

PALISADE CAPITAL MANAGEMENT, L.L.C. (“Palisade” or the “Firm”)

Business Continuity Plan (“BCP”)

Updated January 2017

I. Emergency Contact Persons

Palisade’s primary emergency contact persons are:

Jeffrey D. Serkes, Chief Operating Officer
jserkes@palcap.com
Phone: 201-585-5446
Cell: 203-912-4080

Dennison T. Veru, Executive Vice President and Co-Chief Investment Officer
dveru@palcap.com
Phone: 201-585-5445
Cell: 917-335-4533
Car: 917-318-5252

II. Firm Policy

Palisade’s policy is to respond to a Significant Business Disruption (“SBD”) by safeguarding Supervised Persons’ lives and Firm property, making a financial and operational assessment, quickly recovering and resuming operations, protecting all of the Firm’s books and records, and communicating with our customers and allowing them to transact business. In the event that Palisade determines that we are unable to continue our business, we will assure customers prompt access to their funds and securities. Although our Firm does not maintain physical custody of customer assets, we will help to provide access to custodial brokers.

A. Significant Business Disruptions

Palisade’s BCP anticipates two kinds of SBDs: internal and external. Internal SBDs only affect Palisade’s ability to communicate and do business, such as a fire or power outage in our building. External SBDs are more macro in nature and prevent the operation of the securities markets or a number of firms, such as a terrorist attack, a city flood, significant weather event, or other wide-scale, regional disruption. Our response to an external SBD relies more heavily on other organizations and systems, and especially on the capabilities of our executing brokers.

B. Approval and Execution Authority

Bradley R. Goldman, Palisade’s General Counsel and Chief Compliance Officer, is responsible for approving this BCP and for conducting an annual review of these policies and procedures. Jeffrey D. Serkes and Dennison T. Veru each have the authority to execute this BCP.

C. Plan Location and Access

Palisade will maintain copies of its BCP, annual reviews of the BCP, and any changes that have been made to such plan for inspection. The most recent BCP is also published on the Firm's public website www.palisadecapital.com.

III. Business Description

Palisade is an SEC registered investment adviser that services both individual and institutional customers, as well as private funds, and transacts business in public equities, fixed income, convertible securities, private equity, and derivative securities. Palisade does not maintain physical custody of customer funds or securities (though the Firm does maintain legal custody of certain client accounts and private funds under SEC rules). All public securities transactions are sent to executing brokers, which process and settle our orders. Qualified custodians also maintain our customers' accounts, can grant access to such accounts, and deliver funds and securities to Palisade's clients.

IV. Office Locations

Palisade maintains two offices - its headquarters in Fort Lee, New Jersey, and an annex office in New York, New York. All Firm Supervised Persons are located in Palisade's New Jersey office, with the exception of a small number of Supervised Persons who work remotely from various locations around the United States. All critical information technology systems utilized by Supervised Persons (regardless of their geographic location) is maintained at Palisade's New Jersey headquarters.

A. Main Office

Palisade's headquarters is located at One Bridge Plaza North, Fort Lee, New Jersey 07024. The primary telephone number at this location is (201) 585-7733. Palisade Supervised Persons may travel to that office by means of car or bus. All order taking, order entry, and settlement for securities trades occur at this Main Office.

B. New York Office

Palisade maintains an office at One Grand Central Place, 60 East 42nd Street, Suite 1500, New York, New York 10165 (primarily for Supervised Persons to conduct meetings and have a workplace between meetings that occur in New York City). The office's telephone number is (201) 585-7733. Palisade Supervised Persons working from this location conduct all trading activity through the Firm's main trading desk located in Fort Lee, New Jersey.

C. Alternative Offices

Palisade has contracted with multiple vendors to provide Firm Supervised Persons with dedicated office facilities in the event of an SBD at our Main Office.¹ Upon the declaration of an SBD, all Firm Supervised Persons have the ability to conduct business from their homes via remote electronic access to Palisade's information technology systems (either through Citrix, VPN or remote desktop software). Palisade has also contracted with Agility Recovery Solutions to provide a mobile office (with computers and telephones) in Nanuet, New York (or other suitable location) within forty-eight (48) hours of the declaration of an SBD (as well as to assist with other disaster-related services).

V. Evacuation or Sheltering-in-Place

If the Firm's Supervised Persons located at Palisade's Main Office are in danger, the Emergency Contact Persons must determine whether Supervised Persons should evacuate the building or shelter-in-place. The Emergency Contact Person will notify all Supervised Persons who are on site of the situation.

If the Emergency Contact Person calls for an evacuation of the Firm's Main Office, Palisade's Supervised Persons should meet at the Acme Supermarket located at 2160 Lemoine Avenue, Fort Lee, NJ. If this evacuation site is unsafe, then Supervised Persons should go to the River Palm Steakhouse, located at 1416 River Road in Edgewater, New Jersey. If both evacuation sites are unsafe then Supervised Persons should go to a safe location and contact either of the Emergency Contact Persons identified above.

If it is safer to shelter-in-place, then Supervised Persons should move to an area of the building that offers the most protection from the threat and await further instruction.

Supervised Persons working from the Firm's New York office or an Alternative Office will follow the evaluation and/or shelter-in-place procedures established by such facilities from time to time.

VI. Client Access to Funds and Securities

Palisade does not maintain physical custody of Client funds or securities (though the Firm does maintain legal custody of certain client accounts and Private Funds as defined under SEC rules), which are maintained at various custodian brokers. In the event of an internal or external SBD, Palisade Supervised Persons will conduct business (including the purchase and sale of securities) via telephone or web access, as available. Private Wealth Management clients will also be able to contact custodian brokers directly using the following information:

RBC Advisor Services, a division of
RBC Capital Markets, LLC

1-800-933-9946

¹ All Supervised Persons working from locations other than the Main Office have the ability to work remotely from their homes in the event of a SBD.

VII. Data Back-Up and Recovery (Hard Copy and Electronic)

Palisade maintains its primary hard copy and electronic books and records at One Bridge Plaza North, Suite 695, Fort Lee, New Jersey 07024 (both in our headquarters on the 6th Floor and in a secure storage room located on the 3rd floor of this building). Vital hard copy documents are routinely converted into electronic format to ensure redundancy in the event of an SBD. Hard copy documents not required to be maintained at Palisade's headquarters are maintained at GRM, 215 Coles St., Jersey City, New Jersey. Palisade's Chief Compliance Officer is primarily responsible for the maintenance of such books and records.

Palisade backs up its electronic records to a secure offsite data storage facility (CyrusOne) in real time utilizing Double Take software and long-term electronic archiving is also maintained by Evault at a third-party location. Electronic communications are archived by Global Relay, Inc.

In the event of an internal or external SBD that causes the loss of vital hard copy books and records, such records will be recovered by using the redundant electronic copies. In the event of the loss of the Firm's primary electronic records, Palisade will recover such documents from the Firm's applicable offsite data storage site.

VIII. Alternate Communications between the Firm and Clients, Supervised Persons, and Regulators

Palisade communicates with its customers, Supervised Persons, and regulators in the ordinary course by telephone, e-mail, electronic mobile devices (such as smartphones or iPads), fax, U.S. mail, FedEx, and through in-person visits. In the event of an SBD, we will assess which means of communication are still available to us, and use the means (written or oral) closest in speed and form to the means that we have used in the past to communicate with the other party.

IX. Critical Business Constituents, Banks, and Counter-Parties

Palisade has contacted our critical business constituents (businesses with which we have an ongoing commercial relationship in support of our operating activities, such as vendors providing us critical services, trading counterparties, banks, and IT vendors), and determined the extent to which we can continue our business relationship with them in light of the occurrence of an internal or external SBD. We will quickly establish alternative arrangements if a business constituent can no longer provide Palisade with needed goods or services due to an SBD.

X. Regulatory Reporting

Palisade is subject to regulation by the SEC and numerous other regulatory bodies. Reports are filed with regulators in the ordinary course via e-mail and the internet. In the event of an SBD

that disrupts email or internet access, we will contact the applicable regulators to determine an alternative means of communication.

XI. Disclosure of Business Continuity Plan

Palisade discloses to Clients a summary of our BCP at account opening and annually thereafter. The Firm has also included its BCP on the Palisade website (www.palisadecapital.com) and will send it to customers upon request.

XII. Updates and Annual Review

Palisade will review and make any necessary updates to this BCP whenever we have a material change to our operations, structure, business, personnel or location, and will review this BCP at least annually.

XIII. Testing and Evaluation

Palisade will test the BCP to evaluate its effectiveness at least annually. The Vice President of Administration, who oversees BCP testing, will ensure that the Firm documents:

- When each test is conducted;
- What tests are performed;
- Who is involved in the testing;
- The results of the testing;
- Any corrective action to resolve issues identified during testing;
- The individuals who are responsible for implementing any corrective action; and
- The anticipated completion date for any corrective action.

XIV. Senior Manager Approval

I have approved this Business Continuity Plan as reasonably designed to enable our Firm to meet its obligations to Clients in the event of an SBD.

Signed: /s/ Jeffrey D. Serkes
Jeffrey D. Serkes
Chief Operating Officer