# BISON TRADING POLICY AND PROCEDURES

## OVERVIEW

- Bison's trading team is responsible for the implementation, monitoring and rebalancing of Bison Designed Portfolios and custom portfolios designed in conjunction with Bison's investment committee.

## PORTFOLIO ASSIGNMENT

- Accounts may be assigned to one of the Bison CIO Portfolio or Defender Portfolio series through the completion of the account assignment form.
- Advisors are responsible for assigning the risk profile and communicating the tax sensitivity of the account being assigned. Accounts assigned as "tax sensitive" will use municipal bonds and be coded to avoid short-term gains during rebalances.
- Advisors also must indicate any special instructions such as client directed holdings to maintain in the portfolio and non-standard cash levels to maintain in the portfolio.
- The assignment form including special instructions should be sent to trading@bisonholdingsllc.com
- Once assigned, Bison's trading team will assume responsibility for all trading, including cash raises, cash spends, and rebalancing.
- Advisors/Clients may NOT place trades in accounts that are assigned to a Bison Designed Portfolio. Doing so may cause trade errors when portfolio is rebalanced.
- Bison's trading team is only responsible for trades associated with Bison CIO Portfolios and may not execute individual trades requested by Advisors/Clients.

## CUSTOM ACCOUNT ASSIGNMENT

- Customized account assignments will be initiated by Bison's investment team in collaboration with the requesting advisor. Bison's investment team will communicate to the trading team and client service professionals as needed.
- Custom portfolios that consist of SMA accounts or private placements that require additional paperwork will be coordinated by the associated Client Service Associate.

## CASH MANAGEMENT

- Portfolios are set with a default position of 1.5% cash on the managed portion of the portfolio (excluding any security set asides). This cash is intended to cover frictional costs associated with the account such as advisory fees, transaction costs, etc.
- Cash is reviewed every two weeks to confirm cash levels remain within the stated boundaries.
- Accounts with a cash position less than 0.50% will be brought back to the 1.5% target cash position unless the Advisor has provided specific instructions to the contrary.
- Cash will be allowed to drift up to 3% before triggering a rebalance.
- New cash into portfolios will be deployed in accordance with the assigned portfolio allocations unless Advisor communicates otherwise in advance.
- Cash balances less than $20,000 (and not part of the 1.5% target cash allocation) will automatically be rebalanced in accordance with the assigned portfolio. If cash balances exceeds $20,000 above the 1.5% target cash allocation, the trading team will reach out to the Advisor for confirmation prior to rebalancing.

- Cash will be maintained in the custodian's sweep vehicles. Cash that is placed into a non-sweep vehicle such as a money market mutual fund will be treated as an excluded security and will not be subject to the rebalance of the Bison Designed Portfolio. Advisors must provide notice of when to use the money market fund as a source of cash when requesting cash raise/distributions.
- Accounts with automatic distribution plans will default to maintaining 6 months of distributions and will raise cash when less than 2 months of distributions remain.

## REBALANCING & TOLERANCE SETTINGS

- Portfolios will be reviewed every 6 months to ensure holdings remain within set tolerance bands as follows:
  - Asset Class / Asset Objective level – 5% tolerance band from target allocation
  - Security Set band – 5% tolerance band from target allocation
  - Security Level – 2.5% tolerance band from target allocation
- When selling securities with liquidity gates (e.g. interval funds, limited partnerships, etc.) the trading team will stagger the buy portion of the rebalance approximately one week after the sell portion to allow for the proper assignment of cash available for those purchases.

## TRADE REQUEST

- All trade requests should be made to trading@bisonholdingsllc.com.
- Trade requests not made to the email address above are subject to not being executed. No verbal trade orders will be accepted.
- Portfolio implementation, portfolio changes and cash raise/deploy requests received prior to 12pm EST will be executed that day with all other requests being executed the following trading day.

## EXCLUDED SECURITIES

- Advisors may exclude certain securities that are client directed from being traded by the trading team.
- Excluded securities should be client-directed or part of a transition plan aimed at reducing tax liabilities.
- Advisors may elect to hold a portion of the portfolio in a cash vehicle that has a higher yield than the custodial sweep vehicles. If so, it is the Advisors responsibility to communicate when to remove the exclusion. Non-sweep vehicles will not be treated as "cash". For instance, if a client is holding assets in a cash vehicle for a future purchase, the advisor is responsible for notifying the trading team to sell that security prior to sending cash to meet the future purchase need. If no instructions are provided, the cash for the distribution will be generated through the standard rebalance process.

## TRANSACTION COSTS

- Bison's investment team makes every effort to select strategies to minimize transaction costs.
- In some instances, custodians place short-term redemption charges on mutual funds that are otherwise not subject to transaction fees.
- Bison flags funds that may incur a redemption penalty, but occasionally they cannot be avoided.
- Below is a table of common transaction costs/fees at each of Bison's custodial relationships.

| | Schwab | Fidelity |
|---|---|---|
| Exchange Traded Funds (ETFs) | $0.00 | $0.00[1] |
| NTF Mutual Funds | $0.00[2] | $0.00 |
| TF Mutual Funds | $20.00 | $20.00 |
| Options ($/contract) | $0.63 | $0.65 |
| Non-Liquid Alternatives - Custody[3] | $250.00 | $250.00 |
| Non-Liquid Alts – Transaction | $100.00 | $100.00 |

[1]Accounts not set up for eDelivery are subject to a $4.95 per trade commission at Fidelity. From time to time, Fidelity automatically routes ETF orders through its manual trade desk for additional assistance executing the order. When this occurs, clients may be billed a $5 premium above the stated commission rate.
[2]A short-term trading charge will be applied each time an account sells or exchanges an NTF fund held less than 60 days with certain exceptions (e.g. custodian sponsored money market funds, systematic program redemptions, etc.)
[3]Custodians charge to hold alternative investments that are not traded through a recognized exchange. The charge is $250 for each alternative held with the maximum of $500 charged per account per year.

## ADVISOR RESPONSIBILITY

- It is the responsibility of the Advisor to notify the trading team of pending changes to the account that could impact proper execution of trades:
  - Account closing
  - Client address change
  - New account restrictions
  - Anticipated large outflows (Cash or ACAT)
- Failure to properly notify the trading team in advance of important account changes risk causing trade errors which may be charged back to the Advisor.
- Advisors/Clients may NOT place trades in accounts assigned to a Bison CIO Portfolio.

## TRADE ERROR POLICY

- Trade errors caused in the ordinary management of Bison Designed Portfolios will be charged to Bison's firm trade error account.
- Trade errors caused by failure of an advisor to properly communicate changes to an account or special instructions will be the responsibility of the Advisor.
- Trade errors caused by the Advisor trading in an account assigned to Bison's trading team will be the responsibility of the Advisor.
- Bison's trading team will work with an Advisor to correct any trade error. Advisors will be responsible for working with compliance to document any trade error.
- Bison's investment team maintains discretion on portfolio allocations which may deviate from published portfolio holdings and weightings. These deviations do not constitute trade errors.