

Cover Page *Item 1*

Firm Brochure
Form ADV Part 2A

SIT INVESTMENT ASSOCIATES, INC.

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www.sitinvest.com

May 1, 2025

This brochure provides information about the qualifications and business practices of Sit Investment Associates, Inc. If you have any questions about the contents of this brochure, please contact us at 612-332-3223. 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.

Additional information about Sit Investment Associates, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

Sit Investment Associates, Inc. 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.

Material Changes *Item 2*

Annual Update

This section of the brochure will be updated annually and will include a summary of material changes to this Brochure since the last annual update. We may further provide other ongoing disclosure information about material changes as necessary.

Material Changes since the Last Update

This brochure dated May 1, 2025, contains the following change made as an “other than annual amendment” of the brochure dated March 19, 2025:

Item 4: Advisory Business, section titled *Ownership*:

Removed reference to Ronald D. Sit as an officer of Sit Investment Associates, Inc. (“Sit Investment”). Mr. Sit retired from his employment with Sit Investment on April 30, 2025, and is no longer an officer. Mr. Sit is a director of Sit Investment.

This brochure dated May 1, 2025, also contains non-material updates and the following material changes made as of March 19, 2025, as part of the annual updating amendments and other amendments made over the course of the year:

Item 4: Advisory Business, section titled *Assets Under Management*:

Added disclosure about services Sit Investment provides to a model portfolio in a delivery program sponsored by an unaffiliated third party.

Item 5: Fees and Compensation:

- Added disclosure about services Sit Investment provides to a model portfolio in a delivery program sponsored by an unaffiliated third party and compensation for such model delivery services.
- In the section titled *Affiliated Registered Investment Company Management (Mutual Funds)*:
In the Sit Mutual Fund fee table, updated the increase in the fee waiver as of March 1, 2025 for Sit Small Cap Dividend Growth Fund, from 0.35% to 0.40%.
- In the section titled *Affiliated Collective Investment Trust Management*:
Removed Sit Short Duration Bond, Class O from the list of collective investment funds.
- In the section titled *Affiliated Private Investment Company Management*:
In the Private Investment Company fee table, removed Sit Global Dividend Growth Fund, LLC as the Fund closed November 1, 2024, removed Sit Alpha II Bond Fund, Ltd. as the Fund closed February 28, 2025, and changed Sit Energy Return Plus Fund, LLC to Sit High Income Return Plus Fund, LLC as the Fund name changed as of January 1, 2025.

Item 7: Types of Clients:

Added disclosure about services Sit Investment provides to a model portfolio in a delivery program sponsored by an unaffiliated third party.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss, section titled *Risks*:
Removed the risk titled “Disease Outbreak Risk and Recent Market Events” and revised the risk titled “Market Risk.”

Item 10: Other Financial Industry Activities and Affiliations:

- In the section titled *Collective Investment Funds*:
Removed Sit Short Duration Bond, Class O from the list of collective investment funds.
- In the section titled *Private Investment Funds*:
Removed Sit Global Dividend Growth Fund, LLC as the Fund closed November 1, 2024, removed Sit Alpha II Bond Fund, Ltd. as the Fund closed February 28, 2025, and changed Sit Energy Return Plus Fund, LLC to Sit High Income Return Plus Fund, LLC as the Fund name changed as of January 1, 2025.

Item 12: Brokerage Practices:

- In the section titled *Allocation of Investments in Initial Public Offerings (“IPO”)*:
Added disclosure that model delivery programs will not participate in IPOs.
- Added a new section titled *Model Delivery Program*.

Full Brochure Available

To receive a current brochure (free of charge) please contact us at 612-332-3223.

Our brochure is also available on our web site www.sitinvest.com.

Additional information about Sit Investment is also available via the SEC’s web site www.adviserinfo.sec.gov.

Table of Contents *Item 3*

Table of Contents

Cover Page <i>Item 1</i>	i
Material Changes <i>Item 2</i>	ii
Table of Contents <i>Item 3</i>	iii
Advisory Business <i>Item 4</i>	1
Fees and Compensation <i>Item 5</i>	3
Performance-Based Fees and Side-By-Side Management <i>Item 6</i>	8
Types of Clients <i>Item 7</i>	9
Methods of Analysis, Investment Strategies and Risk of Loss <i>Item 8</i>	10
Disciplinary Information <i>Item 9</i>	14
Other Financial Industry Activities and Affiliations <i>Item 10</i>	15
Code of Ethics, Interest in Client Transactions and Personal Trading <i>Item 11</i>	18
Brokerage Practices <i>Item 12</i>	19
Review of Accounts <i>Item 13</i>	23
Client Referrals and Other Compensation <i>Item 14</i>	23
Custody <i>Item 15</i>	23
Investment Discretion <i>Item 16</i>	24
Voting Client Securities <i>Item 17</i>	24
Financial Information <i>Item 18</i>	25
Requirements for State-Registered Advisers	25
Privacy Policy	25
Business Continuation Policy	26
Class Action Settlements	26
Brochure Supplement.....	27

Advisory Business Item 4

Firm Description

Sit Investment is a privately owned independent investment adviser located in Minneapolis, Minnesota. Sit Investment was founded in 1981. We manage our clients' assets on a discretionary basis.

Sit Investment manages domestic and international equity securities. Our subsidiary, Sit Fixed Income Advisors II, LLC is a separately registered investment adviser and specializes in managing fixed income securities. Sit Investment and its subsidiary are located in the same Minneapolis office and share all resources. The fixed income investment management services offered by our subsidiary are discussed in a separate brochure.

Ownership

Sit Investment is privately held. Approximately 88% of the company is owned by members of the Sit Family and by trusts established for their benefit, the trustees of which are Roger J. Sit and Ronald D. Sit. Roger J. Sit is an officer and director of Sit Investment and actively involved in the management operations. Ronald D. Sit is a director of Sit Investment. The outstanding shares are held by:

Sit Family	88%
Other Employees	8%
Outside Shareholders - Individuals	<u>4%</u>
Total	100%

Investment Management – Equity Investment Philosophy

Our equity investment philosophy targets growth-oriented companies. Generally, we look to invest in companies with the potential to increase earnings at a faster rate than the representative economy and market index. We believe that earnings growth is the primary determinant of superior long-term returns. We manage our portfolios on an active basis, concentrating our investment in the best growth opportunities at the most reasonable valuation levels. See Item 8 for a discussion regarding our investment strategies.

Investment Management – Decision Making Process

We manage our clients' assets on a team basis. Investment management decisions are made by the Investment Committee, with Roger J. Sit as the Chief Investment Officer having final decision-making responsibilities. The Investment Committee's investment decisions are implemented using model portfolios with targeted security weightings. The stock selections for specific client accounts are based on the model portfolios and adjusted for each client's unique investment restrictions as set forth in the investment management agreement with each client. Specific client restrictions differ from client to client and include, for example, restrictions on investing in certain companies or types of securities.

The Investment Committee is comprised of the firm's equity investment management professionals. The individuals with the most significant responsibility for the day-to-day discretionary advice provided to

clients are listed below. These individuals also have primary client relationship responsibilities. Please see the Brochure Supplement for information about these individuals.

Roger J. Sit, Chairman, CEO, President and Global Chief Investment Officer
David A. Brown, CFA, CPA (inactive), Vice President – Research and Investment Management,
Director of Client Services
Kent L. Johnson, CFA, Senior Vice President – Research and Investment Management

Assets Under Management

Sit Investment manages client assets on a discretionary basis for several types of clients, including, public and private institutional investors, pension funds, Taft-Hartley plans, charitable institutions, foundations, endowments, corporations, insurance companies, municipalities, registered investment companies, private investment companies, collective investment trusts and high net worth individuals. As of December 31, 2024, we managed \$3.4 billion. Please refer to Item 7 for information regarding the accounts managed.

Sit Investment serves as the sponsor, general partner, or manager for several of the investment companies to which it provides investment advisory services. Sit Investment is the adviser to the Sit Mutual Funds, a family of 14 no-load mutual funds. For information on the investment company affiliates, see the response to Items 7 and 10.

Sit Investment provides services to a model delivery program sponsored by an unaffiliated third party. The program sponsor has investment discretion and is responsible for execution of transactions for and monitoring of its participant accounts. Sit Investment delivers to the program sponsor notice of changes Sit Investment makes to the model portfolio.

Sit Investment's subsidiary, Sit Fixed Income Advisors II, LLC, manages fixed income assets on a discretionary basis for the same types of clients. Together, Sit Investment and Sit Fixed Income Advisors II, LLC manage \$16.3 billion in fixed income and equity securities as of December 31, 2024.

Fees and Compensation *Item 5*

The specific manner in which fees are calculated and paid to Sit Investment is established in the investment management agreement with each client. Generally, fees are stated at an annual rate, calculated quarterly as a percentage of net asset value at the end of each calendar quarter, and payable quarterly in arrears. Fees paid by investment company clients are generally calculated and paid monthly in arrears. The net asset value is generally determined based on the aggregate market value of all assets held in the account. Management fees are prorated for material capital contributions or withdrawals made during the calendar quarter, and fees are prorated for accounts initiated or terminated during the quarter.

Depending on specific circumstances, such as, for example, a large amount of assets managed for a client, fees are subject to negotiation.

Sit Investment's fees are exclusive of brokerage commissions, transaction fees, and other portfolio related costs and expenses which are incurred by the client. Clients will likely incur charges imposed by custodians, brokers, and consultants. Item 12 further describes the factors that Sit Investment considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of the commissions.

Clients may request to be billed in advance, and in the event such a client terminates its agreement, unearned fees will be promptly refunded. Clients may also request that Sit Investment send a copy of its invoice directly to its custodian, who will in turn direct payment from the client's account.

Pursuant to the terms of the investment management agreement with each client, clients may terminate the agreement with Sit Investment on thirty days written notice, or in some cases at any time without notice. Each registered investment company may terminate the investment management agreement with Sit Investment on sixty days written notice provided the investment company's Board of Directors consents or a majority of the investment company's shareholders consent. The investment management agreements are terminated automatically if assigned. All terminations are without penalty.

Sit Investment provides services to a model delivery program sponsored by an unaffiliated third party on a nondiscretionary basis. As compensation for model delivery services, Sit Investment is paid a fee by the program sponsor at a pre-determined rate based on assets under management in the program utilizing the model. The program sponsor determines the fee to charge its model delivery program clients.

Sit Investment provides investment management services to tax-exempt charitable organizations and makes a charitable contribution to certain of such organizations. The charitable contributions are generally equal to a fixed percentage of the investment management fees paid to Sit Investment by the charitable organizations.

Sit Investment's most significant fee schedules are presented below.

Separate Account Management:

<u>Large Capitalization, Concentrated, Dividend Growth, and Balanced Portfolios</u>	
<u>Net Asset Value</u>	<u>Annual Rate</u>
First \$10 million	0.75%
Next \$10 million	0.70%
Next \$10 million	0.65%
Next \$10 million	0.60%
Over \$40 million	Negotiable

<u>Medium Capitalization Portfolios</u>	
<u>Net Asset Value</u>	<u>Annual Rate</u>
First \$30 million	1.00%
Next \$70 million	0.70%
Over \$100 million	0.50%
<u>Small Capitalization and Small Capitalization Dividend Portfolios</u>	
<u>Net Asset Value</u>	<u>Annual Rate</u>
First \$50 million	1.00%
Next \$50 million	0.60%
Over \$100 million	0.50%
<u>International/EAFE+, Global, Global Dividend, Global Balanced, and ESG Growth Portfolios</u>	
<u>Net Asset Value</u>	<u>Annual Rate</u>
First \$10 million	0.80%
Next \$20 million	0.75%
Next \$20 million	0.65%
Over \$50 million	0.50%
<u>Developing Markets and Pacific Basin Portfolios</u>	
<u>Net Asset Value</u>	<u>Annual Rate</u>
First \$10 million	0.90%
Next \$20 million	0.85%
Next \$20 million	0.75%
Over \$50 million	0.60%

For certain clients for which Sit Investment manages multiple accounts, Sit Investment has negotiated a rate applicable to the total of all assets managed on behalf of the client by Sit Investment and its affiliates. For certain clients utilizing the services of certain financial consultants or financial intermediaries, Sit Investment has negotiated a rate applicable to the total of all assets managed on behalf of the financial consultant or financial intermediary by Sit Investment and its affiliates.

Affiliated Registered Investment Company Management (Mutual Funds):

The Sit Mutual Funds are a family of no-load, open-end registered investment companies (mutual funds). Sit Investment serves as the investment adviser and administrator to the Sit Mutual Funds pursuant to the investment management agreements with each Fund and with respect to U.S. Government Securities Fund, Inc. and Sit Mutual Funds II, Inc., additional separate Supervision and Administration Agreements.

The Funds are unified fee investment companies (UFIC) where the Funds pay Sit Investment a single unified management fee and Sit Investment is responsible for paying all fund operating expenses (except interest, brokerage commissions, portfolio transaction charges including acquired fund fees and expenses, fees paid under a distribution plan adopted pursuant to Rule 12b-1 under the Investment Company Act of 1940, and certain extraordinary expenses as determined by the boards of directors). Fees paid Sit Investment are based on the Fund's average daily net assets on an annual basis as set forth below.

Seven Sit Mutual Funds have two share classes as noted below with different minimum investment requirements and a 12b-1 fee or a different supervisory and administrative fee.

For certain equity Funds as indicated below, Sit Investment has agreed to reduce the management fee through June 30, 2026. For certain fixed-income Funds as indicated below, Sit Investment

has agreed to reduce the management fee through March 31, 2027. Class S shares of the equity Funds are subject to a fee pursuant to the distribution plan adopted pursuant to Rule 12b-1 under the Investment Company Act of 1940, which provides for an annual distribution fee not to exceed 0.25% of the average daily net assets of the Fund attributable to Class S shares. The distribution fee for Class S shares is used to pay SIA Securities Corp. for promotion and distribution of Class S shares and servicing Fund investors as contemplated in the distribution plan.

<u>Sit Mutual Fund</u>	<u>Total Management Fees %¹</u>	<u>Fee Waiver %</u>	<u>12b-1 Fee %</u>	<u>Total Expense Ratio with 12b-1 Fees %</u>	<u>Minimum Investment</u>
Small Cap Growth Fund	1.50			1.50	\$5,000
Mid Cap Growth Fund, Inc.	1.25			1.25	5,000
Large Cap Growth Fund, Inc.	1.00			1.00	5,000
Balanced Fund	1.00	0.20 ²		0.80	5,000
International Growth Fund	1.50	0.65 ²		0.85	5,000
Developing Markets Growth Fund	2.00	1.05 ²		0.95	5,000
Dividend Growth Fund Class S	1.00	0.30 ²	0.25	0.95	5,000
Dividend Growth Fund Class I	1.00	0.30 ²		0.70	100,000
Global Dividend Growth Fund Class S	1.25	0.25 ²	0.25	1.25	5,000
Global Dividend Growth Fund Class I	1.25	0.25 ²		1.00	100,000
Small Cap Dividend Growth Fund Class S	1.25	0.40 ²	0.25	1.10	5,000
Small Cap Dividend Growth Fund Class I	1.25	0.40 ²		0.85	100,000
ESG Growth Fund Class S	1.25	0.25 ²	0.25	1.25	5,000
ESG Growth Fund Class I	1.25	0.25 ²		1.00	100,000
U.S. Government Securities Fund Class S	0.80			0.80	5,000
U.S. Government Securities Fund Class Y	0.55			0.55	1 million
Minnesota Tax-Free Income Fund	0.80			0.80	5,000
Tax-Free Income Fund Class S	0.80			0.80	5,000
Tax-Free Income Fund Class Y	0.55			0.55	1 million
Quality Income Fund Class S	0.90	0.10 ³		0.80	5,000
Quality Income Fund Class Y	0.65	0.10 ³		0.55	1 million

1. Before fee waivers, if any. Includes advisory fees for all funds and both advisory fee and supervisory fee for U.S. Government Securities Fund, Minnesota Tax-Free Income Fund, Tax-Free Income Fund and Quality Income Fund.
2. SIA has agreed to reduce the management fee as indicated above through June 30, 2026.
3. SIA has agreed to reduce the management fee as indicated above through March 31, 2027.

Affiliated Collective Investment Trust Management:

Sit Investment has entered into an investment advisor agreement with Global Trust Company (“GTC”) to serve as investment adviser with respect to the assets of collective investment funds under the Sit Collective Investment Trust (the “Trust”) established by GTC. GTC serves as Trustee of the Trust. The Trust was established to provide for the collective investment and reinvestment of assets of tax-exempt employee benefit plans.

The fees charged for investing in a fund are set forth in the fund’s Offering Memorandum, Participation Agreement and Fund Declaration. Sit Investment negotiates a fee lower than the Class A fee with certain qualifying participating plans investing in Class O. Fees are calculated based upon the average daily net asset value of the participating plan’s investment in the fund. GTC and Sit Investment have agreed that the total annual fee will not exceed the amount shown below, with Sit Investment being responsible to reimburse the Fund for any expenses that exceed such amount. GTC will compensate all other service providers, including but not limited to Sit Investment; the custodian and fund accountant; fund financial statement preparer and auditor; and the transfer agent to the Trust. The fee will also be used for tax, legal and other expenses directly related to the operation of the Fund including but not limited to third-party administrators, sub-

transfer agents and record-keepers. Currently there are two collective investment funds each with one class of interest outstanding as listed below.

For Sit Opportunity Bond Collective Investment Fund Class B investments and certain Class O investments, in addition to the Investment Management Fee, the Fund pays an annual fee based on performance (the “Performance Fee”) to the Adviser. The Performance Fee is equal to 20% of the difference between the Fund’s total investment return for the calendar year (net of Fund expenses before Performance Fee) and the total return of the Bloomberg Barclays Aggregate Bond Index for such year increased by 1%. The Performance Fee is computed as of December 31 of each year.

<u>Collective Investment Fund</u>	<u>Class</u>	<u>Total Annual Fee</u>
Sit Large Cap Dividend Growth Collective Investment Fund	A	0.60%
Sit Opportunity Bond	O	0.20% plus Performance Fee

Affiliated Private Investment Company Management:

Sit Investment or its affiliate has entered an investment management agreement with each of the following private investment companies to serve as investment adviser. Sit Investment or its affiliate also serves as the general partner or manager for such funds. Interests in the private investment companies are offered to a limited number of selected institutional and other sophisticated investors. Investments in the private investment companies are subject to a number of restrictions with regard to investments, transfers and withdrawals.

Sit Investment (or its affiliate as the case may be) receives a management fee based on the value of the Fund’s or each investor’s capital account at the end of each month or calendar quarter, at the annual rates shown below. Each investment company is obligated to pay for all of its operating expenses not specifically assumed by Sit Investment (or affiliate) pursuant to the investment management agreement, including, but not limited to, management fees, custodian fees, trading adviser fees, charges and expenses of independent auditors, legal counsel, and registrars, insurance expenses, taxes and registration fees payable to federal or other governmental agencies, costs of share certificates, interest, brokerage commissions, other transaction charges relating to the Fund’s investing activities and extraordinary expenses. However, for the years 2000 through 2026, Sit Investment (or affiliate) voluntarily agreed to absorb all expenses of certain investment companies that would cause such investment company’s annual expense ratio to exceed a certain amount.

	<u>Net Assets</u>	<u>Annual Rate</u>
Funds Managed by Sit Investment:		
Sit Large Cap Fund, LLC	On all assets	0.80%
Sit Small Cap Fund, LLC	On all assets	1.10%
Sit Small Cap Fund II, LLC	On all assets	1.10%
Sit Global Fund, LLC	On all assets	1.00%
Sit Pacific Basin Fund, LLC	On all assets	1.10%
Sit Capital Fund Limited Partnership	On all assets	1.00%
Funds Managed by Sit Fixed Income Advisors II, LLC		
Sit Opportunity Bond Fund, LLC (a)	On all assets	0.40%
Sit Minnesota Municipal Bond Fund, LLC	On all assets	0.60%
Sit Municipal Opportunity Bond Fund, LLC (a)	On all assets	0.40%
Sit Custom Alpha Fund, L.P.	On all assets	Note (b)

	<u>Net Assets</u>	<u>Annual Rate</u>
Sit Bond Portfolio, L.P.	On all assets	1.50%
Sit Short Duration Government Fund, LLC	On all assets	0.40%
Sit Alpha III Bond Fund, Ltd.	Class A shares	1.50%
	Class B shares (c)	0.40%
Sit Offshore Custom Alpha Fund SPC	SPC A	1.50%
	SPC B (d)	0.40%
	SPC C	1.00%
Sit Targeted Opportunity Fund, LLC	On all assets	Note (e)
Sit Total Return Bond Fund, LLC (f)	On first \$50 million	0.38%
	over \$50 million	0.28%
Sit High Income Return Plus Fund, LLC	On all assets	0.40%(c)

Notes:

(a) In addition to the management fee, Sit Investment's affiliate Sit Fixed Income Advisors II, LLC is entitled to a performance-based fee. The performance fee is equal to 20% of the difference between the fund's total investment return for the calendar year and the total return for such year of a specific index increased by 1%. The performance fee is computed as of December 31 of each year.

(b) 1.25% per annum management fee for Series G of the Fund. For Series A, B, C, E, and F of the Fund, the per annum management fee is 1.50% or 0.40% with an annual Incentive Allocation equal to 30% of the excess during any calendar year of any net increase over the Benchmark Return applicable to the Series to which the member subscribed. The Benchmark Return applicable to each Series is the performance such capital account would have realized if its return equaled the return of a specific index relating to each Series.

(c) In addition to the management fee, Sit Investment's affiliate Sit Fixed Income Advisors II, LLC is entitled to a performance-based fee. The performance fee is equal to 20% of the difference between the fund's total investment return for the calendar year and the total return for such year of a specific index. The performance fee is computed as of December 31 of each year. For Sit High Income Return Plus Fund, LLC, the performance fee is subject to a high-water mark.

(d) In addition to the management fee, Sit Investment's affiliate Sit Fixed Income Advisors II, LLC is entitled to a performance-based fee. The performance fee is equal to 30% of the difference between the fund's total investment return for the calendar year and the total return for such year of a specific index. The performance fee is computed as of December 31 of each year.

(e) 1.90% per annum management fee or 1.00% per annum management fee with a performance fee of 20% of the excess return for the calendar year performance period and an 8% hurdle rate.

(f) In addition to the management fee, there is a 0.05% administration fee.

Sit Investment advises a private investment fund (Sit Fund I, LLC) that has invested in a real estate related asset but Sit Investment does not provide continuous and regular supervisory or management services to the fund and therefore such fund is not reported on Sit Investment's Form PF but is reported on Form ADV, Part 1A, section 7.B.1.

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

Sit Investment does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Sit Investment's subsidiary, Sit Fixed Income Advisors II, LLC, manages several client accounts including private investment funds with fee arrangements that provide for an asset-based management fee and a performance-based fee. A performance fee arrangement is offered for only certain investment strategies to qualified clients. The specific terms of the arrangements are set forth in the investment management agreements with the clients and in the case of the private investment funds, in the fund's offering documents. Conflicts of interest arise from the simultaneous management of accounts with and accounts without a performance-based fee, and Sit Fixed Income Advisors II, LLC has implemented procedures to address these conflicts which are discussed in its brochure.

Types of Clients *Item 7*

Sit Investment manages client assets on a discretionary basis for several types of clients, including public and private institutional investors, pension funds, Taft-Hartley plans, charitable institutions, foundations, endowments, corporations, insurance companies, municipalities, registered investment companies, private investment companies, collective investment trusts and high net worth individuals. As of December 31, 2024, we managed \$3.4 billion.

The account minimum for separately managed accounts is generally \$10 million.

Sit Investment serves as the adviser, sponsor, general partner or manager for several investment companies to which it provides investment advisory services. See the response to Item 10 for information on these affiliated investment companies.

Sit Investment provides services to a model delivery program sponsored by an unaffiliated third party. The program sponsor has investment discretion and is responsible for execution of transactions for and monitoring of its participant accounts. Sit Investment delivers to the program sponsor notice of changes Sit Investment makes to the model portfolio.

Sit Investment's subsidiary, Sit Fixed Income Advisors II, LLC, manages fixed income assets on a discretionary basis for the same types of clients. Together, Sit Investment and Sit Fixed Income Advisors II, LLC manage \$16.3 billion in fixed income and equity securities as of December 31, 2024.

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

Analysis

We manage our clients' assets on a team basis. See the response to Item 1 for information regarding the Investment Committee.

Investment management decisions are made by the Investment Committee, with Roger J. Sit as the Chief Investment Officer having final decision-making responsibilities. The Investment Committee's investment decisions are implemented using model portfolios with targeted security weightings. The stock selections for specific client accounts are based on the model portfolios and adjusted for each client's unique investment restrictions as set forth in the investment management agreement with each client. The objective of this process is to produce only small variations in client portfolios that have similar investment objectives.

The Investment Committee uses a fundamentally based investment process. The research team is comprised of global industry/sector specialists and geographic specialists who provide stock recommendations in their respective areas. Quantitative screens are used to assist the research team in identifying candidates for fundamental research. Our equity professionals perform fundamental research on individual stocks, and we analyze statistical data to calculate risk and reward potential. Wall Street research and various economic and governmental policy issue consultants are used to supplement our internally generated research.

The Investment Committee meets to determine specific sector emphasis and individual holdings. The entire research team meets daily to discuss new developments. Formal weekly investment meetings are a forum for reviewing holdings and discussing relevant investment issues. Investment outlook and strategy are discussed in monthly management meetings.

Investment Strategies and Risk of Loss

Sit Investment manages client accounts with the following general investment strategies. Specific client objectives and restrictions are set forth in the investment management agreement with each client and differ from client to client. For example, clients may impose restrictions on investing in certain companies or types of securities, or may define a benchmark or cap size differently than other clients. The following descriptions of investment strategies and instruments are not intended to be exhaustive. Sit Investment may employ various additional strategies and instruments from time to time in a manner consistent a client's investment management agreement.

Our equity investment philosophy targets growth-oriented companies. Generally, we look for companies with the potential to increase earnings at a faster rate than the representative economy and market index. We seek industry sectors and companies with high earnings per share and revenue growth purchased at reasonable valuation in relation to industry peers, historic levels, and earnings growth rates. We believe that earnings growth is the primary determinant of superior long-term returns. We are opportunistic investors; we believe in high and consistent growth companies as well as conservative and cyclical growth companies. The securities in which we invest primarily include:

- common stock;
- preferred stock;
- warrants, rights and debt securities convertible into common stock;

- sponsored and unsponsored American Depository Receipts (ADRs) and Global Depository Receipts (GDRs);
- Publicly traded securities issued by investment funds including Real Estate Investment Trusts (REITs), Business Development Companies (BDCs), and Master Limited Partnerships (MLPs); and
- registered investment companies (open-end funds (mutual funds) and closed-end funds).

With respect to the fixed income portfolios of balanced accounts, the investments may include:

- mortgage-backed securities (including collateralized mortgage obligations (CMOs));
- asset-backed securities;
- obligations of the U.S. government, its agencies and instrumentalities;
- corporate debt securities;
- municipal securities issued by U.S. states, territories, and possessions and the District of Columbia and their political subdivisions, agencies, and instrumentalities;
- short-term debt obligations, including commercial paper and bank instruments, such as certificates of deposit, time deposits, and bankers' acceptances; and
- registered investment companies (open-end funds (mutual funds) and closed-end funds).

The objectives of the model portfolios used to manage client are summarized generally as follows:

- Small Cap Growth – invests in common stocks of companies with capitalizations of up to \$3 billion.
- Mid Cap Growth – invests in common stocks of companies with capitalizations of \$2 billion to \$15 billion.
- Large Cap Growth – invests in common stocks of companies with capitalizations of \$5 billion or more.
- Dividend Growth – invests in dividend paying common stocks.
- Global Dividend Growth – invests in dividend paying common stocks of U.S. and foreign companies.
- International Growth – invests in common stocks of companies domiciled outside the U.S.
- Developing Markets Growth – invests in common stocks of companies domiciled or operating in developing countries.
- Pacific Basin Growth – invests in common stocks of companies domiciled or operating in Pacific Basin countries.
- Concentrated Growth – invests in a limited number of growth equity securities.
- Balanced and Global Balanced – invests in a diversified portfolio of common stocks and bonds.
- ESG Growth – invests in common stocks of companies believed to have strong environmental, social and corporate governance (ESG) practices.

Risks

Investing in securities involves risk of loss that clients should be prepared to bear.

The material risks involved with each of the strategies include the following:

Cybersecurity Risk: Cybersecurity breaches may allow an unauthorized party to gain access to a client's portfolio investments, investor data, or proprietary information, or cause the portfolio and/or its service providers to suffer data corruption or lose operational functionality. The issuers of

securities held in a portfolio are also subject to cybersecurity risks, and the value of these securities could decline if the issuers experience cyber attacks or other cybersecurity breaches.

Growth Style Investing Risk: Different types of stocks tend to shift into and out of favor with stock market investors depending on market and economic conditions. The portfolios invest in growth style stocks. The portfolios' performance will at times be better or worse than the performance of portfolios that focus on other types of stocks or that have a broader investment style.

Management Risk: A portfolio's performance will reflect in part our ability to implement its investment strategy and make investment decisions which are suited to achieving a portfolio's investment objective. A strategy used by us may fail to produce the intended results. A portfolio could underperform its benchmark.

Market Risk: The market value of securities will fall or fail to rise. Market risk may affect a single issuer, sector of the economy, or the market as a whole. The market value of securities will fluctuate, sometimes rapidly and unpredictably. Declines in value may be due to factors affecting a particular issuer, or the result of, among other things, political, regulatory, market, economic or social developments affecting the markets generally.

Geopolitical and other events, including but not limited to war, terrorism, economic uncertainty, changes in governmental policies, trade disputes, extreme weather and climate-related events, public health crises, and spread of infectious illness have led, and in the future may lead, to increased market volatility, which may disrupt the U.S. and world economies, individual companies and markets, and may have significant adverse direct or indirect effects on the securities held in a portfolio.

In particular, the past global coronavirus pandemic led to increased levels of market distress and/or volatility, as well as decreased economic activity. This public health crisis resulted in disruptions to supply chains, manufacturing and sales across a wide range of industries.

Russia's invasion of Ukraine in February 2022, has resulted in increased volatility in various financial markets and across various sectors. The U.S. and other countries have imposed economic sanctions on Russia and certain Russian individuals, banking entities and corporations as a response to the invasion. The war between Israel and Hamas-led Palestinian militant groups has been taking place chiefly in and around the Gaza strip since October 2023. The extent and duration of such military actions, resulting sanctions and future market disruptions, are impossible to predict. These events could negatively affect the value and liquidity of a portfolio's investments due to the interconnected nature of the global economy and capital markets. These events along with the potential for a wider conflict could further increase financial market volatility and cause negative effects on regional and global economic markets, industries, and companies. It is not currently possible to determine the severity of any potential adverse impact of the foregoing events on the financial condition of any company, or more broadly, upon the global economy.

Liquidity Risk: The ability to readily convert an investment into cash will fluctuate with the market environment.

The material risks associated with specific types of securities and strategies include:

Mid Cap Stock Risk: Stocks of mid cap stocks are subject to more abrupt or erratic market movements than stocks of larger, more established companies.

Small Cap Stock Risk: Stocks of smaller companies involve substantial risk. Prices of small cap stocks are subject to more abrupt or erratic market movements than stocks of larger, more established companies.

Developing Markets Risk: Investment in developing markets are subject to unique political, economic, and market risks that can cause the portfolio's investments to be more volatile and less liquid than investments in developed markets.

Dividend Paying Company Risk: The portfolio's income objective will limit its ability to appreciate during a broad market advance because dividend paying stocks historically have not experienced the same capital appreciation as non-dividend paying stocks. In addition, dividends paid by stocks held by the portfolio will fluctuate or stop which will affect the portfolio's income.

International Investing Risk: International investing involves risks not typically associated with investing in U.S. securities which may adversely affect the portfolio's investment. These risks include currency risk, foreign securities market risk, foreign tax risk, information risk, investment restriction risk, and political and economic risks.

ESG Risk: The portfolio's ESG criteria will likely exclude securities of certain issuers for nonfinancial reasons and therefore the portfolio will forgo some market opportunities available to portfolios that don't use an ESG criteria. Stocks of companies with ESG practices will likely shift into and out of favor with stock market investors depending on market and economic conditions, and the portfolio's performance will therefore at times be better or worse than the performance of portfolios that do not use an ESG criteria. Additionally, the regulatory landscape with respect to ESG investing in the United States is evolving and any future rules or regulations may require changes in a portfolio's ESG investment process.

The Balanced portfolios invest in fixed income securities. The material risks of investing in fixed income securities include:

Income Risk: The income earned will decline due to declining interest rates.

Interest Rate Risk: An increase in interest rates will lower the portfolio's value and its overall return. The magnitude of this decrease is often greater for longer-term fixed income securities than shorter-term securities.

Prepayment and Extension Risk: Declining interest rates will likely compel borrowers to prepay mortgages and debt obligations underlying the mortgage-backed securities owned by the portfolio. The proceeds received by the portfolio from prepayments will likely be reinvested at interest rates lower than the original investment, thus resulting in a reduction of income to the portfolio. Likewise, rising interest rates could reduce prepayments and extend the life of securities with lower interest rates, which may increase the sensitivity of the portfolio's value to rising interest rates.

Disciplinary Information *Item 9*

Sit Investment has no information applicable to this Item.

Other Financial Industry Activities and Affiliations *Item 10*

Investment Adviser Subsidiaries

Sit Investment manages domestic and international equity securities. Our subsidiary, Sit Fixed Income Advisors II, LLC (SEC File number 801-55201) is a separately registered investment adviser that specializes in managing fixed income securities. Sit Investment and Sit Fixed Income Advisors II, LLC are located in the same Minneapolis office and share all resources. The fixed income investment management services offered by Sit Fixed Income Advisors II, LLC is discussed in a separate brochure.

Sit Fixed Income Advisors II, LLC registered as a commodity trading adviser (“CTA”) and commodity pool operator effective on November 21, 2014.

Investment Company Affiliates

Mutual Funds

Sit Investment is the adviser and sponsor of fourteen no-load mutual funds. Some of our officers are officers of the funds. The funds are:

- Sit Mid Cap Growth Fund, Inc.
- Sit Large Cap Growth Fund, Inc.
- Sit U.S. Government Securities Fund, Inc.
- Sit Mutual Funds, Inc.
 - Sit International Growth Fund (series A)
 - Sit Balanced Fund (series B)
 - Sit Developing Markets Growth Fund (series C)
 - Sit Small Cap Growth Fund (series D)
 - Sit Dividend Growth Fund (series G)
 - Sit Global Dividend Growth Fund (series H)
 - Sit Small Cap Dividend Growth Fund (series I)
 - Sit ESG Growth Fund (series J)
- Sit Mutual Funds II, Inc.
 - Sit Tax-Free Income Fund (series A)
 - Sit Minnesota Tax-Free Income Fund (series B)
 - Sit Quality Income Fund (series E)

Generally, we do not exercise our investment discretion to invest client assets in our affiliated mutual funds. There are a few exceptions where clients have instructed us to include the Sit Mutual Funds as an investment option in their managed accounts and client’s investment objectives and restrictions which are a part of the client’s investment management agreement provide for investments in the Sit Mutual Funds. In these circumstances, the client is notified of any investment in the Sit Mutual Funds. Additionally, there may be clients that invest in the Sit Mutual Funds and request that we hold shares in their client accounts. We do not charge a management fee in the client account on the assets invested in an affiliated fund, however, the client will pay the fees as an investor in the affiliated fund according to the fund’s prospectus. Such fees include management fees paid to us by the fund.

Collective Investment Funds

Sit Investment is the investment adviser for the collective investment funds under the Sit Collective Investment Trust (the “Trust”) established by Global Trust Company (“GTC”). GTC serves as Trustee of the Trust. The Trust was established to provide for the collective investment and reinvestment of assets of tax-exempt employee benefit plans.

Currently there are two collective investment funds, each with one class of interest outstanding as listed below:

- Sit Large Cap Dividend Growth Collective Investment Fund, Class A
- Sit Opportunity Bond Fund, Class O

We do not exercise our investment discretion to invest client assets in the collective investment funds within Sit Collective Investment Trust. The funds in the Trust may only accept assets of certain tax-exempt employee benefit plans.

Private Investment Funds

Sit Investment and its subsidiary, Sit Fixed Income Advisors II, LLC, serve as advisers, general partner, or manager to private investment companies organized as limited partnerships or limited liability companies. The private investment funds are listed below.

Funds Managed by Sit Investment:

- Sit Large Cap Fund, LLC
- Sit Small Cap Fund, LLC
- Sit Small Cap Fund II, LLC
- Sit Global Fund, LLC
- Sit Pacific Basin Fund, LLC
- Sit Capital Fund LP

Funds Managed by Sit Fixed Income Advisors II, LLC:

- Sit Opportunity Bond Fund, LLC
- Sit Minnesota Municipal Bond Fund
- Sit Municipal Opportunity Bond Fund, LLC
- Sit Short Duration Government Fund, LLC
- Sit Bond Portfolio, LP
- Sit Custom Alpha Fund, LP (a series fund)
- Sit Alpha III Bond Fund, Ltd.
- Sit Offshore Custom Alpha Fund SPC
- Sit Targeted Opportunity Fund, LLC
- Sit Total Return Bond Fund, LLC
- Sit High Income Return Plus Fund, LLC

We do not exercise our investment discretion to invest client assets in our affiliated private investment funds. However, the funds are available to our clients. If requested by a client, we may hold shares and interests of our affiliated funds in client accounts. We do not charge a management fee in the client account on the assets invested in an affiliated fund, however, the client will pay the fees as an investor in the affiliated fund according to the fund’s offering documents. Such fees include management fees paid to us by the fund.

Broker Dealer Subsidiary

SIA Securities Corp. is a registered broker-dealer (Firm CRD# 35403, SEC File Number 8-46668) formed exclusively for and limited to the distribution of investment company shares of the Sit Mutual Funds to certain shareholders. SIA Securities Corp. does not perform any other brokerage activities, and has no employees of its own.

Code of Ethics, Interest in Client Transactions and Personal Trading *Item 11*

Sit Investment adopted a code of ethics applicable to all employees designed to promote, among other things, honest and ethical conduct, compliance with applicable laws, avoidance of conflicts of interest, and to prevent the misuse of material nonpublic information. The code of ethics establishes rules of conduct for all employees and is based upon the principle that we owe a fiduciary duty to our clients to conduct our affairs, including our personal securities transactions, in such a manner as to avoid (i) serving our own personal interests ahead of clients, (ii) taking inappropriate advantage of our position with the company and (iii) any actual or potential conflicts of interest or any abuse of our position of trust and responsibility. The code of ethics is designed to ensure that our high ethical standards are continually applied. Employees are required to annually certify their compliance with the code of ethics.

Sit Investment, its affiliates and employees buy or sell for themselves securities that we also buy or sell on behalf of our clients consistent with the clients' investment objectives and restrictions. To mitigate the conflicts our personal trading creates, Sit Investment imposes restrictions on Sit Investment's and employee personal trading activities which include, among other things: pre-clearance of all transactions; a 10 day black-out period; a restricted security list; prohibitions on short-term trading and initial public offerings; and limits on the number of transactions over certain periods of time. The code of ethics contains various exemptions for trades we believe do not involve potential conflicts, such as government securities and open-end mutual funds. The code of ethics also contains reporting requirements so that the personal trading may be monitored. The code of ethics is designed to assure that the personal securities transactions not interfere with our making decisions in the best interest of our clients. Nonetheless, because the code of ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee.

Other prohibitions applicable to our employees include accepting gifts of more than nominal value, and borrowing money from clients.

Certain affiliated accounts will trade in the same securities with client accounts on an aggregated basis when consistent with Sit Investment's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price.

Sit Investment's clients or prospective clients may request a copy of the firm's code of ethics by contacting Paul Rasmussen at 612-332-3223.

Brokerage Practices *Item 12*

Research and Soft Dollar Benefits

In effecting purchases and sales of portfolio securities for the account of clients, including the investment companies, we will seek best execution of the orders. Consistent with this policy, orders for portfolio transactions are placed with broker-dealer firms giving consideration to the quality, quantity and nature of the firm's professional services which include execution, clearance procedures and market, statistical and other research information provided to Sit Investment and its clients. All these factors are taken into account in the allocation of brokerage and thus lowest cost is not necessarily the determining factor. Sit Investment feels that it is to the overall benefit of its clients and clients of its subsidiary to receive these benefits from broker-dealers and not to have to duplicate these services by expensive additions to Sit Investment's staff. Nothing in this policy relieves Sit Investment of its responsibility of reviewing the research and making the ultimate determination on transactions based on its own expertise. It is likely that the research benefits received from any one order will not inure to the direct benefit of the client including a mutual fund placing the order but we feel that the aggregate benefits of information received from all orders will benefit all our clients, including the clients of our subsidiary. While Sit Investment will be primarily responsible for the allocation of the client's brokerage business, the policies and practices for Sit Investment in this regard must be consistent with the foregoing and will at all times be subject to review by the client.

During 2024, Sit Investment and its affiliates received approximately 14 different services and products from 4 different broker-dealers from soft-dollar arrangements. We receive both proprietary research which is created or developed by the broker-dealer, and research created or developed by a third party. Among the services and products received were: financial, economic, and political information services and research reports; periodic specialized financial market research; financial market statistical information; industry and sector analysis; economic, political and market commentary; issuer credit research; quantitative research and analysis; and market prices and quotation services. A complete list of the services and products received is available to clients upon request.

Although we seek best execution of transactions, obtaining research and services by means of soft dollar arrangements represents a conflict of interest since it enables us to receive research that we might otherwise have to purchase with our own money. Therefore, we have an incentive to select a broker-dealer based on our interest in receiving the research or other products or services, rather than our clients' interest in receiving most favorable execution. We may cause clients to pay commissions higher than those charged by other broker-dealers in return for soft dollar benefits.

In some situations, we execute a transaction with one broker and settle the transaction with another broker. This use of "step-outs" allows us to split the execution services and the research services from the brokers, that is by executing a transaction with an execution broker and step-out the transaction and related commissions to a broker who provides research services to book and settle the transaction.

For client accounts maintained in custody at broker-dealers (for example Charles Schwab & Co, and Fidelity Brokerage Services, LLC) the broker-dealer often does not charge the client separately for custody, but receives compensation from clients in the form of commissions or other transaction related compensation on securities trades executed through the broker-dealer. The broker-dealer will also receive a fee for trades executed through other brokers which is in addition to the commissions paid to the other broker. Therefore, Sit Investment has an incentive to cause trades to be executed through the broker-dealer providing custody rather than another broker. Trades for accounts custodied at a broker-dealer will

likely be treated as directed trades and executed at different times and different prices than trades for other client accounts that are executed at other brokers.

Trade Aggregation and Allocation

The aggregation or blocking of client transactions allows Sit Investment to execute transactions in a more timely, equitable, and efficient manner. According to Sit Investment's Trading Procedures, our policy is to aggregate orders in a single security entered on behalf of more than one substantially similar client where possible and when advantageous to clients. Clients participating in an aggregated transaction will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. Market orders and orders initiated as limit orders will be aggregated separately. In instances where the purchase or sale order for a single security cannot be aggregated across all clients, Sit Investment maintains aggregation policies and procedures to ensure the order of the execution is fair and equitable over time among all clients.

Our Trading Procedures prohibit any allocation of aggregated trades in a manner that our proprietary accounts, affiliated accounts, or any particular client(s) or group of clients receive more favorable treatment than other client accounts. Should an aggregated order be partially completed, Sit Investment has adopted a policy for the fair and equitable allocation of securities using a pro-rata allocation method. Adjustments to a pro rata allocation will be made to accommodate the facts and circumstances of the trade, including for example, portfolio characteristics such as account size, cash levels, the model portfolio target weightings, investment restrictions, and avoiding the allocation of small positions. Fixed income security transactions are allocated by the trader to all applicable client accounts based on portfolio characteristics such as cash and liquidity requirements, portfolio duration, quality requirements, and investment restrictions. The aggregation and allocation of fixed income securities takes into consideration and is impacted by the fact that fixed income securities are often only available in limited quantities that precludes the use of a pro rata allocation and the fact that other fixed income securities with similar characteristics such as quality and yield are suitable substitutes.

Directed Brokerage

Certain clients have directed us to use a particular broker in effecting purchases and sales of its portfolio securities, and therefore, our services would not include selection of brokerage firms or negotiation of commission rates. Generally, under such circumstances, the client likely receives products or services from the broker directly. If a client chooses to direct its brokerage to a broker other than the one through which Sit Investment will execute orders for its other clients, the client will forgo any benefit from savings on execution costs that the adviser could obtain for its other clients through, for example, discounts on batched orders.

To the extent that certain clients direct trades that Sit Investment would otherwise execute with a broker and receive soft dollar benefits, clients whose trades are directed by Sit Investment will support a disproportionate share of Sit Investment's soft dollar benefits.

Allocation of Investments in Initial Public Offerings (“IPO”)

IPOs are offerings of securities which frequently are of limited size and limited availability. IPOs may also become “hot issues” which are offerings that trade at a premium above the initial offering price.

The allotment of IPO shares to investors such as Sit Investment for allocation to our client accounts is made by the underwriter of the transaction, and Sit Investment generally will not be allotted enough shares to be allocated to all of our client accounts, and therefore many client accounts will not receive allocations of IPO shares.

The decision as to whether to participate in a particular IPO transaction is made by the investment management team through the exercise of Sit Investment’s investment discretion. Likewise, the decision as to which client accounts are eligible to invest in the shares of an IPO is based on the nature of the securities offered and the investment objectives and restrictions of individual client accounts. IPOs are not consistent with all investment objectives and strategies, for example, IPO issuers tend to be small cap companies and such an investment is not consistent with a mid-cap or large-cap investment strategy.

In the event Sit Investment participates in any IPOs on behalf of its client accounts, Sit Investment’s policy and practice is to allocate IPO shares fairly and equitably among the eligible client accounts according to a specific and consistent basis so as not to advantage any firm, personal or related account and so over time as not to favor or disfavor any client, or group of clients, over any other. IPOs are allocated on a rotational allocation basis. Generally, a small number of shares will not be allocated to a client account if the share lot would be inefficient for the management of the client portfolio, and therefore, in the event that only a small number of shares are to be allocated, it is likely that only one client account will receive the entire allocation of IPO shares. Client accounts will not be allocated shares in the event the account does not have sufficient cash to participate in the investment.

Because of the limited supply there can be no assurance of equal treatment among all client accounts with respect to a particular IPO.

Certain client accounts have investment guidelines, directed trading requirements or regulatory restrictions that prevent us from purchasing IPOs for the account. Client accounts for whom we have not or cannot ascertain their eligibility to participate in IPOs under regulatory requirements such as FINRA rules will not participate in the IPOs. Private investment funds managed by Sit Investment will generally not participate in IPOs because certain investors in the private investment funds including investors affiliated with Sit Investment may not be eligible to participate in an IPO pursuant to regulatory requirements. Where a client has directed Sit Investment to effect trades through a particular broker, such client will not be eligible to participate in an IPO, even if the IPO is underwritten by an affiliate of the broker to which transactions are directed.

Model delivery programs will not participate in IPO allocations.

Cross Trades

A cross trade is a purchase and sale of a security between two or more client accounts. Since Sit Investment would serve as the investment adviser for both the buyer and the seller of the security, there is an inherent conflict of interest. In certain situations, it may be appropriate for Sit Investment to effect a cross trade (which may include a pooled investment fund), however, Sit Investment is not required to effect a transaction as a cross trade. Sit Investment has adopted policies and procedures to address the

conflicts and ensure compliance with regulatory requirements in the event it effects a cross trade. The policies require that such transactions be in the best interest of each client account, effected at an independently determined market price without incurring brokerage commissions (although customary custodian fees and transfer fees may be incurred) and Sit Investment receives no compensation for effecting the trade. Where a registered investment company participates in a cross trade, Sit Investment will comply with the requirements of Rule 17a-7 under the Investment Company Act of 1940. Cross trades are not permitted in accounts subject to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA) unless the requirements of section 408(b)(19) of ERISA are complied with.

Model Delivery Program

Sit Investment provides services to a model delivery program sponsored by an unaffiliated third party on a nondiscretionary basis. The program sponsor has investment discretion and is responsible for the selection of brokers and the execution of transactions for its participant accounts. Sit Investment is not aware of when the program sponsor executes transactions. As a result, both Sit Investment and the program sponsor may be executing trades in the same security at the same time. Therefore, Sit Investment's provision of model portfolios to model delivery programs creates a conflict because Sit Investment clients and clients of the model delivery sponsor may be competing to trade the same securities. The model delivery program requires Sit Investment to communicate changes to the model portfolio through a system provided by the program sponsor in accordance with Sit Investment's trade rotation guidelines. Therefore, for certain trades Sit Investment may have already commenced trading before the program sponsor has received or acts on the changes to the model portfolio.

Review of Accounts *Item 13*

Client accounts receive almost constant review from the professional staff, including the members of the Investment Committee and the research and investment management professionals. At least one investment professional is assigned prime responsibility for a client's account, and the investment committee structure facilitates frequent account review through weekly meetings of the Investment Committee and the other investment professionals, as well as numerous informal meetings among the investment professionals. All transactions are reviewed daily by the Chief Investment Officer.

Sit Investment furnishes each client with written reports regarding the client's portfolio which includes holdings, transactions, investment performance, the investment strategy, and other pertinent information tailored to the needs of the particular client. Portfolio reports are provided monthly, or as requested by the client. The written reports are often supplemented by frequent oral reports to the client from an investment professional and also by regular review meetings with the client as requested by the client.

Client Referrals and Other Compensation *Item 14*

Sit Investment does not compensate anyone for referring clients to us, nor do we receive compensation from other professionals for referring clients to them.

Custody *Item 15*

Sit Investment does not maintain physical custody of client assets. Clients are responsible for selecting and engaging a custodian. Clients should receive statements from the qualified custodian that holds and maintains the client's assets at least quarterly. Clients should carefully review such statements and compare such official custodial records to the account statements that we provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Sit Investment and its affiliates provide investment advisory services and serve as general partner or manager to private investment companies organized as limited partnerships or limited liability companies, and therefore is deemed to have custody of client assets for purposes of Rule 206(4)-2 of the Investment Advisers Act of 1940 ("Custody Rule"). One of the requirements under the Custody Rule is to obtain an independent verification of client funds and securities by an independent public accountant which is also known as the annual surprise exam. Sit Investment foregoes the surprise exam by providing fund investors with financial statements of the fund audited in accordance with GAAP and other requirements.

Clients may establish with certain custodians a standing letter of authorization ("SLOA") authorizing Sit Investment to transfer client assets to a third party. Such an SLOA will result in Sit Investment being deemed to have custody for purposes of the Custody Rule. As noted above, one of the requirements under the Custody Rule is an annual surprise exam. Sit Investment foregoes the surprise exam by conforming to the requirements set forth in the Investment Adviser Association, SEC Staff No-Action Letter (February 21, 2017).

Investment Discretion *Item 16*

Sit Investment manages client assets on a discretionary basis pursuant to the investment management agreement with each client. Investment discretion is exercised in a manner consistent with the investment objectives and restrictions for the particular client account as set forth in the investment management agreement. Clients may impose restrictions including, for example, on investing in certain companies or types of securities.

For the affiliated investment companies managed by Sit Investment, our authority to trade securities is also limited by the investment restrictions set forth in the funds' prospectus or other offering documents, and with respect to mutual funds, by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Voting Client Securities *Item 17*

Sit Investment exercises voting authority with respect to client securities unless instructed otherwise. Sit Investment maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting. Generally, our policy and practice includes the responsibility to monitor corporate actions, receive and vote client proxies and disclose potential conflicts of interest as well as making information available to clients about the voting of proxies for their portfolio securities and maintaining relevant and required records.

Clients may at any time request a copy of the proxy voting policies and procedures, and information regarding how Sit Investment voted a client's proxies.

In the absence of specific voting guidelines from the client, Sit Investment will vote proxies in the best interests of each particular client. Our policy is to vote all proxies from a specific issuer the same way for each client absent qualifying restrictions from a client.

Sit Investment will make reasonable attempts to identify any conflicts that exist between the interests of Sit Investment and the client by reviewing the relationship of Sit Investment with the issuer of each security to determine if Sit Investment or any of its employees has any financial, business or personal relationship with the issuer. If a material conflict of interest exists, the Proxy Committee will determine whether it is appropriate to disclose the conflict to the affected clients, to give the clients an opportunity to vote the proxies themselves, or to address the voting issue through other objective means such as voting in a manner consistent with a predetermined voting policy or receiving an independent third party voting recommendation. Sit Investment will maintain a record of the voting resolution of any conflict of interest.

Financial Information *Item 18*

Sit Investment has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Sit Investment does not meet the conditions which would require us to provide a balance sheet financial statement.

Requirements for State-Registered Advisers

Not applicable.

Privacy Policy

Sit Investment takes our clients' personal privacy seriously. In order to provide financial products and services, we collect nonpublic personal information about our clients from the following sources:

- information we receive from account documentation, including applications, contracts, and other forms which may include (but is not limited to) information such as a client's name, address, tax identification number or social security number, assets and income;
- information about client transactions and communications with Sit, its affiliates, agents or others which includes (but is not limited to) account numbers, balances, and transaction requests made through transfer agents, custodians or third-party intermediaries.

We do not disclose any nonpublic personal information about our clients or former clients to anyone outside our organization except as necessary in order to provide services to our clients as permitted by law. For example, we disclose nonpublic personal information about a client to a non-affiliated company assisting us in servicing client accounts such as providing a portfolio management system and transfer agent services. To safeguard our client's personal information, we insist that our service providers limit access to personal information to authorized employees and agents and maintain appropriate safeguards.

We restrict access to our clients' nonpublic personal information to those employees who need to know that information to provide products or services to our clients. We maintain physical, electronic and procedural safeguards that comply with federal standards to guard our clients' nonpublic personal information.

This privacy policy does not apply to a client's relationship with other financial service providers, such as broker dealers, custodians or other third party intermediaries.

Business Continuation Policy

Sit Investment has adopted a Business Continuation Plan which includes procedures to enable us to resume providing our most critical services to clients in the event our services are interrupted. Sit Investment has contracted to obtain a fully furnished and equipped office located away from Sit Investment's downtown location to be used as the business resumption site if Sit Investment is unable to use its computer systems or occupy its Minneapolis office. The business resumption site is the location where the business continuation units will resume critical and/or important operations as directed. Telecommunication equipment and Internet access is available at the resumption site. The resumption site will immediately accommodate at least 15 people.

Sit Investment's critical portfolio management systems are provided by FIS in a hosted environment, and can be accessed by Sit Investment remotely from the resumption site via an Internet connection or a direct high speed phone connection.

Sit Investment's Business Continuation Plan is reviewed at least annually by the Business Continuation Team.

Sit Investment has adopted a Pandemic Response Plan in the event a significant number of employees must work remotely.

Class Action Settlements

We do not handle or otherwise process any "class action" claims or similar settlements that clients may be entitled to for securities held in client accounts. Clients should receive information for such claims directly from their custodians. Clients should verify with their custodians whether such claims are being made on the client's behalf by the custodian or if the client is expected to file such claims directly.

Brochure Supplement

Form ADV Part 2B

SIT INVESTMENT ASSOCIATES, INC.

3300 IDS Center
80 South Eighth Street
Minneapolis, MN 55402-2211

612-332-3223

May 1, 2025

This Brochure Supplement provides information about the following persons and supplements Sit Investment Associates Inc.'s brochure. You should have received a copy of that brochure. Please contact Paul Rasmussen or Kelly Boston at 612-332-3223 if you did not receive Sit Investment's brochure or if you have any questions about the contents of this supplement.

Our clients' assets are managed on a team basis. This brochure supplement sets forth information on the three investment professionals on the team with the most significant responsibility for the day-to-day discretionary advice provided to our clients.

Roger J. Sit – Born 1962

Educational Background:

BS, U.S. Air Force Academy, Colorado
MS, University of Southern California
MBA, Harvard Business School

Business background:

Chairman, President, CEO and Global CIO of Sit Investment since 2008.

Mr. Sit joined Sit Investment in 1998.

Disciplinary Information. Not applicable.

Other Business Activities. Not applicable.

Additional Compensation. Not applicable.

Supervision. Sit Investment's team management process provides continuing review and supervision of all investment professionals. Additionally, Sit Investment supervises investment professionals through adherence to its compliance policies and procedures. Roger Sit reports to the Board of Directors, phone number 612-332-3223.

David A. Brown – CFA, CPA (inactive) – Born 1964

Educational Background:

BBA, University of North Dakota.

Business background:

Vice President – Research and Investment Management and Director of Client Services of Sit Investment since 1997.

Disciplinary Information. Not applicable.

Other Business Activities. Not applicable.

Additional Compensation. Not applicable.

Supervision. Sit Investment's team management process provides continuing review and supervision of all investment professionals. Additionally, Sit Investment supervises investment professionals through adherence to its compliance policies and procedures. Roger J. Sit (phone number 612-332-3223) is responsible for supervising David Brown.

Kent L. Johnson – CFA – Born 1965

Educational Background:

BS, University of Minnesota

MBA, University of Minnesota Carlson School of Management

Business background:

Senior Vice President – Research and Investment Management of Sit Investment since 2008.

Mr. Johnson joined Sit Investment in 1989.

Disciplinary Information. Not applicable.

Other Business Activities. Not applicable.

Additional Compensation. Not applicable.

Supervision. Sit Investment’s team management process provides continuing review and supervision of all investment professionals. Additionally, Sit Investment supervises investment professionals through adherence to its compliance policies and procedures. Roger J. Sit (phone number 612-332-3223) is responsible for supervising Kent Johnson.

Professional Designations – Minimum Qualifications

CFA - Chartered Financial Analyst

Issued by: CFA Institute

Prerequisites/Experience Required: Candidate must meet one of the following requirements:

- 1.) Undergraduate degree and 4 years of professional experience involving investment decision-making, or 2.) 4 years qualified work experience (full time, but not necessarily investment related).

Educational Requirements: Self-study program (250 hours of study for each of the 3 levels)

Examination Type: 3 course exams

Continuing Education/Experience Requirements: None

CPA – Certified Public Accountant

Licensed by: A Board of Public Accountancy in the individual’s state to practice public accounting.

Prerequisites/Experience Required: The state Boards of Accountancy determines the laws and rules for each state/jurisdiction.

Educational Requirements: Varies by state. Minnesota requires a degree or equivalent in accounting from an accredited institution, passage of the uniform CPA examination and ethics exam, and qualified experience or its equivalent.