



Form ADV Part 2A - Disclosure Brochure

March 28, 2024

**Marble Harbor Investment Counsel, LLC
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Item 1 - Cover Page

This Disclosure Brochure (“Brochure”) provides information about the qualifications and business practices of Marble Harbor Investment Counsel, LLC (“Marble Harbor”). If you have any questions about the contents of this Brochure, please contact Thomas Stickley, Chief Compliance Officer, at 617-956-6710 or tstickley@marbleharboric.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Marble Harbor is a registered investment adviser with the SEC. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an investment adviser provide you with information from which you determine to hire or retain an investment adviser.

Additional information about Marble Harbor is available via the SEC’s website at www.adviserinfo.sec.gov. You can search this site using Marble Harbor’s unique identifying CRD number, which is 138538.

The SEC’s web site also provides information about any persons affiliated with Marble Harbor who are registered, or are required to be registered, as investment adviser representatives of Marble Harbor.

Item 2 - Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material change. This section summarizes only the *material changes* to this Brochure. It does not describe all the changes made in this Brochure.

Since our last updating amendment, dated July 31, 2023, we have no material changes to report.

Availability of Current Brochure

If you would like to receive our current brochure free of charge, please contact Tom Stickley at (617) 956-6710 or tstickley@marbleharboric.com or write to Marble Harbor Investment Counsel, 101 Federal Street, Suite 2920, Boston, MA 02110. You may also find our Disclosure Brochure on our website at www.marbleharboric.com.

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Item 4 - Advisory Business

Marble Harbor was founded in November 2005 by Managing Member and Principal Owner, Paul R. Davis. Marble Harbor is wholly owned by five members: four current employees and one retiree of Marble Harbor.

Marble Harbor provides continuous investment advisory services to our clients based on their individual needs. We work closely with each client to become and remain familiar with the client's financial circumstances, investment objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background. In addition, we ask our clients to promptly notify us in writing of any material changes to their financial condition including, but not limited to investment objectives, risk tolerance, investment time horizon, net worth, and annual income. Please see *Item 7-Types of Clients* for further information regarding Marble Harbor's clients.

Marble Harbor also provides investment advisory services to MHIC Devereux Partners, LLC, MHIC Fort Sewall Partners, LLC and MHIC Ventures I, LLC (together, the "Private Funds").

Typically, Marble Harbor advises client portfolios on a discretionary basis, although some client portfolios may be on a non-discretionary basis.

Account supervision is guided by the client's individual needs, stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations and risk tolerance. Each client is required to enter into an Investment Advisory Agreement with Marble Harbor (the "Advisory Agreement") that describes the overall terms of the advisory relationship. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service and generally will include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Mutual fund shares
- Exchange-traded funds
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests

Because all the above referenced investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity, suitability, and eligibility. Investing in securities involves risk of loss that all clients should understand and be prepared to bear.

We may also recommend to appropriate advisory clients:

- Investments in private placement offerings and/or limited investment partnerships (i.e., hedge funds and venture capital funds); and/or
- Other pooled investment vehicles including those organized and sponsored by Marble Harbor.

Investments in these types of private investment vehicles:

- Are not registered with or regulated by the SEC;
- Are available only to clients that are deemed to be an “accredited investor” or a “qualified client” or a “qualified purchaser” in accordance with the requirements set forth in applicable laws, rules and regulations;
- Typically require investors to lock-up their assets for a period of time;
- Can have limited or no liquidity;
- Involve different risks than investing in registered funds and other publicly offered and traded securities; and
- Are only recommended when consistent with the client’s stated investment objectives, tolerance for risk, liquidity, and suitability.

Additional information about the fees related to such investments is included in the private offering documents provided to prospective investors. We rely on the evaluation and performance data provided directly from the private investment vehicles. Private investment vehicles are often delayed in providing us with this information, which will delay us in reporting this information to clients.

Please see *Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss* for further information regarding our investment strategies.

Retirement Account Rollover Considerations: Marble Harbor owes a fiduciary duty to its clients under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), and when we provide investment advice to you regarding your retirement plan accounts or individual retirement accounts (IRAs), we are a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act (“ERISA”) and/or the Internal Revenue Code (“IRC”), as applicable, which are laws governing retirement accounts. The way we earn money can conflict with your interests, so we operate under a rule that requires us to act in your best interest and not put our own interest ahead of yours. Under this rule’s provision, we must:

- Meet a professional standard of care when making investment recommendations
- (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations
- (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees and investments;
- Follow policies and procedures designed to ensure we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

A recommendation to roll over your assets from a retirement account to an account to be managed by Marble Harbor creates a conflict of interest. This is because we will earn additional advisory fees as a result of the roll over. There is no obligation for you to roll over your retirement account to an account managed by Marble Harbor.

Marble Harbor is not a financial planner. We do not offer tax, insurance, or legal advice, but will gladly work with a client's tax, insurance, financial planning and/or legal advisor to discuss individual needs and develop investment recommendations.

Currently, Marble Harbor does not participate in any wrap fee programs.

Regulatory Assets Under Management

As of December 31, 2023, the total amount of regulatory assets under management by Marble Harbor was \$1,127,302,147 all of which was on a discretionary basis.

Item 5 - Fees and Compensation

Account Management Fees: Marble Harbor's compensation for its investment advisory services is primarily based on an annual percentage of the fair market value of each client account's assets under management (a "management fee"). Typically, such management fees are payable quarterly in arrears, and calculated based on the fair market value of the managed assets as of the last business day of the preceding calendar quarter. For new clients, the initial quarterly fee is pro-rated based on the date Marble Harbor began managing the account.

We do not ask or require our clients to pay fees in advance.

Unless otherwise specified in the client Advisory Agreement, Marble Harbor's fees for investment advisory services are based on the following standard annual fee schedule:

Assets Under Management	Annual Fee Rate
\$0 - \$5,000,000	1.00 %
\$5,000,001 - \$15,000,000	0.75%
\$15,000,001 - \$25,000,000	0.60%
\$25,000,001 - \$50,000,000	0.50%
Over \$50,000,000	0.40%

On a case-by-case basis, Marble Harbor determines an appropriate fee structure based on the size, complexity, and investment objectives of the client's account. We may also charge a "flat" dollar fee. The terms and conditions of the fee structure are mutually agreed upon prior to entering into an Advisory Agreement. However, clients that invest in one or more of the Private Funds pay a performance-based fee ("an incentive fee") on the assets invested in the Private Fund.

Although we do not impose a minimum dollar value of assets under management for investment advisory accounts, we generally charge an annual minimum investment management fee of \$10,000 for each account (or group of related accounts).

Payment of Management Fees: Marble Harbor charges its management fees in accordance with each client's Advisory Agreement. A client may elect to be billed directly via written invoice, or may authorize Marble Harbor to directly debit fees from the client's qualified custodial account.

If a client authorizes Marble Harbor to directly debit management fees from that client's custodial account, it is the client's responsibility, not the qualified custodian, to verify that our fees were calculated correctly. Fee deductions will be reflected in the account statement sent by the qualified custodian directly to the client.

Marble Harbor relies on the custodians that hold client securities and/or a reliable third-party quotation service when determining the value of account assets. If the custodians and the pricing services can't provide a price, we will obtain a price on a best-efforts basis.

Limited Negotiability of Management Fees: Although Marble Harbor has established the above fee schedule and minimum annual fees, it retains the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client's account, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, reports, and among other factors. The specific annual fee schedule will be identified in each client's Advisory Agreement.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts are not generally available to our advisory clients but may be offered to family members and friends of associated persons of Marble Harbor.

Limited Prepayment of Management Fees: Marble Harbor does not require or solicit prepayment of more than \$1,200 in fees per client in advance of services rendered.

Termination of the Advisory Relationship: Either a client or Marble Harbor may terminate an Advisory Agreement at any time for any reason upon receipt of sixty (60) days written notice or in accordance with other mutually agreed upon written terms. If Marble Harbor's services are terminated on a day other than the last day of the calendar quarter, the client will be charged a pro-rated fee to cover the period from the beginning of the calendar quarter through the date of termination.

Compensation is generally not payable in advance. However, if a client terminates its relationship with Marble Harbor, any prepaid, unearned compensation will be pro-rated to the date of the termination and promptly reimbursed. Marble Harbor does not impose any termination fees.

Additional Fees and Expenses

Mutual Fund Fees: As part of its investment advisory services to clients, Marble Harbor may invest or recommend that their clients invest in mutual funds and/or exchange-traded funds. Clients are advised that all fees paid to Marble Harbor for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds, exchange-traded funds, money market funds, or closed-end funds ("Other Funds") to their respective shareholders; such fees and expenses are described in each Other Fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If an Other Fund also imposes sales charges, a client may be required to pay an initial or deferred sales charge. Marble Harbor does not share in any portion of these fees or charges.

A client can invest in an Other Fund directly without Marble Harbor's services. In such case, Marble Harbor would not assist the client in determining the most appropriate investment. Accordingly, the client should review both the fees charged by an Other Fund and Marble Harbor's fees to fully understand the total amount of fees to be paid by the client.

Brokerage and Custodial Fees: Marble Harbor’s management fees do not include brokerage commissions, transaction fees, and other costs associated with the execution of securities transactions which will be incurred by clients.

In addition, clients will incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, odd lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to Marble Harbor’s management fees. Marble Harbor does not receive any portion of these commissions, fees, or costs. For additional information, please see *Item 12 – Brokerage Practices*.

Private Fund Fees: Marble Harbor serves as the Manager of MHIC Venture Manager, LLC, a Massachusetts limited liability company (“MHIC Venture”). MHIC Venture serves as Manager to the Private Funds, which are closed to new investors. Marble Harbor generally required all investors in the Private Funds to be “accredited investors” as defined in Regulation D under the Securities Act of 1933, or “qualified clients” as defined under the Investment Advisers Act of 1940, or “qualified purchasers” as defined under the Investment Company Act of 1940.

MHIC Venture may receive incentive fees from investors in the Private Funds. The incentive fees are calculated based on a share of capital gains on or capital appreciation of the assets invested in each Private Fund. The incentive fee is typically 20% of net profits. More information on fees, expenses and risks can be found in the offering materials for each Private Fund.

Clients who invest in a Private Fund are not charged a management fee on the assets invested in the Private Fund. Rather, they are charged an incentive fee when there is a liquidity event (e.g., a sale or IPO).

Clients should be aware that a performance-based fee arrangement can create an incentive for Marble Harbor to recommend investments that are riskier or more speculative than those recommended under a different fee arrangement. Marble Harbor has procedures in place (i) to ensure all clients are treated fairly and equally, and (ii) to prevent potential conflicts with respect to allocations of investment opportunities among clients.

Please see *Item 10 – Other Financial Industry Activities and Affiliations* for additional information regarding the Private Funds.

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

As previously disclosed in *Item 5 - Fees and Compensation*, performance-based fees are limited to investors in our Private Funds. The Manager to the Private Funds, MHIC Venture may receive incentive fees from investors in the Private Funds in accordance with the requirements set forth in applicable laws and regulations. The incentive fees are calculated based on a share of capital gains on or capital appreciation of the assets invested in each Private Fund. MHIC Venture’s incentive fee is typically 20% of net profits. More information on fees, expenses and risks can be found in the offering materials for each Private Fund.

Clients who invested in a Private Fund are not charged a management fee. Rather, they are charged an incentive fee when there is a liquidity event (e.g., a sale or IPO).

Clients should be aware that a performance-based fee arrangement can create an incentive for Marble Harbor to recommend investments that are riskier or more speculative than those recommended under a different fee arrangement. We have procedures in place (i) to ensure that all clients are treated fairly and equally, and (ii) to prevent potential conflicts with respect to allocations of investment opportunities among clients.

Please see *Item 10 - Other Financial Industry Activities and Affiliations* for additional information regarding the Private Funds.

Item 7 - Types of Clients

Marble Harbor typically provides investment advisory services to the following types of clients:

- Individuals;
- Trusts and estates;
- Foundations, charitable organizations, and endowments;
- Corporations and other business entities; and
- Pooled investment vehicles.

Please see *Item 5 - Fees and Compensation* for information regarding minimum account size.

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

Methods of Analysis

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental Analysis: We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Risks for All Forms of Analysis: Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that rate such securities, and other publicly available sources of information about such securities, provide accurate and unbiased data. While we are alert to indications that data can be incorrect, there is always a risk that our analysis can be compromised by inaccurate or misleading information.

Marble Harbor cannot guarantee any level of performance or that you will not experience a loss of your account assets. Past performance results do not guarantee future results for any account.

Investment Strategies

Marble Harbor uses the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations.

Portfolios of individual equities are constructed primarily of U.S.-based companies with the ability to sustain their growth. We are cognizant of the risk of overpaying for better-quality companies and so endeavor to initiate purchases at attractive valuations.

The companies in which we invest vary in size but are predominantly mid- and larger-sized companies. Portfolios generally consist of fewer than forty companies. Turnover in portfolios is generally less than 25% per year, as Marble Harbor has a long-term investment horizon.

Portfolios are constructed in consideration of the overall risk and investment profile of the client.

Clients retain individual ownership of all securities and hold them at a qualified custodian.

With respect to fixed income investing, Marble Harbor generally constructs portfolios of laddered bonds that are traded infrequently. By holding bonds to maturity, we avoid costly trading activity in inefficient bond markets. Bond maturities are usually ten years or less, and portfolios are constructed with securities that are judged by us to be high-quality credits. Marble Harbor has retained W.B. Smith & Company, a consulting firm specializing in the evaluation and implementation of fixed income strategies, to assist with portfolio management and trading.

When appropriate to the needs of a client, we may recommend the use of trading (securities sold within 30 days), short sales, margin transactions or option writing. Because these investment strategies involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated tolerance for risk.

Long-term purchases- Marble Harbor purchases securities with the idea of holding them in the client's account for one year or longer. Typically, this strategy is employed when Marble Harbor:

- Believes the securities to be currently undervalued; and/or
- Seeks exposure to a particular asset class over time, regardless of the current projection.

A risk in a long-term purchase strategy exists in that holding a security for this length of time may prevent us from taking advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security can decline sharply in value before we can make the decision to sell.

Short-term purchases- When using this strategy, we may purchase securities with the idea of selling them within a relatively short time (typically one year or less). We do this to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Trading- We may purchase securities with the idea of selling them very quickly (typically within 30 days or less); this is an attempt to take advantage of our predictions of brief price swings.

Short sales- We may borrow shares of a stock for a client's portfolio from someone who owns the stock on a promise to replace the shares on a future date, at a certain price. We then sell those borrowed shares immediately. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling when we believe the stock will decrease in price after we have

borrowed the shares. If we are correct, and the stock price declines, the client realizes the profit. Conversely, if we are incorrect, and the stock rises in price, the transaction results in a loss to the client.

Margin transactions- We may purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash and allows us to purchase stock without selling other holdings. Purchasing securities on margin also adds leverage to a portfolio, an additional source of risk.

Options- An option, like a stock or bond, is a security. More specifically, it is a derivative security because it derives its value from an underlying asset. There are two types of options:

- A call provides the right, but not the obligation, to buy an asset at a certain price, on or before a specific date. We may buy a call if we believe a stock will increase in price before the option expires.
- A put provides the right, but not the obligation, to sell an asset at a certain price, on or before a specific date. We may buy a put if we believe a stock will fall in price before the option expires.

We may use options to speculate on the possibility of a sharp price swing (buying a call or put). We may also use options to “hedge” a position in an underlying security. For instance, we may purchase a put on an underlying stock in a client’s portfolio. The put gives the right to sell the stock at an agreed-upon price (“strike price”), providing downside protection on the price of that underlying stock.

Alternatively, we may sell (or “write”) a “covered call” option on an underlying security in the client’s portfolio (because the client owns the underlying security, the call option is said to be “covered”). The client receives a fee (called the “premium”) for writing the call option. The purchaser of the call has the right to buy the underlying security from the client at the strike price.

When a covered call is written in tandem with the purchase of a put, a synthetic “collar” is created, where the gain/loss profile for the stock remains in a narrow range.

A “straddle” is an option strategy which involves buying both a call and a put on the same underlying asset with the same strike price and expiration date. The investor gains when the stock moves sharply in either direction.

We may also write “out of the money” options for the sole purpose of generating cash from the option premiums. These strategies may be used routinely on behalf of clients who have expressed a desire to incorporate them into their portfolios.

Cash Balances- We generally invest client cash balances in money market funds.

There are no assurances that Marble Harbor’s investment strategies will succeed, and Marble Harbor cannot give any guarantee that it will achieve the investment objectives it establishes for a client or that any client will receive a return of its original investment.

Alternative Investments

Only eligible clients can invest in alternative investments in pooled investment vehicles such as private equity or hedge funds. These products generally carry higher risk due to their concentrated nature, lack of liquidity, and other reasons. Before investing in an alternative product for a client, Marble Harbor will establish that the client is an “accredited investor”, a “qualified client” or a “qualified purchaser”. Marble Harbor will rely on the accuracy of a client’s representations recommending the client for an alternative

product. The client is responsible for promptly informing Marble Harbor should any past representations become inaccurate.

Risk of Loss

All investing involves risk of loss that you should understand and be prepared to bear. Investment strategies offered by Marble Harbor could lose money over short or long time periods. Clients can experience loss of principal (i.e., invested amount) along with loss of unrealized gains (i.e., securities that were not sold to “lock in” profit), causing an account to decline in value. Prices of stocks, bonds, and other investments can fluctuate substantially.

Cybersecurity Risks: Marble Harbor’s information technology and communication systems used to conduct business are subject to different threats/risks that could adversely affect clients and their portfolios, despite the firm’s efforts to (i) adopt technologies and practices intended to mitigate these risks and (ii) protect the security of its computer systems, software, and other technology assets, as well as the security and integrity of client information. Similar types of operational and technology risks are also present for the companies in client portfolios. Material adverse consequences for such companies may cause the client portfolios to lose value.

Other Risk Factors: Other risk factors that can affect the performance of your investments include global and domestic economic conditions, government regulation, political events, technological and environmental issues, war, and terrorism. Additionally, the occurrence of a natural disaster or pandemic could adversely affect and disrupt the business operations, economies, and financial markets of many countries (beyond the site of the natural disaster or pandemic). Such an event could adversely impact Marble Harbor’s investment program or its ability to conduct business. There is a risk of loss of the assets we manage that may be beyond our control. Marble Harbor will do its best in the management of all client assets; however, we cannot guarantee any level of performance or that you will not experience a loss of your account assets.

The above risk factors are not a complete list or explanation of the risks involved in an investment. Other risks apply. For more information on the risks associated with a particular type of investment, analysis method or investment approach please contact your investment counselor at Marble Harbor.

Item 9 - Disciplinary Information

Marble Harbor and its employees have no reportable legal or disciplinary events to disclose.

Item 10 - Other Financial Industry Activities and Affiliations

Marble Harbor is under common ownership and is the Manager of MHIC Venture.

MHIC Venture serves as the Manager of the Private Funds.

Marble Harbor’s employees may also be members of the Private Funds.

As appropriate, eligible clients were solicited to invest in such Private Funds. Related persons of Marble Harbor do not receive investment advisory compensation in relation to these investments.

Because investment in these types of entities can involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity, and suitability.

Related persons of Marble Harbor may spend as much as 5% of their time on these related activities.

If deemed constructive toward realizing the best investment outcome, employees of Marble Harbor can serve as a director of an underlying company in one or several of the Private Funds. Marble Harbor's Code of Ethics and Inside Information Statement ("Code of Ethics") addresses the potential risk of such person obtaining material non-public information in his/her role as director of an underlying company.

No client is obligated to invest in the Private Funds, or any other Marble Harbor sponsored investment vehicle.

The information contained in this Brochure does not constitute an offer to sell or the solicitation of an offer to invest in any of the Private Funds. Such an offer can be made only by means of the respective Private Fund's offering documents and only in those jurisdictions were permitted by law. Such offering documents contain information specific to the respective Private Funds, risks, fees and expenses, among other things.

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

Marble Harbor requires that employees comply with all applicable Federal and State regulations governing our investment advisory practices. The firm has adopted a Code of Ethics ("Code") which expresses the firm's commitment to ethical conduct. The Code describes Marble Harbor's fiduciary duty and responsibility to clients and includes provisions relating to the confidentiality of client personal information, procedures for employee personal trading and the firm's statement (prohibition of) on insider trading. The Code also delineates requirements for Marble Harbor employees regarding the receipt and offer of gifts and business entertainment, and engagement in outside business activities and directorships.

An important feature of the Code concerns employee trading of securities in their personal accounts. Marble Harbor employees may buy or sell securities which may be identical to those recommended to clients. No person employed by Marble Harbor shall prefer his or her own interest to that of any client or make personal investment decisions based on the investment decisions for our clients. For certain securities, the Code requires employees to pre-clear their personal transactions prior to execution, except as specifically exempted under the Code. In addition, employees must obtain prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering.

The Code also provides for oversight, enforcement and recordkeeping provisions. To supervise employees and effect adherence to the Code, we require all employees to direct the broker(s) of all personal accounts to furnish duplicate confirmations and periodic account statements to Marble Harbor's Chief Compliance Officer.

Employees are required to disclose all personal reportable security transactions quarterly, and to submit reports of their securities holdings annually. They are also required to certify, annually, that they have read and understand the Code. The Code also includes a policy prohibiting the use of material non-public information. Any individual not in observance of this important restriction will be subject to discipline. Periodic training sessions are held for all employees to reinforce the tenets of the Code.

A copy of the Code of Ethics is available to existing advisory clients and prospective clients. To request a copy, please contact Tom Stickley at (617) 956-6710, or write to Marble Harbor, 101 Federal Street, Suite 2920, Boston, MA 02110.

Marble Harbor is under common ownership and serves as the Manager of MHIC Venture. MHIC Venture serves as the Manager of the Private Funds noted in *Item 10* above.

MHIC Venture has designated Marble Harbor as having primary responsibility for investment management and administrative matters, such as accounting, tax and periodic reporting, pertaining to the Private Funds. Marble Harbor and its employees will devote to the Private Funds as much time as deemed necessary and appropriate to manage the Private Funds' business. Marble Harbor is not restricted from forming additional investment vehicles, entering other investment advisory relationships, or engaging in other business activities, even though such activities may be in competition with the Private Funds and/or may involve substantial time and resources of Marble Harbor. Such activities can potentially be viewed as conflicting with the interests of our advisory clients.

Investments in the Private Funds were recommended to advisory clients for whom private placements were more suitable than a separate advisory account managed by our firm.

The Private Funds were not required to register as investment companies under the Investment Company Act of 1940 in reliance on an exemption available to funds whose securities are not publicly offered.

MHIC Venture manages the Private Funds on a discretionary basis in accordance with the terms and conditions of the Private Funds' offering and organizational documents.

Item 12 - Brokerage Practices

Marble Harbor executes client transactions through either a broker-dealer that it selects, or a broker-dealer designated by the client. Generally, in the absence of specific instructions to the contrary, Marble Harbor has complete discretion with respect to client accounts without any limitations on its authority. This discretion includes the authority to buy or sell securities for client accounts and establish and effect securities transactions through accounts with broker-dealers selected by Marble Harbor without prior notice to the client. Clients can direct Marble Harbor to use one or more particular broker-dealers in the management of their accounts. Clients should be aware that directing brokerage to a particular broker-dealer can involve disadvantages. Please see *Client Directed Brokerage* discussion below.

Best Execution

Marble Harbor uses its best efforts to obtain execution of securities transactions at prices that are advantageous to the client and a reasonable competitive commission rate. In choosing broker-dealers for execution of securities transactions, Marble Harbor considers various relevant factors, including without limitations, the size and type of the transactions, the nature and character of the market for the securities, the broker-dealer firm's financial stability, confidentiality, back office stability, trading desk capacities, referrals, custody, settlement, familiarity with derivative securities strategies and the overall value and quality of the services offered by the broker-dealer firm.

Client Directed Brokerage

Clients may come to Marble Harbor with an existing brokerage relationship and direct Marble Harbor to execute their trades with that particular broker-dealer (“directed brokerage”). Prior to Marble Harbor accepting directed brokerage instructions from a client, it must receive and approve an executed client directed brokerage letter from the client.

Marble Harbor expects each participating client to negotiate terms and arrangements for the account with the preferred broker-dealer. By using directed brokerage, a client can pay higher commission rates or other transaction costs than would otherwise be the case. However, Marble Harbor reserves the right to negotiate commissions with other broker-dealers to achieve best execution.

Soft Dollars Arrangements

Currently, Marble Harbor does not have any soft-dollar arrangements and does not receive any soft-dollar benefits. The term “soft dollar” generally refers to using brokerage commissions to pay for research services. If Marble Harbor uses soft dollars in the future, it will seek to comply with Section 28(e) of the Securities Exchange Act of 1934, which provides a “safe harbor” allowing investment advisers to choose brokers to execute client trades at a commission rate that is higher than lowest available.

Marble Harbor has established relationships with various broker-dealers through which it buys and sells securities for its clients. In connection with these brokerage relationships, Marble Harbor receives benefits, such as opportunities to attend industry conferences and educational meetings, access to analysts and corporate management teams, research and research related emails and newsletters, or third-party vendors. These benefits are not associated with soft dollar arrangements and do not affect the commissions or fees charged by a broker-dealer.

Trade Aggregation and Allocation

Marble Harbor will bundle (or “block”) trades where possible and when advantageous to clients. In trading blocks of securities, composed of assets from multiple client accounts, Marble Harbor ensures that transaction costs are shared equally and on a pro-rated basis between all accounts included in the block. All clients in a block receive the same average share price.

Block trading can allow Marble Harbor to execute equity trades in a timelier, more equitable manner. Marble Harbor will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which it places trades for clients on a particular day.

Marble Harbor’s block trading policy and procedures are as follows:

- Transactions for any client account may not be aggregated for execution (included in a block trade) if the practice is prohibited by or inconsistent with the client’s Advisory Agreement with Marble Harbor, or Marble Harbor’s order allocation policy.
- A trader and/or investment counselor must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client’s investment objectives and with any investment guidelines or restrictions applicable to the client’s account.
- A trader and/or investment counselor must reasonably believe that the order aggregation will benefit, and will enable Marble Harbor to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must

always prove to have been correct with the benefit of "20-20 hindsight". Best execution includes the duty to seek the best quality of execution, as well as the best net price.

- Prior to entry of an aggregated order, a trader and/or investment counselor identifies each client account participating in the order, along with their proposed allocation of the completed quantity.
- If the block order cannot be executed in full at the same price or time, the quantity executed by the close of each trading day must be allocated pro rata among the participating client accounts in accordance with the initial order. However, adjustments to this pro rata allocation may be made to participating client accounts if necessary. The allocations are often adjusted to avoid odd share amounts ("odd lots"), or to avoid excessive commission charges in smaller accounts.
- Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order and must share in the commissions on a pro rata basis. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
- If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer promptly, as practicable.
- Marble Harbor's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
- Funds and securities for aggregated orders are clearly identified on Marble Harbor's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- No client or account will be favored over another.

Trade Errors

From time-to-time errors can occur while trading securities. Marble Harbor will evaluate and correct any errors promptly. We will incur the costs associated with correcting an error or pass the costs on to the broker-dealer or other responsible party when appropriate; we do not charge the cost of corrective actions to the client.

Custodian Selection

Clients retain individual ownership of all assets and maintain them with qualified custodians, such as a bank or broker-dealer.

Marble Harbor may recommend one or more custodians to the client, but the ultimate responsibility for selecting a custodian rests with the client. Once the client has selected a custodian, we may facilitate the account opening process. Marble Harbor is independently owned and operated and not affiliated with any custodian or broker-dealer.

Marble Harbor may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of client assets and to effect trades for their accounts. Although Marble Harbor may recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab.

Marble Harbor does not have a soft dollar agreement with Schwab. However, Schwab provides benefits as a result of Marble Harbor's relationship with Schwab Institutional. Schwab provides Marble Harbor with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an

unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions).

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to Marble Harbor other products and services that benefit Marble Harbor, but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in maintaining and administering our clients' accounts, include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide pricing information and other market data; and facilitate payment of Marble Harbor's fees from its client accounts. These services may also include educational events and publications that may benefit Marble Harbor.

Marble Harbor has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with its affiliates, "Fidelity") through which Fidelity provides Marble Harbor with "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like Marble Harbor in conducting business and in serving the best interests of its clients.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables Marble Harbor to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

Neither Schwab nor Fidelity or any other broker-dealer refers clients to Marble Harbor.

Item 13 - Review of Accounts

Investment advisory accounts are monitored on a continuous basis. Reviews of accounts are conducted at least quarterly by the client's investment counselor. Marble Harbor's investment counselors include:

- Paul R. Davis, Managing Member and Chief Investment Officer
- Daniel J. Rosenblatt, Member
- P. Eric Robb, Member
- Lawrence J. Harrington
- Howard Cowan

Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. Specific client-imposed restrictions are reviewed periodically.

As the client's investment objectives, goals, needs or financial situation changes, the client must notify us promptly.

We provide clients with quarterly appraisals summarizing their account balances, holdings, asset allocation, transactions, and market commentary. At least annually, we provide clients with account performance information with a reference to a relevant market index or benchmark. Other reports or statements may be prepared to meet specific client requests from time to time. Investment counselors may discuss and review a client's account in person, by email, telephone, or in writing, as needed. The frequency of contact may be different for each client.

All Marble Harbor client accounts are maintained with a custodian that provides monthly or quarterly account statements directly to the client and/or to a selected independent representative as instructed by the client. Client account statements received directly from the custodian serve as the official record of the client account and associated assets. Please also see *Item 15 – Custody for additional information*.

Item 14 - Client Referrals and Other Compensation

Other than what has already been described in this Brochure, Marble Harbor does not receive any additional compensation from third parties for providing investment advice to its clients.

Compensation Paid for Client Referrals

In certain circumstances, and in accordance with applicable law, Marble Harbor will compensate employees for their efforts in developing new client relationships. This creates a conflict of interest as the employees have a financial interest in the selection of Marble Harbor's potential clients. Marble Harbor addresses this conflict by disclosing to prospective clients the employees' affiliation with Marble Harbor. The compensation to these employees does not affect the management fees paid by these clients.

Marble Harbor has a referral arrangement in place with an unaffiliated third party ("promoter") who from time to time refers prospective clients to Marble Harbor. For each referred prospect who becomes a client of Marble Harbor, we will compensate the promoter a portion of the investment management fees collected for a fixed time period.

Such compensation creates an incentive for the promoter to refer clients to Marble Harbor, which is a conflict of interest for the promoter. Marble Harbor addresses this conflict by requiring the promoter to provide written disclosure of the material terms of the referral arrangement to any prospective client, including a description of the compensation being paid.

A referral made by the promoter does not obligate a prospective client to open an investment advisory account with Marble Harbor. All referred clients will be carefully screened to ensure that our fees, services, and investment strategies are suitable for their investment needs and objectives.

Marble Harbor will adhere to Rule 206(4)-1 of the Advisers Act (Marketing Rule), as well as other applicable State rules and regulations regarding referral arrangements and compensation. Marble Harbor may also enter other agreements to refer prospective clients to Marble Harbor.

Item 15 - Custody

Marble Harbor does not maintain or accept actual custody of client funds and securities. Client account assets are maintained with a qualified custodian, such as a bank or broker-dealer to hold and safeguard client assets under a separate agreement.

The SEC considers Marble Harbor to have custody of your assets (a) when you authorize us in writing to instruct your custodian to deduct our investment management fees directly from your custodial account; (b) when you provide us with written standing third-party money movement instructions giving us the ability to direct your custodian to transfer money on your behalf from your custodial account; (c) when you provide us with written standing first-party wire instructions to direct your custodian to wire money on your behalf from your custodial account to a different financial institution (i.e., your bank account); or (d) when a Marble Harbor employee serves as trustee for your trust account, or where we have similar authority with respect to client assets.

In addition, Marble Harbor, as Manager of MHIC Venture, is deemed to have custody of the assets of the Private Funds described above in *Item 10 - Other Financial Industry Activities and Affiliations*.

Marble Harbor has engaged an independent public accounting firm to conduct an annual surprise examination of client assets subject to Rule 206(4)-2 of the Advisers Act. Marble Harbor provides additional disclosure regarding custody of client assets in its Form ADV Part 1 filing with the SEC.

Custodians are typically selected by clients. However, upon request we will recommend a qualified custodian based on the client's specific needs. Marble Harbor is not a qualified custodian.

Clients (and/or their selected independent representative) should receive statements directly from their qualified custodian detailing all assets and transactions in their accounts at least quarterly. The statements from the custodian are the official record of client accounts. We ask clients to promptly notify us if their custodian fails to provide them with statements.

In addition to the periodic statements provided directly by their custodians, clients also receive account appraisals from Marble Harbor on a quarterly basis. We urge our clients to carefully review the statements provided by the qualified custodian and compare them to the account appraisals provided by Marble Harbor. The information in our reports may vary from custodial statements due to accounting procedures, reporting dates or valuation methodologies of certain securities.

We previously disclosed in *Item 5 - Fees and Compensation* that we may directly debit management fees from our clients' accounts, when authorized to do so by the client. As part of our billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. Because the custodian does not calculate the amount of our management fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us if they believe there may be an error in their statement.

Item 16 - Investment Discretion

Clients typically hire Marble Harbor to provide discretionary investment advisory services, meaning that Marble Harbor initiates trades in the client's account, without obtaining the client's permission prior to each trade. Our discretionary authority includes determining the security to buy or sell, along with the quantity of the transaction, without prior approval from the client.

Clients give Marble Harbor full authority to manage their accounts when they sign a discretionary Advisory Agreement with Marble Harbor. Clients may limit this authority by including written investment guidelines and restrictions within the advisory agreement. Clients can also change or amend existing limitations by providing Marble Harbor with written instructions to do so. In all cases, Marble Harbor will exercise discretionary authority in a manner consistent with its fiduciary duty and the stated investment objectives of the client.

Clients should promptly communicate any changes in their investment objectives to Marble Harbor.

For some clients, Marble Harbor can manage their accounts on a non-discretionary basis when they sign a non-discretionary Advisory Agreement. In these circumstances, client approval is required before a trade may be placed, which can affect the timing of the transaction.

Item 17 - Voting Client Securities

Marble Harbor has adopted policies and procedures reasonably designed to ensure that proxies are voted in the best interest of clients and in accordance with its fiduciary duties and SEC rules. Proxy voting decisions will be made according to guidelines that we believe protect the economic interests of our clients while considering both short and long-term implications.

Additionally, Marble Harbor has adopted procedures to resolve cases where it or its employees have a material conflict of interest with the issuer of a proxy proposal.

Pursuant to Marble Harbor's Advisory Agreement, the firm may exercise proxy voting authority related to investments held in client accounts. Alternatively, clients can retain their right to vote proxies by instructing Marble Harbor in writing. In such a case, clients should instruct their custodians to forward any proxy materials to their address or to a designated representative.

Marble Harbor will only vote proxies for securities held in accounts where clients have given the firm voting authority. We have engaged Broadridge Financial Solutions, Inc. ("Broadridge"), an independent proxy voting service firm, to facilitate the voting and submission of proxy ballots and administrative recordkeeping in accordance with general guidelines approved by Marble Harbor. Broadridge does not provide Marble Harbor with assessment or recommendations regarding specific proxy items for securities held in clients' accounts.

Clients may obtain a copy of our Proxy Voting Policy and information about how we voted proxies related to securities held in their accounts, free of charge, by contacting Lawrence J. Harrington at Marble Harbor Investment Counsel, 101 Federal Street, Suite 2920, Boston, MA 02110, or calling 617-956-6710.

Unless we otherwise agree in writing, we will not take any action on behalf of a client in any legal proceedings, including, but not limited to, bankruptcies or class actions, involving securities held in or formerly held in a client's account or the issuers of those securities. Accordingly, Marble Harbor will not be responsible for responding to or forwarding to a client any class action settlement offers relating to securities currently or previously held in a client account.

Item 18 - Financial Information

Marble Harbor does not require or solicit prepayment of any fees in advance. Marble Harbor is not subject to any financial condition that would impair its ability to meet its contractual and fiduciary commitments to its clients, nor has the firm ever been the subject of a bankruptcy petition or proceeding.