Breckinridge CAPITAL ADVISORS

Breckinridge Capital Advisors, Inc.

Part 2A

The Brochure

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This brochure provides information about the qualifications and business practices of Breckinridge Capital Advisors, Inc. ("Breckinridge"). If you have any questions about the contents of this brochure, please contact us at 617-443-0779. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

Additional information about Breckinridge is also available on the SEC's website at: www.adviserinfo.sec.gov.

MATERIAL CHANGES

Since our last Brochure update in November 2016, the following changes have been made.

Form ADV Part 2A

Investment Strategies

The core government credit strategy has been expanded to include strategies across the short to intermediate maturity spectrum. These strategies can be customized by benchmark, sector, maturity, duration and credit quality. Sustainable versions of these strategies also are available. Subject to Breckinridge's discretion, the minimum for these strategies is $10,000,000.

Trade Allocation

Breckinridge will be moving to a new trade allocation methodology, which will establish investment schedules for every portfolio that is managed. Portfolios are then prioritized based on their alignment with the assigned schedule, with allocations first being made, on a best efforts basis, to the portfolios that are farthest from meeting their investment schedule. Subject to the portfolio managers' discretion, priority of allocations can change in certain circumstances. The change is targeted to take effect on or about May 15, 2017. A description of the new methodology has been included in the *Brokerage Practices* section.

Class Actions and Other Legal Proceedings

Breckinridge will not act or advise on any class action claims or legal proceedings for securities held or formerly held in accounts for clients or former clients. This additional disclosure has been added to the *Voting Client Securities* section.

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ADVISORY BUSINESS

Founded in 1993, Breckinridge Capital Advisors, Inc. ("Breckinridge") provides investment advice for separately managed fixed-income bond portfolios. Breckinridge specializes in managing investment-grade fixed income bonds, with customized strategies focusing on tax efficient, government credit or sustainable investing. Breckinridge is primarily owned by Peter Coffin. As of December 31, 2016, Breckinridge managed $25.9 billion in assets on behalf of 13,467 clients; three of those clients with assets totaling $21.4 million represented non-discretionary assets.

Breckinridge primarily serves individuals and institutional clients through financial intermediaries such as investment consultants and financial advisors (collectively, "Advisors"). Advisors are not affiliated with Breckinridge and conduct their own due diligence of Breckinridge. Advisors will offer all or some of Breckinridge's investment strategies to their clients. Some Advisors have entered into an advisory agreement with Breckinridge, while others require Breckinridge to enter into such agreements with the end client directly. In either agreement scenario, the Advisor typically remains Breckinridge's primary point of contact for client related communications and updates to client or account information.

Clients should be aware that Breckinridge will not be provided with sufficient information from Advisors to perform an assessment as to the suitability of Breckinridge's services for their accounts. Breckinridge relies on the Advisors who, within their fiduciary duty, must determine not only the suitability of Breckinridge's services for the client, but also the suitability of Breckinridge. This also includes any assessment of whether a particular wrap platform is appropriate for the client.

Breckinridge also has clients who have accessed our investment advisory services directly. These clients may have designated authorized individuals to act on their behalf. Any such arrangements will have been designated in either the investment management agreement or in separate written documentation.

Client Customizations

Once a client has selected Breckinridge as a manager, the client account is managed in accordance with the chosen Breckinridge investment strategy and applicable client customizations. Breckinridge will accept customizations (e.g., investment restrictions) with prior review and approval by Breckinridge. All client portfolios are managed by a team of portfolio managers. Prior to accepting an account, the client or Advisor will submit, in writing, any customizations to Breckinridge for review and approval. Changes to an account's customizations must be communicated to Breckinridge in writing. Changes also must be reviewed and approved by Breckinridge prior to their becoming effective.

Requests for more specialized customizations will require additional review time, and Breckinridge will not incept an account until customizations have been reviewed and approved. Please refer to

the *Investment Process* section of this Brochure for more information on how Breckinridge generally manages account customizations.

Wrap Programs

Breckinridge serves as a portfolio manager on various wrap programs that are sponsored by unaffiliated financial intermediaries such as broker dealers ("Sponsor"). For its investment advisory services, Breckinridge receives directly from each Sponsor – and not from any client whose account(s) we manage through the program – a portion of the all-inclusive, wrap fee that each client pays the Sponsor. Each Sponsor's program allows its clients to receive, in exchange for a unitary, all-inclusive wrap fee, discretionary portfolio management services from portfolio managers participating in the program, assistance in choosing participating managers, trade execution and custodial services, periodic performance and other reports, and certain other related services provided by the Sponsor and its affiliates.

Under each program, any brokerage commissions or other transactions fees on client trades effected through the Sponsor, the Sponsor's affiliates, or client directed broker arrangement, are included in the all-inclusive fee that each client pays the Sponsor. In all cases, Breckinridge has the authority to trade with other broker dealers, and Breckinridge will exercise such authority in our pursuit of best execution. When Breckinridge effects transactions with broker dealers outside of any Sponsor or client directed arrangement, the associated transaction costs are not covered by the wrap fee; instead, the costs are incurred by the client in addition to the wrap fee. Please see the *Brokerage Practices* section for additional information.

FEES AND COMPENSATION

The maximum fee Breckinridge assesses for management of a client account is 35 basis points. Breckinridge retains full discretion to negotiate fees in consideration of asset levels, service requirements, and any other factor that Breckinridge deems relevant. Some client assets are aggregated for billing purposes. Clients with multiple accounts managed by Breckinridge, or clients who access Breckinridge through Advisors may be offered blended/stepped fee schedules. Client fee schedules are detailed in the advisory agreement.

Clients are responsible for verifying that the fee is properly calculated. Unless other arrangements are agreed upon, fees will be payable quarterly, in arrears. Breckinridge may deduct fees directly from client custodial accounts, or bill Advisors or clients for fees. The manner in which fees are deducted is detailed in the agreement with the Advisor or client.

Clients may terminate an advisory agreement within five business days after execution without penalty; otherwise the contract may be terminated upon thirty days prior written notice. Advisory contracts cannot be assigned without the approval of the client. Fees paid in advance for the current quarter will be pro-rated on a daily basis and any unused portion returned to the client. Fees paid in arrears for the current quarter will be pro-rated on a daily basis and billed to the client.

All holdings in Breckinridge accounts are priced no less than monthly. When Breckinridge is responsible for calculating the fee for client accounts, Breckinridge does not charge fees on cash. However, Breckinridge may earn fees on cash from clients who access Breckinridge through wrap programs as some programs include cash in the asset values used for billing purposes.

In addition to Breckinridge's investment management fees, clients bear trading costs and custodial fees. To the extent that clients' accounts are invested in mutual funds, these funds pay a separate layer of management, trading, and administrative expenses.

PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Breckinridge provides investment advisory services to client accounts in different strategies with varying fee schedules. As such, Breckinridge's portfolio managers must allocate their time across multiple client accounts, which can create a conflict of interest. Using a team approach, the portfolio managers are able to make investment decisions and allocations across multiple client accounts, regardless of a client's investment strategy, objectives, or fee schedule. Additionally, the portfolio managers utilize a proprietary trading system to complete allocations to client accounts in a manner that is consistent with internal policy. Allocation exceptions are flagged and reviewed by a Portfolio Manager. Please see the section on *Brokerage Practices* for more information on our investment and allocation processes.

Breckinridge does not have any performance fee arrangements, which can create further conflicts concerning the management and trading of client accounts.

TYPES OF CLIENTS

Breckinridge provides its services to individuals, trusts, estates, charitable organizations, corporations and/or other business entities, investment companies registered under the Investment Company Act of 1940, private investment funds and other institutional investors.

Private investment funds for which Breckinridge acts as investment adviser is not registered under the Investment Company Act, and can invest in similar securities as other advisory clients. Breckinridge is not the general partner to any such fund and does not receive placement fees with respect to investments in those funds.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment Strategies

Breckinridge offers municipal, government credit and sustainable bond strategies. Unless otherwise indicated, the minimum investment for strategies is $500,000. Minimum investment amounts are subject to Breckinridge's discretion.

Tax-Efficient Strategies

Breckinridge's tax efficient strategies seek to maximize after-tax income and preserve capital by investing primarily tax-exempt municipal bonds. Tactical allocations to taxable municipal, high-quality corporate, Treasury and government agency bonds may also be considered based on a client's tax rate. Breckinridge offers several tax-efficient strategies across the short to long intermediate maturity spectrum that can be customized by benchmark, maturity, duration, credit quality, tax status and state. Over 30 state preference options are available for clients with state-tax liabilities.

Government Credit Strategies

Breckinridge's government credit strategies seek to maximize risk-adjusted returns and to preserve capital by investing in corporate, taxable municipal, supranational, treasury and government agency issuers. Breckinridge offers several government credit strategies across the short to intermediate maturity spectrum that can be customized by benchmark, sector, maturity, duration, and credit quality.

Core Government Credit Strategies

Breckinridge's core government credit strategies seek to maximize risk-adjusted returns by primarily investing in municipal bonds, corporate bonds, asset-backed securities, mortgage-backed securities, government agency and government sponsored enterprise securities, treasury bonds, and supranational bonds. Breckinridge offers several core government credit strategies across the short to intermediate maturity spectrum that can be customized by benchmark, sector, maturity, duration, and credit quality. Subject to Breckinridge's discretion, the minimum investment for these strategies is $10,000,000.

Sustainable Strategies

Breckinridge's sustainable strategies are designed for investors who are interested in emphasizing environmental, social and governance (ESG) performance. Breckinridge offers tax efficient, government credit and core government credit sustainable strategies that can be customized as described in each strategy's respective section above. Breckinridge attempts to achieve each strategy's investment objectives by selectively investing in those eligible issuers with above-average ESG profiles and/or bonds that fund essential environmental, social or economic development projects. Values-based customizations, such as environmental or religious based themes, are also available.

Methods of Analysis

Grounded in our mandate to preserve capital and provide reliable income, our investment philosophy seeks to preserve capital and improve incremental returns. Breckinridge strives to achieve this through opportunistic trading, bottom-up credit analysis and proactive portfolio management and structure.

Breckinridge's investment process is collaborative and client portfolios are team managed. An investment committee, composed of a cross section of investment professionals, meets about monthly to review outlook and formulate strategy. The committee analyzes macroeconomic criteria based on yield curve and credit analysis, current interest rate levels, sector spreads, supply dynamics and option valuations. Based on this top-down analysis, the committee devises portfolio structure targets, such as duration targets and sector weightings, to guide client portfolios. Rules and targets are adjusted accordingly in our portfolio management and trading system for implementation.

Breckinridge's research team is responsible for coverage of specific states and/or sectors. Our research team uses proprietary credit frameworks, ESG factors, and quantitative and qualitative data to generate internal ratings, and if applicable a sustainability rating. Research analysts also review new and secondary issues to identify potential purchases. Ratings and research reports are viewable by both the portfolio management team and the traders.

Portfolio managers implement the strategy and targets in the portfolios in conjunction with client's individual objectives and parameters. Breckinridge's portfolio management system enables both customization and compliance with a client's mandate; this allows our portfolio managers to implement the firm's overall strategy in accordance with each client's objectives and guidelines. The system also provides the portfolio management team with the ability to monitor portfolios on an ongoing basis. This allows the team to identify client portfolios that are inconsistent with strategy targets or client guidelines. Portfolio managers determine purchases, sales and possible swaps through the assimilation of credit analysts' views and ratings, and traders' input on valuation. Once these determinations are made, portfolio managers define the appropriate parameters for traders. The traders use the criteria to seek bonds that fit the specifications.

Traders are able to use analysts' internal ratings to enhance the assessment of a security's fair value. Our traders continually assess opportunities in both the primary and secondary markets for suitability and value, monitor spread relationships, credits and maturities and take action when relative-value opportunities are identified.

Risk Considerations and Definitions

Clients should be aware of the risks associated with a particular strategy when making investments. All investments involve risk of loss that clients should be prepared to bear. Risks will vary based on the investment strategy and the specific securities held.

As described in the *Investment Philosophy* and *Investment Process* sections of this Brochure, Breckinridge strives to meet its mandate of preserving capital and providing reliable income to its clients by carefully managing and analyzing risks. Using a proprietary system, the portfolio managers continually run filters and tests to monitor client portfolios from a variety of standpoints

such as duration and maturity. The portfolio managers also run daily reports to identify variances from investment committee targets and client investment guidelines.

The table below highlights the material risks associated with each investment strategy. Risks for the sustainable tax-efficient, government credit, and core government credit strategies are the same as those listed below.

Each risk is discussed in more detail after the table.

	Tax Efficient	Government Credit	Core Government Credit
144A Securities Risk			x
Asset Backed Securities Risk			x
Call Risk	x	x	x
Corporate Debt Risk		x	x
Credit Default Risk	x	x	x
Duration Risk	x	x	x
ESG Risk	x	x	x
Event Risk	x	x	x
Government Securities Risk	x	x	x
Interest Rate Risk	x	x	x
Issuer Risk	x	x	x
Liquidity Risk			x
Market Risk	x	x	x
Mortgage-Backed Securities Risk			x
Municipal Bond Risk	x	x	x
Reinvestment Risk	x	x	x
Prepayment Risk	x	x	x
Sector Risk		x	x
State/Region Risk	x	x	x
Tax Liability Risk	x	x	x
Valuation Risk	x	x	x

144A Securities Risk: 144A securities are unregistered securities that are available to qualified institutional investors only. Due to the restrictions and limits on trading these securities, there is greater risk associated with these securities than those registered with the SEC. Public information on the issuers of 144A securities may be limited as they are not required to provide the same level of disclosures as the issuers of publicly traded securities.

Asset Backed Securities Risk: Payment of principal and interest on asset-backed securities is dependent largely on the cash flows generated by the assets backing the securities. Further, some asset-backed securities may not have the benefit of any security interest in the related assets. There is also the possibility that recoveries in the underlying collateral may not be available to support the payments on these securities. Downturns in the economy could cause the value of asset-backed securities to fall, thus, negatively impacting account performance.

Call Risk: Some bonds give the issuer the option to redeem the bond before its maturity date. If an issuer exercises this option during a time of declining interest rates, the proceeds from the bond may have to be reinvested in an investment offering a lower yield, and may not benefit from an increase in value as a result of declining rates. Callable bonds also are subject to increased price fluctuations during periods of market illiquidity or rising interest rates.

Corporate Debt Risk: The rate of interest on a corporate debt security may be fixed, floating, variable, may vary inversely with respect to a reference rate. Corporate debt securities are subject to the risk of the issuer's inability to meet principal and interest payments on the obligation. They also may be subject to price volatility due to interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity. When interest rates rise, the value of a corporate debt security can be expected to decline. Debt securities with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities. A company default can reduce income and capital value of a corporate debt security. Moreover, market expectations regarding economic conditions and the likely number of corporate defaults may impact the value of these securities.

Credit Default Risk: The risk of loss of principal due to the borrower's failure to repay the loan or risk of liquidity from the decline in the borrower's financial strength.

Duration Risk: The risk associated with the sensitivity of a bond's price to a change in interest rates. The higher a bond's (or portfolio's) duration, the greater its sensitivity to interest rate changes.

ESG Risk: Breckinridge integrates environmental, social and governance ("ESG") criteria in its research processes. Breckinridge believes that the assessment of ESG risk can improve credit assessments. However, there is no guarantee that integrating ESG analysis will provide improved risk-adjusted returns over any specific time period. Additionally, investment strategies that exclude securities based solely on ESG criteria may not provide better risk-adjusted returns than those strategies that do not have such restrictions.

Event Risk: The possibility that an unforeseen event will negatively affect a company or industry, and thus, increase the volatility of a bond.

Government Securities Risk: Not all U.S. government securities are backed by the full faith and credit of the U.S. government. It is possible that the U.S. government would not provide financial support to certain of its agencies or instrumentalities if it is not required to do so by law. If a U.S. government agency or instrumentality defaults and the U.S. government does not stand behind the obligation, returns could be negatively impacted. The U.S. government guarantees payment of principal and timely payment of interest on certain U.S. government securities.

Interest Rate Risk: Prices of fixed income securities tend to move inversely with changes in interest rates. As interest rates rise, bond prices typically fall and vice versa. The longer the effective maturity and duration of a strategy's portfolio, the more the performance of the investment is likely to react to interest rates.

Issuer Risk: Prices of securities may decline for a number of reasons which directly relate to the issuer. These reasons include management performance, financial leverage and reduced demand for the issuer's goods or services.

Liquidity Risk: The risk that exists when a bond's limited marketability prevents it from being bought or sold quickly enough to avoid or minimize a loss.

Market Risk: Prices of securities may become more volatile due to general market conditions that are not specifically related to a particular company, such as adverse economic conditions or outlooks, adverse investor sentiment, changes in the outlook for corporate earnings, or changes in interest rates.

Mortgage Backed Securities Risk: Mortgage backed securities are affected by interest rate changes and the possibility of prepayment of the underlying mortgage loans. In addition, these securities are subject to the risk that underlying borrowers will be unable to meet their obligations.

Municipal Bond Risk: Investments in municipal bonds are affected by the municipal market as a whole and the various factors in the particular cities, states or regions in which the strategy invests. Issues such as legislative changes, litigation, business and political conditions relating to a particular municipal project, municipality, state or territory, and fiscal challenges can impact the value of municipal bonds. These matters may also impact the ability of the issuer to make payments. Also, the amount of public information available about municipal bonds is generally less than that for corporate equities or bonds. Additionally, supply and demand imbalances in the municipal bond market can cause deterioration in liquidity and lack of price transparency.

Prepayment Risk: Similar to call risk, this risk is associated with the early unscheduled repayment of principal on a fixed income security. When principal is returned early, future interest payments will not be paid. The proceeds from the repayment may be reinvested in securities at a lower, prevailing rate. This risk is especially common with mortgage-backed securities.

Sector Risk: The risk that the strategy's concentration in the bonds of companies in a specific sector or industry will cause the strategy to be more exposed to the price movements of companies in and developments affecting that sector
State Risk: Portfolios with state specific customizations will be more sensitive to the events that affect that state's economy and stability. Portfolios with a higher the concentration of bonds to a

state in a portfolio may have higher credit risk exposure, especially if the percentage of assets dedicated to the state is invested in fewer issuers.

Tax Liability Risk: The risk that the distributions of municipal securities become taxable to the investor due to noncompliant conduct by the municipal bond issuer or changes to federal and state laws. These adverse actions would likely negatively impact the prices of the securities.

Valuation Risk: The lack of an active trading market and/or volatile market conditions can make it difficult to obtain an accurate price for a fixed income security. There are uncertainties associated with pricing a security without a reliable market quotation, and the resulting value may be very different than the value of what the security would have been if readily available market quotations had been available.

DISCIPLINARY INFORMATION

Breckinridge and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Breckinridge and its employees do not have any relationships or arrangements with other financial services companies that pose material conflicts of interest.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Breckinridge has adopted a Code of Ethics (the "Code") for all employees. It sets forth the highest standards of ethical conduct and fiduciary duties owed to our clients. The Code includes, among other things, policies and procedures relating to personal trading. All employees must acknowledge the terms of the Code, as a stand-alone document or as part of the firm's compliance manual, about annually.

The Code is designed to assure that personal securities transactions, activities and interests of Breckinridge's employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest in their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions, based on the determination that these would materially not interfere with the best interests of Breckinridge's clients.

As a general rule, Breckinridge prohibits employees from investing in securities that would be eligible for client portfolios. However, Breckinridge anticipates that, in limited circumstances, it will permit an employee to invest in securities that may be recommended for (or is currently held in) client accounts. Such personal transactions, as well as other personal trading activity, must satisfy the Code and applicable laws. The Code requires preclearance on certain transactions, at

least quarterly reports on such transactions, and a list of investment accounts and holdings on an annual basis. Nonetheless, allowing employees to invest in the same securities as clients creates a possibility that employees may benefit from market activity by a client in a security held by an employee. Employee trading is monitored regularly. A copy of Breckinridge's Code is available to any client or prospective client upon request.

BROKERAGE PRACTICES

Broker Selection

In selecting broker-dealers, Breckinridge's guiding principle is to seek the best overall execution for each client on each trade. Breckinridge considers a number of factors, including, without limitation, the actual handling of the order, the ability of the dealer to settle the trade promptly and accurately, the financial standing of the dealer, the ability of the dealer to commit capital, Breckinridge's past experience with similar trades and other factors that may be unique to a particular order. In recognition of the value of these qualitative factors, Breckinridge may cause clients to pay markups or markdowns that are higher than the lowest cost that might otherwise be available for any given trade.

Furthermore, Breckinridge may select a dealer that has client accounts or affiliates with client accounts managed by Breckinridge. Since Breckinridge has a business interest in these client relationships, there may be an incentive for Breckinridge to select these dealers over those without such client accounts when placing orders for client portfolios. Typically, the dealers' trading and client service teams are separate; thus, there is usually little to no overlap between the teams who manage the client accounts and the teams that are responsible for executing trades. Regardless, Breckinridge conducts periodic reviews of its trade execution and trading partners to ensure we are meeting our best execution goal. Breckinridge also has a general prohibition on traders consulting with our Marketing and Consultant Relations teams on broker selection.

Generally, a client may not direct Breckinridge to utilize a specific broker-dealer to execute some or all transactions for the client's account; however, the client will be required to choose its own custodian. The client is responsible for negotiating the terms and arrangements for the account with that custodian. As a result, Breckinridge will be unable to influence the transaction costs charged by the custodian to settle Breckinridge trades for clients.

Notwithstanding the above, if a client insists that Breckinridge direct trading to a specific broker or dealer, the client should be aware that they may pay higher transaction costs or execution prices as Breckinridge will not have authority to obtain volume discounts or narrower spreads. Consequently, clients with directed broker or dealer arrangements may not receive best execution.

Breckinridge will use, if we deem appropriate, bid wanted platforms when soliciting bids for bonds being sold. Using a bid wanted platform expands the number of broker-dealers alerted and responding to our bid wanted and helps to ensure that we will receive an acceptable bid.

When Breckinridge trades similar securities around the same time for multiple client accounts, it will use best efforts to aggregate trade orders for clients in order to seek better execution and transaction costs. The combining of orders may allow Breckinridge to achieve lower transaction costs and more effective execution for orders than would be the case if each individual client order were placed separately with one or several dealers. Clients may also be able to achieve lower trade execution prices as a result of this practice.

Research and Soft Dollar Benefits

Breckinridge receives sell-side research from broker-dealers, including market indices, that is not available to the general public. Breckinridge does not direct trades to obtain this research and has a policy to not enter into any soft dollar arrangements. To the extent that Breckinridge receives this research, the research may be used to facilitate the management of all client accounts.

Trade Allocation

When a portfolio review determines trades are necessary, the identified portfolios are added to a list, known as Inquiry. This list, maintained electronically in our trading system, is used by our traders to identify the bonds required to satisfy the investment needs of the portfolios on the list. Once trade orders are executed, the portfolio managers or traders use a rules-based system (coded with each account's restrictions, limitations, etc.) to allocate the bonds to participating portfolios. Portfolios that are not eligible for the allocation are removed from the list of participating accounts.

To the extent that the number of bonds is insufficient to allocate to all participating portfolios, priority will be chronological, with those that were on Inquiry first receiving allocations. Portfolio managers have discretion to change the priority of the allocation order in light of client specific customizations and directives, minimum trade sizes, suitability of the bond for the portfolio, and other such factors. In such instances, a client account placed on Inquiry at a later date may receive an allocation before an account placed on Inquiry at an earlier date. Inquiry is updated as trades and allocations are completed.

Newly funded accounts are placed on Inquiry and invested in accordance with the same allocation process described in this section. That is, allocations generally will be given to accounts on Inquiry first. Depending on the account size, funding (e.g., cash, securities), and client customizations, a new account may take up to 90 days to become fully invested.

Breckinridge will transition to a new methodology for prioritizing client accounts that receive bonds. Under the new methodology, portfolio managers will establish an investment schedule for every account that is managed. This schedule is based on several portfolio characteristics,

including strategy, size and state. Accounts are then prioritized based on their alignment with the investment schedule. Traders and portfolio managers will endeavor to first allocate bonds to the accounts that are farthest from alignment with their assigned investment schedule. Portfolio managers will maintain the discretion to change the priority of the allocation in light of client specific customizations and directives, minimum trade sizes, suitability of the bond, and other such factors. When the prioritization order changes, an account that is more closely in-line with its investment schedule could receive an allocation before an account that is less in-line with its schedule. We are targeting to transition to this new allocation method on or about May 15, 2017.

Cross Transactions

When Breckinridge has identified buy and sell orders in the same or similar security at the same time, Breckinridge will consider cross trades between client accounts. The usage of cross trades creates a conflict as Breckinridge is advising clients on both sides of the transaction. Breckinridge only executes cross trades when all the following conditions are met:

- A good faith determination has been made that the trades are beneficial to both parties.
- The trades adhere to applicable client contractual restrictions and limitations, investment objectives and guidelines for those client accounts involved in the cross.
- The trades adhere to applicable trade allocation guidelines.
- The trades are consistent with applicable federal and securities laws.
- Transaction prices reflect fair market value, and are based on prices provided by independent third party services.
- The trades are processed through broker-dealers not affiliated with Breckinridge.

Breckinridge has a general prohibition on cross trades in accounts subject to ERISA or the Investment Company Act of 1940. Breckinridge does not pay any additional compensation, commission, or fee for engaging in cross trades, but the broker-dealer may charge clients routine fees to effect the transactions. These fees are deducted from the proceeds of the respective selling client accounts after the trades have been allocated. Breckinridge will apply a concession to the transaction price, but does not receive any commission or fees from the broker-dealer for effecting cross trades.

Client Transferred Securities

Often, clients will fund accounts with securities. As a general rule, Breckinridge will not accept securities in which we do not typically invest or trade. Prior to accepting any security transfers, Breckinridge's portfolio management team will review the securities, and approve those we will accept. The portfolio management team will determine whether to liquidate or to hold the transferred securities.

Should a client ask Breckinridge to execute transactions in securities in which we typically do not invest or trade, Breckinridge will consider such requests on a case-by-case basis. If Breckinridge

agrees to execute the transactions, clients should be aware that Breckinridge will treat such transactions as nondiscretionary trades and will not evaluate the execution quality. They are completed as a courtesy to the client, and the client will bear all associated costs. Depending on the type of security that is being transferred into the account, Breckinridge may use the broker or dealer affiliate of the client's custodian to execute the trades. New assets will not be considered managed by Breckinridge until such trades are completed.

If Breckinridge executes over-the-counter securities transactions on an agency basis at the client's request, clients may incur two transaction costs for a single trade: a commission paid to the executing broker-dealer plus any mark-up or mark-down charged by the market-making broker-dealer, which is included in the offer or bid price of the securities purchased or sold.

Trade Errors

Breckinridge recognizes that trade errors can be caused by many factors and that the impact of trade errors can vary greatly from one incident to the next. Breckinridge strives to resolve trade errors as soon as reasonably practicable. Under no circumstances will a client bear the cost of an error caused by Breckinridge. It is Breckinridge's intention to make effected client accounts whole when a trade error caused by us results in losses in client accounts. As such, trade error corrections that result in a gain are retained by the client, and those resulting in a loss are reimbursed by Breckinridge.

REVIEW OF ACCOUNTS

All accounts are continually monitored, via our portfolio management system, for compliance with rules, targets (e.g., yield curve positioning, sector exposures and asset type weightings), and tolerances set by the investment committee and by clients. Our portfolio management team is responsible for reviewing client accounts and addressing violation notifications generated by the portfolio management system. Client accounts are reconciled at least monthly with custodial account records.

Unless other reporting terms are agreed upon, clients receive quarterly reports, produced by Breckinridge, that include portfolio holdings, market values, and overall portfolio structure (e.g., ratings, maturity, duration).

CLIENT REFERRALS AND OTHER COMPENSATION

Breckinridge does not directly or indirectly compensate any person for client referrals.

CUSTODY

All client assets are held by unaffiliated qualified custodians appointed by the client or their adviser. Breckinridge has the ability to debit advisory fees from certain client accounts. For this reason, Breckinridge is considered to have custody of client assets. Account custodians send statements directly to the account owners on at least a quarterly basis. Clients should carefully review these statements, and should compare these statements to any account information

provided by Breckinridge. Clients who do not receive at least quarterly statements from their custodian should promptly contact their Advisor, custodian, or Breckinridge.

Clients typically select their own custodians for their accounts. Absent an existing custodial relationship, Breckinridge may assist a client in developing a relationship with a custodian with whom Breckinridge has an existing relationship. While there is no direct link with the investment advice given, economic benefits may be received which would not be received if Breckinridge did not place client assets at the selected custodian. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to trading desks serving institutional managers exclusively; ability to have investment advisory fees deducted directly from client accounts; receipt of compliance publications; ability to view account balances and activity online; etc. The benefits received may or may not depend upon the amount of assets custodied. To the extent that Breckinridge receives these benefits, the benefits may be used to facilitate the management of not only the client accounts responsible for generating the benefits, but all client accounts. In no case does Breckinridge receive any additional fees (outside of the agreed upon advisory fee) from the client or the custodian for this assistance.

INVESTMENT DISCRETION

Breckinridge has been granted the authority by a majority of its clients to determine, without specific consent, the securities to be bought or sold, the amounts of those securities, and the broker-dealers utilized to effect those trades. Such discretion and any limitations to such discretion are received prior to the inception of the client account. Discretion is typically detailed in the advisory agreement or other written documentation. Clients may also amend such restrictions/limitations to their accounts at any time with appropriate notification to and approval by Breckinridge.

VOTING CLIENT SECURITIES

Breckinridge will accept authority to vote proxies on behalf of clients. Our policy is to vote client proxies in the best interest of our clients. Breckinridge will consider both the short and long-term implications of the proposal to be voted on when considering the optimal vote. Breckinridge will vote proxies for only those fixed income securities that we purchased into the client account, and we will not vote any proxy ballots received after a client has terminated their relationship with Breckinridge.

Since Breckinridge is solely focused on providing investment advisory services, it is unlikely that a material conflict of interest will arise in connection with proxy voting. Nevertheless, if Breckinridge determines that there is a material conflict of interest in voting a proxy (e.g., an employee of Breckinridge may personally benefit if the proxy is voted in a certain direction), Breckinridge will engage a competent third party, at our expense, who will determine the vote that will be in the best interest of clients. As an added protection, the third party's decision is binding.

As a matter of policy, Breckinridge will not reveal or disclose how it has voted (or intends to vote) on a particular proxy matter to unrelated third parties such as solicitors. All employees are prohibited from accepting any remuneration in the solicitation of proxies. A copy of our proxy policy and procedures is available upon request.

Class Actions and Other Legal Proceedings

Breckinridge will not act or advise on any class action claims or legal proceedings pertaining to securities held or formerly held in accounts of clients or former clients.

FINANCIAL INFORMATION

Breckinridge has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.

Breckinridge CAPITAL ADVISORS

Breckinridge Capital Advisors, Inc.

Part 2B

The Brochure Supplement

125 High Street
Suite 431
Boston, MA 02110
www.breckinridge.com

March 2017

This brochure supplement provides information about Breckinridge's portfolio management team. It supplements Breckinridge's brochure, which you should have received. Please contact Breckinridge's Chief Compliance Officer if you have not received Breckinridge's brochure, or if you have any questions about this supplement.

Additional information about each portfolio manager is available on the SEC's website at www.adviserinfo.sec.gov.

PETER B. COFFIN

President

Year of Birth: 1959

Educational Background and Business Experience

Before founding Breckinridge in 1993, Mr. Coffin was a senior vice president and portfolio manager at Massachusetts Financial Services (MFS). Mr. Coffin managed municipal bond portfolios and served on the MFS Fixed Income Policy Committee, where he shared oversight of the firm's fixed income strategies. He began his career as an analyst, first on the Bond and Money Market group of the Connecticut National Bank, and then in Aetna's Bond Investment division. Mr. Coffin is a member of Breckinridge's Executive Committee and Board of Directors. He received a BA with honors in classical studies from Hamilton College in 1982.

Disciplinary Information

None

Other Business Activities

Mr. Coffin serves as a member of the Hamilton College Board of Trustees and the Investment Advisory Group for the Sustainability Accounting Standards Board (SASB). He also is Chair of the Board of The Trustees of Reservations and President of the Frontier Nursing University Foundation.

Additional Compensation

None

Supervision

All client portfolios are managed on a team basis. The co-heads of portfolio management, Matthew Buscone and Jeffrey Glenn, have oversight of the team and their activities. Mr. Buscone and Mr. Glenn can be reached directly by calling the telephone number on the cover of this brochure supplement.

DAVID J. MADIGAN

Chief Investment Officer

Year of Birth: 1959

Educational Background and Business Experience

Mr. Madigan has been with Breckinridge since 2003. Prior to joining Breckinridge, Mr. Madigan was an executive vice president at Thomson Financial where he developed and produced global fixed income research products. He also has held positions as chief municipal strategist at Merrill Lynch & Co., Inc. and as a private bank asset manager at both Bankers Trust and Prudential Financial Inc. Mr. Madigan is a member of Breckinridge's Executive Committee and heads the firm's Investment Committee. He holds a BA in accounting from the University of Notre Dame and an MBA in finance and marketing from the University of Chicago.

Disciplinary Information

None

Other Business Activities

Mr. Madigan serves as an elected member of the Duxbury, Massachusetts Board of Selectman. Mr. Madigan has waived the Selectman's stipend.

Additional Compensation

None

Supervision

All client portfolios are managed on a team basis. The co-heads of portfolio management, Matthew Buscone and Jeffrey Glenn, have oversight of the team and their activities. Mr. Buscone and Mr. Glenn can be reached directly by calling the telephone number on the cover of this brochure supplement.

MATTHEW BUSCONE

Co-Head of Portfolio Management

Year of Birth: 1970

Educational Background and Business Experience

Mr. Buscone joined Breckinridge in 2002 as a trader and transitioned to portfolio management in 2008. Mr. Buscone has held positions as a trader at Mellon Private Asset Management and a portfolio manager at David L. Babson & Co. He is a member of Breckinridge's Executive Committee and Investment Committee. Mr. Buscone is a graduate of Bryant College, where he earned a BA in economics.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

All client portfolios are managed on a team basis. Mr. Buscone reports to Breckinridge's Chief Investment Officer, David Madigan, who can be reached directly by calling the telephone number on the cover of this brochure supplement.

JEFFREY M. GLENN, CFA

Portfolio Manager

Year of Birth: 1974

Educational Background and Business Experience

Mr. Glenn joined Breckinridge in 2012 as a trader. In 2015, Mr. Glenn transitioned to the portfolio management team. Prior to Breckinridge, he was employed at Brandes Investment Partners for ten years, most recently as a portfolio manager/analyst. Mr. Glenn also has worked at Bank One Capital Markets as an associate director and Old Republic Asset Management as an investment analyst. He holds a BA in economics from Union College.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

All client portfolios are managed on a team basis. Mr. Glenn reports to Breckinridge's Chief Investment Officer, David Madigan, who can be reached directly by calling the telephone number on the cover of this brochure supplement.

The Chartered Financial Analyst (CFA) designation is an international professional certification issued by the CFA Institute (formerly AIMR) to qualified candidates who complete a series of three examinations. To become a candidate for a CFA charter, candidates must meet one of the following requirements: 1) Undergraduate degree and four years of professional experience involving investment decision-making, or; 2) Four years qualified work experience (full time, but not necessarily investment related). Candidates may become a CFA Charterholder if they successfully pass three course exams, Levels 1, 2, and 3. The CFA Institute has stated that the average candidate may need approximately 250 hours of study for each of the three levels. The CFA curriculum includes these topic areas: Ethical and Professional Standards; Quantitative Methods (such as the time value of money, and statistical inference); Economics; Financial Reporting and Analysis; Corporate Finance; Analysis of Investments (stocks, bonds, derivatives, venture capital, real estate, etc.); Portfolio Management and Analysis (asset allocation, portfolio risk, performance measurement, etc.). CFA Charterholders are also obligated to adhere to a strict Code of Ethics and Standards governing their professional conduct. More information on the CFA charter is available at www.cfainstitute.org.

SARA E. CHANDA

Portfolio Manager

Year of Birth: 1970

Educational Background and Business Experience

Ms. Chanda joined Breckinridge in 2010 as a trader and transitioned to portfolio management in 2013. Ms. Chanda began her career at State Street Bank & Trust Co., and has held the positions of trader at Eaton Vance and Fidelity Investments. She holds a BS in business administration from Providence College and an MBA from Boston University.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

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KHURRAM GILLANI

Portfolio Manager

Year of Birth: 1979

Educational Background and Business Experience

Mr. Gillani joined Breckinridge in 2012 as a credit analyst before transitioning to portfolio management in 2016. Prior to Breckinridge, Mr. Gillani was a municipal credit intern at C.W. Henderson & Associates. He is a graduate of the University of Maryland, where he earned a BS in physics and astronomy. Mr. Gillani also holds an MS in astrophysics from the University of Illinois and an MBA from the University of Chicago.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

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ERIC B. HAASE, CFA

Portfolio Manager

Year of Birth: 1982

Educational Background and Business Experience

Mr. Haase joined Breckinridge in January 2016 as a portfolio analyst, and was promoted to portfolio manager in May 2016. Before joining Breckinridge, Mr. Haase spent ten years with SCS Financial, LLC, where he started as a trader and transitioned to a portfolio manager. He holds a BBA in finance from the University of Massachusetts.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

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JI YOUNG JUNG, CFA

Portfolio Manager

Year of Birth: 1984

Educational Background and Business Experience

Ms. Jung joined Breckinridge in 2010 as a research analyst and transitioned to portfolio management in 2012. Before joining Breckinridge, Ms. Jung was a credit analyst for Assured Guaranty and Financial Security Assurance. She holds a BA in political science from Yale University.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

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