes available to the Firm, at no additional charge to the Firm,

certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by the Firm (within specified parameters).

As a result of receiving such services for no additional cost, the Firm may have an incentive to continue to use or expand the use of Fidelity's services. The Firm examined this potential conflict of interest when it chose to enter into the relationship with Fidelity and has determined that the relationship is in the best interests of Firm's clients and satisfies its client obligations, including its duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to affect the same transaction where the Firm determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although the Firm will seek competitive rates, to the benefit of all clients, it may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by the Firm will generally be used to service all of the Firm's clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. The Firm and Fidelity are not affiliates, and no broker-dealer affiliated with the Firm is involved in the relationship between the Firm and Fidelity.

Clients who select their own custodian may direct that their transactions be affected through a particular broker or dealer affiliated with the custodian or may direct the Firm to execute trades through a particular broker. The client who directs the Firm to use a specific broker may pay higher commission rates or receive less favorable execution on some transactions than those clients for whom the Firm selects brokerage services. In instances where the client directs the Firm to use a specific broker, the commission rate will be negotiated by the client or by the Firm depending upon instructions from the client.

Where the Firm has been authorized to determine brokers through whom orders will be executed, a number of factors are considered. These include: execution capability, nature and frequency of sales coverage, depth of services provided, including back office and processing capabilities, financial stability and responsibility, reputation, commission rate, responsiveness to the Firm and the value of fundamental research services ("Research") provided by such brokers. Selecting a broker based on these factors may result in a brokerage commission in excess of that which another broker might have charged for effecting the same transaction. The Firm regularly evaluates these factors in its ongoing selections of brokers. In selecting some brokers or dealers to execute transactions, the Firm may consider the value of Research in addition to the factors above.

In exchange for the direction of commission dollars to certain brokers, the Firm may generate credits, which may be used to pay for Research provided by such brokers. To the extent, the Firm generates such credits, it will be receiving a benefit by reason of the direction of such commissions, because the Firm does not have to produce or pay for the Research. The Firm has an incentive to select or recommend a broker-dealer based on our interest in receiving the Research or other products or services, rather than on our clients' interest in receiving most favorable execution.

Clients will be dealt with on a fair and equitable basis by having purchase transactions allocated based on the cash available in each portfolio at the time of settlement. Block trades are organized by executing broker or custodian. On block trades, the Firm keeps a record of the execution process and rotates the order of execution after each block trade. Trade executions are staggered in order to avoid competing orders for best execution. The order of trades for each executing broker is changed each time. A log is kept by the trader of the order of executions for each trade. Shares are generally allocated on an average price basis across accounts at a given custodian. Partial executions are fully executed the next day; partial executions are allocated on a pro-rata basis across all accounts on a particular day.

## Aggregation & Allocation

The aggregation or blocking of client transactions allows an adviser to execute transactions in a more timely, equitable, and efficient manner. The Firm's practice is to aggregate client transactions where possible. In these instances, clients participating in any aggregated transactions will receive an average share price and transaction costs will be shared equally or on a pro-rata basis. The Firm's allocation procedures aim to achieve fair and equitable treatment for all clients with no particular group or client(s) being favored or disfavored over any other clients.

## IPOs

The Firm as a matter of policy and practice does not participate or invest in any initial public offerings ("IPOs") which are offerings of securities that are frequently of limited size and limited availability.

## Trade Errors

As a fiduciary, the Firm 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 the Firm's actions, or inaction, or actions of others, the Firm's policy is to seek to identify and correct any errors as promptly as possible without intentionally disadvantaging the client or benefiting the Firm in any way.

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

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

## Item 13 Review of Accounts

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The day-to-day supervision of each account is the responsibility of the assigned portfolio manager. Monthly, senior portfolio managers review the performance of each account and implement portfolio changes if needed in the context of each accounts' investment objectives.

Reviews may be conducted on a periodic basis and is undertaken due to a multitude of factors, including but not limited to: changes in market conditions, changes in securities positions, deposit or withdrawal of assets, changes in client investment objectives and communication with clients.

Investment management clients receive written letters regarding their accounts at least quarterly, which includes a portfolio appraisal, and account statements. Statements from the custodian are available monthly online.

## Item 14 Client Referrals and Other Compensation

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### Economic Benefits

In connection with the Firm's in-house accounts cleared at Fidelity, any proceeds from sale of securities or dividends and distributions in the client's securities account may be swept into third party money market funds. In accordance with industry practice, the Firm may receive volume rebates from these sweep money

market funds at the clearing firm utilized by Fidelity.

### **Third Party Solicitors**

The Firm may pay referral fees to other registered investment advisers or individuals who refer clients to the Firm for money management services (“Solicitors”). Compensation is individually negotiated with the Solicitors and the terms of a particular Solicitor’s compensation are disclosed in a Solicitor’s Disclosure Statement given to a so-introduced client. All such arrangements are in accordance with SEC Rule 206(4)-3 under the Investment Advisers Act of 1940.

## **Item 15 Custody**

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As a matter of policy and practice, the Firm does not permit the Firm or its employees to accept or maintain custody of client assets. It is the Firm’s policy not accept, hold, directly or indirectly, client funds or securities, or have any authority to obtain possession of them, including direct debiting of advisory fees. The Firm will not intentionally take custody of client cash or securities. The Firm has reasonable assurance that the custodian of each account is sending a statement to the client on at least a quarterly basis. If the Firm inadvertently takes possession of client funds or securities, the Firm will return these assets to the sender within three business days. For those clients where fees are directly debited by the clearing firm, they will receive account statements from that qualified custodian.

## **Item 16 Investment Discretion**

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### **Discretionary Authority for Trading**

The Firm usually receives discretionary authority from the client at the outset of an advisory relationship defined through the investment management agreement.

For discretionary accounts, the Firm determines the suitability and amount of securities to be bought or sold, as well as the timing of the transactions consistent with the investment objectives of each client, the selection of the broker-dealer with whom the trade is executed, and subject to any limitations established by the client. Advisory clients may also provide written investment policy statements or written investment guidelines frequently including limitations. Such limitations generally include not investing in certain securities, types of securities, or industry sectors. Senior portfolio managers review, approve, and monitor as part of the firm's investment services, these guidelines, subject to any written revisions or updates received from a client.

## **Item 17 Voting Client Securities**

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### **Proxy Voting**

The Firm as a matter of policy and as a fiduciary to our clients has responsibility for voting proxies for portfolio securities consistent with the best economic interests of the clients. The Firm maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting and makes appropriate disclosures about our firm’s proxy policies and practices. Our policy and practice include the

responsibility to monitor corporate actions, receive and vote client proxies and disclose any potential conflicts of interest as well as making information available to clients about the voting of proxies for their portfolio securities and maintaining relevant and required records.

The portfolio managers of the Firm have the responsibility for the implementation and monitoring of our proxy voting policy, practices, disclosures and record keeping, including outlining our voting guidelines in our procedures. For this purpose, the Firm intends to use Broadridge Investor Communication Solutions, Inc. (“Broadridge”) as follows:

### Summary of Proxy Voting Policy and Procedures:

#### Introduction

We intend to adopt and implement policies and procedures according to Broadridge that we believe are reasonably designed to ensure that proxies are voted in the best interest of our clients, in accordance with our fiduciary duties and SEC Rule 206(4)-6 under the Investment Advisers Act of 1940. In addition to SEC requirements governing advisers, our proxy voting policies reflect the fiduciary responsibilities for ERISA accounts set out in Department of Labor Bulletin 94-2, 29 C.F.R. 2509.94-2 (July 29, 1994).

#### Statement of Proposed Policies and Procedures

Our responsibility for voting client proxies is limited to those clients who have given us authority to vote. Regarding corporate governance issues, we vote based on what we believe to be in the best interests of the shareholder. In that regard, we occasionally vote against management. Regarding issues of social responsibility (broadly defined), we vote with management on a case-by-case basis unless instructed differently by clients. If there is a situation where a conflict arises between the Firm and our client, we default to Broadridge.

#### Proposed Procedures

Custodian banks are directed by the clients to forward proxy materials directly to Broadridge. Each proxy ballot received is matched to the securities to be voted, and a reconciliation proxy is established to account for all ballots held by the Firm. We intend to subscribe to a service from Broadridge, “ProxyEdge,” which alerts us to upcoming annual meetings, and provides research account information along with real-time record keeping and reporting on issues that will be presented, together with a voting recommendation. A “Voting Record” is updated by Broadridge as ballots are received. “Proxy Reports” are prepared for the appropriate account, and any exceptions to voting against the recommendation of Broadridge are noted and retained. All ballots are to be voted electronically by Broadridge upon approval from the Firm.

#### Record Keeping

As required by Rule 204-2(c), Broadridge intends to maintain:

- ✓ a copy of these policies and procedures;
- ✓ proxy statements received regarding client securities;
- ✓ a record of each vote cast;
- ✓ a copy of any document created by us that was material to making a decision how to vote proxies on behalf of a client or that memorializes the basis for that decision; and
- ✓ each written request for proxy voting records and our written response to any (written or oral) client



request for such records.

All proxy-voting records are maintained electronically for a period of five years. This information is accessible upon request.

Clients may request a copy of the policies and procedures, which may be updated from time to time, or for information on how proxies for their accounts were voted, by contacting:

Meredith El Nems

Vice President

Cyrus J. Lawrence LLC

1330 Avenue of the Americas., Suite 7A New York, NY 10019

Tel.: 1-877-466-1783

## Item 18 Financial Information

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The Firm has not been the subject of any bankruptcy petition and is not aware of any financial condition that is reasonably likely to impair our ability to meet our contractual commitment to our clients.

## Item 19 Cyber Security & Identity Theft

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The Firm's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes.

Although the Firm has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Firm may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Firm's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the Firm's reputation or subject it or its affiliates to legal claims and otherwise affect their business and financial performance.

CJL's cybersecurity policy 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, CJL 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.

## Item 20 The Firms Composites

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CJL's maintains two performance composites: CJL Bulldog and CJL Balanced. These composites contain fully discretionary, separately managed accounts that are free of any client restrictions. Composites are constructed and calculated by an independent consultant according to the Global Investment Performance Standard (GIPS®). The Firm claims compliance with GIPS® but has not been verified by an outside firm.