

Form ADV Part 2A Brochure

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This brochure provides information about the qualifications and business practices of New Legacy Group, LLC (“New Legacy Group”, “we”, or “our”). If you have any questions about the contents of this brochure, please contact us at 212-616-8022. 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 New Legacy Group also is available on the SEC’s website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for New Legacy Group is 160969.

New Legacy Group is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training.

Item 2 – Material Changes

This section of the brochure addresses only those “material changes” that have been incorporated since our last annual update. The current update of our brochure includes the following material changes:

1. Substantial revisions were made throughout this brochure. Such enhancements were made in order to more clearly describe the adviser and affiliates’ activities and potential or actual conflicts and in a further effort to provide a “Plain English” brochure.
2. The following advisers have been added as affiliates and relying advisers:
 - a. New Legacy Capital, LLC
 - b. New Legacy Matrix, LLC
 - c. NLEM Management, LLC
 - d. New Legacy Generation, LLC
 - e. New Legacy Ventures, LLC
 - f. New Legacy Private Holdings, LLC
 - g. New Legacy Starship, LLC
 - h. Arch Real Estate Management, LLC
3. Item 14 has been updated to disclose referral agreements with unaffiliated placement agents.

(Date of our last Annual Updating Amendment: 04/1/2013)

Currently, our Brochure may be requested by contacting Joseph Weilgus, Chief Executive Officer, at 212-616-8022 or jweilgus@newlegacy.com.

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Item 4 - Advisory Business

New Legacy Group is a Delaware limited liability company that was formed and commenced operations in 2011. The founders and principal owners of New Legacy Group are Joseph Weilgus, Chief Executive Officer and Adam Geiger, President and Chief Investment Officer. As of February 28, 2014, New Legacy Group had approximately \$144.0 million of regulatory assets under management, of which \$130.9 was discretionary and \$13.1 was non-discretionary.

New Legacy Group divides its business into three distinct categories:

1. Hedge Fund Advisory

New Legacy Group provides investment advisory services to pooled investment vehicles (each a “Private Fund” and, collectively the “Funds”) as detailed below. We also engage in investment consulting services and/or advisory relationships with certain ultra-high net worth families and institutions with significant capital in hedge fund investments and/or with the potential to allocate significant capital to alternative investments. Such services may include ongoing due diligence and monitoring of underlying managers in current portfolios, qualitative and quantitative research on asset allocation, potential underlying managers and recommending portfolio changes when appropriate. New Legacy Group and its affiliates may or may not have portfolio discretion. In those cases where New Legacy Group does not have discretion, it will make recommendations, but will not make decisions regarding potential investments, underlying manager and portfolio reviews and/or possible portfolio adjustments. The scope, style and execution of each advisory client mandate is governed by its underlying investment management or investment advisory agreement. The list of Private Funds and their associated relying advisers are:

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|---|-------------------------|
| • New Legacy Fund, LP | New Legacy Capital, LLC |
| • New Legacy Matrix Niche Strategies, LLC | New Legacy Matrix, LLC |
| • New Legacy Saba, LLC | New Legacy Matrix, LLC |
| • New Legacy Matrix Litespeed, LLC | New Legacy Matrix, LLC |
| • New Legacy Emerging Manager Fund, LP | NLEM Management, LLC |

2. Direct Investments

New Legacy Group provides investment advisory services to a group of special purpose vehicles (each an “SPV”) which are considered Private Funds for regulatory purposes. In this capacity, we source, research, engage in due diligence and negotiate terms on a wide range of direct, private investments, including buy-outs, angel or venture stage equity, asset backed lending, growth equity and real estate. The list of private funds and their associated relying advisers are:

- | | |
|-------------------------------------|--------------------------|
| • New Legacy Artsy, LLC | New Legacy Ventures, LLC |
| • Arch 33 rd Street, LLC | New Legacy Starship, LLC |
| • New Legacy Light Investments, LLC | New Legacy Ventures, LLC |

3. Family Office Services

New Legacy Group provides investment advisory services to a number of families of significant wealth through its affiliate and relying adviser, New Legacy Generation, LLC. In this capacity, we offer a wide range of services, including asset allocation, security selection, liquidity management, risk management, outside manager due diligence, selection and monitoring and related investment management services, on either a fully discretionary or non-discretionary basis. The scope, style and execution of each family office advisory mandate (including any applicable restrictions) is governed by its underlying investment management or investment advisory agreement.

Private Funds

New Legacy Fund, LP

New Legacy Fund, LP (“New Legacy Fund”) is a Delaware limited partnership formed in April of 2007. New Legacy Management, LLC, a Delaware limited liability company formed in April of 2007, is the General Partner. New Legacy Capital, LLC, a Delaware limited liability company formed in April of 2007 is the Investment Manager.

New Legacy Fund was established in order to pursue opportunities available by allocating its capital to underlying managers utilizing alternative investment strategies. The objective is to maximize the long term total returns by obtaining attractive risk-adjusted capital appreciation. New Legacy Fund seeks to achieve this objective through the allocation of assets with a variety of money managers, geographies and sectors as well as diversified investment and trading strategies..

New Legacy Matrix Niche Strategies, LLC

New Legacy Matrix Niche Strategies, LLC (the “New Legacy Matrix Niche Strategies”) is a Delaware limited liability company formed in January of 2010. The objective of New Legacy Matrix Niche Strategies is to be a special purpose vehicle through which to invest in underlying portfolio funds.

New Legacy Matrix, LLC, a Delaware limited liability company formed in November of 2009, is the Investment Manager and managing member. The Manager is responsible for the management of New Legacy Matrix Niche Strategies and will provide certain administrative services. The Manager will not make investment decisions on behalf of New Legacy Matrix Niche Strategies but is simply enabling New Legacy Matrix Niche Strategies to invest in the underlying portfolio funds who make their own investment decisions.

New Legacy Emerging Manager Fund, LP

New Legacy Emerging Manager Fund, LP (“NL Emerging Manager Fund”) is a Delaware limited partnership formed in June of 2011. NLEM Management, LLC is a Delaware limited liability company formed in June of 2011, acts as the Investment Manager and General Partner.

New Legacy Emerging Manager Fund’s objective is to achieve attractive, risk-managed investment returns via investments in other underlying funds. NL Emerging Manager Fund was established in order to pursue opportunities available by allocating its capital to underlying managers utilizing alternative investment strategies. With a focus on smaller and/or newer hedge fund managers, the objective is to maximize the long term total returns by obtaining attractive risk-adjusted capital appreciation. NL Emerging Manager Fund seeks to achieve this objective through the allocation of assets with a variety of money managers, geographies and sectors as well as diversified investment and trading strategies.

New Legacy Matrix Litespeed, LLC

New Legacy Matrix Litespeed, LLC (“New Legacy Matrix Litespeed”) is a Delaware Limited Liability Company formed in November of 2009. New Legacy Matrix Litespeed’s objective is to be a special purpose vehicle through which to invest in Litespeed Partners, LP.

New Legacy Matrix, LLC, a Delaware limited liability company formed in October of 2009, is the Investment Manager and managing member. The Manager is responsible for the management of the LLC and will provide certain administrative services.

New Legacy Saba, LLC

New Legacy Saba, LLC (the “New Legacy Saba”) is a Delaware limited liability company formed in July of 2009. New Legacy Saba’s objective is to be a special purpose vehicle through which to invest in Saba Capital Partners, LP.

The original managing member of New Legacy Saba was New Legacy Ventures, LLC. Upon the formation of New Legacy Matrix, LLC, it assumed the role of Managing Member New Legacy Matrix, LLC, a Delaware limited liability company formed in October of 2009, is the Investment Manager and managing member. The Manager is responsible for the management of the LLC and will provide certain administrative services.

Arch 33rd Street, LLC

Arch 33rd Street, LLC (“Arch 33rd”) is a Delaware limited liability company formed in July of 2013. Arch 33rd is an SPV formed to invest in a company formed to purchase and develop a residential and retail property in midtown Manhattan, New York City.

New Legacy Starship, LLC, a Delaware limited liability company formed in July of 2013, is the managing member. The managing member is responsible for sourcing the investment, performing due diligence, negotiating terms and monitoring the investment on an ongoing basis.

New Legacy Light Investments LLC

New Legacy Light Investments, LLC (“NL Light”) is a Delaware Limited Liability Company formed in June of 2012. NL Light is an SPV that was formed to make an investment in an early stage private company that is developing a new high efficiency, long life light bulb for the consumer market.

New Legacy Ventures, LLC, a Delaware limited liability company formed in September of 2008 is the managing member. The managing member is responsible for sourcing the investment, performing due diligence, negotiating terms and monitoring the investment on an ongoing basis.

New Legacy Artsy, LLC

New Legacy Artsy, LLC (“NL Artsy”) is a Delaware Limited Liability Company formed in March of 2014. NL Artsy is an SPV that was formed to make an investment in a growth stage private company that offers software to art galleries and collectors that allows them to catalog their collections.

New Legacy Ventures, LLC, a Delaware limited liability company formed in September of 2008 is the managing member. The managing member is responsible for sourcing the investment, performing due diligence, negotiating terms and monitoring the investment on an ongoing basis.

Investors and prospective investors in any New Legacy Private Fund should refer to the confidential private placement memorandum, limited partnership agreement, LLC operating agreement or other governing documents for each fund for more complete information on the investment objectives and

investment restrictions with respect to a particular Fund. There is no assurance that any of the funds' investment objectives will be achieved.

Item 5 - Fees and Compensation

With respect to the Private Funds and Direct Investment SPVs, The Investment Manager or Managing Member of each of the Funds receives a management fee based on assets under management and, for some, an additional performance fee or performance allocation determined as either a flat fee or a percentage of profits, with some performance fees or performance allocations being triggered only after a minimum return ("hurdle") is exceeded. In the case of the Private Funds, such performance fees/allocation are generally subject to a "high water mark." The amounts of such fees and allocations are described in detail in the offering documents or operating agreements for the Funds, and generally range from .75% to 2.0% per annum of assets under management or a negotiated fixed fee in respect of the asset-based fees and from 0% to 20% of profits in respect of performance fees or performance allocations. Fees are payable in quarterly installments of such net asset value in advance on the first day of each calendar quarter. Investors in the New Legacy funds bear their pro rata portions of such fees and performance allocations. Each of the Funds bears its own operating expenses, including underlying manager fees, accounting, administration, audit, tax and general overhead costs. Management fees are generally collected quarterly in advance, while expenses are collected on a monthly basis in arrears. Clients are given the choice to have their fees deducted from their custodial accounts or to be billed for fees incurred. The large majority of the firm's clients have opted for direct deduction of fees. In the event that an advisory relationship is terminated before the end of a billing period, all fees paid but not earned will be refunded to the client based on the pro-rated period during which services were performed.

Family Office Services clients are charged fees on either a percentage of assets basis or on a flat retainer. Every fee arrangement is individually negotiated with each Family Office Services client based on their specific circumstances. These clients may bear additional expenses in the form of trading commissions, underlying manager fees, and legal, administration and accounting costs, among others.

New Legacy Group or its supervised persons will not receive any compensation with respect to the purchase or sale of securities or other investment products by any New Legacy fund or managed account. In addition, New Legacy Group or its supervised persons will not receive any compensation with respect to any success or investment banking fees associated with the underlying portfolio companies in the direct investment SPVs.

Additional Fees and Expenses

Each New Legacy Fund will bear its own expenses, including, to the extent applicable, interest expenses, brokerage commissions, custodial fees, administration fees and expenses, costs of borrowing securities to be sold short, research fees and materials (including online news and quotation services), withholding and transfer taxes, blue sky fees, initial and periodic legal, audit and accounting expenses, consulting fees and expenses and other professional fees and expenses. The General Partner of each of the New Legacy funds may allocate expenses among the New Legacy funds' regular investments and those investments designated by their respective Investment Manager as Illiquid Investments.

Such charges, fees and commissions are exclusive of and in addition to New Legacy Group's fee, and New Legacy Group shall not receive any portion of these commissions, fees, and costs.

Termination

The terms of each agreement are negotiated on a case-by-case basis. Please refer to the confidential private placement memorandum, limited partnership agreement and/or other governing documents for details.

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

In addition to the management fees which New Legacy Group receives as Investment Manager, New Legacy Group or an affiliate may receive a performance-based fee or a special allocation of profits from investors in the Funds or Direct Investment SPVs. See each Fund's relevant confidential private placement memorandum, limited partnership agreement, LLC operating agreement, and other governing documents for more detail including the calculation of performance based fees. The performance-based compensation arrangements charged will comply with Rule 205-3 under the Investment Advisers Act of 1940 (the "Advisers Act").

Different client accounts may be subject to different performance-based compensation arrangements. Certain of the Funds will also incur performance-based fees payable to the managers of the underlying funds in which they invest. Performance-based fee arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. We have procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

Item 7 - Types of Clients

Our clients include pooled investment vehicles, individuals, including high net worth individuals, trusts, retirement accounts, estates and charitable organizations and corporations or other business entities.

Minimum Account Size

We generally require minimum investments that range from \$100,000 to \$1,000,000 million depending upon the particular Private Fund. This initial minimum investment amount may be waived by the respective Investment Manager or Managing Member at their discretion. Non-Private Fund clients are also generally required to make a \$100,000 minimum investment, but this minimum investment amount may be waived by the respective advisor at its discretion.

Limited partnership interests in the funds will be offered exclusively to institutional and individual investors who qualify as accredited investors, qualified clients and/or as qualified purchasers. The New Legacy funds qualify for the exclusion from the definition of investment company under either section 3(c)(1) or section 3(c)(7) of the Investment Company Act of 1940.

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

With respect to the Hedge Fund Advisory business, New Legacy's investment professionals perform extensive qualitative and quantitative analysis throughout the investment process, conducting a thorough initial review of the broad universe of prospective investment managers. We identify high quality candidates for further consideration based on numerous factors including, but not limited to, (i) backgrounds of fund principals; (ii) fund strategy; (iii) investment process, including risk management; (iv) business goals; (v) returns; (vi) liquidity; and (vii) market outlook.

Once the New Legacy investment team formulates a shortlist of fund candidates, we conduct multiple onsite interviews with the fund manager and several of the key members of the team. Even if a manager is deemed to be unsuitable for investment at any given time, the team often continues to monitor the underlying managers and may re-consider them for potential investments in the future.

After it is determined that a manager is a fundamental fit for investment, our team performs rigorous due diligence on all aspects of the fund manager. We examine company practices, cross-reference service

providers, perform background checks on the fund principals, and place reference calls. In addition to reference checks based on referrals received from the manager, New Legacy's investment team makes extensive use of the team's proprietary database and network of industry contacts to supplement the manager-supplied reference list with other independent references. We also require and review audited financial statements prepared by a reputable CPA firm.

If satisfied with the findings of our due diligence, the team conducts a deep review of the potential manager's operational procedures as well as a detailed assessment of risk management prior to investment. The operational review includes an examination of cash movement procedures, trade processing, and IT disaster recovery and back-up plans, among other items. Risk assessment allows us to understand a potential manager's market outlook, as well as company, portfolio, and position risk.

In the case of both operational and risk reviews, managers are graded on a scale of 1-5, with 1 encompassing managers with perfect or near-perfect practices. Each fund is given separate ranks for operations and risk. A ranking below a 3 in either category eliminates a manager from consideration.

When a potential manager passes both the operational and risk reviews, the manager is presented to New Legacy's Investment Committee. The findings of the due diligence team's operational and risk reviews are detailed in New Legacy's Investment Recommendation Reports. An investment in any underlying manager can only be made upon unanimous approval from the Committee.

Lastly, the investment team monitors its current managers continually and carefully, conducting both phone updates and on-site meetings on a regular basis. We pay significant attention to factors that may indicate a potential "style drift," placing specific emphasis on consistency of the underlying investment manager's personal focus, investment strategy, and operations and risk management procedures.

With respect to the Direct Investing business, New Legacy's investment professionals engage in similar due diligence processes as those described above. However, since each of the underlying investments to be made is in a single operating business or asset rather than a private investment fund, the focus is to determine if the business is sustainable, properly managed and financed. In the case of real estate investments, New Legacy assesses the quality of the management team, the location and the current market for rents and sales in the vicinity of the property, among other things. In the case of the collateralized art financings, New Legacy focuses on the authenticity of the piece, the quality, financial security and reputation of the dealer representing the piece, the current market for pieces from the same or similar artists and the safekeeping of the piece, among other issues.

With respect to the Family Office Services business, New Legacy utilizes a number of processes, resources and strategies to meet each client's specific goals. While New Legacy's primary focus is to identify, research, perform due diligence, allocate to and monitor world class asset managers on behalf of its clients, we may actively manage some portion of a client's assets by researching individual equities, bonds, exchange traded funds ("ETFs") and mutual funds, building an optimal portfolio that incorporates a variety of different asset classes, investment styles and instruments to achieve appropriate return, risk and liquidity targets. New Legacy uses the same detailed process described above with respect to any hedge fund investment that would be made for a Family Office Services client. In determining the proper asset allocation, New Legacy considers macroeconomic factors, geopolitical factors, client risk tolerance and liquidity needs, among other factors, while developing a set of return expectations that are consistent with each client's unique circumstances.

Our Investment Strategies

The New Legacy funds were established in order to pursue opportunities available in liquid alternative investment strategies, i.e. hedge funds. The objective of each fund is to maximize the long-term total returns to its partners by earning attractive risk-adjusted capital appreciation. The funds seek to achieve this objective through the allocation of fund assets amongst a variety of money managers, geographies, and sectors, as well as diversified investment and trading strategies.

The funds operate as “funds of funds.” The assets of each fund are allocated primarily to private investment funds (“underlying funds”) and to managed accounts (“managed accounts” and, together with underlying funds, “underlying accounts”) managed by money managers (“underlying managers”) selected by New Legacy’s investment team. The team identifies prospective managers (some of whom are “limited capacity” managers) through experience, networking and reputation, but will only move forward with an investment after conducting exhaustive due diligence on the underlying managers to evaluate the return-generating attributes and risks associated with investing in the underlying managers. Among the risks that are considered are (i) systematic vs. idiosyncratic risk; (ii) operational risk, including potential fraud and reputation risk; (iii) financing and liquidity risk; and (iv) business continuity risk.

The New Legacy funds provide investors several advantages over direct investments in private investment funds, including (i) the ability to invest in a professionally constructed, managed and monitored alternative investment portfolio; (ii) access to closed funds and/or underlying managers and funds with high minimum investment requirements; (iii) access to a diverse group of underlying managers that utilize varying investment styles and strategies; and (iv) reduced risk exposure that comes from investing with multiple underlying managers that have historically exhibited low correlation to one another.

The multi-manager approach involves allocation of the funds’ assets to underlying managers that employ different investment styles and strategies which provides investors access to a variety of underlying managers. Each of the strategies employed by the funds encompasses a broad range of investment programs that historically have exhibited a low correlation to the performance of equity, bond and other markets over full market cycles. They include investment programs involving the use of hedging and arbitrage techniques in the equity, fixed income, currency and commodity markets. These investment programs employ a variety of sophisticated investment techniques that include, among other things, short sales of securities, use of leverage, and transactions in derivative securities and other financial instruments such as stock options, index options, futures contracts, options on futures, and various forms of swap agreements, including, among others, credit default swaps and variance swaps.

Investment & Security Analysis

As a component of their strategies, at any given time, the New Legacy funds focus on top-tier managers in the following strategy areas:

Long/short strategies are investments that generally combine long positions in undervalued common stocks or corporate bonds and short positions in overvalued common stocks or corporate bonds in order to focus on generating positive returns through the underlying manager’s ability to select securities through fundamental analysis, while hedging some portion of market risk.

Event-driven and **relative value arbitrage strategies** generally seek to exploit mispricings between related instruments or combinations of instruments. These strategies use a variety of techniques to compare the value of related securities. Event-driven strategies involve fundamental research that assesses the value of securities within a company’s capital structure or the value of the securities of two companies that are expected to merge. Event-driven strategies make investments in the securities of companies involved in certain special situations, including mergers, acquisitions, asset sales, spin-offs, balance sheet restructurings, bankruptcies, and other situations. These special situations constitute an “event” which the underlying manager believes will trigger a change in the price of securities relative to their current price or close the gap between securities that are being arbitrated. Event-driven arbitrage strategies generally feature portfolios that are actively traded and may exhibit a high rate of turnover.

Credit specialist strategies generally involve long and/or short positions in fixed income securities and their derivatives. Managers will engage in directional and/or non-directional positions in order to take advantage of market inefficiencies or anomalies. Sovereign debt, corporate debt, asset-backed securities (including residential and commercial mortgages, among others) and credit derivatives such as credit default swaps and collateralized debt obligations are also commonly used by managers in this category. Credit specialists often use leverage to finance their positions. Distressed securities managers seek to take advantage of mispriced securities resulting from companies who are having or have had financial difficulties.

Relative value strategies, such as convertible arbitrage and fixed-income arbitrage, generally involve sophisticated modeling techniques that assess the value of a given security and a related derivative instrument, such as equity and a convertible bond, or a treasury bond and a related futures contract. Underlying managers may periodically utilize leverage and may enter into swaps and other similar financial contracts in an effort to increase portfolio returns. Managers who employ a “capital structure arbitrage” strategy may invest in any or all security classes within a company’s capital structure, including equity. Underlying managers also generally may engage in short selling, options hedging, and other arbitrage techniques to capture price differentials.

Multi-strategy managers typically seek to profit from allocating to a number of different strategies and adjusting their allocations based upon perceived opportunities. Because each strategy is not in a separate fund, these managers often have the ability to utilize higher leverage levels than single-strategy managers.

Macro managers seek to profit from long and short positions in any of the world’s major capital markets (i.e. stocks, bonds, commodities, and currency). These managers typically consider both economic adjustment themes as well as shorter-term technical conditions when choosing trading positions that anticipate market movements. They often employ a “top-down” global approach and may invest in multiple markets in anticipation of expected market movements. These movements may result from forecasted shifts in world economies, political changes, or global supply and demand imbalances.

Short bias managers seek to profit from maintaining overall net-short portfolios of long and short equities. Detailed individual company research typically forms the core alpha generation driver of short bias managers, and a focus on companies with negative cash flow generation is common. Risk management consists of offsetting long positions and stop-loss strategies. The fact that money-losing short positions grow in size for a short bias manager makes risk management challenging.

Managed futures managers, also referred to as Commodity Trading Advisors (CTA), generally seek to profit from investments in listed bond, currency, stock, and commodity futures markets globally. These managers tend to follow model-based systematic trading programs that largely rely upon historical price and trading volume data. The most common trading programs are long-term trend following and tend to invest with directional trends while using stop-loss points to control risk. Other common programs include short-term counter trend and hybrid systematic/discretionary programs.

Defensive or portfolio hedging refers to direct investments in securities, options, futures and other derivative products that the New Legacy funds may make in order to hedge certain estimated exposures the funds may have resulting from the aggregated exposures of the underlying managers. The New Legacy funds will only utilize this category to offset such exposures. Underlying managers may also be utilized to fulfill the portfolio-hedging activity.

Our security analysis methods include: charting, fundamental analysis, technical analysis, quantitative analysis and qualitative analysis methods including cyclical analysis.

Sources of Information

In conducting investment analysis, New Legacy utilizes a broad spectrum of information, including financial publications, third-party research materials, annual reports, prospectuses, regulatory filings, company press releases, corporate rating services, and meetings with management of various companies.

Risk of Loss

All investments risk the loss of capital. The Investment Manager believes that its investment program may mitigate this risk through a careful selection and monitoring of the Client’s investments, but an investment made by the Investment Manager for the Client is nevertheless subject to loss, including the possible loss of more than the entire amount invested. No guarantee or representation is made that investments made by the Investment Manager for the Client will be successful, and investment results may vary substantially

over time. The past results of the Investment Manager and its principals in managing investment portfolios are not necessarily indicative of their future performance.

General Economic Conditions. The success of any investment activity is affected by general economic conditions, which may affect the level and volatility of interest rates and the extent and timing of investor participation in the markets for both equities and interest rate-sensitive instruments. Unexpected volatility or illiquidity in the markets in which the Client (directly or indirectly) holds positions could cause the Client to incur losses.

Market Risks. The profitability of a significant portion of the Client's investment program depends to a great extent upon the ability of the Investment Manager to correctly assess the future course of the price movements of securities and other investments. There can be no assurance that the Investment Manager will be able to predict accurately these price movements. Although the Investment Manager may attempt to mitigate market risk through the use of long and short positions or other methods, there may be a significant degree of market risk.

Risks of Investing in Securities. Prices of securities react to the business and financial condition of the company that issued them. Prices of a security may rise and fall based on changes in the business or financial condition of the issuing company, changes in management and the potential for takeovers and acquisitions.

Non-U.S. Securities. Client accounts may invest, directly or indirectly, in investment entities located in or managed from countries other than the United States. Investments in offshore funds, and investments outside the United States or denominated in non-U.S. currencies pose currency exchange risks (including blockage, devaluation, and non-exchangeability) as well as a range of other potential risks that could include, depending on the country involved, expropriation, confiscatory taxation, political or social instability, illiquidity, price volatility, and market manipulation. In addition, less information may be available regarding non-U.S. issuers and non-U.S. companies may not be subject to accounting, auditing, and financial reporting standards and requirements comparable to or as uniform as those of U.S. companies. Further, non-U.S. securities markets may not be as liquid as U.S. securities markets. Transaction costs of investing outside the U.S. are generally higher than in the U.S. Higher costs result because of the cost of converting a non-U.S. currency to dollars, the payment of fixed brokerage commissions on some non-U.S. exchanges, and the imposition of transfer taxes or transaction charges by non-U.S. exchanges. There is generally less government supervision and regulation of exchanges, brokers, and issuers outside the U.S. than there is in the U.S. and there is greater difficulty in taking appropriate legal action in non-U.S. courts. Non-U.S. markets also have different clearance and settlement procedures which in some markets have at times failed to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could adversely affect the Client's performance.

Suspensions of Trading. Securities and commodities exchanges typically have the right to suspend or limit trading in any instrument traded on the exchanges. A suspension could render it impossible for the Investment Manager to liquidate positions held directly or indirectly by the Client and thereby expose the Client to losses.

Illiquidity of Underlying Investments. Assets managed by Investment Manager may, at any given time, include securities and other financial instruments or obligations which are thinly-traded or for which no market exists and/or which are restricted as to their transferability under applicable securities laws. The sale of any such investments may be possible only at substantial discounts, and it may be extremely difficult to value accurately any such investments. Further, certain securities in which the Investment Manager may invest may not have a readily ascertainable market price and will be valued by the Investment Manager in its discretion. In this regard, the Investment Manager may face a conflict of interest in valuing the securities, as their value will affect the Investment Manager's compensation.

Emerging Markets. The Investment Manager may invest in emerging market securities. Investing in emerging market securities involves certain risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (a) less liquidity of securities markets; (b) currency exchange rate fluctuations; (c) potentially higher rates of inflation (including hyper-inflation); (d) a higher degree of governmental involvement in and control over the economies; (e) differences in auditing and financial reporting standards which may result in the unavailability of material information about economics and issuers; (f) less extensive regulatory oversight of securities markets; (g) longer settlement periods for securities transactions; (h) less stringent laws regarding the fiduciary duties of officers and directors and protection of investors; and (i) certain consequences regarding the maintenance of portfolio securities and cash with sub-custodians and securities depositories in emerging market countries.

Currency Risks. Investments in securities or other instruments that are denominated in a foreign currency are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. The Investment Manager may try to hedge these risks by investing in foreign currencies, foreign currency futures contracts and options thereon, forward foreign currency exchange contracts or similar instruments, or any combination thereof, but there can be no assurance that such strategies will be implemented, or if implemented, will be effective.

Debt Securities. The Investment Manager may invest in unrated or low-grade debt securities which are subject to greater risk of loss of principal and interest than higher-rated debt securities. The Investment Manager may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Investment Manager may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. In addition, evaluating credit risk for foreign debt securities involves greater uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult.

High-Yield Securities. The Investment Manager may invest in "high-yield" bonds and preferred securities which are rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). Securities in the lower rating categories are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower rated securities, the yields and prices of such securities may tend to fluctuate more than those for higher-rated securities. The market for lower-rated securities is thinner and less active than that for higher-rated securities, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower-rated securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such lower-rated securities.

Small to Medium Cap Stocks. At any given time, the Investment Manager may have significant investments in smaller-to-medium sized companies with market capitalizations of less than \$1 billion (U.S.). These securities often involve greater risks than the securities of larger, better-known companies.

Special Situations. The Investment Manager may invest in companies involved in (or the target of) acquisition attempts or tender offers or companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of business enterprise, there exists the risk that the transaction in which such business enterprise is involved either will be unsuccessful, take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price of the security or other financial instrument

in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Investment Manager may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which the Investment Manager may invest, there is a potential risk of loss by the Investment Manager of the entire investment in such companies.

Short Sales. The Investment Manager may engage in "short selling" of securities. Short selling, or the sale of securities not owned by the Client, necessarily involves certain additional risks. Such transactions exposes the Client to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by the Client in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein the Investment Manager might be compelled, at the most disadvantageous time, to replace borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

Options and Other Derivative Instruments. The Investment Manager may use a number of option strategies. Exchange listed put options and call options typically have similar structural characteristics and operational mechanics regardless of the underlying instrument on which they are purchased or sold. A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the writer the obligation to buy, the underlying security, commodity, index, currency or other instrument at the exercise price. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller the obligation to sell, the underlying instrument at the exercise price.

With certain exceptions, exchange listed options generally settle by physical delivery of the underlying security or currency, although in the future cash settlement may become available. Index options are cash settled for the net amount, if any, by which the option is "in-the-money" (i.e., where the value of the underlying instrument exceeds, in the case of a call option, or is less than, in the case of a put option, the exercise price of the option) at the time the option is exercised. Frequently, rather than taking or making delivery of the underlying instrument through the process of exercising the option, listed options are closed by entering into offsetting purchase or sale transactions that do not result in ownership of the new option. The Client's ability to close out its position as a purchaser or seller of a listed put or call option is dependent, in part, upon the liquidity of the option market.

If a put or call option purchased by the Client were permitted to expire without being sold or exercised, its premium and intrinsic value, if any, would be lost. The unlimited risk involved in writing a put option is that there could be a decrease in the market value of the underlying security caused by rising interest rates or other factors. If this occurred, the option could be exercised and the underlying security would then be sold to the Client at a higher price than its current market value. The unlimited risk involved in writing a call option is that there could be an increase in the market value of the underlying security caused by declining interest rates or other factors. If this occurred, the option could be exercised and the underlying security would then be sold at a lower price than its current market value. Purchasing and writing put and call options and, in particular, writing "uncovered" options are highly specialized activities and entail greater than ordinary investment risks.

Stops. The Investment Manager may use stops as part of the Client's futures trading investment strategy. Buy stops are orders for futures contracts that are placed at a predetermined price over the current price of the market. The order becomes a "buy at the market" order if the market is at or above to the price of the stop order. Sell stops are orders for futures contracts that are placed with a predetermined price below the current price of the market. Sell-stop orders become "sell at the market" orders if the market trades at or below the price of the stop order. Though stops are generally a risk mitigating mechanism, if the Investment Manager were to place an initial stop too close to the entry point of a trade, the stop may minimize the effectiveness of the trade. In addition, the Investment Manager may not execute stops at the same stop loss or stop limit that the Investment Manager initially intended. Also, the Investment Manager may elect not to use stops at all.

Daily Limits on Fluctuation of Commodities Futures Contract Prices. Certain United States and foreign exchanges have regulations that limit the amount of fluctuation of commodity futures contract prices during each trading day. These regulations specify what are referred to as "daily price fluctuation limits" or more commonly "daily limits." The daily limits establish the maximum amount by which the price of a futures contract may vary from the previous day's settlement price at the end of the trading session. Once the daily limit has been reached in a particular commodity for delivery in a particular month, it may be difficult, costly or impossible to liquidate positions in that futures contract. Although "daily limits" restrict price movements, they do not limit losses.

Use of Leverage. When deemed appropriate by the Investment Manager and subject to applicable regulations, the Investment Manager may utilize leverage in a Client's investment program, whether directly through the use of borrowed funds, or indirectly through investment in certain types of financial instruments with inherent leverage, such as puts, calls and warrants, which may be purchased for a fraction of the price of the underlying securities while giving the purchaser the full benefit of movement in the market of those underlying securities. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts invested, they also increase the risk of loss. To the extent a Client purchases securities with borrowed funds, its net assets will tend to increase or decrease at a greater rate than if borrowed funds are not used. The level of interest rates generally, and the rates at which such funds may be borrowed in particular, could affect the operating results. If the interest expense on this leverage were to exceed the net return on the investments made with borrowed funds, the Client's use of leverage would result in a lower rate of return than if the investment program were not leveraged.

Financing Arrangements; Availability of Credit. The Investment Manager may borrow funds on behalf of the Client, and enter into other financing arrangements. Such borrowings are generally an integral part of an Investment Manager's strategy and may include the use of margin in securities investing, as well as take the form of the leverage available in margining futures positions — margined option premiums, repurchase agreements, bank or dealer credit lines or the notional principal amounts of swap transactions. There can be no assurance that Investment Manager will be able to maintain adequate financing arrangements under all market circumstances.

Commodity and Futures Contracts. The Investment Manager may invest in commodity and futures contracts. Commodity futures markets (including financial futures) may be highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events and changes in interest rates. In addition, because of the low margin deposits normally required in commodity futures trading, a high degree of leverage is typical of a commodity futures trading account. As a result, a relatively small price movement in a commodity futures contract may result in substantial losses to the trader. Commodity futures trading may also be illiquid. Certain commodity exchanges do not permit trading in particular futures contracts at prices that represent a fluctuation in price during a single day's trading beyond certain set limits. If prices fluctuate during a single day's trading beyond those limits -- which conditions have in the past sometimes lasted for several days in certain contracts -- the Investment Manager could be prevented from promptly liquidating unfavorable positions and thus be subject, and consequently subject the Client, to substantial losses.

Counterparty and Custodial Risk. To the extent that Investment Manager invests in swaps, derivative or synthetic instruments, repurchase agreements or other over-the-counter transactions or, in certain circumstances, non-U.S. securities, client accounts may indirectly take a credit risk with regard to parties with whom the Investment Manager trades and may also indirectly bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions which generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. It is expected that all securities and other assets deposited with custodians or brokers will be clearly identified as being assets of the accounts managed by the Investment Manager,

and hence such accounts should not be exposed to a credit risk with regard to such parties. However, it may not always be possible to achieve this segregation, and there may be practical or time problems associated with enforcing the Client's rights to its assets in the case of an insolvency of any such party.

Item 9 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of New Legacy or the integrity of New Legacy's management. We have no information applicable to this Item.

Item 10 - Other Financial Industry Activities and Affiliations

As disclosed under Item 4 (Advisory Services) and Item 5 (Fees and Compensation), the principal executive officers are also affiliated with the following companies:

- New Legacy Management, LLC
- New Legacy Matrix, LLC
- NLEM Management, LLC
- New Legacy Capital, LLC
- New Legacy Private Holdings, LLC
- New Legacy Ventures, LLC
- New Legacy Starship, LLC
- Arch Real Estate Management, LLC

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

We have adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at New Legacy Group, LLC must acknowledge the terms of the Code of Ethics annually, or as amended.

We anticipate that, in appropriate circumstances, consistent with clients' investment objectives, New Legacy Group may recommend to investment advisory clients or prospective clients, allocations to underlying funds in which New Legacy Group, its affiliates and/or clients, directly or indirectly, have a position of interest. Such recommendation would only be made if an investment would be solely in the best interest of the client, and in all cases, including those where New Legacy Group has full discretion over the investment of client assets, only with the prior consent of the client. To the extent that a Client's assets are invested in another Fund advised by New Legacy Group, the target Fund may waive or reduce any fees or other compensation that would be payable to New Legacy Group or its affiliates in connection with such investments.

We have also adopted policies and procedures to prevent the misuse of "insider" information (material, non-public information). A copy of such policies and procedures is available to any person upon request.

You may request a complete copy of our Code by contacting us at the address, telephone or email on the cover page of this Part 2.

Item 12 - Brokerage Practices

In situations where it is necessary, brokers used to execute trades are selected based on the reasonableness of their compensation based on the range and quality of a services including execution capability, trading expertise, accuracy of execution, commission rates, research, reputation and integrity, fairness in resolving disputes, financial responsibility, and responsiveness.

New Legacy Group does not have any commitments or understandings with specific brokers, generally known as soft dollar arrangements. Certain brokers may from time to time provide unsolicited proprietary research. Receipt of research, even on an unsolicited basis, involves conflicts of interest considerations. To mitigate any conflict, we adopted a policy that prohibits us from considering any factor other than best execution when placing a client trade with a broker-dealer. New Legacy Group does not consider referrals when we select or recommend broker-dealers to clients.

In certain circumstances, the advisor may aggregate the purchase or sale of securities in order to reduce the underlying costs, including commissions, market impact and mutual fund fee breakpoints.

Item 13 - Review of Accounts

Each Private Fund review is conducted on a monthly basis by members of the New Legacy Investment Committee. Each review is supervised by Joseph Weilgus, CEO or Adam Geiger, CIO. Each Family Office Services client account is reviewed on a quarterly basis, with each review supervised by both Joseph Weilgus and Adam Geiger.

Family Office Services clients receive statements on at least a quarterly basis from the broker dealer, bank or other qualified custodian that holds and maintains such investment assets. The administrator of each fund distributes performance reports to investors on either a quarterly or monthly basis, as defined in each fund's respective Offering Memorandum. In addition, each Fund distributes audited financial statements to its investors on an annual basis.

Item 14 - Client Referrals and Other Compensation

New Legacy Group and its affiliates do not receive an economic benefit for providing investments advice or other advisory services from someone who is not a client.

As of March 1, 2014, New Legacy Matrix had in place paid referral agreements with two unaffiliated placement agents. These parties are paid for introducing clients to the New Legacy Matrix Funds and are compensated on a percentage of New Legacy Matrix's fees charged to introduced clients on a quarterly basis. Any compensation paid to third parties in connection with introducing clients to the New Legacy Matrix Funds will ultimately be payable by New Legacy Group and/or its affiliates, either directly or through an offset of the advisory fee payable by the relevant Fund. An investor will not be charged any additional amount or bear any additional charges as a result of an introduction through a placement agent or other unaffiliated third party.

Item 15 - Custody

New Legacy Group is deemed to have custody by virtue of the fact that it or a related person serves as General Partner or Managing Member of certain private funds. The SEC's custody rule sets forth certain requirements for the safekeeping of client assets. Pursuant to the rule, New Legacy Group retains one or more independent accounting firms that are both registered with and subject to regular inspection by the

Public Company Accounting Oversight Board ("PCAOB") to conduct an annual audit of such Funds and the audited financial statements are distributed to each investor in the investment pool (or their independent representative) within 120 days of the fiscal year end of the investment pool (180 days for funds of funds).

In addition, upon the final liquidation of any Fund, New Legacy Group will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such Fund to all investors promptly after completion of the audit.

Family Office Services clients receive statements on at least a quarterly basis from the broker dealer, bank or other qualified custodian that holds and maintains such investment assets. We urge such clients to carefully review such statements and compare official custodial records to the account statements that we may provide to you. Our supplemental reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies for certain securities.

Item 16 - Investment Discretion

When accepting discretionary authority, New Legacy Group observes the investment policies, limitations and restrictions of the Clients for which it advises as set forth in each client's investment advisory agreement or each Fund's respective Offering Memorandum or Operating Agreement.

Item 17 - Voting Client Securities

New Legacy Group has the authority to and votes proxies on behalf of Family Office Services clients for whom New Legacy maintains securities positions in brokerage accounts. New Legacy Group has adopted policies and procedures regarding voting client securities pursuant to SEC rule requirements. This Policy seeks to ensure that proxies are voted in the best interest of the Clients, including when there may be material conflicts of interest in voting proxies. New Legacy Group will not subordinate the economic interests of Clients to any other entity or interested party and will vote in the best interest of Clients and in a manner that is consistent with our fiduciary responsibilities. New Legacy Group may consult with and/or provide advice to Clients regarding the Clients' wishes with respect to the voting of proxies.

Clients may obtain a copy of New Legacy Group's Proxy Voting Policies and Procedures as well as relevant proxy voting records by contacting the Chief Compliance Officer at (212) 616-8026.

Item 18 - Financial Information

Registered investment advisers are required in this Item to provide their clients with certain financial information or disclosures about New Legacy Group's financial condition. New Legacy Group 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.