Yousif Capital Management, LLC

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This Brochure provides information about the qualifications and business practices of Yousif Capital Management, LLC ("**YCM**"). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer ("**CCO**"), Rosanna Bennett, at rbennett@yousifcapital.com or 248-885-8786. 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.

Yousif Capital Management, LLC is registered as an investment adviser with the United States Securities and Exchange Commission ("**SEC**") under the U.S. Investment Advisers Act of 1940, as amended ("**Advisers Act**"). Registration with the SEC does not imply any level of skill or training.

Additional information about Yousif Capital Management is also available on the SEC's website at https://adviserinfo.sec.gov/.

ITEM 2 – MATERIAL CHANGES

This Item is used to provide Clients with a summary of material changes as defined by the SEC, including additional information we deem to be relevant for our current and prospective Clients. "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services – any information that is critical to a Client's full understanding of who we are, how to find us, and how we do business.

Since YCM's annual filing on March 25, 2025, there have been no material changes to disclose in our Form ADV Part 2A Firm Brochure.

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ITEM 4 – ADVISORY BUSINESS

Yousif Capital Management, LLC ("**YCM**", the "**Firm**" or "**we**") is a limited liability company formed under the laws of the State of Michigan. The Firm is registered as an investment adviser with the SEC pursuant to the Investment Advisers Act of 1940 (the "**Advisers Act**"). YCM was founded in January 2021 by Kevin K. Yousif, CFA, who is the President, and sole owner of YCM. The Firm operates from a single office in Bloomfield Hills, Michigan.

Description of Advisory Services

YCM is an investment advisory Firm that focuses on rule-based and model-driven investment strategies, utilizing a combination of primarily equities, fixed income securities, and Exchange Traded Fund ("**ETF**") products to create proprietary models based on industry benchmarks which are tailored to address a Client's investment objectives and risk tolerance. YCM provides advisory services tailored to meet the specific needs and requirements of each Client. YCM provides investment advisory services to corporations, municipalities, Taft-Hartley Clients, faith-based organizations, ERISA plans, banks, captive insurance companies, and other regional investment advisers, and individuals (through a sub-advisory agreement with another investment adviser), (each referred to as the "**Client**", collectively the "**Clients**"). Such services are provided on a discretionary basis, although YCM accepts Clients' trading instructions from time to time. Clients may place investment restrictions or guidelines on their account(s).

YCM manages Client assets in separately managed accounts (each an "**SMA**" or "**Client Account**"). An SMA is a dedicated account owned by a single Client and governed through an investment management agreement (**"IMA**") between the account owner and YCM. Each Client also completes an investment policy statement ("**IPS**") or similar document outlining Client Account investment objectives, risk tolerance and relevant information that assists YCM with structuring the Client's portfolio.

Sub-Advisory Arrangements

YCM has established relationships with other independent investment advisers or investment program sponsors pursuant to which YCM serves in a sub-advisory capacity and provides investment advisory services to Clients of the other investment adviser or investment program sponsor. When we participate in an arrangement sometimes known as a "managed account program" ("wrap program" or "program"), we make one or more of our proprietary strategies available to Clients of the investment adviser sponsoring the program. The sponsoring investment adviser determines if our strategy is suitable for its Client and submits the account to us for acceptance. If we accept the account, we manage the account with full discretionary trading authority and in accordance with any reasonable investment restrictions requested by the applicable Client of the sponsoring investment adviser. In these cases, we generally do not have an agreement or any direct, contractual relationship with the Client. Instead, we enter into a sub-advisory agreement with the sponsoring investment adviser. The sponsoring investment adviser establishes the fee which the Client pays, and we receive a portion of the fee for our advisory services from the sponsoring investment adviser as agreed upon in the sub-advisory agreement.

If a Client's investment adviser desires us to provide investment management services to the Client and to have a direct, contractual investment management relationship with the Client, we provide sub-advisory services through a tri-party agreement among the Client's investment adviser, the Client and YCM. If the Client is a retail Client, the other investment adviser determines the suitability of the strategy for that retail Client. In these arrangements, the investment adviser selects us to manage a portion of the Client's assets in accordance with a particular model. We will manage the assets in accordance with the Client's investment guidelines, including any restrictions. In those situations, we receive our fee directly from the Client as agreed upon in our agreement with the investment adviser and the Client. We will generally receive our fee through the custodian who directly charges the Client's account.

<u>ERISA Accounts</u>

YCM will act as a 3(21) fiduciary providing investment recommendations to plan sponsors and/or trustees and/or as a 3(38) investment manager, relieving the plan sponsor or trustee of their fiduciary responsibility and assuming the investment management decision making for the plan.

Clients we service are employee benefit plans, Taft-Hartley pension trusts, or individual retirement accounts (IRAs) through a sub-advisory agreement, pursuant to the Employee Retirement Income and Securities Act (ERISA), and regulations under the Internal Revenue Code of 1986 (the Code), respectively. As such, YCM is subject to specific duties and obligations under ERISA and the

Code that include, among other things, restrictions concerning certain forms of compensation. YCM does not receive any commissions or trailing fees such as 12b-1 fees on any securities we manage. YCM monitors investment guidelines, provides specified reporting and complies with other conditions as specified in each Client's IMA.

Assets under Management (Regulatory Assets under Management)

As of December 31, 2025, YCM currently has $ 14,730,956,651 in Regulatory Assets Under Management ("**RAUM**") on a discretionary basis. YCM does not manage regulatory assets on a non-discretionary basis.

ITEM 5 – FEES AND COMPENSATION

Management Fee

As compensation for our investment management services, we charge an advisory fee, which is stated as a percentage of our Client's assets under our management. Our standard advisory fee is generally within the range of .08% and .35%, annually, depending on the specific strategy, Client domicile, and account complexities. YCM reserves the right to waive or reduce fees based on our discretion. Clients could pay a higher advisory fee depending on the specific investment mandate. Strategies and other factors, such as those based on certain index providers, specialized strategies, socially responsible strategies, account size and customized reporting requirements will affect the advisory fee a Client will pay.

The minimum annual fee for YCM investment advisory services is $10,000. YCM's fees, including minimum annual fees, are negotiable. In YCM's sole discretion, we may increase or decrease our management fee and/or waive or adjust minimum annual fees based upon criteria such as the scope of the engagement, client longevity, anticipated future additional assets, dollar amount of assets to-be-managed, related accounts, account composition, reporting requirements, customization of investment process, special meeting requirements or account retention, among other factors. All investment management fees charged by YCM are provided in the Client's investment management agreement or sub-advisory agreement. YCM takes into consideration the investment mandate, total market value of the account, reporting requirements, customization of the investment process, customization of the reporting process, special meeting requirements, and other factors provided above to negotiate fees with each client. YCM may also aggregate related accounts for fee billing purposes.

Fees are generally billed quarterly, in arrears, on the basis of the fair market value of assets in the portfolio, including cash and accruals, unless otherwise described in the investment management agreement, computed as of the last business day of the preceding calendar quarter or the average of each month-end market value held at the end of each calendar quarter. YCM also has certain clients who will be charged in advance pursuant to a tri-party discretionary investment management agreement or sub-advisory agreement with investment program sponsors. Some Clients authorize YCM to debit management fees from the Client's custodial account. Pursuant to the Client's investment management agreement, certain factors will influence the amount of the quarterly fee, including but not limited to, the amount of assets invested and the timing of adding or withdrawing capital. Client Accounts initiated or terminated during a calendar quarter are charged a prorated fee based on the actual number of days in the applicable calendar quarter for which we began to manage the assets in the account or were entitled to receive a fee based on the date we received the termination notice. Fee refunds will be sent, as soon as practicable, to Clients billed in advance should the Client terminate our agreement after the billing period.

Sub-Advisory Arrangements

When we manage an account through a sub-advisory arrangement, we typically receive a portion of the fee charged by the account investment adviser or investment program sponsor, in accordance with the sub-advisory agreement between us and the account investment adviser/investment program sponsor. The fees paid to us through one sub-advisory relationship are not necessarily the same as fees paid to us through other sub-advisory relationships and are based on many factors including the breadth and complexity of the services we provide, the amount of assets and style of the portfolios we manage or advise upon, and the negotiations between us and the account advisers/program sponsors.

Other Costs Involved

Advisory fees payable to us do not include all the fees you will pay when we purchase or sell securities for your Account(s). The following list of fees or expenses is what you may pay directly to third parties, whether a security is being purchased, sold or held in your account(s) under our management. We do not receive, directly or indirectly, any of these fees charged to you. They are paid to the broker, custodian, or other third party on an investment you may hold. Typically, these fees include, but are not limited to:

- Brokerage commissions;
- Transaction fees;
- Exchange fees;
- Advisory fees and administrative fees charged by Exchange Traded Funds (ETFs);
- Custodial Fees;
- Financial transaction taxes collected for trades and other fees on certain foreign ordinary securities or ADR's;
- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Commissions or mark-ups / mark-downs on security transactions; and
- Non-resident alien tax withholding (if applicable).

For a discussion of YCM's practices regarding broker selection, see Item 12 – Brokerage Practices.

In addition, we do not have or employ any "employee" that receives (directly or indirectly) any compensation from the sale of securities or investments that are purchased or sold for your account or to which we provide consulting expertise / services. As a result, we are considered a "fee only" investment adviser.

Termination of the Advisory Relationship

Our standard agreements provide for termination by either YCM or the Client by providing 30 days' written notice to the other party, but we agree to other termination provisions from time to time. Upon termination, YCM will either bill Clients or issue a refund based on the earlier of 30-day notice period or liquidation and transfer of the account.

ERISA Accounts

Fees for ERISA accounts will be based on the investment management agreement signed between the Firm and the Client or plan administrator. In these circumstances, YCM is being engaged only for the purpose of managing a portion of the assets of the Plan and does not interact with nor provides investment advice directly to any participants in the plan.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

YCM does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a Client).

ITEM 7 – TYPES OF CLIENTS

YCM provides investment advisory services to a number of different types of Clients, including but not limited to:

- Trusts, estates and charitable organizations;
- Banking or thrift institutions, including bank collective and common trust funds;
- Other investment advisers;
- Corporations or other business entities;
- Taft-Hartley plans, governmental plans, municipalities;
- Qualified plans subject to ERISA;
- Not-for-profit entities;
- Individuals (through a sub-advisory agreement with another investment adviser);
- Insurance Companies, including Captive Insurance; and
- Institutional Clients of a third-party asset-based investment management program.

YCM generally requires that an account meet minimum annual fee amounts as described in our fee schedules (See Item 5 – Fees and Compensation). However, we can waive this requirement under certain conditions, such as for Clients with multiple accounts where the aggregate fee amount from all accounts exceeds the separate account minimums.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

We obtain equity, credit and economic research information from a number of sources, both public and by purchase, including but not limited to, financial newspapers and magazines, research materials prepared by third parties, corporate rating services, annual reports, prospectuses and filings with the SEC, and company press releases. We believe these sources of information are reliable and we regularly depend on these resources for making our investment decisions. We utilize these sources as well as in-house proprietary credit research to maintain our proprietary active fixed income models.

Equity Strategies

For YCM's domestic and international equity strategies, we use quantitative tools to create model portfolios that produce returns that are generally similar to the returns of a market index, predetermined benchmark or customized benchmark. Quantitative methodologies for our international equity strategies may also include a sampling of foreign stocks that make up the largest portion of the index's value in a similar proportion as the index. When choosing smaller stocks for an equity strategy, our objective is to select a sampling of stocks that will generally match the industry and risk characteristics of all the smaller companies in the relevant index or benchmark without buying all of those stocks. This methodology attempts to maximize liquidity while minimizing costs. Further, these strategies may be modified to permit the creation of portfolios that consider certain investment restrictions imposed based on a Client's specific investment guidelines or social and religious beliefs.

YCM's portfolio management strategies are focused on building Client investment portfolios with results that closely resemble those of a market index, such as the S&P 500® Dividend Aristocrats Index or other publicly available indexes. YCM develops and manages investment models structured to replicate index performance which are then further tailored to meet the investment objectives of YCM's Clients. Client equity portfolios generally invest in U.S. common stocks, American Depository Receipts (or "ADRs"), developed and emerging market foreign stocks, and Exchange Traded Funds ("ETF's").

YCM's foreign ADR strategy focuses on foreign companies that are traded in the U.S. (primarily through ADRs and U.S. listed common stocks). The index universe for this strategy is comprised of foreign-domiciled stocks and ADRs that are components of the MSCI ACWI ex U.S. Stocks that are included in U.S. indices, for example, the S&P 500®, S&P 400, and S&P 600, or are incorporated in the U.S., will be excluded from this universe to prevent duplication if you own S&P® investment-based products. This ensures the strategy targets non-U.S. exposure. The list of eligible securities is reviewed regularly, at least annually, by accessing ADR databases and collaborating with exchanges and depository banks to verify the alignment with the ACWI ex US constituents.

YCM equity trading methodologies aim to minimize transaction costs. Portfolios are generally rebalanced on a quarterly basis along with cash flows. Timely implementation of index changes helps maintain minimal tracking error. To minimize tracking error, YCM will consider equitizing cash using ETFs. Cash positions are generally low.

Fixed Income Strategies

Bond portfolios can include U.S. and foreign government bonds, U.S. and foreign agency bonds, U.S. and foreign corporate bonds, asset-backed securities and/or mortgage-backed securities, when-issued, or to-be-announced (or TBAs). In general, we will invest only in investment-grade bonds unless the Client has specific guidelines that permit non-investment grade debt. Our active model-driven fixed income strategies seek to add value by exploiting economic cycles that create capital market inefficiencies and cyclical valuations that revert to the mean over time. Our team uses a macro world view based on a proprietary, multi-factor model that broadly accounts for economic, valuation, and momentum factors. The results of this model are used to help determine aggregate exposure to credit spreads versus government securities, such as treasuries and agencies, and to identify opportunities among credit sectors, such as corporate bonds and mortgage- and asset-backed securities. The model also helps determine interest rate exposure and positioning on the yield curve. Our team uses the model to help make sector allocation, active duration, and yield curve positioning decisions.

The primary goal of the team's credit research is to maximize total and risk adjusted return. Our fixed income team uses a proprietary, multi-factor credit screening process to identify and own the debt of companies with stable or improving credit fundamentals and to avoid the debt of companies with deteriorating credit fundamentals. Fundamental credit factors include earnings, cash flow, profitability, balance sheet ratios, and Altman Z-scores. Additional factors include valuation, liquidity, ratings pressure, and a forward probability of default, which incorporates equity volatility. The screening process allows our team to cover a wide universe of investable issuers and to quickly focus its efforts on issuers that meet its investment criteria. The screening tool is the first step in the process, which is followed by a more thorough investigation of stability, experience, reputation of the management team, and understanding the company's business model and the sustainability of its cash flows. The team also looks closely at ownership by activist shareholders who may be inclined to encourage actions that favor equity holders over debt holders.

Although the active model-driven strategies will primarily be invested in domestic securities, a portion may be invested in foreign securities, which may be denominated in foreign currencies. The strategies may invest a portion of their total assets in below investment grade debt securities, commonly known as "high-yield" securities or "non-investment grade bonds."

For passive fixed income portfolios, we utilize stratified sampling, a method chosen for its cost-effectiveness, flexibility, and simplicity in replicating an index's risk and return characteristics.

Rather than purchasing every security within an index, we divide the index into sub-sectors based on key risk factors, including:

- **Asset Sector** – Differentiating between government, corporate, and securitized bonds.
- **Duration** – Ensuring alignment with the index's interest rate sensitivity.
- **Maturity** – Reflecting the overall structure of short-, medium-, and long-term holdings.
- **Credit Quality** – Maintaining a comparable distribution of quality based on rating agency classifications
- **Coupon Structure** – Accounting for variations in interest payments across securities which is especially important within the mortgage-backed securities sector.

Our passive fixed-income portfolios are strategically allocated to represent these risk factors, ensuring close tracking of the benchmark while optimizing execution efficiency and cost. By leveraging stratified sampling, we achieve index-like performance with fewer securities, reducing transaction costs and enhancing liquidity management.

Risk of Loss

Investing in securities involves risk of loss, and clients should be prepared to bear the loss of some or all of their invested capital. There can be no assurance that any investment strategy will be successful. Clients are encouraged to carefully consider their investment objectives and risk tolerance and to discuss with us any questions regarding the risks associated with a particular strategy or investment.

YCM provides advisory services on a discretionary and non-discretionary basis pursuant to each client's stated investment objectives, financial circumstances, and risk tolerance. All investment strategies involve varying degrees of risk, and past performance is not indicative of future results.

The material risks associated with our advisory services and investment strategies are described below. The risks discussed are not intended to be a complete enumeration or explanation of all risks involved. Additional risks may exist that are not presently known to us or that we currently deem immaterial, but which could adversely affect a client's portfolio. The degree of risk experienced by a client will vary based on the specific investments selected, overall asset allocation, market conditions, and other factors.

Market Risks

Risk of Loss. Investing in securities involves risk of loss, including loss of principal. The level of risk varies by asset class and product. Clients should be prepared to bear any losses that result from investing in a particular strategy or product. Pas performance of YCM investment strategies is not indicative of how these strategies will perform in the future.

Market Volatility. The profitability of the portfolios substantially depends upon the future price movements of stocks, bonds, options on stocks, and other securities and the movements of interest rates. In recent years, investment markets have been prone to greater volatility, which may adversely affect the ability to realize gains at a given point in time.

Investment Activities. The investment activities involve a significant degree of risk. The performance of any investment index is subject to numerous factors including a wide range of economic, political, competitive, technological and other conditions (including acts of terrorism and war) that may affect investments in general or specific industries or companies.

Material Non-Public Information. If, at any time, principals or employees of YCM acquire confidential or material non-public information or are otherwise restricted from initiating transactions in certain securities, YCM is not free to act upon any such information. Due to these restrictions on material non-public information, YCM may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

Market or Interest Rate Risk. The price of most fixed income securities moves in the opposite direction of the change in interest rates. For example, as interest rates rise, the price of fixed income securities falls. If a Client's portfolio holds a fixed income security to maturity, the change in its price before maturity may have little impact on the security's performance; however, if the security is sold before the maturity date, an increase in interest rates could result in a loss.

Inflation Risk. Inflation risk results from the variation in the value of cash flows from a security due to inflation, as measured in terms of purchasing power. For example, if an investor purchases a 5-year bond in which it can realize a coupon rate of 5%, but the rate of inflation is 6%, then the purchasing power of the cash flow has declined. For all but inflation-linked bonds, adjustable bonds or floating rate bonds, the investor is exposed to inflation risk because the interest rate the issuer promises to make is fixed for the life of the security.

Call, Prepayment and Extension Risk. Some fixed income securities can be called or paid before their maturity date. An unexpected decline in interest rates could cause these securities to be paid off early. This would cause a loss of income in the portfolio and would usually force us to reinvest in lower-yielding securities.

Foreign Market Risk. Investment in foreign securities involves unique risks that are not present in U.S. investments, which can increase the chances that an account will lose money. For example, the value of foreign securities may be affected by fluctuations in currency exchange rate, foreign political instability, and foreign laws relating to foreign investment. Additional risks include trading, settlement, custodial, and other operational risks; withholding or other taxes; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign securities less liquid, more volatile, and harder to value than U.S. securities.

Currency Risk. Currency risk is the risk that your position in a foreign exchange (FX) transaction will be adversely affected by changes in the relative value of the relevant currencies. The value of any one particular currency versus another is, by and large, determined in the same manner as for all commodities – by supply and demand. For any country issuer, the ultimate supply of currency is primarily a function of the creation of money by its or other currency central bank, but in a practical sense the supply of a particular currency may be affected by many factors including international trade settlements, speculative trading activity, merger and acquisition transactions, central bank action, and cross border interest rates. The transactional demand for a currency is similarly affected by corporate and investor activity. The driving force is frequently related to the economic performance of the subject country or issuer, its political stability, stated rates of inflation, sponsored impediments to the movement of capital, and other factors such as anticipated.

Valuation Risk. The sale price a portfolio could receive for a security may differ from the portfolio's valuation of the security and differ from the value used by the portfolio's benchmark index or qualified custodian, particularly for securities that trade in low volume or volatile markets or that are valued using a fair value methodology. Portfolios rely on various sources to calculate their market values. The information is provided by third parties that are believed to be reliable, but the information may not be accurate due to errors by such pricing sources, technological issues, or otherwise.

Regulatory Risks

Strategy Restrictions. Qualified employee benefit plans and certain other institutional investors may be restricted from directly utilizing investment strategies or making certain specific investments. Such institutions should consult their own advisers, counsel, and accountants to determine what restrictions may apply and whether an investment is appropriate.

Trading Limitations. For all securities listed on an exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render certain strategies difficult to complete or continue. Also, such a suspension could render it impossible to liquidate the security.

Firm-Specific Risks

Limited Operating History. YCM has a limited operating history for prospective Clients to evaluate prior to selecting us as an investment adviser.

Key Man Risk. As the sole owner of YCM, Mr. Yousif is critical to YCM's management of Client Accounts and the management of the Firm. However, YCM does not maintain possession of Client assets. Accordingly, any succession plan implemented by YCM or any termination of a Client's agreement with YCM after the departure of Mr. Yousif would not affect the maintenance of Client assets at the relevant custodian in the name of the Client.

Operational Risk. Operational risk is the potential for loss caused by a deficiency in information, communication, transaction processing and settlement and accounting systems. We maintain controls that include systems and procedures to record and reconcile transactions and positions, and to obtain necessary documentation for trading activities.

Cybersecurity Risk.

YCM's information technology systems and those of its service providers may be vulnerable to damage or interruption from computer viruses, malware, ransomware, network failures, computer and telecommunication failures, unauthorized access, security breaches, usage errors by personnel, power outages, and catastrophic events such as fires, tornadoes, floods, hurricanes, and earthquakes.

YCM has adopted policies and procedures designed to address cybersecurity and operational risks, including information security safeguards, business continuity planning, disaster recovery measures, and an incident response plan intended to guide the identification, containment, mitigation, and notification of cybersecurity events. However, there can be no assurance that such measures will be effective in preventing or mitigating all cybersecurity incidents. If YCM's systems, or those of its third-party vendors, are compromised, become inoperable for extended periods, or otherwise fail to function properly, YCM may experience operational disruptions, loss of access to critical systems, or the unauthorized disclosure, misuse, loss, or destruction of confidential information, including personally identifiable information of clients. Such events could result in regulatory scrutiny, legal claims, reputational harm, financial loss, and/or an inability to effectively manage client accounts. Additionally, cybersecurity events affecting issuers in which clients invest, counterparties, custodians, or other service providers may adversely impact client accounts.

Geopolitical/Natural Disaster/Epidemic Risk. Global economies and financial markets are increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely affect issuers in another country or region. Geopolitical and other risks, including war, terrorism, trade disputes, political or economic dysfunction within some nations, public health crises and related geopolitical events, as well as environmental disasters such as earthquakes, fire, and floods, may add to instability in world economies and markets generally. Changes in trade policies and international trade agreements could affect the economies of many countries in unpredictable ways. An epidemic outbreak and reactions to such an outbreak could cause uncertainty in markets and businesses, including YCM's business, and may adversely affect the performance of the global economy, including causing market volatility, market and business uncertainty and closures, supply chain and travel interruptions, the need for employees and vendors to work at external locations, and extensive medical absences. YCM has policies and procedures to address known situations, but because a large epidemic may create significant market and business uncertainties and disruptions, not all events that could affect YCM's business and/or the markets can be determined and addressed in advance.

Security Specific Risks

Debt Securities Risk. The value of a debt investment or other income-producing investment changes in response to various factors, including, for example, market-related factors (such as changes in interest rates, adverse economic or political conditions, tariffs and trade disruptions, inflation, or adverse investor sentiment generally) and changes in the actual or perceived ability of the issuer of a debt investment to meet its obligations. Changes in value may occur sharply and unpredictably. These factors and other market events also may affect the creditworthiness of the issuer of a debt investment and may impair an issuer's ability to timely meet its debt obligations as they come due.

Reinvestment Risk. Reinvestment risk is the risk that when interest rates are declining, the interest income and prepayments on a security of the strategy receives will have to be reinvested at lower interest rates. Generally, interest rate risk and reinvestment risk tend to have offsetting effects, though not necessarily of the same magnitude.

Credit (or Default) Risk. Credit (or Default) risk is the risk that the issuer of a debt security will be unable to make timely payments of interest or principal. Credit risk is measured by nationally recognized statistical rating organizations, such as Standard & Poor's, Moody's Investor Service, and Fitch, Inc.

Non-Investment Grade / High-Yield Bond Risk. Lower quality debt securities can involve a substantially greater risk of default than higher quality debt securities, and their values can decline significantly over short periods of time. Lower quality debt securities tend to be more sensitive to adverse news about the issuer, or the market or economy in general.

Liquidity. Liquidity is the ability to readily convert an investment into cash. Securities where there is a ready market that is traded through an exchange are generally more liquid. Securities traded over the counter or that do not have a ready market or are thinly traded are less liquid and may face material discounts in price level in a liquidation situation.

Mortgage- and Asset-Backed Securities Risk. During periods of falling interest rates, mortgage- and asset-backed securities may be called or prepaid, which may result in a strategy having to reinvest proceeds in other investments at a lower interest rate. During periods of rising interest rates, the average life of the mortgage- and asset-backed securities may extend, which may lock in a below-market interest rate, increase the security's duration, and reduce the value of the security. Enforcing rights against the underlying assets or collateral may be difficult, or the underlying assets or collateral may be insufficient if the issuer defaults.

Responsible Investing Risk. The equity or fixed income team may incorporate specific responsible, environmental, social and governance ("ESG"), impact or sustainability considerations into its investment strategy and/or processes. These considerations will vary depending on the particular investment strategy, the investment process followed by the particular investment team, and the Client restrictions and investment guidelines being followed. A team may include consideration of third-party research as well as consideration of proprietary research across the ESG risks and opportunity regarding an issuer. The team considers those ESG characteristics it deems relevant or additive when making investment decisions. Third-party information and data used by a portfolio manager might be incorrect or only take into account one of many ESG-related components of portfolio companies. Investing on the basis of ESG criteria is qualitative and subjective by nature, and there can be no assurance that the ESG criteria assessed by a team's research process or from third party materials or any judgment exercised by the team will reflect the beliefs or values of any particular investor. The ESG characteristics utilized are anticipated to evolve over time and one or more characteristics may not be relevant with respect to all issuers that are eligible for investment. Depending on the strategy and other factors, ESG characteristics may not be the sole or primary consideration when making investment decisions. A team may invest in a company with poor relative responsible investing considerations that may be linked to long-term rather than short-term returns but there is no guarantee that such results will be achieved.

Real Estate Investment Trusts (REITs). REITs are subject to the risks associated with both real estate investments and equity securities. The market value of REIT shares may fluctuate widely due to changes in economic conditions, interest rates, the availability of credit, and investor sentiment toward the real estate sector. REIT performance depends on the underlying value of the properties and the income generated from those properties, which can be affected by factors such as property location, occupancy rates, tenant credit quality, property management, and supply-and-demand dynamics in local markets. Changes in zoning laws, environmental regulations, tax policy, and other governmental actions can also adversely impact property values and income potential. Because many REITs focus on a particular property type (e.g., commercial, residential, healthcare, industrial) or geographic region, they may be subject to concentration risk. In addition, REITs generally must distribute at least 90% of taxable income to shareholders, which may limit their ability to retain earnings for future growth or to respond to adverse business conditions. Publicly traded REITs are also subject to general market risks, including volatility in share prices and liquidity risk during periods of market stress. Rising interest rates may negatively affect the value of REIT securities by increasing borrowing costs and reducing the relative attractiveness of dividend yields. There is no assurance that any REIT will achieve its investment objectives, maintain dividend payments, or preserve investor capital.

Sampling. A passively managed strategy may use a representative sampling approach, which could result in it holding a smaller number of securities that are in the index. As a result, an adverse development with an issuer or a smaller number of securities held by the strategy could result in a greater decline in performance than would be the case if it held all of the securities of the Index. To the extent the assets are smaller, these risks will be greater.

When-issued, TBA and Delayed-Delivery Securities Risk. The market value of the security issued on a when-issued, TBA or delayed-delivery basis may change before delivery date, which may adversely impact portfolio market value. There is also the risk that a party fails to deliver the security on time or at all.

This list of risks is not exhaustive and is subject to change.

ITEM 9 – DISCIPLINARY INFORMATION

As a registered investment adviser, we are required to disclose all material facts regarding any legal or disciplinary events that would be material to the Client's evaluation of our Firm or the integrity of our management. We have no legal or disciplinary events to disclose.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES OR AFFILIATIONS

YCM is not affiliated with any other financial industry activity or institution.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Pursuant to Rule 204A-1 of the Advisers Act, YCM has adopted a Code of Ethics and Employee Personal Trading Policy ("Code") that establishes various procedures with respect to investment transactions in accounts in which employees (each an employee and collectively the "employees") of YCM or related persons (such as members of their immediate household) have a beneficial interest or accounts over which an employee has investment discretion. The foundation of the Code is based on the underlying principles that:

- Employees must place the interests of our Clients first at all times;
- Employees must make sure that all personal securities transactions are conducted consistent with the Code of Ethics; and
- Employees should not take inappropriate advantage of their position at YCM.

All YCM employees are deemed to be "**Access Persons**" and are required to adhere to a comprehensive Code of Ethics and Employee Personal Trading Policy, which covers the duty of confidentiality as well as personal trading. All employees are required to certify their adherence to the Code. Our Code of Ethics and Employee Personal Trading Policy is distributed to each employee at the time of hire and is re-certified annually thereafter. We also supplement the Code of Ethics with annual training and ongoing monitoring of access persons trading activity.

Participation or Interest in Client Transactions

YCM does not purchase or sell securities for its own account or otherwise expect to participate or have an interest in Client transactions. Portfolio Managers of YCM may buy or sell the same securities for their own personal accounts as they are held in Client Accounts. When trading for themselves, Portfolio Managers are prohibited from trading ahead of Clients on an index rebalance trading day. YCM's Code of Ethics and Employee Personal Trading Policy addresses this issue and other fiduciary provisions that all Employees must comply with.

Summary of Code of Ethics

YCM's Code includes the following other information:

- Procedures to detect and prevent the misuse of material non-public information in securities transactions;
- Policies for both giving and receiving gifts to/from a Client, prospective Client or person or entity that does business with or on behalf of YCM;
- With respect to personal securities transactions, the Code requires all access persons to report (on an ongoing and quarterly basis) all personal securities transactions (what we call "reportable securities" as mandated by the regulation). Employees must direct their brokers to send transactions and holdings through a direct feed to YCM's third-party

personal trading provider or to send duplicate brokerage statements to the CCO. These records are used to monitor compliance with the foregoing policies. Annually, we require all employees to re-certify to the Code. Preclearance of certain reportable securities prior to trading that reportable securities in a personal trading account;

- Blackout Periods during which Portfolio Managers are prohibited from trading in their personal trading account;
- "Grey List" which include names of securities YCM deems higher risk and for which the Firm requires its Employees to obtain preclearance prior to placing a trade in a personal trading account; and
- Prohibitions on acquiring directly or indirectly any security in an "initial public offering" (IPO) or a "limited offering" (sometimes referred to as "private placements") for his or her own personal account without the prior written approval of the Chief Compliance Officer; and, service as a Director on the Board of any publicly-traded company or privately-held company without prior authorization from the Chief Compliance Officer and President.

These policies apply to any personal transactions involving equity securities, including exchange traded funds, debt securities, options, and futures. This policy does not apply to transactions involving government securities, open-end mutual funds, or money market. YCM's Code of Ethics and Employee Personal Trading Policy are available to Clients upon request.

ITEM 12 – BROKERAGE PRACTICES

YCM has discretionary authority to manage Client Accounts, including authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the broker-dealers to be used for a particular transaction (except in the case of directed broker arrangements), and the commissions paid. Our authority is governed by the terms of the investment management agreement with the Client.

Best Execution

As an investment advisory Firm, we have a fiduciary duty to seek best execution for Client transactions. Where we have discretion over the choice of broker-dealer, as a matter of policy and practice, we seek to obtain best execution for Client transactions (i.e., seeking to obtain not necessarily the lowest commission but the best overall qualitative execution in the particular circumstances). We maintain a list of approved broker-dealers with whom we place trades for Client accounts. Our Trade Oversight Committee (TOC) approves additions to the list, monitors and reports on broker-dealer regulatory events periodically and performs an annual review for each broker-dealer on the list to ensure continued satisfaction with the service being provided.

Our portfolio managers and trading personnel are responsible for selecting the brokers through which we execute Client trades and negotiating associated broker commissions or yield spreads, as applicable. Our TOC reviews the commission charges and overall broker distribution of trading applicable to Client accounts in order to assure itself that the costs are competitive and trades are reasonably distributed to various brokers. The lowest possible commission cost or best spread alone, however, does not determine brokerage selection. In selecting broker-dealers for our approved list, determining the specific firm to execute a portfolio transaction, and assessing the quality of execution, we consider a variety of factors, including, but not limited to:

- Best available execution price of the security;
- Ability to execute trades at market on close prices (for passive equity accounts);
- Commission rate;
- Size and difficulty of the order;
- Access to sources of supply or market;
- Financial condition;
- Integrity and reputation;
- Execution and operational capabilities including electronic trading (e.g., FIX);
- Knowledge of the market;
- Good and timely delivery and payment on trades;
- Ability to handle block trades; or
- Quality of brokerage services and research materials.

<u>Research and Soft Dollars</u>

YCM does not obtain third party research using soft dollar arrangements.

Nevertheless, YCM often receives unsolicited proprietary research reports and other informational materials from broker-dealers with whom we trade. We consider these materials routine and ancillary to the relationship and do not include any broker-dealers on our approved list solely based on the materials they provide to us. Further, we believe that these materials are provided at no additional charge and do not impact the commissions we pay.

Notwithstanding the foregoing, the research we receive is a benefit that we would otherwise have to produce ourselves or pay for directly if we did not trade with these broker-dealers. Because of this, we have an incentive to select the broker-dealer based on the availability of that research, rather than based on our Clients' interest in receiving the most favorable execution and may pay commissions (or markups or markdowns) in excess of those that other brokers charge for transactional services alone. In practice, however, given the basic nature of the materials received, YCM would not likely seek to replace any lost materials from termination of any of these brokerage relationships.

As a separate matter, since not all of our Clients invest in the same market segments or use the same type of investment strategy, not all of our Clients benefit equally from our use of certain research materials we receive. Nevertheless, we do not seek to allocate any such benefits proportionately across the accounts we manage.

Any soft dollar benefits that we could receive in the future would be eligible research and brokerage services within the definition of research under Section 28(e) of the Securities Exchange Act of 1934, as amended ("**Exchange Act**"). As such, we would determine in good faith that the amount of any commission paid is reasonable in relation to the value of the research and brokerage services provided, viewed in terms either of a particular transaction or our overall responsibilities with respect to accounts for which we exercise investment discretion. We must also determine that any research and brokerage services we receive provide lawful and appropriate assistance in the performance of our investment decision-making responsibilities.

To the extent we receive certain administrative benefits from the services provided by broker-dealers, and such benefits would not be considered research under Section 28(e) of the Exchange

Act, we make a good faith determination of the portion the administrative benefits represent of the overall services provided and use our own resources to pay for such portion.

Aggregation of Client Orders

We generally aggregate trade orders for multiple Client Accounts, to achieve more efficient execution or to provide for equitable treatment among the accounts. The Clients participating in aggregated trades are allocated securities based on the average price achieved for such trades which for equities, will most likely be the closing market price. Absent special circumstances (such as Client deposits occurring mid-day), all discretionary Client trades in advisory accounts executed on a single day, in the same security, and on the same side of the market, are aggregated. This practice is designed to treat all Clients fairly on average but means that any particular Client's trade may receive a better or worse price than it would have had the trade not been aggregated with other Clients.

Directed Brokerage

Certain YCM Clients select specific custodians which YCM does not have established relationships and require trades to be directed to specific brokers for execution. These directed brokerage arrangements are noted in the Client's investment management agreement. In such circumstances, YCM discloses to Clients that YCM will make a best effort to achieve best execution on behalf of Client. There is no assurance that YCM will achieve a better price. Clients who direct brokerage generally will not be able to participate in aggregated trade orders.

Allocation

Our policy prohibits any allocation of trades in a manner that favors personal trading accounts or any particular Client(s) or group of Clients over other Client Accounts. We adopted a policy for the fair and equitable allocation of transactions that generally analyzes each trade on an investment-by-investment basis, taking into consideration the specifics of each trade and the characteristics of each Client Account. To the extent that multiple Client Accounts participate in a particular transaction, such transaction will generally be allocated pro-rata among such Client Accounts, unless facts specific to the transaction and the trade warrant an alternative allocation methodology. For example, if the allocation on a fixed income trade is such that pro-rata allocation would result in a Client Account receiving less than the minimum lot amount, that Client Account would not receive an allocation.

Cross Trading

As a general matter, all trades executed on behalf of Client accounts at YCM are executed through the markets. Where it might be advantageous to YCM's Clients to engage in "cross trading" between Client accounts, YCM seeks to execute the trade through the market at appropriate transaction costs given the nature of the trade. Therefore, YCM generally does not engage in cross trades that would meet the definition of agency cross transactions.

To the extent that an agency cross trade is warranted or appropriate for eligible Client accounts, prior written approval must be obtained by YCM's President, Chief Investment Officer and Chief Compliance Officer. In addition, the portfolio manager would be required to complete YCM's Cross Trading Form prior to executing any cross trade. YCM does not engage in cross trading for ERISA Clients.

Trade Errors

As a fiduciary, YCM has the responsibility to effect orders correctly, promptly and in the best interest of the Client. In the event an error occurs in the handling of any transactions due to YCM's actions, or inaction, or the actions of others, YCM's policy is to assess each trade error on a case-by-case basis and assure that the Client is made whole.

ITEM 13 – REVIEW OF ACCOUNTS

Client Accounts are reviewed on a continual basis by our Chief Investment Officer as well as the Portfolio Manager(s) in charge of the accounts. The Portfolio Managers and the CCO assures the account's conformity with investment objectives and guidelines. YCM engages in ongoing, regular portfolio management for Client Accounts and, accordingly, reviews performance versus the benchmark, portfolio transactions, positions and cash balances on a daily basis. When reviewing accounts, the Portfolio Manager reviews compliance with Client investment guidelines. In addition, the GIPS Oversight Committee reviews composite performance quarterly so as to identify any Client account performance outliers.

Clients receive account statements directly from their chosen custodian on at least a quarterly basis and all Clients have secure login access to their custodial accounts at all times. YCM distributes Client Account reports to Clients invested in separately managed portfolios at least quarterly. YCM acts as a sub-adviser to certain bank collective funds. Clients invested in the bank collective funds receive regular trust account reports from the custodian/trustee on either a monthly or quarterly basis, with an annual report at year end. YCM provides these Clients, upon their request or the Bank's request, on a monthly or quarterly basis, an account review showing collective fund performance compared to the benchmark over specific time periods. YCM also provides reports to Clients upon request.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

From time to time, YCM may enter into solicitation (or "promoter") agreements pursuant to which YCM compensates promoters (formerly called "solicitors") for Client referrals that result in the provision of investment advisory services by YCM.

YCM has a promoter arrangement with the following company: Modern Portfolio Consultants, LLC. This promoter arrangement was assimilated to YCM through the acquisition of World Asset Management, Inc. from Comerica Bank in 2021.

Under this promoter arrangement, YCM pays the promoter a referral fee ranging from 10% to 40% of the advisory fee depending on the type of account (separately managed or participant in a Comerica Bank collective fund). YCM also reimburses promoter expenses that have been pre-approved for such items, including but not limited to, marketing materials and travel or entertainment expenses.

The payment term for promoter arrangement fees can range from one year to thirty years. Promoter payments are calculated and paid quarterly. Absent specific disclosure to a Client to the contrary, YCM bears the full cost of promoter fees and does not charge a referred Client any amount attributable to the cost of obtaining such referred Client's account in addition to YCM's regular investment advisory fee. The promoter agreement requires that the promoter perform under the arrangement in a manner consistent with YCM's instructions and the provisions of the Investment Advisers Act of 1940 and the rules thereunder. Among other things, the promoter must, at the time of solicitation, (i) provide each prospective Client with YCM's most recent Form ADV Part 2 as well as the promoter's written disclosure document; (ii) disclose fully to any prospective Client the material terms of the promoter's fee arrangement; (iii) provide YCM with a signed acknowledgement form for each prospective Client that the prospective Client was provided the promoter's written disclosure document; and (iv) not provide any investment management services or investment advice on behalf of YCM.

YCM's CCO oversees the promoter arrangement. On a quarterly basis, the promoter completes an attestation confirming whether he/she has solicited any prospective clients on behalf of YCM. If so, the promoter must confirm that the disclosure document and YCM's Form ADV Part 2 were provided to the prospective client. In addition, the promoter must attest to various statutory disqualification questions listed in the questionnaire. On an annual basis, the CCO reviews the promoter's Form ADV Parts 1 and 2.

ITEM 15 – CUSTODY

Pursuant to the Adviser's Act Rule 206(4)-2, Custody of Funds or Securities of Clients by Investment Advisers, YCM is deemed to have custody of Client Account's funds and securities because YCM may debit fees directly from the accounts of such Clients.

The qualified custodian of each Client account sends or makes available, on a monthly or quarterly basis, account statements directly to each Client. We urge Clients to carefully review these account statements from their qualified custodians and compare the information therein with any financial statements or information received or made available to Clients through us or any other outside vendor.

Upon request, we provide Clients with reports that include holdings, market values, gains and losses, transactions, performance or other available information. YCM's statements may differ from the official custodial statements based on accounting procedures, reporting dates, pricing vendors and valuation methodologies of certain securities. While the information contained in our appraisals or other reports is compiled from sources that are believed to be reliable and accurate, we do not guarantee its accuracy. As a result, Clients should rely on their custodian's information provided in their monthly or quarterly statement for any financial, tax, or other reporting they may be required to perform. The Client's custodian statement is the official record of the Client's Account.

While YCM does not recommend one custodian bank over another, YCM will provide a list of custodian banks that it has a relationship with to Clients if asked to do so. YCM receives no benefit from providing Clients with such information.

ITEM 16 – INVESTMENT DISCRETION

As noted in Item 4, YCM's primary business model involves providing discretionary advisory services to its Clients. At the commencement of the relationship and for each new Client Account for an existing relationship, each Client executes an investment management agreement or an amendment in the case of an existing relationship which grants YCM authority to execute trades in the account. We are authorized, in our discretion and without prior consultation with the Client, to: (1) buy, sell, exchange, select on voluntary actions and otherwise trade any stocks, bonds or other securities or assets, and (2) place orders and negotiate commissions (if any) for the execution of all transactions in securities with or through such broker dealer underwriters or issuers. Any limitations to such authority will be communicated by the Client (or the Client's Financial Advisor) to YCM in writing. Clients may specify investment restrictions. This is generally documented in the Client's investment management agreement. If we are selected as a sub-advisor, we will have discretionary trading authority over such Client's account pursuant to a sub-advisory agreement or tri-party agreement. From time to time, a Client may request a temporary hold on an account or certain securities in the account. This request is communicated to YCM in writing. During this time, YCM continues to have investment discretion as the assets and the account continues to be under the supervision and control of the Firm.

YCM does not execute trades on margin or in options without further written Client approval.

ITEM 17 – VOTING CLIENT SECURITIES

YCM has adopted policies and procedures reasonably designed to ensure that proxies are voted in its Clients' best interests and in accordance with its fiduciary duties and SEC rules. Proxy voting decisions are made according to guidelines that we believe protect the economic interests of our

Clients while considering both short and long-term implications. YCM's Proxy Voting Committee has overall responsibility for monitoring YCM's proxy voting process.

We have engaged Glass Lewis ("**GL**"), an independent proxy voting advisory firm that specializes in the provision of proxy research, vote recommendations and related governance research services, to assist with the analysis, voting and record keeping of proxy ballots in accordance with general guidelines approved by YCM. GL provides independent assessment and recommendations with regard to proxy ballot items for securities held in Clients' accounts. Clients may select special voting policies that align with their investment objectives or religious beliefs. YCM will generally vote proxies consistent with GL recommendations without independent review unless otherwise directed by a Client or referred by GL. YCM may have a conflict of interest related to voting certain securities of publicly held companies to which the Firm provides investment advisory services. Because proxies are voted pursuant to standing GL voting policies, most votes are made based on overall voting parameters rather than their application to any particular company, thereby reducing or eliminating the effect of any potential conflict of interest.

Because YCM is required to file SEC Form 13-F, we are also required to file, Form N-PX, a regulatory report that discloses how we voted on behalf of our Clients for ballot items related to say-on-pay proposals. GL helps to assimilate this voting data such that YCM can file Form N-PX in an accurate and timely manner.

GL maintains a Code of Ethics and written policies and procedures to identify potential conflicts of interest and prevent any potential conflicts from becoming actual conflicts. Annually, YCM's Proxy Voting Committee meets to review YCM's Proxy Voting Policy as well as perform due diligence on GL. In the event that GL does not provide a recommendation because of a conflict of interest, the Proxy Voting Committee Chairperson will consult with the President or other YCM senior manager for a recommendation as needed.

Clients may obtain a copy of our Proxy Voting Policy and information about how we voted proxies related to their securities, free of charge, by contacting our Chief Compliance Officer ("**CCO**"), Rosanna Bennett, at rbennett@yousifcapital.com or 248-885-8786.

ITEM 18 – FINANCIAL INFORMATION

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition. YCM does not have a financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients and has not been the subject of a bankruptcy proceeding.