Investment Management
Services for the Public Sector

Public Trust Advisors, LLC

Firm Brochure
Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Public Trust Advisors, LLC (Public Trust). If you have any questions about the contents of this brochure, please contact us at (855) 395-3954 or by email at barry.howsden@publictrustadvisors.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 Public Trust is also available on the SEC's website

at

www.adviserinfo.sec.gov. The CRD number for Public Trust Advisors is 159189.

717 17th St. Suite 1850

Denver, CO 80202

(855) 395-3954

www.publictrustadvisors.com

Registration does not imply a certain level of skill or training.

Version Date:

March 28, 2018

Item 2: Material Changes

This section describes the material changes to the Public Trust brochure since its annual updating amendment on March 28, 2017. This brochure contains the following updates:

- Types of Advisory Services (Item 4, Part B) has been updated to provide more detail on the types of advisory services offered.
- Fees and Compensation (Item 5, Part A) has been updated to reflect changes to the term series investment fee period.
- Fees and Compensation (Item 5, Part A) has been modified to be more descriptive on the overall process of invoicing and debiting the client's custodian account for payment of fees.
- Types of Clients (Item 7) has been updated to denote a change in the term series investments minimum investment amount.
- Methods of Analysis, Investment Strategies, and Risk of Investment Loss (Item 8) has been modified to be more descriptive on what benchmarks are used.
- Methods of Analysis, Investment Strategies, and Risk of Investment Loss (Item 8) includes additional disclaimer language regarding the effect market conditions and changes in interest rates have on returns.
- Methods of Analysis, Investment Strategies, and Risk of Investment Loss (Item 8) includes the addition of migration risk.
- Other Financial Industry Activities and Affiliations (Item 10) has been updated to reflect that the removal of PT Asset Management, LLC after withdrawing its registration with the SEC in 2017 due to not having any clients under this affiliate.
- Brokerage Practices (Item 12) has been updated to remove custodian language as the firm does not open custodian accounts on behalf of clients.
- Brokerage Practices (Item 12) trade error section has been updated to better reflect the course of action that will be taken should a trade error occur.

Item 3: Table of Contents

Table of Contents

Item 4: Advisory Business

A. Description of the Advisory Firm

Public Trust Advisors, LLC (Public Trust) is a Limited Liability Company organized in the State of Colorado.

This firm was founded on September 22, 2011, and currently has offices in eight (8) states including California, Colorado, Connecticut, Florida, New Mexico, New York, Ohio, and Texas. The principal owners are Thomas D. Jordan, Gregory S. Wright, Randy S. Palomba, Thomas N. Tight, John F. Grady, and Chris M. DeBow.

Public Trust will from time to time utilize the services of a third-party in a sub-advisory capacity to provide certain services to its clients including but not limited to arbitrage rebate compliance services. In these cases, Public Trust obtains written permission from the client and ensures the client receives all required disclosure information regarding the sub-adviser. Public Trust continually monitors the services provided by the sub-adviser.

B. Types of Advisory Services

Public Trust offers the following services to its clients:

Investment Advisory Services

Public Trust offers investment advisory services to state and local U.S. government entities, non-profit corporations, charitable organizations, and other institutional clients. Clients are obtained by direct marketing or referred to by unaffiliated third-party solicitors. Service product offerings include:

- Separately Managed Accounts (SMA) - Separate account portfolio management services are provided on either a discretionary or non-discretionary basis depending upon each client's needs and requirements and are subject to the written investment guidelines provided by each client. The investment guideline information provided by each client, together with any other information relating to the client's overall investment requirements (Investment Policy Statement), will be used by Public Trust to determine the appropriate investment strategy for each client portfolio. Portfolio managers typically manage multiple accounts consisting of the same or similar investment strategies.
- Local Government Investment Pools (LGIP) – Local government investment pools are offered to state and local municipalities, counties, school districts, utility districts, and other local government units (Participants). LGIPs combine the cash of participating jurisdictions and invest in securities allowed under state law and subject to each LGIP’s written investment guidelines on a discretionary basis. These guidelines together with any other information relating to the LGIP’s overall investment requirements (Investment Policy Statement) are used by Public Trust to determine the appropriate investment strategy. Public Trust serves as the marketer,

investment advisor, and/or administrator for the following LGIPs: Colorado Local Government Liquid Asset Trust (COLOTRUST), Michigan Cooperative Liquid Assets Securities System (Michigan CLASS), New York Cooperative Liquid Assets Securities System (NYCLASS), Texas Cooperative Liquid Assets Securities System Trust (Texas CLASS), Florida Cooperative Liquid Assets Securities System (FLCLASS), Virginia Investment Pool Trust Fund (VML) and TrustINdiana. Each LGIP is overseen by an authorized Governing Board or State Treasurer. The Governing Board is typically made up of public officials from Participants within each LGIP.

- Term Series Investments - These services are offered on a discretionary or non-discretionary basis to Participants within certain LGIPs. Term Series investments adhere to the Investment Policy Statements of the respective LGIP and have an investment minimum.

Public Trust does not assume any responsibility for the accuracy of the information provided by a client and is not obligated to verify any information received from a client. Under all circumstances, clients should promptly notify Public Trust in writing of any changes to their Investment Policy Statement. In the event a client notifies Public Trust of changes to its Investment Policy Statement, Public Trust reviews such changes, performs a compliance verification to identify any non-compliant securities, and implements any necessary revisions or remedial actions to the client's portfolio.

Public Trust invests client assets in fixed income securities. Please refer to Item 8 for additional information about methods of analysis and investment strategies used by Public Trust and their associated risks.

Administrative and Transfer Agency Services

Public Trust provides administrative and transfer agency services to the LGIPs of COLOTRUST, Michigan CLASS, NYCLASS, Texas CLASS, TrustINdiana, Louisiana Asset Management Pool (LAMP), FLCLASS, and VML. Services provided include but are not limited to the maintenance of Participant records, transactions and account balances, and money movements based on client requests.

Fund Accounting Services

Public Trust provides fund accounting services for COLOTRUST, Michigan CLASS, NYCLASS, Texas CLASS, TrustINdiana, LAMP, FLCLASS, and VML. Services provided include the daily accounting of assets, income earned, and expenses incurred to derive a daily Net Asset Value (NAV) and a daily dividend rate to be paid to Participants. Additional services provided are annual financials and Board reports.

Consulting Services

Public Trust provides certain investment related consulting services to clients. Consulting services include but are not limited to the following:

- Request for proposals (RFP) creation and implementation.
- Review of investment portfolio(s) and investment policies.

- Review of organization structure and functions regarding the investment activities.
- Review of investment compliance with applicable state and internally imposed requirements.
- Future investment planning strategies and implementation analysis and recommendations.
- Broker-Dealer selection assistance.
- Banking institution selection assistance.
- Investment risk analysis.

Non-Managed Account Services

Some Public Trust clients request that we establish one or more non-managed accounts for the purposes of client reporting. These accounts do not receive ongoing supervision and monitoring services like those provided to accounts through our Investment Advisory Services described above. Public Trust does not make any investment recommendations and will not monitor specific securities or general portfolios for these accounts. The primary purpose for this service is to include non-managed accounts owned by the client in the performance reports provided by Public Trust. Public Trust does not currently charge a fee for this service. However, clients are typically required to enter into a written agreement with Public Trust, and they are provided a copy of this disclosure brochure prior to establishing a non-managed account.

C. Client Tailored Services and Client Imposed Restrictions

Public Trust offers the same suite of services to all its SMA clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement that outlines each client's current investment objectives (income, cash flow considerations, tax levels, and risk tolerance levels) and is used to construct a client-specific plan to aid in the advice or selection of a portfolio that matches restrictions, needs, and targets.

At the beginning of the client relationship, Public Trust contacts the client to gather and discuss information regarding their overall investment objectives, risk tolerances, and guidelines. Where applicable, an investment policy is requested from the client and utilized to tailor the investments and objectives of the portfolio. From there, Public Trust assists the client in determining the investment strategy or strategies that are best suited to meet the client's needs and objectives. Once a client has selected an investment strategy or strategies, Public Trust provides continuous supervision and management of the assets. Clients are responsible for informing Public Trust of any changes to their investment objectives and /or restrictions.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. Public Trust does not participate in any wrap fee programs.

E. Amounts Under Management

As of December 31, 2017, Public Trust had discretionary assets under management in the amount of $21,846,312,875 and non-discretionary assets under management in the amount of $3,306,675,674. In addition, Public Trust offers fund accounting, administrative, and transfer agency services to one LGIP with respect to assets in the amount of $1,483,041,455.

Item 5: Fees and Compensation

A. Fee Schedule

Local government investment pool (LGIP) fees

LGIP account fees are calculated using one of the following methods:

- Previous Closed Period's Net Asset Value: The net assets of the previous closed period (i.e. Thursday's net asset figure is utilized as the basis for the fee calculation for Friday, Saturday, and Sunday. This methodology holds true for holiday days and days that fall on a Monday through Friday) will be multiplied by the applicable fee rate(s) and divided by 365 or 366 days in the event of a leap year to equal the daily fee accrual.

- Current Day's Shares Outstanding: The current day's shares outstanding will be multiplied by the applicable fee rate(s) and divided by 365 or 366 days in the event of a leap year to equal the daily fee accrual. For weekend days and holidays, the shares outstanding for the previous business day will be utilized for the calculation of the fees.

- Ending Market Value of the Net Assets (excluding accrued interest and accrued expenses): The ending market value of the net assets (excluding accrued interest and accrued expenses) of the previous business day (closed period) (i.e. Thursday's net asset figure is utilized as the basis for the fee calculation for Friday, Saturday and Sunday. This methodology holds true for holiday days and days that fall on a Monday through Friday) will be multiplied by the applicable fee rate(s) and divided by 365 or 366 days in the event of a leap year to equal the daily fee accrual.

- Ending Market Value of the Net Assets (excluding accrued interest and accrued expenses): The ending market value of the net assets (excluding accrued interest and accrued expenses) of the 15th day and last calendar day will be multiplied by the applicable fee rate(s) and divided by 365 or 366 days in the event of a leap year and multiplied by the number of days in the semi-monthly period to equal the monthly accrual.

Fees may be tiered or at a fixed rate depending on the Agreement for the specific LGIP. Fees may be charged up to an annual rate of 15 basis points (0.15%). Fees paid to Public Trust for the LGIPs cover portfolio management (where applicable), fund accounting, administrative and transfer agency services, as well as certain auxiliary expenses including but not limited to legal, audit, and board expenditures. These fees are payable monthly in arrears by the client to Public Trust. Certain agreements between Public Trust and the Boards of Trustees of an LGIP may allow for fees to be waived. Fees may be waived or abated at any time, or from time to time, at the sole discretion of Public Trust. Any such waived fees may be restored by written agreement between Public Trust and the Board of Trustees.

Term Series Investment Fees

Term series investment fees are based on the original principal amount invested by the Participant up to 0.15% (annualized). Fees may be taken at the beginning, end, or periodically through the duration of the term investment. Public Trust may waive fees without Board of Trustee approval. Early withdraw penalties may be assessed.

Separately managed account (SMA) fees

SMA account fees are calculated using one of the following methods:

- average market value.
- average market value plus accrued interest.
- average monthly book value of the underlying net assets under management.
- ending market value for the month or quarter or per portfolio.

Fees will be calculated based on the number of days in the month or quarter of the billing period. Fees may be based on the number of the days in the year (leap year, 366 days) or at a fixed basis of 365 days. Fees may be prorated if the billing period is not a full monthly or quarterly period. Fees may be charged at a fixed-rate, tiered rate structure or a fixed dollar amount per billing period, based on the terms of the Investment Advisory Agreement. Certain Agreements cap fees at a maximum amount per quarter or year. Public Trust can also impose a minimum fee of up to $1,000 per month in accordance with the Agreement. We may group certain related client accounts for the purposes of determining the annual fee. Certain states impose taxes for doing business in that state. These taxes may be collected in addition to the fees associated with services provided by Public Trust. Overall, fees are based upon the needs of the client and complexity of the situation, agreed to in writing with the client, and evidenced in the final fee schedule of the executed Agreement. Fees are invoiced to the client and are paid either monthly or quarterly in arrears. Clients may terminate their Agreement per the terms of their Agreement with Public Trust. Because fees are charged in arrears, no refund policy is necessary. If the Agreement is terminated by either the client or Public Trust prior to the end of a billing period, fees shall be prorated to the effective date of termination. Annual fees can be up to 30 basis points (0.30%), although Public Trust retains the discretion to negotiate alternative fee arrangements on a case-by-case basis depending on the nature of services to be provided, the type of client, the complexity of the client's needs, the amount of assets to be managed, other assets the client may have invested with us, the anticipated future invested assets, and other relevant factors. Fees will be collected via check, Automated Clearing House (ACH), bank wire, or paid directly from the client's custodian account(s).

Consulting Services Fees

Payment received by Public Trust providing consulting services to clients is based on the scope of services to be performed, the time frame of the work, and complexity of the work to be completed. These fees are generally charged at a fixed rate. Fees are charged based on a percentage of net assets or at a flat rate. The fee is negotiable and depends on the extent of services required and is mutually agreed to, in writing, by the client and Public Trust.

All fees charged to clients are fully described in the Investment Advisory Agreement between the client and Public Trust. Public Trust directly invoices clients for investment advisory services. To the extent the designated custodian consents and upon written authorization from the client, some clients authorize Public Trust to submit their fee invoice to the designated custodian and authorize the designated custodian to pay the Public Trust fees directly from client's account (monthly in arrears). In such alternative instance, Public Trust provides the client with a copy of the fee invoice for the specified billing period. In the event the designated custodian does not consent to the foregoing, Public Trust shall submit monthly invoices to client who shall remit payment within 30 days. On at least a quarterly basis, Public Trust recommends these clients carefully review their custodian statement and alert us of any discrepancy.

B. Other Fees and Expenses

Clients should understand that the advisory fees described herein may not include certain charges imposed by third parties such as custodial fees and expenses. Client assets can also be subject to (as applicable) transaction costs, retirement plan administration fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

These fees and expenses can be separate from and in addition to the fees charged by Public Trust. Accordingly, each client should review all applicable fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

C. Prepayment of Fees

Not applicable.

D. Outside Compensation for the Sale of Securities to Clients

Neither Public Trust nor its supervised persons accept any compensation for the sale of securities or other investment products including asset-based sales charges or services fees from the sale of mutual funds.

Item 6: Performance-Based Fees and Side-By-Side Management

Public Trust does not charge or accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

Public Trust offers investment advisory services to state and local U.S. government entities, non-profit corporations, and charitable organizations. Public Trust investment advisory clients include state and municipal governmental entities, non-profit corporations including hospitals, schools, colleges, and cultural institutions that have raised funds through the issuance of tax exempt debt obligations.

Minimum Account Size

Currently, Public Trust has only one product that has a minimum account investment. Term Series Investments have a minimum investment amount of $250,000.00. Public Trust evaluates all other accounts on a case by case basis.

Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss

A. Methods of Analysis and Investment Strategies

Methods of Analysis

The Public Trust methods of analysis include fundamental and technical analysis.

- **Fundamental analysis -** Involves the evaluation of a security by attempting to measure its intrinsic value by studying related economic, financial, and other qualitative and quantitative factors.

- **Technical analysis -** Involves the examination of past market data such as prices and the volume of trading that may provide an estimate of the future value of a security.

Investment Strategies

Public Trust has five (5) investment strategies, each with different investment objectives as outlined below.

- Money Market: This strategy is offered only to LGIPs emphasizing convenient short-term investment opportunities carefully chosen to optimize interest earnings while at the same time maximizing safety and liquidity. Short-term, high-quality fixed-income securities are utilized due to their minimal credit and volatility risk with the objective of maintaining a constant $1.00 net asset value. Typically, this strategy can invest in U.S. Treasury and Agency securities, commercial paper, repurchase agreements and bank deposits, certificates of deposit, and corporate notes with a weighted average maturity (WAM) to reset of 60 days and WAM to final of 90-120 days.

- Enhanced Cash: The overall objective is to preserve capital while providing high current income with a high degree of liquidity and lower excess risk than short-term benchmarks. Short-term, high-quality fixed-income securities are utilized due to their minimal credit and volatility risk. Generally, the WAM of the investments in this strategy can range from six to eighteen months. Typically, this strategy invests in U.S. Treasury and Agency securities, commercial paper, short-term corporate notes and bonds, and municipal bonds.

- Core Assets: The overall objective is to provide a steady stream of income with longer-term capital appreciation. High-quality fixed-income investments are utilized to ensure minimal credit and volatility risk. This strategy involves active management of duration, sector, and security selection. Common benchmarks for this strategy are often the ICE BofAML 1-3 Year U.S. Treasury, the ICE BofAML 1-5 Year U.S. Treasury, the ICE BofAML 1-3 Year U.S. Treasury & Agency, and the ICE BofAML 1-5 Year U.S. Treasury & Agency indexes, or as specified in the client's investment policy. Typically, this strategy invests in U.S. Treasury and Agency securities as well as medium-term corporate and municipal bonds.

- Bond Proceeds: For portfolios where there are liability-driven investment considerations, such as clients whose portfolios are funded with bond proceeds that are utilized to make payments associated with certain projects, we recommend securities specifically matched to meet appropriate draw schedules, and we modify the portfolio as the schedule changes or as investment opportunities present themselves.

- Term Series Investments: The Term Series Investment is designed to complement the daily liquidity of the underlying LGIP by offering Participants the opportunity to invest in fixed-term securities with maturities ranging between 90 and 365 days. A projected dividend rate (yield) is determined when investments are executed for each term series and is declared and paid on the agreed upon maturity date. Each Term Series Investment is owned by that specific Participant within the LGIP. The permissible investments for the term series will mirror the underlying permissible investments of the LGIP. Term series accounts seek to return all invested principle on the selected maturity date. Early withdrawals from Term Series Investments may result in penalties.

B. Material Risks Involved

Investing involves risks including possible loss of principal that clients would have to bear. The investment decisions made by Public Trust for clients are subject to certain risks and such decisions may not always be profitable. Public Trust does not guarantee returns or performance against stated benchmarks. Past performance is not a guarantee of future results. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. The following is a summary of common risks associated with investing in fixed-income securities.

- Interest Rate Risk: A bond's price and yield share an inverse relationship. Interest rate risk involves a change in a bond's value due to a change in the absolute level in interest rates, the spread between two rates, or a shift in the yield curve. The actual degree of a bond's sensitivity to changes in interest rates depends on various characteristics of the investment such as coupon and maturity.

- Credit Risk: The risk that a bond issuer fails to make payments for which it is obligated. Public Trust focuses on an issuer's financial condition to gauge its ability to make payments of interest and principal in a timely manner. Credit risk is also gauged by quality ratings organizations such as Moody's and S&P Global Ratings.

- Liquidity Risk: The degree to which an investment can be sold at or near its fair value. The size of a bond's market, the frequency of trades, the ease of valuation, and/or issue size may impact liquidity risk.

- Market Risk: The risk that the value of securities owned goes up or down, sometimes rapidly and/or unpredictably, due to factors affecting securities markets generally or within particular industries.

- Migration Risk: the risk that an underlying issuer’s credit rating can change over time due to fundamental or idiosyncratic factors that impact the value of an investment.

- Issuer Risk: The risk that the value of a security declines for a reason directly related to the issuer such as management performance, financial leverage, and reduced demand for the issuer's goods or services.

- Default Risk: The risk that a bond issuer (or counterparty) will default by failing to repay principal and interest in a timely manner.

The market value of bonds will generally fluctuate inversely with interest rates and other market conditions prior to maturity and will equal par value at maturity. Interest rates for bonds may be fixed at the time of issuance and payment of principal and interest may be guaranteed by the issuer and, in the case of U.S. Treasury obligations, backed by the full faith and credit of the U.S. Treasury. Since U.S. Treasury bonds have longer maturities, the market value of U.S. Treasury bonds will generally fluctuate more than U.S. Treasury bills.

Public Trust generally seeks investments that do not involve significant or unusual risk beyond the scope of the domestic high-grade fixed income universe. Public Trust believes that the common risks associated with investing in fixed income securities as outlined above can be mitigated by prudently diversifying a portfolio's holdings. Public Trust also manages these portfolio holdings in concert with the client's individual investment policy and risk tolerances.

C. Risks of Specific Securities Utilized

Public Trust generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international bond markets.

- **Treasury Inflation Protected/Inflation Linked Bonds:** The risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value albeit rather minimal.

- **Fixed Income** is an investment that guarantees fixed periodic payments in the future that involves economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

- **Debt securities** carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

- **Short term trading** risks include liquidity, economic stability, and inflation.

Past performance is not a guarantee of future returns. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investing in securities involves a risk of loss that you, as a client, should recognize.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

Neither Public Trust nor any of its employees have been subject to regulatory disciplinary action.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-Regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker-Dealer or Broker-Dealer Representative

Neither Public Trust nor any of its representatives are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer. Public Trust does not recommend or select other investment advisors for clients in exchange for compensation from those advisors.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither Public Trust nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Neither Public Trust nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

All client assets are managed by Public Trust. The firm does not select or utilize third party managers or other advisors.

Item 11: Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

A. Code of Ethics

Public Trust maintains a policy of strict compliance with the highest standards of ethical business conduct and the provisions of applicable federal securities laws including rules and regulations promulgated by the U.S. Securities and Exchange Commission. Public Trust has adopted a written Code of Ethics in accordance with Rule 204A-1 of the Advisers Act of 1940 that sets forth specific provisions relating to personal and proprietary securities transactions, outside business activities, and confidentiality. The Code of Ethics covers the following areas: statement of general policy, access persons, chief compliance officer (CCO) designee, standards of business conduct, protecting the confidentiality of client information, social media, prohibition against insider trading, preclearance, personal securities transactions, reporting procedures, participation in affiliated limited offerings, gifts & entertainment, political contributions, rumor mongering, whistleblower policy, reporting of violations and sanctions, records, and acknowledgement. Upon request, our Code of Ethics is available to any client or prospective client.

B. Recommendations Involving Material Financial Interests

Public Trust does not recommend that clients buy or sell any security in which a related person to Public Trust or for which Public Trust has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

Public Trust does not recommend that clients buy or sell any security in which a related person to Public Trust or for which Public Trust has a material financial interest.

D. Trading Securities At/Around the Same Time as Clients' Securities

On infrequent occasions, Public Trust representatives may buy or sell a security for their own accounts which coincidentally is being purchased or sold for the accounts of its clients. The fixed-income securities that Public Trust recommends for purchase and sale are of the type which the Securities and Exchange Commission has expressly recognized as presenting little opportunity for the type of improper trading which compliance with the Code of Ethics reporting requirements are designed to uncover. As noted above, whenever Public Trust representatives act in a fiduciary capacity, they will always put the clients' interests ahead of their own.

Item 12: Brokerage Practices

A. Selection Criteria and Best Execution

As a fiduciary, Public Trust has an obligation to use its best efforts to seek to obtain the best available price and most favorable execution given the circumstances with respect to all portfolio transactions placed by Public Trust on behalf of our clients. This process is commonly referred to as "best execution." As part of our best execution process, Public Trust evaluates broker-dealers on a variety of criteria including but not limited to: (i) capital strength and stability, (ii) execution capabilities, (iii) trading expertise in fixed income securities, (iv) inventory of fixed income securities, (v) liquidity, (vi) any transaction costs, and (vii) reliable and accurate communications and settlement capabilities. From the evaluation, Public Trust selects and maintains a list of brokers (Approved Brokers) through which transactions will be affected for customer accounts. To help ensure the firm is meeting its best execution obligations, Public Trust performs a periodic (no less than annually) review of its trading practices and executions.

B. Order Aggregation and Allocation

From time to time, Public Trust may determine that the purchase or sale of a security is appropriate for multiple client accounts based on a variety of reasons. When this happens, Public Trust will determine whether it is appropriate in the interest of efficient and effective execution to attempt to execute the trade orders as one or more block trades (i.e. aggregate the securities to be traded for each such account into one or more trade orders). These circumstances can in turn give rise to actual or potential conflicts of interest among the accounts for whom the security purchase or sale is appropriate and among the subset of those accounts participating in a block trade, especially if the block trade order results in a partial fill. To address these conflicts, Public Trust has adopted policies and procedures regarding allocating investment opportunities and executing block trades to provide an objective and equitable method of allocation so that all clients are treated fairly. The basic objectives of these policies and procedures are as follows:

- Public Trust always allocates investment opportunities among clients’ accounts in a fair and equitable manner based on each client's overall investment objectives and strategy and any restrictions placed on the management of the account;
- Public Trust only aggregates clients’ trades when it believes that such aggregations are consistent with its duty to seek best execution for its clients; and
- Public Trust strives to ensure that no single client participating in a block trade is favored over any other participating client.

- To avoid odd lots containing small allocations, certain adjustments will be made under certain circumstances.
- Non-discretionary accounts may or may not participate in block trades due to liquidity, availability, and cash flow needs.

C. Soft Dollar Considerations

Public Trust prohibits the use of third party soft dollar arrangements and has never entered into a soft dollar arrangement. Therefore, our customers are never charged for any soft dollar research. However, during the course of doing business, we may receive research including unsolicited research from broker-dealers. This information is often the same material that is made available to all their clients and is publicly available through the internet. This information is further outlined in Section 28(e) of the Securities and Exchange Act of 1934 and, although customary and permitted, could possibly be deemed as an implied economic benefit.

D. Directed Brokerage

In certain circumstances, Public Trust may accept written direction from a client regarding the use of a particular broker-dealer to execute some or all transactions for that client. When this happens, the client has usually negotiated terms and arrangements for the account with the broker-dealer, and Public Trust will not seek better execution services or prices from other broker-dealers. Depending on the arrangement, Public Trust may not be able to aggregate a client's directed brokerage transaction with other Public Trust client transactions. Importantly, Public Trust will have limited ability to ensure any broker-dealer selected by the client will provide best possible execution, and thus, the client may pay higher commissions or other transaction costs or greater spreads or receive less favorable net prices on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Public Trust may decline a client's request to directed brokerage if, at the sole discretion of Public Trust, such directed brokerage arrangements would result in additional operational difficulties and not be in the best interest of the requesting client. Further, from time to time, Public Trust will examine current market information for the benefit of the client in assessing the cost versus benefit of using a directed broker.

E. Trade Errors

Public Trust has internal controls for the prevention of trade errors; however, trade errors in client accounts cannot always be avoided. Public Trust strives to correct all trade errors prior to the settlement of any transaction. Public Trust maintains records of all errors that occur including the original trade ticket, trade date, broker, client affected, identification of the source of the error, and the results of the error and any correction, including future preventative measures. Consistent with its fiduciary duty, it is the policy of Public Trust to correct trade errors in a manner that is in the best interest of the client. Public Trust will promptly notify the client if a trade error results in a gain or loss to the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated because of the error correction. If the error was caused by Public Trust, the client will be notified, and the trade error will be reviewed and mitigated by Public Trust. If the error is caused by the broker-dealer, the broker-dealer will be responsible for working directly with the client and/or Public Trust to assess and mitigate any associated costs. If an investment gain results from the correcting trade, the gain will remain in the client's account. Public Trust may also confer with clients to determine if the client should forego the gain (e.g. due to tax reasons).

Public Trust never retains any portion of any gains made resulting from trade error corrections or profit in any way from trade errors. If the gain does not remain in the account, Public Trust will donate the amount to charity. If related trade errors result in both gains and losses in an account, generally they may be netted.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

A member of Portfolio Management will review clients' accounts with regards to their investment policies, risk tolerance levels, and allocations on a periodic basis.

B. Factors that will Trigger a Non-Periodic Review of Client Accounts

Reviews can be triggered by material market, economic or political events, or by changes in the client's financial situation.

C. Content and Frequency of Regular Reports Provided to Clients

Monthly or quarterly reports and/or online access to client transaction activity is provided to all SMA clients. The report information discloses such items as portfolio returns, holdings, transactions, and issuer concentrations. Public Trust performs an annual review with each SMA client to verify they are receiving, at a minimum, quarterly statements directly from their qualified custodian. Custody statements detail the assets and values held in the clients' accounts. Clients are urged to carefully review all custodial statements and compare them to any account reports provided by Public Trust.

Monthly reports are provided to all LGIP Participants denoting their balances, transactions, and income earned for the period. Each LGIP Board, or at a minimum a designated recipient for the LGIP, will receive, at a minimum, quarterly statements from their qualified custodian.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

Public Trust does not receive any economic benefit, directly or indirectly, from any third party for advice rendered to its clients.

B. Compensation to Non-Advisory Personnel for Client Referrals

Public Trust has entered into a solicitation arrangement with a third-party firm pursuant to which representatives of their firm may offer Public Trust services to public entities. Through this arrangement, Public Trust pays a cash referral fee to the solicitor or soliciting firm based on percentage of revenue collected from the client. The solicitation agreement is in writing and complies with the requirements of Rule 206(4)-3 of the Advisers Act of 1940. If a client is introduced to Public Trust by a solicitor, Public Trust pays that solicitor a fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act of 1940 and any corresponding state securities law requirements. While the specific terms of each agreement may differ, the compensation generally will be based upon the engagement of new clients by Public Trust as well as the retention of those clients and is calculated using a varying percentage of the fees paid to Public Trust by such clients. Any such fee shall be paid solely from the Public Trust investment management fee and shall not result in any additional charge to the client.

Each prospective client referred to Public Trust under such an arrangement receives a copy of the Public Trust firm brochure and a separate written solicitation disclosure document disclosing the nature of the relationship between the third-party solicitor and Public Trust as well as an explanation of how any referral fee is to be determined and paid by Public Trust to the solicitor.

Item 15: Custody

SMA clients should receive statements on at least a quarterly basis directly from the qualified custodian that holds and maintains their assets. Public Trust performs an annual review with each SMA client to confirm they are receiving, at a minimum, quarterly statements directly from their qualified custodian. Clients are urged to carefully review all custodial statements and compare them to any account reports provided by Public Trust. In certain cases, the reports from Public Trust may vary from custodial statements based on accounting procedures, reporting dates, valuation methodologies, and pricing sources utilized for certain securities.

LGIP Participant accounts receive, at a minimum, audited financial statements within 120 days of the LGIP fiscal year end. Each LGIP Board, or at a minimum, a designated recipient for the LGIP, will receive, at a minimum, quarterly statements from their qualified custodian.

Item 16: Investment Discretion

For accounts where Public Trust is granted discretionary authority in writing, Public Trust will normally determine (without first obtaining client's permission for each transaction): 1) the type of securities to be bought and sold, 2) the dollar amounts of the securities to be bought and sold, 3) the broker-dealers through which transactions will be executed, 4) whether a client's transaction should be combined with those of other clients and traded as a "block", and 5) the commission rates and/or transactions costs paid to effect the transactions.

For non-discretionary accounts, Public Trust provides suggestions for securities purchased and/or portfolio recommendations to the client and if agreed upon for investment, implements the transactions.

Item 17: Voting Client Securities (Proxy Voting)

Public Trust will not ask for nor accept voting authority for client securities. Further, the types of securities purchased for clients' accounts are non-equity securities that typically do not have voting rights.

Item 18: Financial Information

A. Balance Sheet

Public Trust does not solicit prepayment of more than $1,200 in fees per client six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither Public Trust nor its representatives have any known financial conditions that are likely to reasonably impair its ability to meet any contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

Public Trust has not been the subject of a bankruptcy petition in the last ten years.