

# CODE OF ETHICS

## I. Introduction

South Atlantic Capital Management Group, Inc. (hereinafter “South Atlantic Capital” or “the Company”) is guided in all actions by the highest ethical and professional standards. Accordingly, the Company has embraced the SEC’s adoption of Rule 204A-1 under the Investment Advisers Act of 1940, the “Code of Ethics rule”, as an opportunity to affirm its duty to its clients.

Pursuant to the SEC’s adoption of this rule, the Company has adopted this Code of Ethics (“the Code”) in order to set the standards of conduct to be followed by all persons associated with the Company. The Company has set high standards, the intention of which is to protect client interests at all times and to demonstrate the Company’s commitment to its fiduciary duties of honesty, good faith and fair dealing with clients. All officers, directors and employees (“associated persons”) are subject to this Code and the procedures outlined in it. The policies and guidelines set forth in this Code of Ethics must be strictly adhered to by all associated persons. Severe disciplinary actions, including dismissal, may be imposed for violations of this Code of Ethics.

The Company has several goals in adopting this Code. First, the Company desires to comply with all applicable laws and regulations governing its practice. We believe that compliance with such regulations is a signal to our clients that we exist to serve them, not ourselves, and that we support the efforts of those organizations dedicated to upholding the law.

Next, the management of the Company has set forth guidelines for professional standards, under which all associated persons are to conduct themselves. All associated persons are expected to strictly adhere to these guidelines, as well as the procedures for approval and reporting established in the Code. This will serve to inform and educate associated persons regarding appropriate activities. The Company has instituted, as a deterrent, a policy of disciplinary actions to be taken with respect to any associated person who violates the Code.

Finally, the Company has adopted specific policies and procedures designed to assist in the implementation of the guidelines outlined below. Such policies and procedures will serve to assist in reviewing the effectiveness of the implementation of the Code on an ongoing basis.

South Atlantic Capital has only one Access Person Edward D. Nowell and no other Supervised Persons, as defined below. The rule and rule amendments adopted by the SEC do not lend themselves to a “one-man shop”. They are designed for larger firms with multiple types of employees with varying degrees of responsibility and knowledge of client and related information. Nonetheless, South Atlantic Capital has adopted this Code in order to comply with the rule. Certain sections may appear somewhat “awkward” under the circumstances. For example, South Atlantic Capital has established guidelines for “all Associated Persons” to follow. This of course refers to the one current Access Person of the firm, and would encompass any future employees as well.

Because there are no layers of supervision at South Atlantic Capital, a higher degree of “self-monitoring” is required. South Atlantic Capital will make every effort to maintain sufficient records to demonstrate its commitment to compliance with this and all other regulations.

## **II. Definitions**

“Supervised Person”. This term includes directors, officers, partners and employees of the Company, as well as any other person occupying a similar status or performing similar functions. The Company may also include in this category temporary workers, consultants, independent contractors and anyone else designated by the Chief Compliance Officer (“CCO”). For purposes of the Code, such ‘outside individuals’ will generally only be included in the definition of a supervised person if their duties include access to certain types of information, which would put them in a position of sufficient knowledge to necessitate their inclusion under the Code. The CCO shall make the final determination as to which of these are considered supervised persons.

“Access Person”. An Access Person is a Supervised Person who has access to nonpublic information regarding any client’s purchase or sale of securities, is involved in making securities recommendations to clients, or has access to such recommendations that are nonpublic. All of the firm’s directors, officers, and partners are presumed to be access persons.

“Associated Person”. For purposes of this Code, all Supervised and Access Persons are subject to the provisions of the Code, and are collectively referred to as ‘associated persons’.

“Advisory Client”. Any person to whom or entity to which the Company serves an investment adviser, renders investment advice or makes any investment decisions for a fee is considered to be a client.

“Reportable” or “Covered” Securities”. Such securities include stocks, bonds, exchange traded funds (ETF’s), notes, debentures and other evidences of indebtedness (including loan participations and assignments), limited partnership interests, investment contracts, and all derivative instruments, such as options and warrants.

“Non-Reportable Securities”. Specifically exempt from the definition of reportable or covered securities are: treasury securities; bank certificates of deposits, commercial paper, etc.; money market fund shares; shares of open-end mutual funds that are not advised or sub-advised by the Company; and units of a unit investment trust if the UIT is invested exclusively in unaffiliated mutual funds.

## **III. Guidelines for Professional Standards**

- All associated persons must at all times reflect the professional standards expected of those engaged in the investment advisory business, and shall act within the spirit and the letter of the federal, state and local laws and regulations pertaining to investment advisers and the general conduct of business.

- All associated persons are required to report any violation of the Code, by any person, to the CCO or other appropriate person of the Company immediately. Such reports will be held in confidence.
- Associated persons must place the interests of Advisory Clients first. All associated persons must scrupulously avoid serving their own personal interests ahead of the interests of the Company's Advisory Clients. In addition, associated persons must work diligently to ensure that all clients are treated fairly.
- All associated persons are naturally prohibited from engaging in any practice that defrauds or misleads any client, or engaging in any manipulative or deceitful practice with respect to clients or securities.
- Associated persons must avoid taking inappropriate advantage of their positions. The receipt of investment opportunities, perquisites or gifts from clients or potential clients could call into question the exercise of the independent judgment of an associated person. Associated persons should therefore use caution in these circumstances, and always consult the CCO when in doubt. Generally gifts valued over \$200 are not permitted to be given or accepted by any associated person. Political and charitable donations by associated persons are generally not restricted, so long as there is no intent to induce a recipient to engage the Company for services, nor any other benefit to the Company or the associated person.
- No associated person may serve on the board of directors of any publicly traded company without prior written permission by the CCO, Investment Committee or other appropriate personnel.
- Associated persons must conduct all personal securities transactions in full compliance with this Code. Doubtful situations always should be resolved in favor of Advisory Clients.
- Personal transactions in securities by associated persons must be accomplished so as to avoid conflicts of interest on the part of such personnel with the interests of the Company's clients. Likewise, associated persons must avoid actions or activities that allow a person to profit or benefit from his or her position with the Adviser at the expense of clients, or that otherwise bring into question the person's independence or judgment. The Personal Trading Policies are a part of this Code of Ethics.
- The Company has adopted Insider Trading Policies which set parameters for the establishment, maintenance and enforcement of policies and procedures to detect and prevent the misuse of material non-public information. The Insider Trading Policies are a part of this Code of Ethics.
- Associated persons are prohibited from accepting compensation for services from outside sources without the specific permission of the CCO or other qualified individual in the Company.

- When any associated person faces a conflict or potential conflict between their personal interest and the interests of clients, they are required to immediately report the conflict to the CCO for instruction regarding how to proceed.
- The recommendations and actions of the Company are confidential and private matters that are not to be distributed, discussed or communicated outside the Company, except to broker/dealers or other bona fide service providers in the ordinary course of business. In addition, no information obtained during the course of employment regarding particular securities (including internal reports and recommendations) may be transmitted, distributed, or communicated to anyone who is not affiliated with the Company, without the prior written approval of the CCO. In addition, we have adopted a Privacy Policy to prohibit the transmission, distribution or communication of any information regarding securities transactions in client accounts or other non-public client information. Violation of the Privacy Policy is also considered a violation of this Code of Ethics.

#### **IV. Insider Trading**

The purpose of these policies and procedures (the “Insider Trading Policies”) is to educate associated persons regarding insider trading, and to detect and prevent insider trading by any person associated with South Atlantic Capital. The term “insider trading” is not defined in the securities laws, but generally refers to the use of material, non-public information to trade in securities or the communication of material, non-public information to others.

##### A. Prohibited Activities

All associated persons of the Company, including contract, temporary, or part-time personnel, or any other person associated with the Adviser are prohibited from the following activities:

- (a) trading or recommending trading in securities for any account (personal or client) while in possession of material, non-public information about the issuer of the securities; or
- (b) communicating material, non-public information about the issuer of any securities to any other person.

The activities described above are not only violations of these Insider Trading Policies, but also may be violations of applicable law.

##### B. Reporting of Material, Non-Public Information

Any associated person who possesses or believes that she/he may possess material, non-public information about any issuer of securities must report the matter immediately to the CCO. The CCO will review the matter and provide further instructions regarding appropriate handling of the information to the reporting individual.

##### C. Definitions

**Material Information.** “Material information” generally includes:

- any information that a reasonable investor would likely consider important in making his or her investment decision; or

- any information that is reasonably certain to have a substantial effect on the price of a company's securities.

Examples of material information include the following: dividend changes, earnings estimates, changes in previously released earnings estimates, significant merger or acquisition proposals or agreements, major litigation, liquidation problems and extraordinary management developments.

**Non-Public Information.** Information is “non-public” until it has been effectively communicated to the market and the market has had time to “absorb” the information. For example, information found in a report filed with the Securities and Exchange Commission, or appearing in Dow Jones, Reuters Economic Services, The Wall Street Journal or other publications of general circulation would be considered public.

**Insider Trading.** While the law concerning “insider trading” is not static, it generally prohibits: (1) trading by an insider while in possession of material, non-public information; (2) trading by non-insiders while in possession of material, non-public information, where the information was either disclosed to the non-insider in violation of an insider's duty to keep it confidential or was misappropriated; and (3) communicating material, non-public information to others.

**Insiders.** The concept of “insider” is broad, and includes all employees of a company. In addition, any person may be a temporary insider if she/he enters into a special, confidential relationship with a company in the conduct of a company's affairs and as a result has access to information solely for the company's purposes. Any person associated with the Adviser may become a temporary insider for a company it advises or for which it performs other services. Temporary insiders may also include the following: a company's attorneys, accountants, consultants, bank lending officers and the employees of such organizations.

#### D. Penalties for Insider Trading

The legal consequences for trading on or communicating material, non-public information are severe, both for individuals involved in such unlawful conduct and their employers. A person can be subject to some or all of the penalties below even if he/she does not personally benefit from the violation. Penalties may include:

- civil injunctions
- jail sentences
- revocation of applicable securities-related registrations and licenses
- fines for the person who committed the violation of up to three times the profit gained or loss avoided, whether or not the person actually benefited; and
- fines for the employee or other controlling person of up to the greater of \$1,000,000 or three times the amount of the profit gained or loss avoided.

In addition, the Company's management will impose serious sanctions on any person who violates the Insider Trading Policies. These sanctions may include suspension or dismissal of the person or persons involved.

## V. Personal Trading Policies

### A. General Information

The following policies and procedures apply to all accounts owned or controlled by an associated person, those accounts owned or controlled by members of the associated person's immediate family, including any relative by blood, marriage or domestic partnership living in the same household, and any account in which the associated person has any beneficial interest, such as a trust. These accounts are collectively referred to as "covered accounts". In the event that an associated person has a 'casual roommate', as opposed to a fiancé or other domestic partner, the accounts of the roommate may be exempt from the Code provisions, subject to the CCO's determination. Any account in question should be addressed with the CCO immediately to determine if it is a covered account.

### B. Pre-Approval

Given the fact that South Atlantic Capital has one access person, no pre-approval is required for personal trading. As stated previously, the overriding consideration in all activities of the Company and its associated persons is the best interests of its clients. Therefore, all personal trading activity will be conducted in a manner that seeks to avoid any conflict of interest.

### C. Black-out periods

Trades in any reportable security, including options on such underlying securities, within 3 calendar days before or 3 calendar days after any client account trades or considers trading the same security are prohibited.

**Note:** The following are exemptions from the Black-out Period:

***De Minimis Exemption.*** A trade involving 1,000 or fewer shares of an issuer that has at least \$1 billion in market capitalization is not subject to the Black-out Period.

***Same Day Trade Exemption.*** If an associated person desires to make a trade in the same security on the same day through the same broker as client accounts, the associated person's trade may be made as part of an aggregated block trade with client accounts through the broker. These broker-specific blocks will be placed by the trader in a particular sequence that rotates on a per trade basis to ensure that, over time, no group of clients is disadvantaged by the timing of the executions. If the entire block order is not filled, then the trader will allocate the fills on a pro rata basis with covered person accounts receiving **no shares or units** (any excluded trades for associated persons will then be subject to the three calendar day black-out period, unless they meet another exemption). When such trades are completed, the prices for each broker-specific block of trades will be separately averaged, and all accounts that traded through a particular broker will receive the same price. Commissions will be charged to each account (including associated person accounts) in accordance with the broker's policy; provided, however, that if the entire block receives a single commission then the commission shall be apportioned pro rata among all participating accounts.

### D. Quarterly reporting requirements

Edward D. Nowell is the only access person for the Company. His personal trading records (statements) will be maintained for a period of not less than five years.

#### E. Initial and Annual reporting requirements

Within 10 days of beginning employment and annually thereafter, each associated person must provide a list of brokerage accounts and securities owned or controlled by the associated person, his or her spouse or minor children, or any other person or entity in which the associated person may have a beneficial interest or derive a direct or indirect benefit (Schedule A). For each security owned, the following information is required: (1) the title and type of security; (2) ticker symbol or cusip #, if applicable; (3) the number of shares and (4) the principal amount of each reportable security listed. As indicated on Schedule A, this information must be current as of a date no more than 45 days prior to the date the report is submitted.

#### F. Prohibited and Restricted Transactions

- Associated persons are **prohibited** from participating in **IPO's** (Initial Public Offerings) and **private placements**.
- Short sales of securities are **prohibited**.
- Purchases and sales of **restricted securities** issued by public companies are generally **prohibited**, unless the contemplated transaction will raise no actual, potential or apparent conflict of interest.
- **Short-term trading** by associated persons in their personal accounts, while not strictly prohibited, is **discouraged**.

#### Case-by-Case Exemptions

Because no written policy can provide for every possible contingency, the CCO may consider additional exemptions from the Prohibitions or Restrictions on Trading on a case-by-case basis. Any such consideration must be recorded in writing. Exceptions will only be granted in those cases in which the CCO determines that the trade will create no actual, potential or apparent conflict of interest.

### **VI. Certification**

Upon South Atlantic Capital's adoption of this Code of Ethics and annually thereafter, all associated persons are required to certify in writing his or her receipt, understanding and continuing acceptance of, as well as agreement to abide by, the guidelines and polices set forth herein. (Schedule B,C) Additionally, any change or modification to the Code of Ethics will be distributed to all associated persons and they will be required to certify in writing their receipt, understanding and acceptance of the change(s).(Schedule D)

#### **South Atlantic Capital will maintain the following records with regard to this Code:**

- Copies of the original Code of Ethics and all revisions to the Code
- Certification from all associated persons regarding their receipt, acknowledgement and acceptance of the Code and subsequent revisions
- A list, kept current at all times, of all associated persons subject to the Code
- Annual representation by each employee regarding his or her holdings in Reportable Securities
- Annual representation by each employee listing his or her covered accounts
- Quarterly reports, submitted by each associated person within 30 days following the end of each calendar quarter, reflecting personal securities transactions during the quarter