



## Customer Relationship Summary – March 2023

Chartwell Investment Partners, LLC (“Chartwell,” “we,” or “us”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as an Investment Adviser. Brokerage and investment advisory services and fees differ. It is important for a retail investor to understand the differences. There are free and simple tools available for investors to research firms and financial professionals at [Investor.gov/CRS](https://Investor.gov/CRS). This site also provides educational materials about broker-dealers, investment advisers, and investing.

### WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

Chartwell primarily provides investment management services to Retail Investors through separately managed accounts, modeled portfolios, and wrap fee programs. Investment management services are limited to investments in U.S. equities, bonds, exchange-traded funds (“ETFs”) and mutual funds, including the affiliated Carillon Chartwell Funds<sup>1</sup>. Our principal services include: managing client portfolios pursuant to one or more proprietary investment strategies based on your investment objectives; ongoing monitoring of your investment portfolio(s); and, an annual review of your financial circumstances and investment goals. Chartwell can manage your investments on a discretionary basis or a limited discretionary basis. When you grant us discretionary authority, we are permitted to buy and sell investments in your account(s) without seeking your approval. You may limit our discretion by imposing reasonable restrictions on our trading authority. When advising on a non-discretionary basis, *we must obtain your approval prior to transacting in your account; you make the ultimate decision*. Discretionary authority will be documented in an *Agreement* signed by you and Chartwell. Chartwell has a minimum account size requirement of \$250,000 for our individually managed account program (“IMAP”). Minimum balances for accounts participating in a wrap fee program will vary depending on the program sponsor and can be obtained by contacting the sponsor directly.

*For additional information about our advisory services, please refer to our firm’s Form [ADV Part 2A Brochure, Items 4 and 7](https://www.chartwellip.com/Form ADV2A); found at <https://www.chartwellip.com/Form ADV2A>.*

### QUESTIONS YOU SHOULD ASK YOUR FINANCIAL PROFESSIONAL:

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

### WHAT FEES WILL I PAY?

**Description of Principal Fees and Costs.** Chartwell typically charges its retail investors fees based on the value of their account(s) or a fixed fee. Fees are determined based on the nature of the services being provided, the size of the account, and the complexity of each client’s circumstances; and will be specified in an agreement between you and Chartwell. If you participate in a wrap-fee program, you will pay a specified fee (not based directly upon transactions). Wrap fees will vary by program sponsor. Fees are generally billed quarterly, following the applicable quarter period. When you are charged an asset-based fee, the more assets there are in your account, the more you will pay in fees. This creates an incentive for us to encourage you to increase the assets in your account and for us to favor higher fee-paying accounts over others when it comes to allocation of investment opportunities. **Description of Other Fees and Costs.** Advisory accounts are also subject to other fees such as custodian fees, mutual fund fees, margin account fees, transaction fees, ticket charges, transfer taxes, wire transfer and electronic fund fees. All fees paid to Chartwell are separate and distinct from the fees and expenses that may be charged by your custodians, banks and brokers.

<sup>1</sup> Affiliate Investment Companies, registered under the Investment Company Act of 1940, to which we provide advisory and sub-advisory services.

## Form CRS Relationship Summary

**Additional Information.** You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. ***The fees for investment advisory services are described in further detail in our firm's ADV, in particular, Part 2A Brochure, Items 5 and 6.***

### QUESTIONS YOU SHOULD ASK YOUR FINANCIAL PROFESSIONAL:

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

### WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN ACTING AS MY INVESTMENT ADVISER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

***When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice that we provide you. Here are some examples to help you understand what this means:***

**Mutual Fund Advisory Fees.** Chartwell provides sub-advisory services to, the Carillon Chartwell Funds. We are compensated based on the amount of client assets invested in those Funds. This creates an incentive for us to invest your account assets into the funds that we advise.

**Third-Party Payments.** Certain Carillon Chartwell Funds have entered into Securities Lending arrangements in which they earn finance charges and may share those finance charges with Chartwell. This creates an incentive for us to invest your assets into the funds that participate in securities lending over those that do not. In addition, consistent with obtaining best execution for clients, Chartwell may direct brokerage transactions for clients' portfolios to brokers who provide research and execution services to Chartwell including our affiliate Raymond James Associates. Fees charged by these Brokers are typically higher than those charged by Brokers who do not provide research services. Not all research is used to service every customer account. As a result, you may pay more for services that are not used to directly benefit your account. This creates an incentive for us to select brokers based on our interest in receiving such research services. ***For more detailed information regarding conflicts of interest, please see our Form ADV, Part 2A brochure.***

### QUESTIONS YOU SHOULD ASK YOUR FINANCIAL PROFESSIONAL:

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

### HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Our Financial Professionals' compensation consists of base salary and bonus payments based on a percentage of new client assets and retained client assets under investment management. This provides an incentive for us to recommend that you invest your assets in one or more of the Carillon Chartwell Funds or proprietary investment strategies.

### DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

No. Chartwell does not have any legal or disciplinary history. Please see [Investor.gov/CRS](http://Investor.gov/CRS) for a free search tool to research Chartwell and our financial professionals.

### QUESTIONS YOU SHOULD ASK YOUR FINANCIAL PROFESSIONAL:

- ***As a financial professional, do you have any disciplinary history? If so, for what type of conduct?***

### ADDITIONAL INFORMATION.

You may find additional information about our firm on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Please call us at 610.296.1400 to request a copy of our current relationship summary.

### QUESTIONS YOU SHOULD ASK YOUR FINANCIAL PROFESSIONAL:

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



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Amended March 31, 2023  
Form ADV Part 2A – Brochure

Item 1 – Cover Page

This brochure provides information about the qualifications and business practices of Chartwell Investment Partners, LLC. (“Chartwell”). If you have any questions about the contents of this brochure, please contact us at 610-296-1400 or [info@chartwellip.com](mailto:info@chartwellip.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Chartwell Investment Partners, LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Chartwell Investment Partners, LLC is an SEC-Registered Investment Adviser. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

## Item 2 – Material Changes

This summary discusses only material changes since the last other-than-annual update of our brochure filed in June 2022.

### **Chartwell’s ADV 2A Brochure Amendments:**

#### Chartwell updated Item 12 – Brokerage Practices

Updates detail the trading arrangement between Chartwell and its affiliate Raymond James Associates (RJA) which Chartwell may, from time to time, effect only for non-ERISA equity and any non-restricted accounts. Chartwell has policies and procedures in place to ensure that any equity trades executed through RJA are reasonable and in accordance with related securities laws.

#### Chartwell updated Item 17 – Voting Client Securities

Proxy voting was centralized at the Raymond James Investment Management, parent company, level pursuant to an updated set of guidelines which specify certain proposals will be referred on a case-by-case basis to our investment team for their analysis and vote recommendation (rather than relying on the ISS recommendation). Further details are provided beginning on page 17 below.

### **Chartwell’s ADV 2B Brochure Supplement Amendments:**

The following supervised persons, Thomas DiBari, Vice President, Portfolio Specialist and Michael Honer, Strategic Accounts Director migrated to Raymond James Investment Management’s respective sales teams in order to augment the existing distribution of investment products across all the CTA/RJIM independent affiliates of Chartwell, ClariVest, Scout/Reams and Eagle Asset Management. Mr. DiBari will continue to focus on Chartwell’s investment strategies.

Chartwell has not made any other material changes to either brochure.

Pursuant to SEC Rules, we will ensure that all clients receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year.

Additional information about Chartwell is available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Chartwell who are registered, or are required to be registered, as investment adviser representatives.

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## *Item 4 – Advisory Business*

Chartwell Investment Partners LLC (“Chartwell”), is an SEC registered investment adviser and wholly-owned subsidiary of Carillon Tower Advisers, Inc. currently doing business as Raymond James Investment Management (“RJIM”). RJIM is the asset management subsidiary of Raymond James Financial, Inc. (NYSE: RJF), a publicly held and leading diversified financial services company based in St. Petersburg, Florida. As of December 31, 2022, Chartwell managed a total of \$10.5 billion in assets on both a discretionary and non-discretionary basis. Under RJIM’s affiliate model, Chartwell continues to focus on achieving the objectives of our new and long-term clients operating under the Chartwell Investment Partners brand. Chartwell’s structural history includes: a limited partnership founded in April 1997; reformation into a Pennsylvania corporation upon acquisition by TriState Capital Holdings, Inc. in March 2014 and modification into a limited liability company made strictly for tax purposes only effective July 2015.

Chartwell’s advisory services consist of selecting investments for institutional, sub-advisory and private clients while considering the client’s needs, including total return objectives, risk tolerance, other assets and obligations of the client, legal investment laws and other investment restrictions applicable to the client. Chartwell offers investment advice concerning a wide range of investment styles but predominantly advises clients regarding investments in U.S. securities. Chartwell will ordinarily apply one of several varied investment strategies to manage a portfolio of equity securities and/or fixed income securities. For individual investors, Chartwell may allocate assets among several varied investment strategies and investment vehicles, including equity and fixed income securities, exchange traded funds and mutual funds, including affiliated funds sub-advised by Chartwell, collective investment trusts or collective fund trusts.

Chartwell also participates in wrap fee programs by providing discretionary and non-discretionary investment management services to the clients of these programs. This is an advisory program under which a specified fee or fees not based directly upon transactions in a client’s account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions. Such clients may select Chartwell from a number of investment managers based on analysis, performed by the relevant program sponsor, of client’s goals and objectives and the compatibility with Chartwell’s investment philosophy. Generally, we manage wrap fee client accounts in the same manner as other client accounts investing pursuant to the same or similar investment strategy.

Clients may impose reasonable restrictions on Chartwell’s management of account assets. To the extent there are differences in client accounts, such differences would relate to the broker- dealer through which Chartwell places orders for execution. See Item 12 below, for a description of Chartwell’s practices in placing orders for execution for firm clients.

While Chartwell primarily offers investment management services, we generally do not enter into securities lending arrangements for our clients. Under typical securities lending arrangements, a manager loans a security held in a client’s portfolio to a broker-dealer in exchange for collateral. The client may earn potentially enhanced returns from these arrangements by collecting finance charges on the loan or by investing the collateral. Such returns are generally shared between the client and the securities lending agent, and the risk associated with the investment of collateral is generally borne by the client. On occasion, if instructed by a client, we may enter into securities lending transactions although Chartwell does not manage the investment of collateral in connection with such arrangements. In these instances, we will have entered

into a Master Securities Loan Agreement with a counterparty and the transaction must meet all the requirements under the agreement.

Some clients have established separate securities lending arrangements with their custodian. If a client has entered into these arrangements, the client and its custodian are responsible for adhering to the requirements of such arrangements, including ensuring that the securities or other assets in the Account are available for any securities lending transactions. For Accounts that we actively manage, we execute transactions based on a number of factors, including market conditions and best execution, and generally do not consider factors relating to a client's securities lending arrangements, such as whether the Client's custodian may need to recall securities on loan to settle the sales transactions.

As part of its fiduciary duty to its clients and as a matter of best business practices, Chartwell has adopted policies and procedures for disaster recovery and for continuing business in the event of an emergency, a disaster or pandemic. These policies are designed for Chartwell to continue providing services to clients in as short a period of time as possible. Chartwell's policies, under separate cover, are, to the extent practicable, designed to address those specific types of disasters that the firm might reasonably face given its business and location.

Chartwell management realizes that the rapidly changing nature of technology demands that a comprehensive security policy be developed and implemented to secure the confidentiality, security, integrity and accessibility of Chartwell's client information systems.

Further, management recognizes that in order to determine the appropriate type and scope of controls to deploy as part of the information security program, Chartwell must assess risks to its client information and systems, identifying reasonably foreseeable internal and external threats that could result in unauthorized disclosure, misuse, alteration, or destruction of client information or client information systems and evaluate the adequacy of policies, procedures, information security systems, and other practices intended to control the risks identified.

To ensure that information security risks are understood, and appropriate security systems are maintained, Chartwell management has adopted an Information Security Policy, under separate cover.

The primary purposes of Chartwell's Information Security Policy are to ensure that Chartwell management:

- Understands the risks and threats to which information systems are exposed
- Evaluates the potential exposures to such risks/threats
- Implements appropriate information security systems and administrative, technical and physical security controls to mitigate such risks, threats and exposures, tests the effectiveness of information security systems and controls, and responds timely to various type of cyber incidents.

## *Item 5 – Fees and Compensation*

For investment supervisory services, Chartwell's fees (see fee schedules described below) are typically based on either the value of assets under management or a fixed fee, depending on factors such as the size and type of account. Chartwell's fees are negotiable. In certain circumstances, Chartwell may charge a performance fee in accordance with the requirements of Section 205 and Rule 205-3 under the Investment

Advisers Act of 1940 as further explained in Item 6 below. Chartwell will aggregate assets from related accounts (e.g., multiple accounts of a single institutional client) for the purposes of calculating the breakpoints used for those accounts and the fees we charge.

| <u>Investment Strategy:</u>            | <u>Fee Schedule:</u> |                    | <u>Investment Strategy:</u>   | <u>Fee Schedule:</u> |       |  |
|--|----------------------|--------------------|---|----------------------|-------|--|
| Dividend Value Equity:                 | Up to \$25 million   | 0.40%              | Investment Grade Fixed and<br>Core Fixed:   | Up to \$20 million   | 0.30% |  |
|  | \$25 - \$50 million  | 0.30%              |   | \$20 - \$40 million  | 0.25% |  |
|  | Additional Assets    | 0.20%              |   | \$40 - \$100 million | 0.20% |  |
|  |                      | Over \$100 million |   | 0.15%                |       |  |
| Small Cap Value:                       | Up to \$20 million   | 0.90%              | Strategic Issue High Yield Fixed:   | All Assets           | 0.60% |  |
|  | Additional Assets    | 0.80%              |   |                      |       |  |
| Mid Cap Value:                         | Up to \$50 million   | 0.60%              | Short Duration High Grade<br>Fixed:   | All Assets           | 0.15% |  |
|  | Additional Assets    | 0.50%              |   |                      |       |  |
| Small/Mid Cap Value                    | Up to \$20 million   | 0.80%              | Short Duration High Grade<br>Corporate Fixed:   | All Assets           | 0.20% |  |
|  | Additional Assets    | 0.70%              |   |                      |       |  |
| Small Cap Growth/<br>Over \$20 million | Up to \$20 million   | 1.00%              | Covered Call  | All Assets           | 0.50% |  |
|  | Over \$20 million    | 0.80%              |   |                      |       |  |
| Mid Cap Growth:                        | Upt to \$20 million  | 0.80%              | <b><u>Collective Investment Trust**:</u></b>  |                      |       |  |
|  | Over \$20 million    | 0.70%              | Small Cap Value:  | 0.89%                |       |  |
| Large Cap Growth                       | Up to \$10 million   | 0.70%              | Small Mid Cap Value:  | 0.78%                |       |  |
|  | \$10 - \$40 million  | 0.60%              | Mid Cap Value:  | 0.74%                |       |  |
|  | \$40 - \$70 million  | 0.50%              | Short Duration High Yield   | 0.49%                |       |  |
|  | \$70 - \$100 million | 0.40%              | **Collective Investment Trust ("CITs") vehicle<br>sponsored by Comerica Bank & Trust, N.A.<br>and sub-advised by Chartwell Investment<br>Partners. Fees shown represent marketed or<br>highest fees which are negotiable based on |                      |       |  |
|  | Over \$100 million   | 0.25%              |   |                      |       |  |
| Core Plus Fixed:                       | Up to \$20 million   | 0.40%              |   |                      |       |  |
|  | \$20 - \$50 million  | 0.30%              |   |                      |       |  |
|  | Additional Assets    | 0.25%              |   |                      |       |  |
| High Yield Fixed:                      | First \$20 million   | 0.60%              |   |                      |       |  |
|  | Additional Assets    | 0.50%              |   |                      |       |  |
| High Yield Short BB Fixed:             | First \$20 million   | 0.50%              |   |                      |       |  |
|  | \$20-\$50 Million    | 0.40%              |   |                      |       |  |
|  | Additional Assets    | 0.30%              |   |                      |       |  |

The fee for certain retail and high net worth clients with individually managed accounts with an initial investment of no less than \$250,000 is generally 0.90% of the value of the assets under management. Any assets over \$1 million will be billed at the fee of 0.75%. For individual bond holdings the fee is 5/8 or 0.625% of the total fee and for bond mutual funds, including exchange traded funds, the fee is 3/8 or 0.375% of the total fee. The fee for these accounts is negotiable and is billed quarterly in arrears. Chartwell employees' separately managed accounts that are managed in the same strategy alongside these high-net-worth clients will pay a lower fee.

Fees for WRAP portfolios are different than those shown in the fee table above and will vary per platform. The relevant program sponsors will pay fees to Chartwell based on the asset value of each client account.



The specific manner in which fees are charged by Chartwell is established in a client's written agreement with Chartwell. We will generally bill fees on a quarterly basis in arrears (i.e., following the applicable quarter period). Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee. Clients will receive quarterly invoices from Chartwell for such fees.

Chartwell may have a potential conflict of interest by investing client account assets into open-end mutual funds that we sub-advise for our affiliate, The Carillon Family of Funds ("Affiliated Funds"). Chartwell and its employees receive an economic benefit for any investment of client assets in an Affiliated Fund since Chartwell receives sub-advisory fees based on the growth of Affiliated Fund assets. However, no separate management fee is charged for any portion of the client's account invested in one or more of the Affiliated Funds. Additional information about the fees charged to the Carillon Funds is available in the Prospectuses, which are publicly available at Carillon's website ([www.carillontower.com](http://www.carillontower.com)), on the EDGAR Database on the SEC's website ([www.sec.gov](http://www.sec.gov)) or by contacting the Carillon Funds' principal underwriter, Carillon Fund Distributors, Inc., at 1-800-237-3101.

In addition, Chartwell has an agreement to manage a fixed income investment portfolio for its affiliate, TriState Capital Bank, and receives a reasonable and fair investment management fee for its services.

Chartwell's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Chartwell's fee, and we do not receive any portion of these commissions, fees, and costs, except with respect to the management fee associated with investments in Affiliated Funds, as noted above.

Item 12 further describes the factors that Chartwell considers in selecting or recommending broker- dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

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

Chartwell has Supervised Persons who may manage accounts that are charged a performance-based fee and accounts that are charged another type of fee such as an asset-based fee. Chartwell recognizes that such fee arrangements create an incentive to favor higher fee-paying accounts over other accounts in the allocation of investment opportunities and that such fee arrangements may create an incentive to favor accounts for which the related persons may have personal capital investments. In order to address these potential conflicts, Chartwell has developed policies and procedures for allocating investments to clients in a fair and equitable manner. Chartwell has designed and implemented procedures to help ensure that all clients are treated fairly and equally overtime, and to prevent this conflict from influencing the allocation of investment opportunities among clients. When consistent with the best interests of Chartwell's clients, orders being placed at the same time for the accounts of two or more clients may be "batched" or placed as an aggregated order for execution. This practice may enable Chartwell to seek more favorable executions and net prices for the combined order. Any orders placed for all accounts managed by Chartwell, including accounts of Chartwell or Affiliated Funds, may be aggregated or "batched" for execution subject to Chartwell's order

aggregation and allocation policy and procedures. All portfolios included in an aggregated trade are allocated the same average price per share thereby eliminating the possibility of one portfolio being favored over another. See Item 12, page 13 below for further details of these procedures.

On a monthly basis, Chartwell's Vice President of Finance and Operations, who is also a member of the Compliance team, oversees the institutional portfolio performance calculation process handled in Chartwell's Operations Department, and completes a spreadsheet of monthly portfolio returns for each institutional client in all investment styles. This spreadsheet is provided to the CEO, CFO, COO, CCO, Director of Client Services and various investment personnel for their review. If anyone on the distribution list identifies performance dispersion between client accounts, Chartwell investigates the cause for the dispersion by reviewing the underlying transactional detail, holdings & security weightings by portfolio. This monthly process helps ensure that all institutional portfolios that are managed under the same investment product are treated fairly and equitably over time and traded in accordance with firm policy.

Certain retail accounts are reviewed by a member of the Trading Department and the COO according to their investment objective to ensure that the accounts' holdings correspond with the guidelines of that objective. Once any outliers are identified, the Trader, COO and a Portfolio Manager meet to review these portfolios and determine specific security transactions to bring these accounts back to the guidelines. The Trader has the responsibility to execute these transactions.

Accounts can, over a period of time, deviate from the guidelines for a number of reasons: cash flows into, or out of the account; a change in investment objectives, which may take time to achieve; restrictions placed on the account by the client or a new account transitioning to our investment universe.

### *Item 7—Types of Clients*

Chartwell provides investment supervisory services on a continuous basis to a variety of individual, institutional, investment company, private fund and corporate clients. Chartwell is a sub-adviser to investment companies registered under the Investment Company Act of 1940. Each of the existing investment products have pre-determined capacity levels at which we feel the products can be effectively managed to reach maximum performance potential. A minimum account size of \$250,000 for high-net-worth individuals and \$5 million for institutional, investment company, private fund and corporate clients can be waived at Chartwell's sole discretion.

Chartwell may also participate in model-based Managed Accounts Programs. In such programs, Chartwell shall provide the Program Sponsor non-discretionary investment advice through model portfolios. The model-based Program Sponsor is generally responsible for investment decisions and performing many other services and functions typically handled by Chartwell in a traditional discretionary Managed Account Program. Depending on the particular facts and circumstances, Chartwell may or may not have an advisory relationship with model-based program clients. To the extent that this Form ADV Part 2 is delivered to Program clients with whom Chartwell has no advisory relationship or under circumstances where it is not legally required to be delivered, it is provided for informational purposes only.

Furthermore, because a model-based Program Sponsor generally exercises investment and brokerage discretion, performance and other information relating to Chartwell's services for which it exercises investment and/or brokerage discretion is generally provided for informational purposes only and may not be representative of model-based program client results or experience. Chartwell is not responsible for overseeing the provision of services by a model-based Program Sponsor and cannot assure the quality of its services.

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

Chartwell's methods of security analysis are both fundamental and technical in nature. The main sources of information used may include: financial newspapers and magazines, research materials prepared by others, corporate rating services, inspections of corporate activities, company press releases and annual reports, prospectuses and filings with the SEC, interviews with company executives and broker analysts. The investment strategies we use to implement any investment advice given to clients include: long term purchases (securities held at least a year), short term purchases (securities sold within a year), trading (securities sold within 30 days), short sales, margin transactions, option writing including covered options, uncovered options or spreading strategies. We offer investment advice concerning a wide range of investment styles but predominantly advise clients regarding investments in U.S. securities. These investment strategies involve varying degrees of risk. We select investments for clients while considering the client's needs, including total return objectives, risk tolerance, other assets and obligations of the client, legal investment laws, and other investment restrictions applicable to the client. Investment teams carefully consider many factors in selecting securities for purchase and sale within a strategy that may include but are not limited to: a company's financial and operational strength, valuation history, earnings and future growth potential as well as sustainability.

Investing in securities involves risk of loss that clients should be prepared to bear. The significant risks are:

**Securities Market Risk.** This is the chance that securities prices overall will decline resulting in loss of portfolio value.

**Illiquidity.** This is the risk that we will be unable to sell a security within a reasonable timeframe due to low trade volume and lack of interest. Certain securities selected for investment in a portfolio may be deemed to be illiquid under applicable law. During periods of market turbulence or unusually low trading activity, in order to meet redemptions, it may be necessary for the portfolio to sell such securities at prices that could impact portfolio value.

**Investment Style Risk.** Some of our investment strategies involve investments in securities and other assets believed to be undervalued. The identification of such investment opportunities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While these investments offer the opportunities for above-average capital appreciation, they also involve a high degree of financial risk and can result in substantial losses. Returns generated from these investments may not adequately compensate for the business and financial risks assumed. Poor economic conditions and any future major economic recession can severely disrupt the markets for such investments and significantly impact their value. In addition, any such economic downturn can adversely affect the ability of the issuers of such obligations to repay principal and pay interest thereon and increase the incidence of default for such securities. Additionally, there can be no assurance that holders of these securities will ever come to realize the value of some of these investments or that they will ever increase in price. Furthermore, client accounts we manage using these investment strategies may be forced to hold such investments for a substantial period of time before realizing their anticipated value. During this period, a portion of the account's funds would be committed to the investments made, which may prevent the account from investing in other opportunities we identify.

**Short Sales.** This type of investment program contemplates that a portion of the portfolio may be invested in selling securities short. Although the portfolio manager may sell short a variety of assets, he expects most short trades to be in equity securities and stock index futures. Short selling involves the sale of a security that the portfolio does not own and must borrow in order to make delivery in the hope of purchasing the

same security at a later date at a lower price. In order to make delivery to its purchaser, the portfolio must borrow securities from a third-party lender. The portfolio subsequently returns the borrowed securities to the lender by delivering to the lender the securities it receives in the transaction or by purchasing securities in the open market. The portfolio must generally pledge cash with the lender equal to the market price of the borrowed securities. This deposit may be increased or decreased in accordance with changes in the market price of the borrowed securities. During the period in which the securities are borrowed, the lender typically retains his right to receive interest and dividends accruing to the securities. In exchange, in addition to lending the securities, the lender generally pays the portfolio a fee for the use of the portfolio's cash. This fee is based on prevailing interest rates, the availability of the particular security for borrowing and other market factors.

Theoretically, securities sold short are subject to unlimited risk of loss because there is no limit on the price that a security may appreciate before the short position is closed. In addition, the supply of securities that can be borrowed fluctuates from time to time. A portfolio may be subject to substantial losses if a security lender demands return of the lent securities and an alternative lending source cannot be found.

**Options.** Some of our investment strategies involve investments, from time to time, in options, including buying and writing puts and calls on some of the securities held by the funds in an attempt to supplement income derived from those securities. The prices of many options are highly volatile. The value of options depends primarily upon the price of the securities, indexes, currencies or other instruments underlying them. Price movements of options contracts are also influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. These investment portfolios are also subject to the risk of the failure of any of the exchanges on which their positions trade or of their clearinghouses or counterparties. The cost of options is related, in part, to the degree of volatility of the underlying securities, currencies or other assets. Accordingly, options on highly volatile securities, currencies or other assets may be more expensive than options on other investments.

**Foreign Securities Risks.** Although Chartwell typically does not make significant investments in foreign securities, we reserve the right to invest a small percentage of assets in foreign securities which may include depositary receipts. In the event that client-imposed guidelines do not allow such investments, we will restrict these types of securities from the client's portfolio in our portfolio trading system. Investment in foreign securities, particularly those traded on U.S. markets, can subject a portfolio to country and currency risk:

**Country Risk.** This is the chance that world events such as political upheaval, financial troubles or natural disasters will adversely affect the value of securities issued by companies in foreign countries.

**Currency Risk.** This is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates. Risk is measured at both a security and portfolio level. Our portfolio management teams monitor the risk of individual securities by stock volatility, quality of earnings and sector volatility. Then at a portfolio level risk is monitored through several attributes including industry weight limits, price to earnings, market capitalization and estimated growth levels relative to indices. Chartwell looks at risk in many ways, but we do not manage our portfolios to specific risk targets.

### *Item 9 – Disciplinary Information*

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Chartwell or the integrity of Chartwell's management. Chartwell has no information applicable to this Item.

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

Chartwell is a wholly owned subsidiary of Carillon Tower Advisers, Inc. doing business as Raymond James Investment Management (“RJIM”) which is a subsidiary of Raymond James Financial, Inc. RJIM, headquartered in St. Petersburg, FL, is an investment advisor registered with the Securities Exchange Commission (“SEC”), and provides advisory services to mutual funds by employing affiliated investment advisers, including Chartwell, to manage the funds pursuant to a sub-advisory agreement. RJIM does not contract directly with retail or institutional clients in providing portfolio management services. RJIM’s strategy is to act as a service provider to its affiliated investment advisers allowing them to utilize its global product distribution, operations, and technology to enhance growth and capabilities. Certain directors and officers of RJIM are also directors of Chartwell. Chartwell has entered into a sub-advisory agreement with RJIM to provide portfolio investment management services to certain of the Carillon funds in exchange for a management fee.

Raymond James Financial, Inc. (NYSE-RJF), a publicly owned company, is a diversified financial services holding company whose subsidiaries engage primarily in securities brokerage, investment banking, asset management and banking services. Chartwell has the following relationships with certain, but not all, of the affiliates which we describe below.

Raymond James & Associates, Inc. (“RJA”), one of three wholly owned broker-dealers of RJF. Is registered with the SEC as broker-dealer and investment adviser and a FINRA member. RJA is a member of the New York, American, Chicago, Philadelphia, and Boston stock exchanges and the Chicago Board Options Exchange. RJA engages in investment banking activities and may work with companies that issue securities in which Chartwell may be trading. Since Chartwell and RJA are affiliates, this may appear to be a conflict of interest. Chartwell mitigates the conflict of interest by prohibiting trading with Raymond James broker-dealers on behalf of all ERISA and all fixed income client portfolios as well as those who prohibit trading with an affiliate. Chartwell has also entered into an agreement with Raymond James & Associates (RJA) whereby Chartwell serves as model manager providing investment advisory services to Raymond James Consulting Services’ separately managed account wrap fee program which may be offered to current and prospective clients, including but not limited to, clients of its affiliates, or independent advisors for which Raymond James or its affiliates provide correspondent broker-dealer or administrative services. Please see Item 12 – Brokerage Practices, Managed Account Best Execution for more details. The potential conflict of interest is also mitigated by RJA’s “Chinese Wall” policies and procedures which prevent information from being disseminated to parties outside the Investment Banking division. In addition to RJA’s Chinese Wall procedures, Chartwell has insider trading policies and procedures which are designed to prevent and detect any misuse of non-public information.

Carillon Fund Distributors, Inc. (“CFD”) is the principal underwriter and distributor of the Carillon family of mutual funds. In addition to selling the Carillon family of mutual funds’ shares to its client, CFD enters into selling agreements with affiliated and unaffiliated broker dealers and other financial intermediaries to distribute and provide other services relative to the purchase of these shares. Certain Chartwell supervised persons are registered, or have an application pending to register, as a registered representative of CFD.

Lastly, Chartwell manages pooled investment vehicles (“Incubators”) that are run by various Chartwell portfolio managers and are limited partnerships set up by Chartwell management for the purpose of incubating a new investment product, i.e. creating a track record of investing in a particular style that will ultimately be sold to clients. The Incubators are generally funded by officers of the firm, no management fee is collected by Chartwell for its investment services nor are they marketed to public investors. See Trade Allocation and Aggregation Process in Item 12, page 15 below for information on how trading of these



portfolios is handled alongside other institutional accounts.

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

Personal securities transactions by employees may raise potential conflicts of interest when such person's trade in a security that is owned by, or considered for purchase or sale for, a client. Chartwell has adopted policies and procedures, a Code of Ethics, reasonably designed to detect and prevent such conflicts of interest and to ensure that it effects transactions for clients in a manner that is consistent with its fiduciary duty to its clients and in accordance with applicable law. The Code of Ethics which covers all supervised persons of the firm includes: provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts, political contributions and business entertainment items, outside business activities and personal securities trading procedures including pre-clearance for all personal trading of covered securities and open-end mutual fund shares of funds for which Chartwell acts as adviser/sub- adviser. There are also blackout periods and specific consequences for different types of violations. All supervised persons at Chartwell must acknowledge the terms of the Code of Ethics upon initial hire and annually, or as amended and report their holdings to Compliance.

Chartwell's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting the firm at the address and/or phone number on the cover page of this Brochure.

Officers and employees of Chartwell have invested (and may in the future invest) in companies that offer their equity securities on a nonpublic basis, such as venture capital companies. These companies, in turn, make investments in other companies that issue nonpublic securities ("Portfolio Companies"). From time to time, the Portfolio Companies make public offerings of their securities and allocate a portion of these public offerings to the companies that originally invested in them. Ultimately, the public offerings flow through the investing companies to their shareholders. As investors in the investing companies, Chartwell's officers and employees are presented with opportunities to buy the public offerings issued by the Portfolio Companies and take advantage of these investment opportunities.

Similarly, officers and employees of Chartwell may invest in private companies that may offer their securities publicly and allot portions of their securities offered to the public to existing private-security holders. These opportunities to invest in public offerings (so-called initial public offerings or IPOs) may occur in any of the foregoing circumstances or others, such as the case when Chartwell makes a proprietary investment in one or more private entities (such as limited partnerships) that make investments in IPOs, directly or as a result of being an investor at the private stage of the IPO issuer.

In cases where these investments in IPOs are presented to the officers and employees of Chartwell, they are permitted to purchase the offerings with the pre-approval of Chartwell's CCO. Chartwell does not consider these investment opportunities to be investment opportunities available to its clients because declining the proportionate number of public offerings by the officers and employees does not affect the number of public offerings that can be made available to Chartwell's clients.

Chartwell does not generally recommend investments in the Affiliated Funds for clients' accounts. In the event that Chartwell would recommend such an investment, a conflict of interest would exist as Chartwell is entitled to receive advisory fees from its clients as well as the fees earned through the management of the Affiliated Funds.

In some cases, individually managed accounts may hold shares of Affiliated Funds. This is an option for clients who may not want to own individual securities or in the case of smaller accounts where the client wants to

benefit from owning the securities in an Affiliated Fund. In these cases, as stated in Item 5 above, the client does not pay a separate management fee to the advisor over and above the fee earned through the management of the Affiliated Funds.

## *Item 12– Brokerage Practices*

### **Broker Selection**

Clients' investment advisory agreements authorize Chartwell to determine, consistent with the clients' investment objectives, which securities and the total amount of securities which are to be bought or sold for clients' accounts. Our primary objective in placing orders for the purchase or sale of securities for a client's account is to obtain the most favorable net results under the circumstances, taking into account such factors as price, commission, size of order, difficulty of execution and skill required of the broker. Therefore, we select brokers on the basis of best price (including commissions) and execution capability. We do not consider whether we or a related person receives client referrals from a broker-dealer or third party. As Chartwell and Raymond James broker-dealers are affiliates, to mitigate a potential conflict of interest, Chartwell has restricted trading with any affiliate broker-dealer on behalf of all ERISA and all fixed income client portfolios as well as any other portfolios that prohibit such activity. This is achieved in two ways: 1) a hard coded restriction placed in our order management system and 2) by RJA's "Chinese Wall" policies and procedures which prevent information from being disseminated to parties outside the Investment Banking division. In addition to RJA's Chinese Wall procedures, Chartwell has insider trading policies and procedures that are designed to prevent and detect any misuse of non-public information. In addition, this practice will be executed on an agency basis only and in accordance with all '40 Act affiliate trading laws. Retail ("wrap") clients select which brokerage firms should effect their transactions. The client designates the registered representative and brokerage firm in the investment management agreement. Registered representatives of brokerage firms, both affiliated and non-affiliated with Chartwell, solicit persons to become Chartwell clients.

In selecting a broker to execute a transaction for a client, Chartwell may consider a variety of factors, including the following: the broker has the contra side of Chartwell's order; the broker's capital depth; the broker's market access; the broker's transaction confirmation and account statement practices; Chartwell's knowledge of negotiated commission rates and spreads currently available; the nature of the security or instrument being traded; the size and type of the transaction; the desired timing of the transaction; the execution, clearance and settlement capabilities of the broker selected and others considered; the reputation and perceived soundness of the broker selected and others considered; Chartwell's knowledge of any actual or apparent operational problems of a broker; and the reasonableness of the commission or its equivalent for the specific transaction. While Chartwell generally seeks competitive commission rates and dealer spreads, it will not necessarily pay the lowest commission or commission equivalent.

Transactions may involve specialized services on the part of the broker and thereby justify higher commissions or their equivalent than would be the case with other transactions requiring more routine services. It should be noted that Chartwell may place trades directly through ECNs (electronic trade networks) and ATSS (alternative trading systems) when we believe that the transactions can be executed at lower or equal costs without sacrificing overall quality of execution.

A Brokerage Committee, including certain Chartwell officers and Portfolio Managers, is responsible for approving brokers and dealers for eligibility to place client trades and reviewing trade data. This Committee meets no less frequently than quarterly.

Chartwell selects investments for clients based solely on investment considerations, including whether the investments are suitable for the client and meet the client's investment objectives and guidelines. Chartwell

prohibits cross trading on behalf of any of our clients, proprietary or sub-advisory clients. For clarity, this cross-trading prohibition applies to both agency trades (i.e.-the investment advisor acts as a broker for both the buyer and the seller in the transaction), as well as brokered trades (i.e.-the investment advisor, acting on behalf of two or more accounts under its management, places simultaneous purchase and sale orders for the same security with a single broker-dealer).

### **Managed Account Best Execution**

Chartwell's obligation to obtain best execution (a combination of price and execution charges) is owed to all clients including those participating in wrap fee programs, the fee for which covers transaction charges only when participating client orders are placed through the sponsor of the program. Chartwell will place orders for wrap fee client transactions through broker-dealers other than the sponsor (that typically is a broker-dealer) when it can obtain best execution by doing so. However, it is likely that in most, if not all, cases Chartwell will place orders for wrap fee clients with the sponsoring broker-dealer in recognition that the client's wrap fee does not include transaction charges paid to non-sponsoring broker-dealers when orders are placed through them, and as such, wrap clients would effectively pay transaction charges twice. We consistently monitor best execution for all clients as well as those in wrap relationships and consider many factors in these evaluations including the fact that the client's wrap fee will not be reduced if the trade is executed away from the sponsoring broker-dealer.

Chartwell serves as Portfolio Manager for Raymond James & Associates (RJA) sponsored Model Wrap Programs -Raymond James Consulting Services and Freedom Unified Management Account. In this relationship, Chartwell provides investment advisory services to RJA on a non-discretionary basis, including the model portfolio of securities provided by Chartwell. RJA, who provides discretionary investment advisory services to program clients according to separate client agreements, may recommend one or more strategies of unaffiliated managers or Chartwell, and determines whether Chartwell's discipline and model portfolio is suitable for program clients and consistent with the strategy selected by such program client. Since Chartwell and RJA are affiliates, this may appear to be a conflict of interest. The potential conflict of interest is mitigated by RJA's "Chinese Wall" policies and procedures, which prevent information from being disseminated to parties outside the Investment Banking division. In addition to RJA's Chinese wall procedures, Chartwell has insider trading policies and procedures, which are designed to prevent and detect any misuse of non-public information.

### **Soft Dollars**

Consistent with obtaining best execution for clients, Chartwell may direct brokerage transactions for clients' portfolios to brokers, who provide research and execution services to Chartwell and, indirectly, to Chartwell's clients. Such brokers include our affiliate RJA where not prohibited. These services are of the type described in Section 28(e) of the Securities Exchange Act of 1934 and are designed to augment Chartwell's own internal research and investment strategy capabilities, but Chartwell receives a benefit from these services because it does not have to produce or pay for the research, products, or services itself. Research services obtained through the use of soft dollars may include statistical or quotation services, including online services, as well as research reports and expertise for selected sectors & industries provided by third-party research firms. Chartwell does not attempt to put a specific dollar value on the services rendered or to allocate the relative costs or benefits of those services among clients, believing that the research it receives will help Chartwell to fulfill its overall duty to its clients.

Chartwell uses research services obtained in this manner for the benefit of all of its clients. Chartwell may not use each particular research service, however, to service each client. As a result, a client may pay brokerage commissions that are used, in part, to purchase research services that are not used to benefit that specific client. Brokers selected by Chartwell may be paid commissions for effecting transactions for Chartwell's clients that exceed the amounts other brokers would have charged for effecting these transactions if Chartwell determines in good faith that such amounts are reasonable in relation to the



value of the brokerage and/or research services provided by those brokers, viewed either in terms of a particular transaction or Chartwell's overall duty to its discretionary client accounts. Chartwell may have an incentive to select broker-dealers based on its interest in receiving brokerage and/or research services, rather than on clients' interest in receiving most favorable execution. Certain items obtained with soft dollars might not be used exclusively for either brokerage or research services. The cost of such "mixed-use" products or services will be fairly allocated between soft dollars (paid by clients) and hard dollars (paid by Chartwell), according to the proposed use. For example, the cost of a computer that is used for both research services and administrative purposes will be allocated between hard and soft dollars according to the percentage of time it is used for each purpose. Although such an allocation will not always be a precise calculation, Chartwell will make a good faith effort to reasonably allocate such services.

### **Directed Brokerage**

In some circumstances, particularly with certain retail and high net worth clients, the client will designate a particular broker or dealer through which trades are to be effected or through which transactions may be introduced, typically under such terms as the client negotiates with the particular broker or dealer.

Where a client has directed the use of a particular broker or dealer, Chartwell generally will not be in a position to negotiate commission rates or spreads freely or, depending on the circumstances, to select brokers or dealers based on best execution.

Additionally, transactions for a client that has directed that Chartwell use a particular broker or dealer may not be commingled or "bunched" for execution with orders for the same securities for other managed accounts, except in situations where there are multiple clients using the same broker or to the extent that the executing broker or dealer is willing to "step out" such transactions to the client's designated broker or dealer. Where "step out" arrangements are not possible or to the client's advantage, trades for a client that has directed use of a particular broker or dealer may be placed at the end of bunched trading activity for a particular security. Retail clients who have directed brokerage may approve step out trades for fixed income trades, but equity trades are routed to the directed broker.

The direction by a client to use a particular broker or dealer to execute transactions may result in higher commissions, greater spreads, or less favorable net prices than might be the case if Chartwell were empowered to negotiate commission rates or spreads freely or to select brokers or dealers based on best execution. See "Managed Account Best Execution" section above for description of our brokerage practices regarding wrap fee accounts.

### **Trade Allocation and Aggregation Process**

When consistent with the best interests of Chartwell's clients, orders being placed at the same time for the accounts of two or more clients may be "batched" or placed as an aggregated order for execution. This practice will enable Chartwell to seek the same net prices for the combined order. Any orders placed for all accounts managed by Chartwell, including accounts of Chartwell or Private Funds, may be aggregated or "batched" for execution subject to Chartwell's order aggregation and allocation policy and procedures. All portfolios included in an aggregated trade are allocated the same average price per share thereby eliminating the possibility of one portfolio being favored over another. If trade executions/fills are required over multiple days to satisfy a trade order to achieve a target position weighting, each portfolio is allocated the same market weighting and same price per share from each execution/fill. This policy and these procedures are designed to meet the legal standards applicable to Chartwell under federal and state securities laws and the Employee Retirement Income Security Act of 1974 and its obligations as a fiduciary to each client.

Whenever possible, we execute block trades for all portfolios managed within the same investment product, and in these cases, all portfolios receive the same average price per share and the same asset weighting of

the security being traded. In the case of certain retail clients, the average price per share issued as well for aggregated trades but the individual costs may differ because each client negotiates commissions with the broker independently. Discretionary institutional and mutual fund accounts are traded side- by- side in these block orders. In cases where separate block trades are required (dictated by wrap account trading through sponsoring broker-dealers for example), we will generally execute these separate trades for all accounts simultaneously, or in a reasonably similar time frame, with no rotation. When the amount of assets in a particular investment product could each potentially cause market impact and/or security liquidity issues if traded simultaneously, we employ a simple rotation of block trades between all accounts. A trade rotation is employed to trade across the various SMA and UMA platforms (simultaneously with the discretionary institutional accounts). Trades are executed directly with each sponsor utilizing changing starting points and progressing through the wrap sponsor relationships (both UMA and SMA) alphabetically.

In the rare case that an Affiliated Fund and one or more long only products are trading the same security on the same day, shares are allocated on a pro-rata basis based on market value until our desired weightings for each portfolio are achieved, and all portfolios obtain the same average price. We do not permit an Affiliated Fund to short stocks that are held long in any of our long only products. If an Affiliated Fund holds a short position at the time a long only product buys the stock, we allow that Fund to maintain that short position or close out the short position, but do not permit the Fund to further increase its short position until the long only product no longer holds the security.

### **Model Portfolio Investment Procedures**

As described above, Chartwell participates in model-based Managed Accounts Programs. The recommendations implicit in the model portfolios that Chartwell provides to the Program Sponsor may reflect recommendations being made by Chartwell contemporaneously to, or investment advisory decisions made contemporaneously for, Chartwell's similarly managed discretionary clients. As a result, Chartwell may have already commenced trading before the Program Sponsor has received or had the opportunity to evaluate or act on Chartwell's recommendations. In this circumstance, trades ultimately placed by the Program Sponsor for its clients may be subject to price movements, particularly with large orders or where the securities are thinly traded, that may result in model-based Managed Account Program clients receiving prices that are more or less favorable than the prices obtained by Chartwell for its discretionary client accounts. On the other hand, the Program Sponsor may initiate trading based on Chartwell's recommendations at the same time Chartwell is trading for its discretionary client accounts. Particularly with large orders where the securities are thinly traded, this could result in Chartwell's discretionary clients receiving prices that are more or less favorable than prices that might otherwise have been obtained absent the Program Sponsor's activity. Chartwell generally seeks to minimize the market impact of the recommendations provided to the Program Sponsor on accounts for which Chartwell exercises investment discretion. However, because Chartwell does not control the Program Sponsor's execution of transactions for the Program Sponsor's client accounts, Chartwell cannot control the market impact of such transactions to the same extent that it would for its discretionary client accounts.

## ***Item 13 – Review of Accounts***

Chartwell's Investment Committee comprised of portfolio managers and analysts of the various investment strategies review each account periodically. In addition, all accounts will be assigned to at least one member of the Investment Committee or portfolio management team that will typically review accounts on a daily basis. There will be regular portfolio reviews during which the assessment of each account will be reviewed, and the overall market and portfolio issues discussed.

Institutional clients will receive a written quarterly statement of his portfolio detailing the performance of the account along with discussions of certain positions in each portfolio. To the extent that any account is

audited, the results of that audit will be provided to the client on an annual basis. Retail clients will receive performance results upon request or in cases where the client requests an in-person meeting with the Advisor.

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

Chartwell has retained other third part(ies) to act as a promoter on Chartwell’s behalf, whereby such part(ies) introduces prospective investment advisory clients to Chartwell. These promoters are compensated based upon a percentage of the assets under management by Chartwell (in some cases only with respect to the solicited accounts). These fees are not passed on to Chartwell clients.

Any solicitation or referral arrangement involving a third party will comply with applicable laws that govern the nature of the service, fees to be paid, disclosures to clients and any necessary client consents.

#### ***Item 15 – Custody***

Chartwell does not maintain custody of client assets that it advises (although we may be deemed to have custody of client assets if the client gives us authority to withdraw assets from the client’s account or pursuant to a standing letter of instruction to a qualified custodian to direct client funds to third parties). Client assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. However, it is important to note that clients should also compare the account statements received from their custodian with those received from us. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

#### ***Item 16 – Investment Discretion***

Clients’ investment advisory agreements give Chartwell discretionary authority to determine, consistent with the clients’ investment objectives, which securities and the total amount of securities to be bought or sold for clients’ accounts. The first step in starting a new client relationship is the development of an appropriate investment policy statement and strategy. Once their objectives are defined, restrictions are identified, guidelines are determined, and a contract (investment advisory agreement) is drafted that details all of these pertinent issues. The client will then notify their custodian that we will be managing their account. We set up the new client in our accounting and trading systems and, depending on whether we receive cash or securities, begin the appropriate course of trading.

#### ***Item 17 – Voting Client Securities***

Investment Advisers Act Rule 206(4)-6 requires every SEC-registered adviser exercising proxy voting authority over client securities to:

- Adopt and follow written proxy voting policies and procedures;
- Provide clients with a summary of those policies and procedures;
- Let clients know how to obtain copies of the adviser’s proxy voting policies and procedures, as well as information about how the adviser voted their proxies; and
- Keep certain records relating to proxy voting.

Chartwell has adopted Proxy Voting Policies and Procedures (“Policies”) to seek to ensure that it exercises voting authority on behalf of Chartwell clients in a manner consistent with the best interests of each client and its agreement with the client.

These Policies apply where clients have delegated the authority and responsibility to Chartwell to decide how to vote proxies. The proxy voting guidelines will be based on the 2023 ISS Benchmark Policy (US) and unified with our RJIM affiliates. Chartwell does not accept or retain authority to vote proxies in accordance with individual client guidelines with the exception of those clients who wish their proxies voted in accordance with Taft-Hartley Proxy Voting Guidelines and who have instructed Chartwell to do so. Clients who wish to arrange to vote proxies in accordance with their own guidelines may elect to do so at any time by notifying Chartwell. Chartwell generally will follow these Policies if asked to make recommendations about proxy voting to clients who request that advice but have not delegated proxy voting responsibility to Chartwell.

Chartwell believes that voting proxies in the best interests of each client means making a judgment as to what voting decision is most likely to contribute to positive longterm performance of the companies the client is an investor in and casting votes accordingly. Chartwell recognizes the growing view among investors that not only is the concern for economic returns to shareholders and good corporate governance, but also with ensuring corporate activities and practices are aligned with the broader objectives of society. Chartwell’s guiding principles align with our parent company, Raymond James Investment Management (RJIM), where proxy voting is centralized at the RJIM level using a set of unified guidelines that promote responsible corporate governance and address environmental, social and governance considerations. These factors enhance investment making decisions in order to have a more comprehensive understanding of the overall risk profile of the companies in which we invest while simultaneously contributing to positive environmental or social impact.

Chartwell has retained ISS, an independent proxy voting service, to assist it in analyzing specific proxy votes with respect to securities held by Chartwell clients and to handle the mechanical aspects of casting votes. Historically, Chartwell has placed substantial reliance on ISS’ analyses and recommendations and generally gives instructions to ISS to vote proxies in accordance with ISS’ recommendations, unless Chartwell reaches a different conclusion than ISS about how a particular matter should be voted. In addition, Chartwell generally votes our Taft-Hartley clients in accordance with the AFL-CIO Key Votes Survey, a list of proposals and meetings based on recommendations by the AFL-CIO Office of Investment. To the extent that any of the proxy voting positions stated in our Taft-Hartley Guidelines are inconsistent with a Key Vote Survey recommendation, Chartwell will generally vote in accordance with the Key Vote Survey recommendation on all impacted securities for our Taft-Hartley clients.

RJIM has established the Stewardship Committee chaired by the Head of Sustainable Investing and Corporate Responsibility. The Committee is composed of members from each investment team across all affiliated asset managers. This Committee is the main body responsible for proxy voting discussions and voting decisions through investment team representatives. The unified RJIM proxy voting guidelines are based on the ISS Benchmark Policy (US) but are customized to include Case-by-Case votes for all shareholder proposals as well as other proposals such as executive compensation, restructuring proposals and special meetings.

It is Chartwell’s policy not to exercise its authority to decide how to vote a proxy if there is a material conflict of interest between Chartwell’s interests and the interests of the client that owns the shares to be voted that could affect the vote on that matter. To seek to identify any such material conflicts, a representative of the RJIM Stewardship Committee screens all proxies and presents any potential conflicts identified to the Committee for determination of whether the conflict exists and if so, whether it is material.

Chartwell may not vote proxies respecting client securities in certain circumstances, including, but not limited to, situations where (a) the securities are no longer held in a client’s account; (b) the proxy and other relevant materials are not received in sufficient time to allow analysis or an informed vote by the voting deadline; (c)

Chartwell concludes that the cost of voting the proxy will exceed the expected potential benefit to the client; or (d) the securities have been loaned out pursuant to a client's securities lending program and are unavailable to vote.

We will update our proxy voting policies, procedures and guidelines from time to time as conditions dictate, and will make copies available upon request. A copy of our proxy voting policies and procedures, including our voting guidelines, is available by contacting Chartwell at the address and/or phone number on the cover page of this Brochure. Clients may similarly contact us for specific record or information on how we voted proxies on their behalf. Chartwell should also be contacted if Chartwell is to be directed not to vote in accordance with AFL-CIO recommendations.

### *Item 18– Financial Information*

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about an adviser's financial condition. Chartwell has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.