

Palisade Capital Management, LP is registered with the Securities and Exchange Commission (SEC) as an investment adviser. We are an investment adviser and provide advisory accounts and services rather than brokerage accounts and services. **Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences.** Free and simple tools are available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing. Please ask us for more information.

## WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

We offer investment advisory services to retail investors. We will offer you advice on a regular basis. We will discuss your investment goals, design with you a strategy to achieve your investment goals, and regularly monitor your account. We also generally provide financial planning services to retail clients in our standard service package at no additional cost. You make the ultimate decision regarding the implementation of financial plan recommendations.

- *Monitoring.* Accounts generally are reviewed in the context of each client's stated investment objectives and investment guidelines. We utilize software that reviews investment guidelines daily and periodically reviews our trade blotter to identify potential issues. Performance and performance dispersion within strategies are reviewed at least monthly. More frequent reviews will be triggered by material changes in variables such as your individual circumstances, investment objectives, or the market, political, or economic environment.
- *Investment Authority.* Opening an account with us allows us to buy and sell investments in your account without asking you in advance (a "discretionary account").
- *Limited Investment Offering.* Our investment advice will cover a limited selection of investments. Other firms could provide advice on a wider range of choices, some of which might have lower costs.
- *Account Minimums and Other Requirements.* We generally require a minimum aggregate account size of \$3 million.

Additional Information about our services is available on Part 2 of our Form ADV, which is available at <https://adviserinfo.sec.gov/firm/brochure/104581>.

### Conversation



#### Starters

*Ask your financial professional: Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?*

## WHAT FEES WILL I PAY?

If you open an advisory account, you will be charged an ongoing **asset-based fee** at the end of each quarter for our services, based on the value of the cash and investments in your advisory account.

- The amount paid to our firm and your financial professional generally does not vary based on the type of investments we select on your behalf. The asset-based fee reduces the value of your account and will be deducted from your account.
- Some investments (such as mutual funds, ETFs, or separate accounts managed by third-party investment managers) impose additional fees that will reduce the value of your investment over time.
- Our fees vary and are negotiable. The amount you pay will depend, for example, on the services you receive and the amount of assets in your account.
- You may pay a transaction fee when we buy and sell an investment for you. You may also pay fees to a broker-dealer or bank that will hold your assets (called "custody").
- The more assets you have in an advisory account, including cash, the more you will pay us. We, therefore, have an incentive to increase the assets in your account to increase our fees. You pay our fee quarterly, even if no transactions occur in your account.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

Additional information about our fees are included in Item 5 of Part 2 of Form ADV, which is available at <https://adviserinfo.sec.gov/firm/brochure/104581>.

## Conversation



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*Ask your financial professional:* Help me understand how these fees and costs might affect my investments? If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me? What would make those fees more or less? What services will I receive for those fees? What additional costs should I expect in connection with my account?

## WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN ACTING AS MY INVESTMENT ADVISER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

*When we act as your investment adviser, we must act in your best interest and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they affect the recommendations we provide you. Here are some examples to help you understand what this means.*

- *Proprietary products.* We have an incentive to invest client assets (including uninvested cash) in investment vehicles in which we, or our related persons, have an interest or serve as adviser.
- *Receipt of compensation or benefits, other than advisory fees.* We have an incentive to favor clients or non-clients that provide compensation (including, but not limited to, gifts and entertainment) to us over the interest of our clients who do not provide such compensation.
- *Palisade's Supervised Persons may invest in the same or related securities that we recommend to clients.* This presents a conflict where, because of information in our possession, we are able to trade in a manner that could adversely affect clients (*e.g.*, place their own trades before or after client trades are executed in order to benefit from any price movements due to the clients' trades).

***Our Obligations to You.*** We must abide by certain laws and regulations in our interactions with you.

- We are held to a fiduciary standard that covers our entire investment advisory relationship with you. For example, we are required to monitor your portfolio, investment strategy, and investments on an ongoing basis.
- Our interests can conflict with your interests. We must eliminate these conflicts or tell you about them in a way you can understand, so that you can decide whether or not to agree to them.

Additional information about conflicts of interest between our firm and its clients is available on Part 2 of our Form ADV, which is available at <https://adviserinfo.sec.gov/firm/brochure/104581>.

## Conversation



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*Ask your financial professional:* How might your conflicts of interest affect me, and how will you address them?

## HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Our financial professionals are compensated based on factors such as the amount of client assets they service or revenue the firm earns from the financial professional's recommendations. Additionally, we may compensate our financial professionals for bringing a new client to us. Your financial professional, therefore, has an incentive to refer you to open an account with us.

## DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

- Yes Visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.
- No

## Conversation



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*Ask your financial professional:* Do you have any disciplinary history? For what type of conduct?

## ADDITIONAL INFORMATION

For additional information about our services, see our Form ADV brochure on IAPD on [www.investor.gov](http://www.investor.gov) or on our website (<https://adv.palisadecapital.com>) and any brochure supplement your financial professional provides. If you would like additional, up-to-date information or a copy of this disclosure, please call Palisade Chief Compliance Officer Bradley Goldman, Esq. at (201) 585-5433.

## Conversation



### Starters

*Ask your financial professional:* Who is my primary contact person? Is he or she a representative of an investment-adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?