

**GC ALTERNATIVE MANAGEMENT, LLC.**

THIS BROCHURE PROVIDES CLIENTS WITH INFORMATION ABOUT GC ALTERNATIVE MANAGEMENT, LLC., AND ITS ADVISORY WRAP PROGRAMS. THIS INFORMATION SHOULD BE CONSIDERED BEFORE BECOMING A CLIENT OF ONE OR MORE OF THESE WRAP PROGRAMS, WHICH INCLUDE THE INVESTMENT PROGRAM, THE INCOME PROGRAM, AND THE TRADING PROGRAM.

THIS INFORMATION HAS NOT BEEN APPROVED OR VERIFIED BY ANY GOVERNMENTAL AUTHORITY.

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June 4, 2010

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**Important information is contained in this Brochure. Please read it carefully.**

GC Alternative Management, LLC. ("GCAM"), a registered investment adviser, manages investment advisory accounts and provides its clients with a diverse range of investment services.

GCAM mainly provides services to Qualified Individuals, Corporations, Trusts, Estates.

Clients of GCAM are provided with non-discretionary investment services depending on their risk profile and needs.

These advisory programs may cost a client more or less than purchasing such services separately and a client should compare the costs of the services provided separately versus the total program management fee.

Clients have direct access to their portfolio for consultation about their accounts.

GCAM performs investment management services for its clients but does not provide custody of the assets except for advisory fee withdrawals.

Clients should review the brochure (also referred to as Form ADV Part II) of GCAM for a description of the investment services provided by GCAM.

Client can terminate the advisory contract at no cost within 5 days of its signature if not provided with the brochure at least 48 hours before the advisory contract is signed.

**DESCRIPTION OF WRAP PROGRAMS AND FEES**

GCAM offers clients investment counsel and management. The clients, based upon their individual needs and financial condition, select an investment objective from among three broadly defined investment strategies described below. GCAM supervises the account, monitors the portfolio, and makes non-discretionary purchases and sales of securities within the parameters of this investment objective as individually tailored to the client.

Each program is offered under a single wrap fee.

The client is in direct contact with GCAM for all investment decisions.

**THE INVESTMENT PROGRAM**

The INVESTMENT PROGRAM is a service offered by GCAM under which GCAM manages client accounts. The client is provided custody and execution through Interactive Brokers, LLC. and/or Pershing, LLC., and advisory services from GCAM in a single wrap fee.

GCAM requires that a client be qualified, and provide it with a minimum dollar value of assets in order to start or maintain an investment account. The minimum account value for the INVESTMENT PROGRAM is \$100,000. However, the amount may be negotiated based on the total assets under management.

A client may withdraw assets from their account by notifying GCAM three days in advance. Accounts may be opened with cash and/or securities.

Assets may be invested in a variety of investments, including Common and Preferred Stocks, American Depositary Receipts/Shares (ARD/ADS), Exchange Traded Funds (ETF), Mutual Funds, Certificate of Deposit (CD), Municipal Bonds, Corporate or Government Bonds or Notes (including non-US), Currencies, Commodities, Options, Futures, shares of Money Market Funds and other securities. Trades can be short or long-term, long or short, cash or margin.

GCAM can use a selection of mutual funds that it believes meets the client's requirements. GCAM will offer whenever possible no-load funds. For non-US investors, as defined under Regulation S adopted under the Securities Act of 1933, offshore funds that are not registered as investment companies in the U.S. would be used.

Under the INVESTMENT PROGRAM, GCAM will 1) help the client determine his/her investment objectives; and 2) and provide monthly performance reporting.

Transaction details will be provided directly by the brokers on the client's statement.

The specifics for each level of service are as follows:

*Determination of investment objective and Methodology:* As more fully described in the Client Agreement, clients will complete their investment questionnaire (the "Client Profile"), which profiles their income needs, investment time horizon, investment return expectations, risk tolerance and any specific restrictions or unique circumstances which they believe are important to the management of their account(s).

GCAM also offers asset allocation services to assist clients in constructing their investment portfolio. Based on clients' investment time horizon, income needs and risk/return profile, as communicated in their questionnaire, GCAM may present clients with different asset allocations that demonstrate a range of risk/return profiles. Historical market and other information about each asset allocation may be presented to clients to help these clients understand the effect of changes in allocations. Clients have the option to select one of the allocations presented to them or they may choose their own.

GCAM's investment methodology revolves around information analysis (Financial media, Research, Annual reports, Prospectuses, Press releases etc.) and market analysis (Fundamentals, Technicals, Charts, etc.)

In addition, at clients' request and in certain other situations, GCAM will review the historical performance of clients' investments and compare it to relevant benchmarks, which GCAM believes may further assist clients in constructing their investment portfolio. Please note that GCAM will only review information provided by clients, and GCAM does not independently verify the information.

Each month, GCAM offers clients the opportunity to inform the firm if their investment objectives have changed or if the clients wish to revise or impose any reasonable restrictions on the management of their account. Please note that clients must inform GCAM immediately about any such changes. GCAM will review the changes and try to implement them in a timely manner.

### **Important Client Responsibilities**

The client's answers to the questionnaire are reviewed by GCAM, and taken into consideration for the management of the account. Accordingly, it is the client's obligation to notify GCAM promptly of any material change in financial circumstances, investment objectives, or investment restrictions (if any) that may affect account management.

Clients are notified periodically to emphasize the need for them to report such information. Clients always retain the final authority, obligation and responsibility for making their own determinations regarding the monitoring of their accounts.

### **Risk and Tax Disclosure**

Clients should understand that all investments involve risk (the amount of which may vary significantly), that investment performance can never be predicted or guaranteed and that the values of their accounts will fluctuate due to market conditions and other factors. Clients should also understand that for those strategies in which GCAM may sell securities short and/or use margin, there are additional risks that are discussed below in the section entitled *Long/Short Strategies and Margin*. There is no assurance that the performance results of any benchmark or index used can be attained.

Clients are responsible for all the tax liabilities arising from transactions and are encouraged to seek the advice of their qualified tax professionals. In addition, if the client is not a resident of the United States, the client must acknowledge and agree to assume the adverse tax consequences and other risks involved in investing U.S. securities.

*Long / Short Strategies and Margin.* GCAM may sell securities short and / or employ margin (each, a “Margin Strategy”). Clients will incur costs in addition to GCAM management fees.

When selling securities short, GCAM will NOT use cash generated from short sales to purchase additional securities, i.e., leverage.

The margin interest rate charged in INVESTMENT PROGRAM accounts will be determined pursuant to the Interactive Brokers, LLC. and/or Pershing, LLC. Margin Lending Program Client Agreement.

A Margin Strategy also may create risks in addition to those of other investment styles in the Program. Some of the risks of a Margin Strategy that the client should consider include: the potential for increased losses, because short sales theoretically can create limitless losses; that GCAM will borrow money or securities on the client's behalf, and any indebtedness created will be secured by the assets in the INVESTMENT PROGRAM account and by any other assets held by the client at Interactive Brokers, LLC. and/or Pershing, LLC.; and, in the event of a margin call cannot be fully satisfied from the assets in the INVESTMENT PROGRAM account, the client will remain liable for the outstanding debt. To satisfy this obligation, and, as permitted by law, GCAM may liquidate assets held in other GCAM accounts owned by the client.

These costs, risks and other features and conditions of margin and short sales are more fully described in the Margin Lending Program Client Agreement executed by the Client. The Client should read this document carefully.

*Reporting:* Interactive Brokers, LLC. and/or Pershing, LLC. will provide clients with detailed information regarding the purchase and sale transactions in their accounts and, a statement setting forth all such activity every month. GCAM will provide a performance report each month.

**Management Fee**

The INVESTMENT PROGRAM is available only on the basis of a wrap fee which includes all of the services described above, as well as custody, trade execution through Interactive Brokers, LLC. and/or Pershing, LLC. The wrap fee is based on a percentage of assets under management. The INVESTMENT PROGRAM annual fee is: 1.00% of assets under management, and negotiable for assets above \$5,000,000. It is payable in advance daily for Interactive Brokers, LLC. and monthly for Pershing, LLC.

Under certain circumstances, the annual fee may be negotiated based on a number of factors, including the type and allocation of securities invested in a client's account.

The fee is directly debited from the client's account as acknowledged and agreed upon in the Interactive Brokers, LLC. and/or Pershing, LLC. account application signed by the client. The advisory fee will appear on the monthly client statement. For Pershing, LLC. clients, a copy of the monthly fee invoice will be provided to both the custodian and the client.

**Performance Fee**

At the end of each calendar year, or date of termination, GCAM will charge a performance fee of 20% of the profits generated above the yield of a 1-year US Treasury based on the following criteria:

- the current year performance exceeds the yield of a 1-year US Treasury determined at the beginning of that particular year (a pro-rata of it in case of termination), with a 3% minimum yield.
- and, the year end or termination date value of the account (including any addition/withdrawal) exceeds the prior highest historical year end value of the account - High Water Mark system.

Client will receive a detailed invoice including the performance fee calculation and payment instructions directly from GCAM.

**Examples:**

- The 1-year US Treasury yields 1% at the beginning of the year. The account performance for the year is 10% and the account value is at a new historical high.  
The performance fee will be: 20% of the 7% profits (10% - 3% (minimum yield)).
- The 1-year US Treasury yields 4% at the beginning of the year. The account performance for the year is 12% and the account value is NOT at a new historical high. NO performance fee.
- The 1-year US Treasury yields 3% at the beginning of the year. The account performance for the year is 2% and the account value is at a new historical high. NO performance fee.

GCAM does NOT charge their clients a separate fee for referring clients to the INVESTMENT PROGRAM.

**Termination**

As further explained in the Client Agreement, clients may terminate their Agreement with GCAM at any time by providing the firm with a 3-day advance written notice of termination. Clients should send any notice of termination to GCAM at its principal offices in Fort Collins,

CO, as set forth on the cover page. GCAM may terminate any agreement with a client upon written notice of such client.

Any termination would not affect any liabilities or obligations arising from any transactions initiated prior to termination. Upon the termination of a Client Agreement, GCAM would not be obligated to recommend any action with regard to, or to liquidate, the assets in the client's account. Rather, it would be a client's responsibility to issue written instructions regarding any assets in the account. A pro rata refund from the date of termination through the end of the billing period will be made and credited to the Account.

A Client Agreement contains further information about any termination of such Agreement. Client should read it carefully and contact GCAM if they have any questions.

## **THE INCOME PROGRAM**

The INCOME PROGRAM is a service offered by GCAM under which GCAM manages client accounts. The client is provided custody and execution through Interactive Brokers, LLC. and/or Pershing, LLC., and advisory services from GCAM in a single wrap fee.

GCAM requires that a client be qualified, and provide it with a minimum dollar value of assets in order to start or maintain an investment account. The minimum account value for the INCOME PROGRAM is \$100,000. However, the amount may be negotiated based on the total assets under management.

A client may withdraw assets from their account by notifying GCAM three days in advance. Accounts may be opened with cash and/or securities.

Assets may be invested in a variety of investments, including Common and Preferred Stocks, American Depositary Receipts/Shares (ARD/ADS), Exchange Traded Funds (ETF), Mutual Funds, Certificate of Deposit (CD), Municipal Bonds, Corporate or Government Bonds or Notes (including non-US), Currencies, Commodities, Options, Futures, shares of Money Market Funds and other securities. Trades can be short or long-term, long or short, cash or margin.

GCAM can use a selection of mutual funds that it believes meets the client's requirements. GCAM will offer whenever possible no-load funds. For non-US investors, as defined under Regulation S adopted under the Securities Act of 1933, offshore funds that are not registered as investment companies in the U.S. would be used.

Under the INCOME PROGRAM, GCAM will 1) help the client determine his/her investment objectives; and 2) and provide monthly performance reporting.

Transaction details will be provided directly by the brokers on the client's statement.

The specifics for each level of service are as follows:

*Determination of investment objective and Methodology:* As more fully described in the Client Agreement, clients will complete their investment questionnaire (the "Client Profile"), which profiles their income needs, investment time horizon, investment return expectations, risk tolerance and any specific restrictions or unique circumstances which they believe are important to the management of their account(s).

GCAM also offers asset allocation services to assist clients in constructing their investment portfolio. Based on clients' investment time horizon, income needs and risk/return profile, as communicated in their questionnaire, GCAM may present clients with different asset allocations that demonstrate a range of risk/return profiles. Historical market and other information about each asset allocation may be presented to clients to help these clients understand the effect of changes in allocations. Clients have the option to select one of the allocations presented to them or they may choose their own.

GCAM's investment methodology revolves around information analysis (Financial media, Research, Annual reports, Prospectuses, Press releases etc.) and market analysis (Fundamentals, Technicals, Charts, etc.)

In addition, at clients' request and in certain other situations, GCAM will review the historical performance of clients' investments and compare it to relevant benchmarks, which GCAM believes may further assist clients in constructing their investment portfolio. Please note that GCAM will only review information provided by clients, and GCAM does not independently verify the information.

Each month, GCAM offers clients the opportunity to inform the firm if their investment objectives have changed or if the clients wish to revise or impose any reasonable restrictions on the management of their account. Please note that clients must inform GCAM immediately about any such changes. GCAM will review the changes and try to implement them in a timely manner.

### **Important Client Responsibilities**

The client's answers to the questionnaire are reviewed by GCAM, and taken into consideration for the management of the account. Accordingly, it is the client's obligation to notify GCAM promptly of any material change in financial circumstances, investment objectives, or investment restrictions (if any) that may affect account management.

Clients are notified periodically to emphasize the need for them to report such information. Clients always retain the final authority, obligation and responsibility for making their own determinations regarding the monitoring of their accounts.

### **Risk and Tax Disclosure**

Clients should understand that all investments involve risk (the amount of which may vary significantly), that investment performance can never be predicted or guaranteed and that the values of their accounts will fluctuate due to market conditions and other factors.

*Reporting:* Interactive Brokers, LLC. and/or Pershing, LLC. will provide clients with detailed information regarding the purchase and sale transactions in their accounts and, a statement setting forth all such activity every month. GCAM will provide a performance report each month.

### **Management Fee**

The INCOME PROGRAM is available only on the basis of a wrap fee which includes all of the services described above, as well as custody, trade execution through Interactive Brokers, LLC. and/or Pershing, LLC.. The wrap fee is based on a percentage of assets under management. The INCOME PROGRAM annual fee is: 0.30% of assets under management, and negotiable for



assets above \$2,000,000. It is payable in advance daily for Interactive Brokers, LLC. and monthly for Pershing, LLC.

Under certain circumstances, the annual fee may be negotiated based on a number of factors, including the type and allocation of securities invested in a client's account.

The fee is directly debited from the client's account as acknowledged and agreed upon in the Interactive Brokers, LLC. and/or Pershing, LLC. account application signed by the client. The advisory fee will appear on the monthly client statement. For Pershing, LLC. clients, a copy of the monthly fee invoice will be provided to both the custodian and the client.

### **Performance Fee**

GCAM does NOT charge any performance fee for this investment strategy.

GCAM does NOT charge their clients a separate fee for referring clients to the INCOME PROGRAM.

### **Termination**

As further explained in the Client Agreement, clients may terminate their Agreement with GCAM at any time by providing the firm with a 3-day advance written notice of termination. Clients should send any notice of termination to GCAM at its principal offices in Fort Collins, CO, as set forth on the cover page. GCAM may terminate any agreement with a client upon written notice of such client.

Any termination would not affect any liabilities or obligations arising from any transactions initiated prior to termination. Upon the termination of a Client Agreement, GCAM would not be obligated to recommend any action with regard to, or to liquidate, the assets in the client's account. Rather, it would be a client's responsibility to issue written instructions regarding any assets in the account. A pro rata refund from the date of termination through the end of the billing period will be made and credited to the Account.

A Client Agreement contains further information about any termination of such Agreement.

Client should read it carefully and contact GCAM if they have any questions.

## **THE TRADING PROGRAM**

The TRADING PROGRAM is a service offered by GCAM under which GCAM manages client accounts. The client is provided custody and execution through Interactive Brokers, LLC., and advisory services from GCAM in a single wrap fee. This program aims at capturing short to medium term trading opportunities in the financial markets and generating absolute returns for clients.

GCAM requires that a client be qualified, and provide it with a minimum dollar value of assets in order to start or maintain an investment account. The minimum account value for the TRADING PROGRAM \$100,000. However, the amount may be negotiated based on the total assets under management.

A client may withdraw assets from their account by notifying GCAM three days in advance. Accounts may be opened with cash and/or securities.

Assets may be invested in a variety of investments, including Common and Preferred Stocks, American Depository Receipts/Shares (ARD/ADS), Exchange Traded Funds (ETF), Mutual Funds, Certificate of Deposit (CD), Municipal Bonds, Corporate or Government Bonds or Notes (including non-US), Currencies, Commodities, Options, Futures, shares of Money Market Funds and other securities. Trades can be short or long-term, long or short, cash or margin.

GCAM can use a selection of mutual funds that it believes meets the client's requirements. GCAM will offer whenever possible no-load funds. For non-US investors, as defined under Regulation S adopted under the Securities Act of 1933, offshore funds that are not registered as investment companies in the U.S. would be used.

Under the TRADING PROGRAM, GCAM will 1) help the client determine his/her investment objectives; and 2) and provide monthly performance reporting.

Transaction details will be provided directly by the brokers on the client's statement.

The specifics for each level of service are as follows:

*Determination of investment objective and Methodology:* As more fully described in the Client Agreement, clients will complete their investment questionnaire (the "Client Profile"), which profiles their income needs, investment time horizon, investment return expectations, risk tolerance and any specific restrictions or unique circumstances which they believe are important to the management of their account(s).

GCAM also offers asset allocation services to assist clients in constructing their investment portfolio. Based on clients' investment time horizon, income needs and risk/return profile, as communicated in their questionnaire, GCAM may present clients with different asset allocations that demonstrate a range of risk/return profiles. Historical market and other information about each asset allocation may be presented to clients to help these clients understand the effect of changes in allocations. Clients have the option to select one of the allocations presented to them or they may choose their own.

GCAM's investment methodology revolves around information analysis (Financial media, Research, Annual reports, Prospectuses, Press releases etc.) and market analysis (Fundamentals, Technicals, Charts, etc.)

In addition, at clients' request and in certain other situations, GCAM will review the historical performance of clients' investments and compare it to relevant benchmarks, which GCAM believes may further assist clients in constructing their investment portfolio. Please note that GCAM will only review information provided by clients, and GCAM does not independently verify the information.

Each month, GCAM offers clients the opportunity to inform the firm if their investment objectives have changed or if the clients wish to revise or impose any reasonable restrictions on the management of their account. Please note that clients must inform GCAM immediately about any such changes. GCAM will review the changes and try to implement them in a timely manner.

### **Important Client Responsibilities**

The client's answers to the questionnaire are reviewed by GCAM, and taken into consideration for the management of the account. Accordingly, it is the client's obligation to notify GCAM promptly of any material change in financial circumstances, investment objectives, or investment restrictions (if any) that may affect account management.

Clients are notified periodically to emphasize the need for them to report such information. Clients always retain the final authority, obligation and responsibility for making their own determinations regarding the monitoring of their accounts.

### **Risk and Tax Disclosure**

Clients should understand that all investments involve risk (the amount of which may vary significantly), that investment performance can never be predicted or guaranteed and that the values of their accounts will fluctuate due to market conditions and other factors. Clients should also understand that for those strategies in which GCAM may sell securities short and/or use margin, there are additional risks that are discussed below in the section entitled *Long/Short Strategies and Margin*. There is no assurance that the performance results of any benchmark or index used can be attained.

Clients are responsible for all the tax liabilities arising from transactions and are encouraged to seek the advice of their qualified tax professionals. In addition, if the client is not a resident of the United States, the client must acknowledge and agree to assume the adverse tax consequences and other risks involved in investing U.S. securities.

*Long / Short Strategies and Margin.* GCAM may sell securities short and / or employ margin (each, a "Margin Strategy"). Clients will incur costs in addition to GCAM management fees.

When selling securities short, GCAM will NOT use cash generated from short sales to purchase additional securities, i.e., leverage.

The margin interest rate charged in TRADING PROGRAM accounts will be determined pursuant to the Interactive Brokers, LLC. Margin Lending Program Client Agreement.

A Margin Strategy also may create risks in addition to those of other investment styles in the Program. Some of the risks of a Margin Strategy that the client should consider include: the potential for increased losses, because short sales theoretically can create limitless losses; that GCAM will borrow money or securities on the client's behalf, and any indebtedness created will be secured by the assets in the TRADING PROGRAM account and by any other assets held by the client at Interactive Brokers, LLC; and, in the event of a margin call cannot be fully satisfied from the assets in the TRADING PROGRAM account, the client will remain liable for the outstanding debt. To satisfy this obligation, and, as permitted by law, GCAM may liquidate assets held in other GCAM accounts owned by the client.

These costs, risks and other features and conditions of margin and short sales are more fully described in the Margin Lending Program Client Agreement executed by the Client. The Client should read this document carefully.

*Reporting:* Interactive Brokers, LLC. and/or Pershing, LLC. will provide clients with detailed information regarding the purchase and sale transactions in their accounts and, a statement setting forth all such activity every month. GCAM will provide a performance report each month.

**Management Fee**

The TRADING PROGRAM is available only on the basis of a wrap fee which includes all of the services described above, as well as custody through Interactive Brokers, LLC. The wrap fee is based on a percentage of assets under management. The TRADING PROGRAM annual fee is: 1.00% of assets under management, and negotiable for assets above \$5,000,000. It is payable daily in advance.

Under certain circumstances, the annual fee may be negotiated based on a number of factors, including the type and allocation of securities invested in a client's account.

The fee is directly debited from the client's account as acknowledged and agreed upon in the Interactive Brokers, LLC. account application signed by the client. The advisory fee will appear on the monthly client statement.

**Performance Fee**

At the end of each calendar year, or date of termination, GCAM will charge a performance fee of 20% of the profits generated if and only if the yearend or termination date value of the account (including any addition/withdrawal) exceeds the prior highest historical year end value of the account - High Water Mark system.

Client will receive a detailed invoice including the performance fee calculation and payment instructions directly from GCAM.

**Examples:**

- The account performance for the year is 10% and the account value is at a new historical high. The performance fee will be: 20% of the profits.
- The account performance for the year is 12% and the account value is NOT at a new historical high. NO performance fee.

GCAM does NOT charge their clients a separate fee for referring clients to the TRADING PROGRAM.

**Termination**

As further explained in the Client Agreement, clients may terminate their Agreement with GCAM at any time by providing the firm with a 3-day advance written notice of termination. Clients should send any notice of termination to GCAM at its principal offices in Fort Collins, CO, as set forth on the cover page. GCAM may terminate any agreement with a client upon written notice of such client.

Any termination would not affect any liabilities or obligations arising from any transactions initiated prior to termination. Upon the termination of a Client Agreement, GCAM would not be obligated to recommend any action with regard to, or to liquidate, the assets in the client's account. Rather, it would be a client's responsibility to issue written instructions regarding any assets in the account. A pro rata refund from the date of termination through the end of the billing period will be made and credited to the Account.

A Client Agreement contains further information about any termination of such Agreement.

Client should read it carefully and contact GCAM if they have any question.

## **GENERAL DESCRIPTION OF PROGRAMS AND FEES**

The following disclosures relate to all of the above-described Programs.

The fee payable under each Program includes all fees and charges by GCAM (including brokerage commissions).

The fee is directly debited from the client's account as acknowledged and agreed upon in the Interactive Brokers, LLC. and/or Pershing, LLC. account application signed by the client. The advisory fee will appear on the monthly client statement. For Pershing, LLC. clients, a copy of the monthly fee invoice will be provided to both the custodian and the client.

For accounts open with Interactive Brokers, LLC., commissions will be incurred by the client when the trade takes place and will be reimbursed to the client by GCAM in a lump sum the following year (total commissions shall not exceed \$500).

The Programs' fee schedules do not include Non-Resident Alien (NRA) taxes directly debited from non-US investors' accounts or taxes paid on certain ADRs dividends in investors' accounts, agency processing fees, margin interest, any transfer taxes, and any other charges imposed by law. Others non-investment related fees (such as outgoing wires, debit card, checkbook...) are also charged directly to the client.

Clients are advised in their written contracts that the fees and additional charges may be higher or lower than the fees and commissions which would be charged by another investment adviser for a similar combination of services or which would be charged were such advisory and brokerage services provided separately by any other investment adviser.

Clients are also advised in their contracts that there will be no offset to the advisory fee for any assets invested in money market or closed-end funds.

In general, cash balances will be automatically "swept" into the broker's money market fund daily for any balance arising from the sale of a security or for any balance greater than one dollar.

GCAM does not receive Rule 12b-1 distribution fees and other payments from affiliates of the cash sweep funds that are investment vehicles for cash in client accounts. These cash sweep funds are managed by Interactive Brokers, LLC. and Pershing, LLC. and are not affiliated with GCAM.

The initial fee is billed when the account is opened. The fee is adjusted in the next billing month for each capital addition or withdrawal.

GCAM's performance is not audited by any third party.

The Programs may cost the client more or less than purchasing such services separately. The factors that would bear upon the relative cost of the Programs include the number of different service providers needed to serve you, the cost of the services provided by each provider, the need for increased coordination and management, the execution capabilities, speed, and efficiency of the various service providers, and the trading activity in the client's account.

## **OTHER DISCLOSURE REQUIREMENTS**

### **Education and Business Background of GCAM Personnel**

GC Alternative Management, LLC. was founded in 2009 by Yves Géniaux. All personnel have at least 10 years of Investment experience.

*Yves Géniaux*, born 1970, is Director of GC Alternative Management, LLC. Mr. Géniaux received a B.A. in 1992 from the University of San Diego and a M.B.A. in 1999 from Duke University's Fuqua School of Business.

Prior to starting GC Alternative Management, LLC., Mr. Géniaux was Associate Vice President of Investments at Oppenheimer & Co. Inc. in New York from 1999 to 2009. He was a senior analyst for the Allocation Group of Oppenheimer Asset Management, Inc. from 2004 to 2009.

## **ACCOUNT TRANSACTIONS**

Securities transactions of clients in the Programs are executed and cleared through Interactive Brokers, LLC and/or Pershing, LLC.

GCAM has adopted a Code of Ethics that requires all advisory access persons to report their personal securities transactions to the Compliance Department. Advisory Personnel are not permitted under the Code of Ethics to purchase securities in initial public offerings and are required to obtain pre-approval before purchasing interests in a limited offering or for certain securities transactions. GCAM will provide a copy of its Code of Ethics to any client or prospective client upon request.

### *Conflict of Interest Considerations.*

Members of GCAM are NOT engaged in any other business activities nor affiliated to any other businesses.

Personnel of GCAM may at times have positions that it also recommends to clients. However, personnel must abide by the guidelines of GCAM's Code of Ethics.

## **CUSTODY OF ACCOUNTS**

For custody of the accounts, GCAM will work with Interactive Brokers, LLC. and/or Pershing, LLC. for both the INVESTMENT PROGRAM and the INCOME PROGRAM, and with Interactive Brokers, LLC. for the TRADING PROGRAM. GCAM will NOT have custody of any client accounts except for advisory fee withdrawals.

GCAM has contracted with Interactive Brokers, LLC. for their multi-market and multi-currency platform and with Pershing, LLC. for their multi-currency platform and banking services.

## **REVIEW OF ACCOUNTS AND REPORTS**

All GCAM accounts are review on a continuing basis, and all transactions are discussed with clients prior to implementation. Clients will receive a monthly performance report from GCAM and their independent monthly statement including transaction details and advisory fees from Interactive Brokers, LLC. and/or Pershing, LLC.

Matters generally reviewed by GCAM include specific securities held, the asset mix of the account, the availability of cash for investment and the performance of each account.

Each client receives GCAM's standard monthly statement of account for accounts managed. At year-end, documents to assist in the preparation of income tax returns are provided by Interactive Brokers, LLC. and/or Pershing, LLC.

## **PRIVACY POLICY**

### **Privacy Policy – How We Use and Protect Your Personal Information**

GC Alternative Management, LLC ("GCAM"), shares your concerns about privacy. We understand that you want to know how we treat the personal information that we obtain from you or other sources in the course of providing you with products and services. As our customer, you may be wondering...

- What do we do with the personal information we have about you?
- What kind of personal information do we have, and where did we get it?
- How do we protect that information?

We hope this notice will help answer those questions. We want you to know that we respect the privacy of our customers.

### **What do we do with the personal information we have collected about you?**

GCAM does not disclose your personal information to any company beside Interactive Brokers, LLC. and Pershing, LLC. This information is only provided to open your account(s) and will not be used by them to contact you about their own product and services.

GCAM may use your personal information for investment purposes or to help you with your overall investment program. We may also use your personal information to communicate with you about products or investments that you have expressed an interest in or that we believe may be of interest to you. In addition, we may, as permitted by law and without your prior permission, provide personal information about you contained in our records or files to persons or organizations such as:

- regulatory or law-enforcement authorities

### **What kind of personal information do we have, and where did we get it?**

Much of the personal information that we have about you comes directly from you. You disclosed much of this information on your new account application or other documents which

you have provided to us. We may have contacted you by telephone or mail for additional information. We also keep information about the investments you purchase from us, as well as account balances and payment history.

Depending on the nature of your relationship with us, you may be required to provide us with information. That information may include, for example, your name, address, birth date, phone number, Social Security number or E-mail address.

**How do we protect your personal information?**

When we share personal information with Interactive Brokers, LLC. and Pershing, LLC., we protect that personal information where required by law with a confidentiality agreement that obligates those companies to conform to our standards and keep confidential any information about you that we give them. Within GCAM, your personal information is available to those individuals who may need to see it to fulfill and service your needs. In addition, we communicate regarding the need to protect your information to those individuals who have access to it, and we've established physical, electronic, and procedural safeguards to protect your information.

Finally, should your relationship with GCAM end, your personal information will remain protected in accordance with our privacy practices as outlined in this Important Notice.

If you have any questions or would like more information, please don't hesitate to contact GCAM.



## **PROXY VOTING**

GCAM will vote proxies for securities held in the account, unless the client elects to vote proxies. GCAM has adopted policies with respect to the voting of proxies for client accounts, which are summarized below.

### *General Policy*

GCAM will vote proxies in a manner intended to maximize the value of investments to its clients. When voting proxies, GCAM will give substantial weight to the recommendation of management but will not support the position of a company's management if GCAM determines that such position is not in the best interest of a company's shareholders (such as golden parachutes or option grants that dilute shareholder interest).

### *Election of Board of Directors*

GCAM generally will vote in favor of candidates proposed by a company's board of directors and for a board's recommendation to increase or decrease its size. GCAM generally will vote against shareholders proposals to limit the tenure of outside directors and generally will vote against proposals to classify or stagger the board.

### *Tender Offer Defenses*

GCAM will vote for shareholder proposals that ask a company to submit its poison pill for shareholder ratification. GCAM evaluates on a case by case basis shareholder proposals to redeem a company's poison pill and on a case by case basis with respect to management proposals to ratify a poison pill.

GCAM votes for proposals to restrict greenmail payments and evaluates on a case by case basis anti greenmail proposals when they are bundled with charter or bylaw amendments.

GCAM votes against management proposals to require a supermajority shareholder vote to approve mergers and other significant business combinations.

### *Corporate Structure and Shareholder Rights*

GCAM generally will vote against proposals to restrict or prohibit shareholder ability to call special meetings and against management proposals to change the size of a board without shareholder approval.

### *Corporate and Social Policy Issues*

GCAM makes proxy voting decisions according to guidelines that seek to protect clients' economic interests. Accordingly, GCAM will abstain from voting on ethical and social proposals unless GCAM believes that those proposals have significant economic consequences.

### *Client Requests*

Clients may request information on how GCAM has voted proxies for their accounts and may request GCAM's Proxy Voting Policies and Procedures by contacting:

GC Alternative Management, LLC.  
8264 Scenic Ridge Ct  
Fort Collins, CO 80528, U.S.A.

## **ABOUT GCAM**

GCAM, a registered investment adviser, primarily provides investment advisory and management services to qualified individual and institutional clients through one of three wrap programs, i.e. the Programs.

## **CROSS REFERENCE PAGE**

This brochure is designed to satisfy the requirements of Schedule H of Form ADV, which is the form that each registered investment adviser registered must file.

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