ST. JAMES INVESTMENT ADVISORS, LLC.

Form ADV Part 2A

Firm Brochure

646 Main Street, Suite 10
Port Jefferson, NY 11777
631-979-6520
www.stjamesia.com

Updated: June 26, 2020

This brochure provides information about the qualifications and business practices of St. James Investment Advisors, LLC ("St. James"). If you have any questions about the contents of this brochure, please contact us at 631-979-6520 ext. 208 or jenn@stjamesia.com. 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. Registration as an investment adviser does not imply a certain level of skill or training.

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

Item 2 - Material Changes

The following material changes were made to this Brochure since our last annual update on March 30, 2020:

We revised Item 5 to describe the conflict of interest involved with our receipt of asset-based fees, as well as how we address that conflict of interest. Please see Item 5 for more information.

The following material changes were made to this Brochure since the March 12, 2019 update:

We revised Item 4 to disclose the conflict of interest involved in recommending that a client roll over their retirement plan assets into an account to be managed by St. James, as well as how we address that conflict of interest. Please see Item 4 for more information.

We revised Item 5 to provide additional details regarding how advisory fees are billed and refunds are calculated. Please see Item 5 for more information.

We revised Item 8 to disclose additional risks involved with our investment strategies and method of analysis. Clients should be aware that all investments are subject to risk and the potential loss of principal that clients should be prepared to bear. Please see Item 8 for more information.

We revised Item 10 to disclose that neither St. James nor its representatives have any relationships or arrangements that are considered material to our business or our clients, or that involve any material conflicts of interest, with any of the financial industry entities listed therein. Please see Item 10 for more information.

We revised Item 11 to disclose the conflict of interest involved with St. James and our employees investing in the same securities that we recommend to clients. Please see Item 11 for more information, including how we address this conflict of interest.

We revised Item 12 to indicate that we receive research or other products or services (i.e., soft dollar benefits) from broker-dealers in in connection with client securities transactions. We further revised Items 12 and 14 to describe the conflict of interest involved with the receipt of these benefits. Please see Items 12 and 14 for more information.

We revised Item 14 to disclose the conflict of interest involved with our use of a solicitor for client referrals, as well as how we address this conflict. Please see Item 14 for more information.

Annually, we will ensure that you receive either an amended brochure or a summary of any material changes to this and any subsequent Brochure within 120 days of the end of our fiscal year and promptly at any time if any of the information herein becomes materially inaccurate.

We will deliver a complete copy of our Brochure upon your request at any time during the year.
Please contact Jennifer Abbonizio at 631-979-6520 ext. 208 or via email at jenn@stjamesia.com, to request a Brochure.

Item 3 - Table of Contents

Item 4 - Advisory Business

St. James Investment Advisors, LLC. ("St. James") is an independent, employee-owned investment advisory firm that was established in April of 2016 in the Port Jefferson, New York area. St. James provides investment management services to a wide array of private individuals, trusts and estates, corporations, pension and profit-sharing plans, charitable organizations, retirement plans and other investment advisers.

St. James is wholly-owned by its employees. St. James's principal owner is Brian Mark, Managing Member and Portfolio Manager along with owner John Spicciate, Executive Director and owner Jennifer Abbonizio, Chief Compliance Officer.

The primary goal of St. James's investment strategies is to provide long-term capital appreciation and income for its clients. St. James currently offers five primary investment strategies for managing client accounts. These strategies are used for each of the different types of advisory services offered by St. James.

The St. James High Dividend Yield Portfolio takes a total return approach to dividend investing, seeking attractive current income and capital appreciation through an actively managed portfolio of dividend-paying stocks. The typical portfolio will have approximately 30 companies. The High Dividend Yield value-oriented approach invests primarily in securities with above-average dividend yields and trading at reasonable discounts from assessment of intrinsic value.

The St. James Blue Chip Dividend with Income Portfolio seeks to provide total return through a combination of equities and fixed income. The equity portion of the portfolio places an emphasis on selecting companies with above average dividends and those trading at reasonable discounts from our assessment of intrinsic value. The fixed income portion of the portfolio provides long-term growth of income and a moderate level of current income.

The St. James Growth Portfolio seeks to provide total return through a combination of aggressive growth and income. This is a "flexible" portfolio, meaning that investments are allocated among equities, bonds, absolute return investments, alternative investments and cash, depending on our view of each asset class.

The St. James Moderate Portfolio seeks to provide total return through a combination of Moderate growth and income. This is a "flexible" portfolio, meaning that investments are allocated among equities, bonds, absolute return investments, alternative investments and cash, depending on our view of each asset class.

The St. James Conservative Portfolio seeks to provide a positive absolute return through a combination of capital appreciation and income. This is a "flexible" portfolio, meaning that investments are allocated among equities, bonds, absolute return investments, alternative investments and cash, depending on our view of each asset class.

Some clients also request that St. James invest in bonds such as our New York Municipal Bond Portfolio, some of which may have a lower growth objective than our portfolios described above.

Our investment advice is primarily limited to equities, ETFs, mutual funds, fixed income, bonds, absolute return investments, alternative investments, and cash investments. Clients whose accounts are invested in our portfolios are permitted to impose reasonable restrictions such as restrictions regarding investments in specific securities, types of securities, industry sectors, tax sensitivities, etc.

As of June 23, 2020, St. James managed $105,758,306 on a discretionary basis and $95,489 on a nondiscretionary basis, with another $58,023,735 in assets under advisement.

Sub-Advisory Services

St. James acts as a sub-advisor for several investment advisers. At the direction of the primary investment adviser, St. James invests the assets of the adviser's clients in one and/or several of our portfolios. While St. James maintains investment discretion over the implementation and investment of the St. James portfolio in those client accounts, St. James does not enter into an investment management agreement or generally maintain direct communication with the adviser's clients. The primary investment adviser is responsible for determining whether the St. James portfolio is suitable for its clients. St. James generally receives an investment management fee directly from the adviser.

St. James acts as sub-advisor for several investment advisers within a wrap fee program, which is an investment program where the client pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. St. James receives a portion of this wrap fee for its investment management services. At the direction of the investment adviser, St. James invests the assets of the adviser's clients in our High Dividend Yield WRAP Portfolio. While St. James maintains investment discretion over the implementation and investment of the St.

James High Dividend Yield WRAP Portfolio in those client accounts, St. James does not enter into an investment management agreement or maintain direct communication with the adviser's clients. The investment adviser is responsible for determining whether the St. James portfolio is suitable for its clients. St. James receives an investment management fee directly from the adviser.

Direct Advisory Services

St. James acts as an investment adviser for individuals and/or families who become direct clients of our firm. St. James enters into an investment management agreement and maintains direct communication with our clients. St. James is responsible for determining whether the St. James portfolio is suitable for our clients and St. James receives an investment management fee directly from our clients. St. James maintains investment discretion over the implementation and investment of the St. James portfolio in our client accounts. Accounts are monitored on a daily basis and rebalanced as necessary.

Model Distribution Services

St. James has contractual relationships with investment advisers where St. James provides a model of our portfolios to the advisers. In these relationships, St. James does not have investment discretion over the investment adviser's client accounts nor does St. James communicate directly with the investment adviser's clients. St. James receives an investment management fee directly from the adviser.

In all matters, St. James' portfolio management services are analytical and advisory only and do not include legal or other professional services. St. James will work with legal, accounting, insurance or other professional advisors, if requested by the client, to ensure the coordination of all pieces involved in the investment management process, however, St. James is strictly a portfolio manager only and is not responsible for any of the client's outside service providers.

If a client's account is a pension or other employee benefit plan governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), St. James acknowledges that it is a "fiduciary" to the plan as that term is defined under Section 3(21)(A) under ERISA. However, St. James does not provide legal, accounting or tax advice, or custodial, insurance, recordkeeping, or brokerage services to the plan. The client is responsible for maintaining the plan in compliance with requirements applicable to tax- qualified plans under the Internal Revenue Code, including, where applicable, receipt of a favorable determination letter. St. James does not accept responsibility for the administration of the plan, including, without limitation, timely transmission of required contributions, filing required governmental reports, preparing or providing notices and communications to the plan's participants as required by applicable law and regulation, or notifying you that any such notices or communications are required.

St. James may recommend that a client roll over their retirement plan assets into an account to be managed by St. James. A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If we recommend that a client roll over their retirement plan assets into an account to be managed by St. James, such a recommendation creates a conflict of interest as we will earn a new (or increase our current) advisory fee as a result of the rollover. We address this conflict of interest by reviewing any such recommendation to ensure it is in the best interest of the client. No client is under any obligation to roll over retirement plan assets to an account managed by us.

Item 5 - Fees and Compensation

Clients pay St. James an annual fee for services rendered under their respective investment advisory agreements. St. James calculates the annual fee according to the terms set forth below.

Fees are paid quarterly, in advance or in arrears, based on the market value of the account on the last trading day of the previous quarter. For the initial billing cycle, of accounts billed in advance, the fee is calculated based on the number of days the account was managed during the quarter in which it funded. Fees for partial quarters are prorated based on the number of days the client's account was open during the quarter, unless an account is terminated within 10 business days of the end of the quarter. In that instance, the account will be billed for the full quarter. Clients understand that account assets invested in shares of mutual funds, Electronically Traded Funds, or other investment companies ("funds") are subject to additional fees and expenses, as set forth in the prospectuses of those funds, paid by the funds but ultimately borne by the client.

Fees are deducted from the client's managed account in accordance with this Brochure and the custodian's account application. It is St. James' preference to deduct the fee directly from each account, but a client may request another method of payment. With regard to ERISA accounts, fees are deducted directly from the Plan account. St. James does not receive "Indirect Compensation", which is compensation received from outside sources.

Refunds of fees may be available upon cancellation of the Investment Advisory Agreement. Upon termination, clients will receive a pro-rata refund of the portion of any prepaid advisory fees that have yet to be earned by St. James, unless the account is terminated within 10 business days of the end of a quarter. In that instance, St. James will keep the remaining fee to cover administrative costs of closing the account. Refund of fees are issued to the account custodian for deposit into the client's account.

St. James wishes to state that, at times, the fees charged may be higher or lower than normally charged in the industry, and it is possible the same, similar, or significantly different services may be available from other investment advisers at higher or lower rates.

Some of the factors that determine the total fee charged, are the type of services provided, type of account being managed, the custodial arrangement, and the total assets under management from related accounts. St. James' investment management services allow for negotiable fees, and are typically structured as follows:

Advised (Direct) Accounts:

Standard Tiered Fee Schedule

Portfolio Value	Maximum Annual Fee
$1 - $99,999.99 (First $99,999.99)	0.85%
$100,000 - $249,999.99 (Next $149,999.99)	0.75%
$250,000 +	0.50%

Standard Linear Fee Schedule

Portfolio Value	Maximum Annual Fee
Blue Chip Dividend with Income Portfolio, Growth Portfolio, Moderate Portfolio, Conservative Portfolio & New York Municipal Bond Portfolio	1.00%
High Dividend Yield Portfolio	0.85%

Sub-Advised Accounts:

	Maximum Annual Fee
All Portfolio Values	0.70%

St. James offers sub-advised portfolio management services to independent registered investment advisers, broker-dealers and trust companies. For servicing these individually managed accounts, St. James charges an annual asset management fee. Clients pay this fee, quarterly, in arrears or advance. St. James calculates this fee and debits the sub-advised client's account directly for those fees. (In some cases, the adviser debits the client's account and pays St. James its portion of the fee.) When St. James renders investment management services on behalf of a client for a period less than a calendar quarter, St. James will prorate the fee based on the number of days the client's assets were managed during the calendar quarter, unless an account is terminated after the 25th of the last month of the quarter. In that instance, the account will be billed for the full quarter. Accounts are marked closed when the Adviser confirms termination. Upon termination, clients will receive a pro-rata refund of the portion of any prepaid fees that have yet to be earned by St. James, based on the number of days remaining in the quarter. St. James receives a maximum annual fee of 0.70% based on the assets managed. The fee is negotiable based upon the type of services provided, type of account(s) being managed, the custodial arrangements, the total assets under management from related accounts, and size of the assets managed on behalf of the organization utilizing St. James as a sub-adviser.

Model Distribution:

In select circumstances, St. James distributes a model of an investment portfolio for an annual management fee of up to 0.70%. This fee is negotiable based on the size of the account and other factors that may be taken into consideration. Fees are paid quarterly, in advance or in arrears, based on the market value of the client accounts invested in accordance with the model on the last day of each quarter. Upon termination, clients will receive a pro-rata refund of the portion of any prepaid fees that have yet to be earned by St. James, based on the number of days remaining in the quarter.

General Information on Fees:

Our receipt of an asset-based fee presents a conflict of interest. This is because the more assets there are in the client's account, the more the client will pay in fees. Therefore, we have an incentive to encourage clients to increase the assets in their accounts. We address this conflict of interest by ensuring any such recommendations are in the client's best interest.

In addition to the St. James advisory fee, clients may pay fees for custodial services, account maintenance, transaction fees and other brokerage fees associated with maintaining an account. St. James does not share in any portion of such fees. Please see "Item 12 – Brokerage Practices", on page 10, of this brochure.

All fees paid to St. James for investment advisory services are separate and distinct from the fees and expenses charged by funds to their shareholders. These fees and expenses are described in each fund's prospectus and will generally include a management fee, other fund expenses, and possibly a distribution fee. A client may invest in some funds directly, without the services of St. James. In that case, the client would not receive the services provided by St. James, which are designed, among other things, to assist the client in determining which investment management programs are most appropriate to the client's financial situation and objectives. The client should review both the fees charged by the funds, and the fees charged by St. James, to fully understand the total amount of fees to be paid by the client.

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

St. James does not charge any performance-based fees and, therefore, does not engage in side-by-side management.

Item 7 - Types of Clients

St. James generally provides advisory services to private individuals, trusts and estates, corporations, pension and profit-sharing plans, charitable organizations, retirement plans and other investment advisers. St. James requires that separately managed accounts under the High Dividend Yield, Blue Chip Dividend with Income and High Dividend Yield WRAP composites have a minimum of $100,000 in total asset value to be managed, and accounts under the Growth, Moderate, Conservative and New York Municipal composites have a minimum of $50,000. Exceptions may be made in certain situations.

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

<u>High Dividend Yield Portfolio</u>

The St. James High Dividend Yield Portfolio takes a total return approach to dividend investing, seeking attractive current income and capital appreciation through an actively managed portfolio of dividend-paying stocks. The typical portfolio will have approximately 30 companies. The High Dividend Yield value-oriented approach invests primarily in securities with above-average dividend yields and trading at reasonable discounts from assessment of intrinsic value.

We employ an absolute return mindset to long-only value investing. Dividends are an important component used in evaluating the attractiveness of a company. Dividends provide a reflection of the activity of a company, its management, and the value of its shares. We seek to identify good business models with an attractive current yield, a growing income stream over time and the opportunity for capital appreciation.

Stage One: Qualification

We start by screening, in order to identify an opportunity, which typically starts with stocks that have dividends above the S&P 500 Index and a market capitalization greater than $5B. We screen for companies with near-term challenges that are offering long-term value for a followed opportunity.

Stage Two: Fundamental Analysis and Determining Fair Value

Once we have qualified a followed opportunity, we then analyze the fundamentals in order to determine fair value. We will analyze the business financials and look at how attractive we believe the business is by comparing the company to any potential substitutes, existing competitors, pricing power, and the power of suppliers. We then look at management to determine if they are capable operators, shareholder oriented, and receive the proper incentives. We also look at the dividend to determine the payout ratio and if cash flow will support the dividend, if the dividend will continue to grow, and what the total return potential is.

Once we have completed the above analysis, we perform a “Sum of the Parts Analysis” to include a discounted cash flow analysis and apply Graham’s “Margin of Safety” definition to our process.

Stage Three: Patience

We seek to initiate positions at a significant discount to our determination of fair value, focusing on absolute valuation vs. relative valuation.

We define risk as the probability of the permanent loss of capital - not price volatility. We believe in concentrating our portfolio in the most attractive investment ideas, which can cause short-term price volatility. Although concentrated by industry standards, a portfolio of approximately 30 holdings permits for ample diversification while allowing our best ideas to have the greatest positive impact on performance. It is important to note that no one issue accounts for more than 5% of the portfolio assets on the cost side; and no one industry group accounts for more than 20% of the portfolio's value on the cost side.

Importantly, our patient approach to portfolio construction often necessitates we hold cash. In our mind, this is not ideal, as our goal is a fully-invested portfolio. However, we adhere to the time-tested philosophy, as taught by Benjamin Graham, of buying fractional shares of businesses at discounts to their intrinsic values. As a result, if there are no cheap stocks, we wait.

Stage Four: Sell Discipline

A position may be sold if the price reaches our appraisal and no margin of safety remains, or if we can improve our risk/return profile substantially. For example, we can replace a business selling at 90% of its worth with an equally attractive company trading at 50% of its value. We may also sell a position if there is a loss of confidence in management, or the future earnings power of the company becomes severely impaired by competitive threats, balance sheet deterioration, or poor capital allocation.

<u>High Dividend Yield WRAP Portfolio</u>

The High Dividend Yield WRAP Portfolio is managed using the same strategy and methods of analysis as the High Dividend Yield Portfolio. This portfolio is utilized for accounts that meet the guidelines of the High Dividend Yield Portfolio but are managed on a WRAP platform.

<u>Blue Chip Dividend with Income Portfolio</u>

The St. James Blue Chip Dividend with Income Portfolio takes a total return approach by seeking attractive current income and capital appreciation through an actively managed portfolio of dividend-paying stocks and fixed-income. The typical portfolio will have approximately 25 companies. The Blue Chip companies within the portfolio will generally have above-average dividend yields and trading at reasonable discounts from assessment of our intrinsic value. The fixed-income portion of the portfolio will be invested in Exchange-Traded Funds ("ETFs"), Closed-End Funds ("CEFs") and/or fixed-income securities.

Stage One: Qualification

We are absolute return investors. Each investment must meet our strict fundamental research, such as price to earnings ratios, price to sales ratios, yield to maturity, and currency exchange rates, along with macroeconomic criteria, including interest rates, production, earnings, employment, GDP, and housing and manufacturing, not just offer opportunity relative to other alternatives.

Stage Two: Valuation

The principles of value investing applied to this portfolio are to be contrarian: be patient and not afraid to hold cash, be unconstrained, and insist upon a margin of safety. The focus is on absolute performance, not relative performance. Absolute return investors buy assets that are out of favor because they are cheap. Relative return investors buy assets that are popular, which means that they are already fully priced. Trying to keep pace with the market in all environments promotes poor decisions and increases the chances of making mistakes. A value investor with an absolute return mindset outperforms by protecting capital in down markets and producing positive returns in up markets.

Stage Three: Patience

It is important to differentiate between short-term market fluctuations and permanent loss of capital. The quality of investment decisions is far more important than the quantity of investment decisions. It can take a long time for markets to present truly compelling opportunities that coincide with one's circle of competence. It can take even longer for a catalyst to emerge that allows one to realize the value in the investment.

Stage Four: Sell discipline

A position may be sold if the price reaches our appraisal value and no margin of safety remains, or if we can improve our risk/return profile substantially. For example, we can replace a business selling at 90% of its worth with an equally attractive company trading at 50% of its value. We may also sell a position if there is a loss of confidence in management, or the future earnings power of the company and/or fixed-income security becomes severely impaired by competitive threats, balance sheet deterioration, or poor capital allocation.

Mutual Fund, ETF and CEF Research and Selection - There are several criteria used when selecting a mutual fund, ETF and/or CEF ("Fund") to be considered for the Blue Chip Dividend with Income portfolio. These include reviewing the Fund's overall investment strategy, the expense of the Fund, along with the expense ratio, and the portfolio manager's investment philosophy. We prefer to utilize Funds that provide regular and informative updates. We look for managers that have investment tenure of at least five years, and a proven track record. We evaluate the Fund's holdings in order to ensure the manager is being consistent with the stated objectives of the Fund. We also look for Funds that have had consistent operations.

Growth, Moderate, Conservative and New York Municipal Bond Portfolios

The St. James Growth Portfolio seeks to provide total return through a combination of aggressive growth and income. This is a "flexible" portfolio, meaning that investments are allocated among equities, bonds, absolute return investments, alternative investments and cash, depending on our view of each asset class.

The St. James Moderate Portfolio seeks to provide total return through a combination of Moderate growth and income, investments, alternative investments and cash, depending on our view of each asset class.

The St. James Conservative Portfolio seeks to provide a positive absolute return through a combination of capital appreciation and income. This is a "flexible" portfolio, meaning that investments are allocated among equities, bonds, absolute return investments, alternative investments and cash, depending on our view of each asset class. The St. James Conservative portfolio emphasizes protection of capital under all market conditions.

The St. James New York Municipal Bond Portfolio seeks to deliver attractive tax-free income at the federal and New York state level, with capital appreciation as a secondary goal. This is a "flexible" portfolio, meaning that investments are allocated among Exchange Traded Funds, Mutual Funds, Closed-End Funds, and cash, depending on our view of each investment.

Stage One: Qualification

We are absolute return investors. Each investment must meet our strict fundamental research, such as price to earnings ratios, price to sales ratios, yield to maturity, and currency exchange rates, along with macroeconomic criteria, including interest rates, production, earnings, employment, GDP, and housing and manufacturing, not just offer opportunity relative to other alternatives.

Stage Two: Valuation

The principles of value investing applied to this portfolio are to be contrarian: be patient and not afraid to hold cash, be unconstrained, and insist upon a margin of safety. The focus is on absolute performance, not relative performance. Absolute return investors buy assets that are out of favor because they are cheap. Relative return investors buy assets that are popular, which means that they are already fully priced. Trying to keep pace with the market in all environments promotes poor decisions and increases the chances of making mistakes. A value investor with an absolute return mindset outperforms by protecting capital in down markets and producing positive returns in up markets.

Stage Three: Patience

It is important to differentiate between short-term market fluctuations and permanent loss of capital. The quality of investment decisions is far more important than the quantity of investment decisions. It can take a long time for markets to present truly compelling opportunities that coincide with one's circle of competence. It can take even longer for a catalyst to emerge that allows one to realize the value in the investment.

Stage Four: Sell Discipline.

A position may be sold if the price reaches our appraisal value and no margin of safety remains, or if we can improve our risk/return profile substantially. We may also sell a position if there is a loss of confidence in management, or the future investment returns becomes severely impaired by competitive threats, balance sheet deterioration, or poor capital allocation.

Mutual Fund, ETF and CEF Research and Selection - There are several criteria used when selecting a mutual fund, ETF and/or CEF ("Fund") to be considered for the Growth, Moderate, Conservative and New York Municipal Bond portfolio. These include reviewing the Fund's overall investment strategy, the expense of the Fund, along with the expense ratio, and the portfolio manager's investment philosophy. We prefer to utilize Funds that provide regular and informative updates. We look for managers that have investment tenure of at least five years, and a proven track record. We evaluate the Fund's holdings in order to ensure the manager is being consistent with the stated objectives of the Fund. We also look for Funds that have had consistent operations.

There is no assurance that the investment process for the St. James investment strategies will lead to successful investing or that the stated objective(s) will be met. Clients should be aware that all investments are subject to risk and the potential loss of principal that clients should be prepared to bear. The description contained herein is an overview of the risks entailed in St. James' investment strategies and is not intended to be complete. Material risks of the St. James investment strategies are:

Market Risk. Your account invests in common stock, bonds, and funds. Accordingly, you are subject to the risk that the market value of your securities may decrease over a short or extended period of time. The prices of securities may change, sometimes rapidly and unpredictably, in response to many different factors such as general economic conditions, interest rates, the historical and prospective financial performance of a company, the value of its assets, and investor sentiment and perception of a company, bond or fund. In addition, particular sectors of the stock market, bond market and fund market may underperform or outperform the market as a whole, and the value of securities held by your account may be more volatile than the market as a whole. This sometimes means that the price of specific securities could go up or down without real reason and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.

Currency Risk. Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

Interest Rate Risk. Movements in interest rates may directly cause prices of fixed income securities fluctuate. For example, rising interest rates can cause "high quality, relatively safe" fixed income investments to lose principal value.

Credit Risk. If debt obligations held by an account are downgraded by ratings agencies or go into default, or if management action, legislation or other government action reduces the ability of issuers to pay principal and interest when due, the value of those obligations may decline, and an account's value may be reduced. Because the ability of an issuer of a lower-rated or unrated obligation (including particularly "junk" or "high yield" bonds) to pay principal and interest when due is typically less certain than for an issuer of a higher-rated obligation, lower rated and unrated obligations are generally more vulnerable than higher-rated obligations to default, to ratings downgrades, and to liquidity risk.

Purchasing Power Risk. Purchasing power risk is the risk that an investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.

Liquidity Risk. Liquidity is the ability to readily convert an investment into cash. For example, Treasury Bills are highly liquid, while real estate properties are not. Some securities are highly liquid while others are highly illiquid. Illiquid investments carry more risk because it can be difficult to sell them.

Political Risks. Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.

Regulatory Risk. Changes in laws and regulations from any government can change the value of a given company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.

Risks Related to Investment Term. If the client requires a liquidation of their portfolio during a period in which the price of the security is low, the client will not realize as much value as they would have had the investment had the opportunity to regain its value, as investments frequently do, or had it been able to be reinvested in another security.

Business Risk. Many investments contain interests in operating businesses. Business risks are risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

Financial Risk. Many investments contain interests in operating businesses. Excessive borrowing to finance a business' operations decreases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Default Risk. This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.

Large-Cap Stock Risk. Investment strategies focusing on large-cap companies may underperform other equity investment strategies as large cap companies may not experience sustained periods of growth in the mature product markets in which they operate.

Small/Mid-Cap Stock Risk. Investment strategies focusing on small- and mid-cap stocks involve more risk than strategies focused on larger more established companies because small- and mid-cap companies may have smaller revenue, narrower product lines, less management depth, small market share, fewer financial resources and less competitive strength.

Fixed-Income Market Risk. Economic and other market developments can adversely affect fixed-income securities markets in Canada, the United States, Europe and elsewhere. At times, participants in debt securities markets may develop concerns about the ability of certain issuers to make timely principal and interest payments, or they may develop concerns about the ability of financial institutions that make markets in certain debt securities to facilitate an orderly market which may cause increased volatility in those debt securities and/or markets.

Risks of Investment in Futures, Options and Derivatives. Such strategies present unique risks. For example, should interest or exchange rates or the prices of securities or financial indices move in an unexpected manner, the Firm may not achieve the desired benefits of the futures, options and derivatives or may realize losses. Thus, the client would be in a worse position than if such strategies had not been used. In addition, the correlation between movements in the price of the securities and securities hedged or used for cover will not be perfect and could produce unanticipated losses.

ETF Risk. The returns from the types of securities in which an ETF invests may underperform returns from the various general securities markets or different asset classes. The securities in the underlying indexes (the "Underlying Indexes") may underperform fixed-income investments and stock market investments that track other markets, segments and sectors. Different types of securities tend to go through cycles of out-performance and underperformance in comparison to the general securities markets.

Management Risk. St. James's investment process, including valuation models, to select securities for investment may not prove effective, and judgments about the attractiveness, value and potential appreciation of the Strategy's investments may prove to be incorrect in that the investments chosen may not perform as anticipated. Certain risks are inherent in the ownership of any security, and there is no assurance that the Strategy's investment objective will be achieved.

Operational Risk. Accounts are subject to operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, fraud, and failure in systems and technology, changes in personnel and errors caused by third-party service providers.

Broker-Dealer & Custodian Risk. Bankruptcy of a broker or custodian could cause excessive costs or loss of investor funds. If a broker, with whom St. James has an account, becomes insolvent or bankrupt, St. James may be unable to recover all, or even a portion, of the assets maintained by clients with that broker. Similarly, if a custodian housing a client's securities or other assets becomes bankrupt or insolvent, the client may be unable to recover all, or even a portion of, the assets held by the custodian.

Information Risk. St. James may rely on information that turns out to be wrong. St. James selects investments based, in part, on information provided by Issuers to regulators or made directly available to St. James by the Issuers or other sources. St. James is not always able to confirm the completeness or accuracy of such information and, in some cases, complete and accurate information is not available. Incorrect or incomplete information increases risk and could result in losses.

Cybersecurity Risk. There is cybersecurity risk with the increased use of technologies such as the Internet to conduct business. St. James and its service providers are susceptible to operational, information security, and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber incidents affecting St. James, or its service providers have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, impediments to trading, the inability of clients to transact business, violations of applicable privacy and other law. While St. James and its service providers have established business continuity plans in the event of such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, St. James is unable to control the cyber security plans and systems put in place by its service providers or any other third parties whose operations may affect St. James or its clients. As a result, St. James and its clients could be negatively impacted.

Item 9 - Disciplinary Information

St. James and its employees have not been involved in any legal or disciplinary events since their inception that would be material to a client's evaluation of the company or its personnel.

Item 10 - Other Financial Industry Activities and Affiliations

Neither St. James nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer, nor a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person thereof. Furthermore, neither St. James nor its representatives have any relationships or arrangements that are considered material to our business or our clients, or that involve any material conflicts of interest, with any broker-dealer, municipal securities dealer, government securities dealer or broker, investment company or other pooled investment vehicle, other investment adviser or financial planners, futures commission merchant, commodity pool operator, commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer, or sponsor or syndicator of limited partnerships, other than as already disclosed herein.

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

St. James does not recommend that clients buy or sell securities in which it or a related person may have a material financial interest. St. James, its owners, employees and/or solicitors may buy or sell the same securities that St. James recommends to clients for their own accounts. St. James, its owners, employees and/or solicitors may also buy or sell securities for client accounts at or about the same time that they buy or sell the same securities for their own accounts. Neither St. James, nor its owners or employees earn commissions in connection with any securities transactions. Nevertheless, these situations present a conflict of interest in that it may be possible for St. James or our representatives to receive more favorable prices than our clients.

We address this conflict of interest by ensuring that St. James employees do not buy or sell any security prior to a known transaction(s) in a client's account, so that the employee may not benefit from trades placed on behalf of clients. To avoid any situations which could result in a conflict of interest, the following restrictions have been placed on all associated persons:

- An officer or employee of St. James may not buy or sell securities for their personal accounts if the decision to buy or sell is determined based on information learned from their position at St. James, and such information is not readily available to the investing public upon reasonable inquiry.
- No officer or employee should place his or her interests in front of any advisory client, nor should the interests of family or friends be placed in front of other advisory clients.
- St. James will maintain a list of all security holdings for it, as well as anyone listed above.
- A principal or compliance officer of the firm shall review employee transactions on, at least, a quarterly basis.
- St. James requires that all employees and officers of the firm act in accordance with all applicable federal and state regulations governing investment advisory practices.
- Any individual that fails to follow these procedures may be subject to termination.

Code of Ethics

St. James has adopted a Code of Ethics to prohibit conflicts of interest from personal trading by advisory personnel and has established standards of conduct expected of its advisory personnel. We have set forth statements of general principles, a required course of conduct, reporting obligations, and review and enforcement procedures. Employees are required to acknowledge that they have read and understand, and agree to comply with, the Code of Ethics both initially, and on an annual basis. St. James will provide a copy of the Code of Ethics to its clients, or prospective clients, upon written request.

Item 12 - Brokerage Practices

St. James will suggest the custodial and brokerage services of Schwab Institutional, which is part of Charles Schwab & Company, to clients that it directly advises. In recommending Schwab Institutional, St. James considers a number of factors, including financial condition, acceptable recordkeeping, ability to obtain best price, market knowledge and expertise, commission structure, reputation, and integrity. St. James does not consider client referrals from broker-dealers when recommending Schwab.

When St. James acts as a sub-adviser, the adviser will direct the brokerage/custody relationship. When St. James acts as a sub-adviser in the wrap fee program, the adviser and sponsor will direct the brokerage/custody relationship.

St. James receives research or other products or services (i.e., soft dollar benefits) from broker-dealers in in connection with placing trades or processing securities related transactions for clients. For a full description of these benefits, please see Item 14 below. We do not have to pay the broker-dealer for these services and no client is charged for these services. Therefore, we receive a benefit. The products or services received may benefit all of our customers, not just those whose assets are custodied at the broker-dealer who provides the products or services. This may result in higher transaction costs than those that would have been incurred but for the soft dollar benefits. This is a conflict of interest, as we have an incentive to recommend these broker-dealers because of our existing relationship and the benefits we receive. We mitigate this conflict by conducting annual best execution reviews and through application of our policies and procedures. We have determined that the transaction charges we incur and charge to the client are reasonable in relation to the value of the services received.

A client may direct St. James to effect transactions in the client's account through a specific broker-dealer. Under such a directed brokerage arrangement, the client is responsible for negotiating terms for their account directly with the broker-dealer. For accounts subject to directed brokerage arrangements, St. James will not aggregate trades or seek better execution services or prices from other broker-dealers. Consequently, St. James may be unable to obtain best execution on behalf of clients that direct brokerage; such clients may pay materially disparate commissions, greater spreads or other transaction costs, or receive less favorable net prices on transactions than would otherwise be the case.

Generally, orders for the same security, at the same broker/dealer, are combined or "blocked" to facilitate best execution. St. James effects blocked transactions in a manner designed to ensure that no participating client, including any proprietary account, is favored over any other client. Specifically, each client that participates in a blocked transaction will participate at the average share price for all of St. James' transactions in that security on that business day, with respect to that batched order.

Securities purchased or sold in a blocked transaction are allocated pro-rata, when possible, to the participating client accounts in proportion to the size of the order placed for each account. St. James may, however, increase or decrease the amount of securities allocated to each account if necessary, to avoid holding odd-lot or small numbers of shares for particular clients. Additionally, if St. James is unable to fully execute a blocked transaction and St. James determines that it would be impractical to allocate a small number of securities among the accounts participating in the transaction on a pro-rata basis, St. James may allocate such securities in a manner determined in good faith to be a fair allocation. In addition, typically, the trading sequence follows a rotational system by custodian name/group so that clients of each brokerage firm will have their opportunity to participate in a transaction first. This rotational trading mechanism aims to provide for fair treatment for each client account. Employees of St. James may also participate in any trading done on an aggregate basis.

Item 13 - Review of Accounts

Brian C. Mark reviews a sample of accounts on, at least, a monthly basis. Security weightings, cash level and client risk tolerance are considered. Account holdings may also be reviewed, at any time, as changing market conditions warrant.

St. James shall provide clients with a quarterly report, in accordance with their advisory agreement, that lists all assets held by the client and the values of each asset. The client shall receive the report via US mail within 30 days of the end of the quarter. It will include the following reports:

a) Portfolio performance over the last quarter and year

b) Performance results of comparative benchmarks for the same periods

c) Performance reported in compliance with GIPS standards

d) End of quarter status regarding asset allocation

e) Billing notification

Reporting for sub-advised accounts will generally be conducted by the adviser, not St. James, however in certain situations St. James will provide reports if requested by the adviser. All clients will receive, at a minimum, quarterly reports from their respective custodian. We encourage the client to compare the information on the client's reports prepared by St. James against the information in the statements provided directly from the account custodian and alert us of any discrepancies.

Item 14 - Client Referrals and Other Compensation

St. James utilizes the services of various custodians/broker-dealers, collectively referred to as "Custodians." While there is no direct benefit received by St. James for its use of these custodians, economic benefits are received by St. James which would not be received if the Firm did not utilize the Custodians' services.

These benefits do not depend on the amount of transactions directed by St. James to the Custodians. These benefits may include: a dedicated trading desk that services clients of the Custodian exclusively, a dedicated service group and an account services manager dedicated to St. James' accounts, access to real time order matching system, ability to "block" client trades, electronic download of trades, balances, and positions of the Custodians' web sites, duplicate and batched client statements, confirmations and year-end summaries, the ability to have advisory fees directly debited from client accounts (in accordance with state and federal requirements), access to the mutual funds of the Custodians' affiliates, and the ability to participate in client referral programs. The receipt of these benefits presents a conflict of interest, as we have an incentive to recommend these broker-dealers because of our existing relationship and the benefits we receive. Please see Item 12 above for a full discussion of how we address this conflict of interest. It should be noted that all of these benefits are generally available today from a variety of large brokerage firms and clearing agents at no extra cost, or special charge, to St. James.

If a client is introduced to St. James by a solicitor, St. James may pay the solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. This presents a conflict of interest in that the solicitor has an incentive to refer clients to St. James based on the compensation received, rather than based on the client's needs. We address this conflict of interest by ensuring our services are in the client's best interest prior to entering into an advisory relationship with the client. The solicitor, at the time of the solicitation, shall disclose the nature of the solicitor relationship and shall provide each prospective client with a copy of this Brochure, and a copy of the written disclosure statement from the solicitor to the client disclosing the terms and conditions of the arrangement between St. James and the solicitor, including the compensation to be received by the solicitor from St. James.

Item 15 – Custody

All client assets are held in custody by unaffiliated, qualified custodians, either broker/dealers or banks. Because St. James can debit advisory fees from its clients' accounts, St. James is considered to have custody of client assets. The custodians send, at a minimum, quarterly account statements directly to clients. Clients should carefully review statements received from the custodian and should compare these statements to any account information provided by St. James.

Item 16 - Investment Discretion

St. James does have the authority to determine, without obtaining specific client consent, the securities to be bought or sold and the amount of securities to be bought and sold. This is called "discretion" or "discretionary authority," and is granted to St. James by the client in the investment advisory agreement. All discretionary authority is limited to the client's account as managed by St. James and to the limited power of attorney in the custodian's (Schwab Institutional, Pershing, or others) application. Clients may impose reasonable restrictions such as restrictions regarding investments in specific securities.

Item 17 - Voting Client Securities

It is St. James' policy to exercise proxy voting authority over accounts for which the advisor, or client engaging it for services, has requested St. James to do so.

Objective: St. James recognizes that corporate governance and shareholder prospects can directly affect shareholder values. The purpose of this policy is to ensure that St. James votes proxies in the best interests of its clients so as to maximize values over time.

Delegation: Brian C. Mark has the responsibility for voting proxies. He may delegate such responsibility to professional members of the St. James staff who are qualified to analyze proxy issues and exercise prudence when discretion is required to vote proxies. Brian C. Mark, or the designee, is responsible for ensuring that they thoroughly understand the issues that may arise in how proxies are voted. When appropriate, Brian C. Mark, or the designee, may consult with consultants or advisors.

Control: Brian C. Mark, or the designee, will vote proxies in a timely manner in accordance with the policy unless it is in the best interest of St. James' clients to vote otherwise. St. James' complete proxy voting policy and procedures are memorialized in the St. James Policies and Procedures Manual and are available for review. The Chief Compliance Officer will maintain a record of votes on all proxy issues, with the St. James' complete proxy voting record available to clients. St. James will not vote proxies when the custodian utilized by the client does not allow the advisory firm to provide this function. Please contact Jennifer Abbonizio (jenn@stjamesia.com) to obtain a copy of the proxy voting policy and procedures and/or proxy voting records.

St. James will not participate in class actions on behalf of its clients. Any decision to participate in a class action proceeding shall, at all times, rest with the client. The client shall, in no way, be precluded from contacting St. James for advice or information about a particular class action proceeding. However, St. James shall not be deemed to have authority solely as a result of providing such advice to client.

Item 18 - Financial Information

St. James does not require or solicit the prepayment of fees six months or more in advance.

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