



ALTEMIS CAPITAL
M A N A G E M E N T

Form ADV Part 2 – Firm Brochure
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This brochure provides information about the qualifications and business practices of Altemis Capital Management, LLC (“Altemis”). If you have any questions about the contents of this brochure, please contact us at (212) 266-0148 or by email at oliver.schupp@altemiscap.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Altemis is also available on the SEC’s website at www.adviserinfo.sec.gov.

Altemis is registered as an investment adviser with the SEC under the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”). SEC registration does not imply a certain level of skill or training.

THIS BROCHURE DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF ANY OFFER TO BUY ANY SECURITY.

ITEM 2 – MATERIAL CHANGES

This Brochure revises Altemis' Brochure filed in March 2015. It contains information about new strategies implemented through privately offered funds.

We strongly recommend that you review this Brochure in its entirety.

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ITEM 4 – ADVISORY BUSINESS

Altemis, founded in April 2013, is a Delaware limited liability company with offices in New York. The principal owners of Altemis are Borislav Arabadjiev and Oliver Schupp. Altemis provides advisory services and sub-advisory services managing and directing the investment and reinvestment of assets for private investment funds (the “Investment Funds”), private funds of funds (the “FOFs” and together with the Investment Funds, the “Funds”) and an UCITS fund (together with the Funds, the “Advisory Clients”).

Altemis generally invests the FOFs’ capital in private investment vehicles (“Underlying Funds”) managed by third-party investment managers (“Portfolio Managers”). Such Portfolio Managers may invest or trade in a wide variety of securities and financial instruments, domestic and foreign, of all kinds and descriptions, whether publicly traded or privately placed.

The FOFs advised (or sub-advised) by Altemis seek to replicate the performance of various hedge fund indices. To achieve this objective, the FOFs invest in one or more Underlying Funds or separate accounts which typically are constituents of the hedge fund indices. The FOFs may also invest in cash, cash equivalents, derivatives and other assets to pursue their investment objectives. The investment selection of the Underlying Funds is carried following primarily a passive approach.

The Investment Funds seek to provide consistent long-term capital appreciation commensurate with target volatility levels and low to moderate correlation to equities and bonds. In order to achieve this objective, Altemis generally invests the Investment Funds’ capital globally in financial derivatives, including swaps on indices maintained by leading investment banks, and may invest in a wide range of other instruments, including equities, debt securities, loans listed and unlisted equities, debt securities, loans, bonds, managed accounts, other collective investment schemes (which may be open-ended or closed-ended, listed or unlisted, and which may employ leverage), currencies, commodities, futures, options, warrants, swaps and other derivative instruments.

The investment objectives and strategy of each Advisory Client are set forth in a confidential private offering memorandum provided to each investor (in the case of the Funds), or investment management agreement (in the case of the UCITS fund and one FOF). Any restrictions on investments are contained in the investment management agreements between Altemis and the Advisory Clients, but no investor in a Fund may impose additional restrictions.

Altemis does not participate in any wrap fee program.

As of August 31, 2015 Altemis managed approximately \$109,272,770 of Advisory Client assets on a discretionary basis, and approximately \$55,952,674 of Advisory Client assets on a non-discretionary basis.

ITEM 5 – FEES AND COMPENSATION

Altemis charges an asset-based fee equal to a percentage, typically between 0.5% and 1% of assets under management per year for its advisory services to its Advisory Clients.

Fees may differ or minimum fees may be imposed based upon a number of factors, including without limitation, overall fee arrangements, account complexity, overall relationship with Altemis, account size, assets under management and the terms of the various Funds. Fees for certain of the Funds may be waived, reduced or calculated differently with respect to certain investors, at the discretion of Altemis and as permitted by the particular Fund's offering documentation and organizational documents.

Generally, fees accrue daily and are to be paid in arrears to Altemis. Fees cannot be paid in advance. Typically, each Fund's administrator will deduct the fees from the Fund's assets in accordance with the investment management agreements between the Fund and Altemis. In the event of termination, fees are normally charged on a pro rata basis through the date of termination. With respect to the UCITS fund, Altemis' fees are not deducted from the UCIT fund's assets by Altemis, but are deducted by the management company of the UCITS fund.

Each Fund is expected to bear its own operating expenses, including, without limitation, administrative expenses (including an administrative fee to such Fund's administrator), legal expenses, custodian fees, expenses/transaction costs associated with its investment program, internal and external accounting, audit and tax preparation expenses, interest, taxes, costs and other expenses associated with the operation of the Fund, including, without limitation, all extraordinary expenses.

In general, Altemis is responsible for all expenses incurred by it on its own behalf in connection with its sub-advisory services to the UCITS fund. The UCITS fund is responsible for brokerage commissions and similar fees and charges for the acquisition, disposition, lending or borrowing of securities; custodian fees and expenses; and interest payable on borrowings.

It is critical that Advisory Clients and investors in the Funds refer to the relevant confidential private offering memorandum, investment management agreement, and other governing documents ("Governing Documents") for a complete understanding of how Altemis is compensated for its advisory services. The information contained herein is a summary only and is qualified in its entirety by such documents.

Neither Altemis, nor any of its supervised persons, receive compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Altemis does not charge performance-based fees for any of its advisory services or sub-advisory services.

ITEM 7 –TYPES OF CLIENTS

Altemis provides investment advisory services to pooled investment vehicles operating as private investment funds and an UCITS fund.

Conditions for Managing Accounts - Account Size

Altemis imposes minimum account sizes (or fee equivalents) for starting new client accounts depending upon a number of factors, including but not limited to the type of client, type of mandate, and/or pre-existing relationship with Altemis. Such minimum account sizes may be increased or decreased depending upon the specific circumstances of an individual client. Exceptions are made at the discretion of Altemis.

Eligibility criteria with respect to each client account are determined prior to Altemis entering into agreement to provide advisory services but minimum sophistication levels are required. Investors in a Fund must generally invest a certain minimum amount (subject to waiver as provided in the Fund documents) and make certain representations as to their ability to invest in a Fund.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

All investing involves the risk of loss of capital (i.e., invested amount) that Advisory Clients (and investors in the Funds) should be prepared to bear. Investors and prospective investors are provided with Governing Documents that contains a detailed description of an Advisory Client's investment strategy and the material risks related to investments in an Advisory Client, and are advised to carefully review all information and risk factors set forth in the relevant Governing Documents.

FOFs

Altemis constructs FOFs which are designed to track the performance of various hedge fund indices. Altemis' investment strategy is implemented through allocations to Underlying Funds externally managed by unaffiliated Portfolio Managers.

Each Underlying Fund may pursue a variety of investment styles, including, without limitation: Convertible Arbitrage, Equity Market Neutral, Equity Long/Short, Dedicated Short, Emerging Markets, Event Driven, Fixed Income Arbitrage, Managed Futures, Global Macro and Multi-Strategy.

The investment mandate for each FOF is defined by reference to a specific hedge fund index. For each mandate Altemis typically selects Underlying Funds from the list included in the referenced hedge fund index. As the FOFs have different mandates, they tend to differ by investment style, asset class and, in certain cases, geography.

For instance, an FOF aiming to follow an equity based hedge fund index, is typically comprised of Underlying Funds that are included in such hedge fund index and invest a substantial portion of the assets they manage in equity markets. On the other hand, an FOF that follows a broad based hedge fund index may typically be invested in a diversified group of Underlying Funds applying various investment styles and investing in a variety of asset classes.

Altemis applies a predominantly passive approach to selecting Underlying Funds. The selection is driven by the classification and inclusion of an Underlying Fund in the particular hedge fund index. The inclusion of an Underlying Fund in a hedge fund index is subject to the Underlying Fund satisfying on a continuous basis a set of qualifying characteristics. These characteristics include minimum level of assets under management, length of track record, provision of audited financials, certain level of transparency, frequent reporting on assets under management. These parameters are periodically tested by the index sponsor for each Underlying Fund and Underlying Funds that do not satisfy these criteria are rebalanced out of the Indexes.

In addition, Altemis may consider a wide variety of quantitative and qualitative factors for each Underlying Fund. Among the quantitative factors that may be reviewed are the Underlying Fund's experienced rate of return, volatility of returns and correlation to various market indexes. Qualitative factors that may influence the decision to select a given Underlying Fund include liquidity, transparency (including timeliness of transparency) as well as reports in industry publications and the financial press.

Altemis may use a substitute fund where a fund included in the index is not open for investment or due to specific restrictions in a particular FOF (e.g., substituting non-U.S. funds for U.S. index constituents).

For some of its FOFs, Altemis applies quantitative portfolio construction methodologies, aimed to minimize the expected tracking error between the referenced hedge fund index and the individual FOF.

The passive investment approach taken by Altemis relies on qualitative and quantitative techniques to track the performance of a referenced hedge fund index. Such an investment process tends to be fairly transparent and exhibits low turnover. However, such an approach may also carry other risks, such as:

Tracking Error: As many of the constituent Underlying Funds in the family of hedge fund indices are not available for investment, Altemis is unable to replicate the composition of the referenced indices. Such mismatch between the Index composition and the FOF introduces a tracking error - a difference between the investment performance of the FOF and the index. While Altemis aims to reduce it, such tracking error can result in gains as well as losses for investors.

Investments in hedge funds: FOFs' portfolios comprise of investments in hedge funds. Hedge funds follow a wide variety of investment strategies across any asset class, style and geography. Investment decisions made by the Portfolio Managers are independent of each other. Consequently, the FOFs could indirectly incur certain transaction costs without accomplishing any net investment result.

Portfolio Managers may utilize such investment techniques as margin transactions, short sales, option transactions, forward and futures contracts, and other derivatives trading, which practices, in certain circumstances, will increase the risk of losses. No guarantee or representation is made that Altemis or any Portfolio Manager's investment program will be successful, and investment results may vary substantially over time. Investments in the Underlying Funds are not registered under the Securities Act of 1933, are private and limited in their transferability and liquidity. In addition, the strategy of investing in Underlying Funds involves the risk of delegating control of a majority of the FOFs' assets to persons other than Altemis and the increased cost (as the FOFs must pay their own expenses plus their pro rata portion of the Underlying

Funds' expenses and fees). There is no way of predicting how the Portfolio Managers will make investments or whether they will act in accordance with any disclosure documents or descriptive materials given by them to the FOF. Furthermore, as with any fund of funds, there is always some risk that a Portfolio Manager could abscond with the assets and/or that the assets could be misappropriated. In addition, information supplied by the Portfolio Manager may be inaccurate or even fraudulent.

The investment strategies employed by the Underlying Funds may carry significant risks, such as:

Illiquid Instruments: Certain instruments may have no readily available market or third-party pricing. Reduced liquidity may have an adverse impact on market price and the Portfolio Manager's ability to sell particular securities when necessary to meet liquidity needs or in response to a specific economic event, such as the deterioration of creditworthiness of an issuer.

Leverage: Portfolio Managers may use borrowed capital to augment the value of investment they hold. Such leverage magnifies the potential gains and losses from the investment.

Distressed Securities: Investments in unrated or low grade debt securities of distressed companies are subject to greater risk of loss of principal and interest than higher-rated debt securities. Also, securities of distressed companies are generally more likely to become worthless than the securities of more financially stable companies. 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.

Emerging Markets: The risks of foreign investments typically are greater in less developed countries, sometimes referred to as emerging markets. For example, political and economic structures in these countries may be less established and may change rapidly. These countries also are more likely to experience high levels of inflation, deflation, or currency devaluation, which can harm their economies and securities markets and increase volatility. Restrictions on currency trading that may be imposed by emerging market countries will have an adverse effect on the value of the securities of companies that trade or operate in such countries.

Investment Funds

Altamir constructs Investment Funds designed to provide consistent long-term capital appreciation while maintaining target volatility levels and low to moderate correlation to

equities and bonds. The Investment Manager will target an average annualized volatility for the Portfolio of between 5% and 9%. However, the actual or realized volatility level for longer or shorter periods may be materially higher or lower depending on market conditions and other factors.

The Investment Funds invest globally through financial derivatives, including swaps on indices maintained by leading investment banks. They will, from time to time, hold both long and short positions, use embedded leverage and may also use derivatives for hedging purposes. Altemis may also cause the Investment Funds to invest in a wide range of other instruments, including, without limitation, listed and unlisted equities, debt securities, loans, bonds, managed accounts, other collective investment schemes (which may be open-ended or closed-ended, listed or unlisted, and which may employ leverage), currencies, commodities, futures, options, warrants, swaps and other derivative instruments.

The Investment Funds seek to provide exposure to a diversified group of risk premia across a multitude of investment strategies (including but not limited to auto-correlation, alternative yield, convergence-dispersion, liquidity, fundamental value and hedging), asset classes (including equities, interest rates, currencies, commodities, credit and volatility) and geographies, using various trade implementation techniques.

The Investment Funds are actively managed and their exposures to risk premia, investment strategies and asset classes will vary based on Altemis' evaluation of investment opportunities. Altemis expects typically to maintain a diversified exposure to risk premia, investment strategies and asset classes in the Investment Funds in an effort to diversify risk and enhance return over the longer term, but there are no predetermined weights. The Investment Funds may be concentrated or have no investment in a particular risk premia, investment strategy or asset class at any given time.

Altemis' portfolio construction process is iterative, combining qualitative assessments and market views with quantitative techniques. In order to determine the allocation to a particular risk premium in an Investment Fund, Altemis evaluates publicly-available market and economic information and conducts proprietary research to determine key market drivers and an investment outlook.

Altemis uses a bottom-up, systematic process taking into account various measures to evaluate risk premia and investment strategies, focusing on a risk premium's economic rationale, theoretical foundation and trade implementation. As a result of this process, Altemis assigns relative rankings to each of the risk premia that it analyzes. These relative rankings are periodically reviewed and adjusted when necessary.

Quantitative methods are generally used to evaluate a particular investment theme and to identify a list of risk premia for a potential allocation based on their anticipated behavior in current and expected market conditions. This process typically includes an analysis of different trade implementation methods for a particular risk premium and generally takes into account some combination of the following: a peer group analysis; statistical analysis; sensitivities to changing market parameters or system shocks; the existence, reliability and sustainability of excess returns over a market benchmark; and such other analyses Altemis deems appropriate and necessary in order to make an investment decision.

The result of this process is a select group of risk premia that is subject to further evaluation in an attempt to construct a portfolio that has the potential to meet the an Investment Fund's investment objective. Altemis uses various portfolio modelling techniques and considers, among other things, the expected return of each risk premium and its volatility, both absolute and relative to the other risk premia in the Investment Fund. An initial base case portfolio is constructed in which each risk premium is weighted based on its relative expected risk contribution. The weighting of individual portfolio positions is then refined through a qualitative process including the rankings described above, the Investment Manager's views on the expected risk and return for each risk premium and consideration of the investment objective of the Investment Fund. The resulting risk-balanced, base case portfolio is then adjusted in an effort to reflect the volatility target of the Investment Fund.

Risk management tools are used with the objective of achieving appropriate diversification and a risk balanced portfolio. Both quantitative and qualitative methods are employed to assess the level of risk (i.e., volatility of return) for the Investment Fund. Altemis expects the Investment Fund's performance over short-term periods to be volatile because of the significant use of trading strategies that have a leveraging effect.

Altemis monitors an Investment Fund's exposure to the underlying risk premia and changes in market conditions on an ongoing basis in an attempt to ensure that the Investment Fund continues to reflect Altemis' investment views and outlook.

The investment strategy employed by the Investment Funds may carry significant risks, such as:

Nature of Investments: An Investment Fund's business will involve a high degree of financial risk. Markets in which an Investment Fund is anticipated to invest are subject to a high degree of volatility. There can be no assurance that an Investment Fund's investment objectives will be realized or that investors will receive any return on their investment. Other than as specified herein, there are no limitations on the types of investments an Investment Fund may make. Altemis in its sole discretion may employ

such investment and trading strategies and methods as it determines to adopt. An Investment Fund, may also invest in securities for which no active trading market exists and the value of any such securities shall be determined by Altemis and the Directors or Manager, in accordance with the Investment Fund's valuation policies and procedures as outlined in its Governing Documents. As a result of these investment risks, an investor may lose all of its investment in an Investment Fund.

Derivatives: The Investment Funds expect to pursue their investment strategy through the use of swaps and other derivative financial instruments. In addition, an Investment Fund may from time to time utilize both exchange-traded and over-the-counter futures, options and contracts for differences, for hedging purposes, as well as other derivatives. Regulatory restraints may restrict the instruments that an Investment Fund may trade. Such derivative instruments are highly volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further losses exceeding any margin deposited. Further, when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged.

The trading of over-the-counter derivatives will subject an Investment Fund to a variety of risks including: (i) counterparty risk, (ii) clearing member risk, (iii) clearinghouse risk, (iv) basis risk, (v) interest rate risk, (vi) settlement risk, (vii) legal risk, and (viii) operational risk. Counterparty risk is the risk that one of an Investment Fund's counterparties might default on its obligation to pay or perform generally on its obligations. Clearing member risk is the risk that one of an Investment Fund's derivatives clearing members might default on its obligation to pay or perform generally on its obligations (and such risk is not fully covered by the relevant clearinghouse). Clearinghouse risk is the risk that one of an Investment Fund's derivatives clearinghouses might default on its obligation to pay or perform generally on its obligations. Basis risk is the risk that the normal relationship between two prices might move in opposite directions. Interest rate risk is the general risk associated with movements in interest rates. Settlement risk is the risk that a settlement in a transfer system does not take place as expected. Legal risk is the risk that a transaction proves unenforceable in law or because it has been inadequately documented. Operational risk is the risk of unexpected losses arising from deficiencies in a firm's management information, support and control systems and procedures. Transactions in over-the-counter derivatives may involve other risks as well, as there is no

exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk.

The Investment Funds may trade foreign futures or options contracts. Transactions on markets located outside the United States, including markets formally linked to a United States market, may be subject to regulations which offer different or diminished protection to the Investment Fund and its investors. Further, United States regulatory authorities may be unable to compel the enforcement of the rules of regulatory authorities or markets in non-United States jurisdictions where transactions for the Investment Funds may be effected.

Leverage: When deemed appropriate by Altemis, and subject to applicable regulations, an Investment Fund will use leverage in its investment program. The amount of leverage varies and may at times be substantial. To the extent an Investment Fund 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. If the interest expense on borrowings were to exceed the net return on an Investment Fund's securities purchased with borrowed funds, such Investment Fund's use of leverage would result in a lower rate of return than if such Investment Fund was not leveraged.

Securities Lending and Borrowing: An Investment Fund may lend securities to securities brokers and other institutions as a means of earning additional income or may borrow securities from securities brokers or other institutions to cover short positions. If the other party to such transaction becomes insolvent or bankrupt, such Investment Fund could experience delays and extra costs in recovering payment or the securities. To the extent that, in the meantime, the value of securities changes, such Investment Fund could experience further losses. Security loans must be fully collateralized, and the Investment Fund must be satisfied with the creditworthiness of the other party to the transaction.

Short Selling: An Investment Fund's investment program may include short selling. Such investments can be extremely volatile and substantially increase the impact of adverse price movements. There can be no assurance that the strategy adopted for short selling will be profitable or that an investor will not lose some or all of its investment. In addition, regulatory authorities from time to time intervene directly in certain markets and may impose certain restrictions or increased regulatory requirements that affect an Investment Fund. Such restrictions or requirements may have a detrimental effect on such Investment Fund's short selling strategy.

Hedging: An Investment Fund may engage in a variety of hedging transactions. Hedges can be more difficult to implement than many other types of transactions, and the possibilities for errors may be greater than for other transactions. Additionally, there is no guarantee that these hedging transactions will prevent losses to an Investment Fund. The success of an Investment Fund's hedging strategy will be subject to Altemis' ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in an Investment Fund being hedged. Since the characteristics of many securities change as markets change or time passes, the success of an Investment Fund's hedging strategy will also be subject to Altemis' ability to continually recalculate, readjust, and execute hedges in an efficient and timely manner.

Concentration of Investments: Altemis will generally seek to maintain a diversified portfolio of investments. However, there is no obligation to do so and an Investment Fund may at certain times hold relatively few investments and/or be more concentrated in a limited number of investments, industries or geographies. An Investment Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected.

Exchange Fluctuations: Fluctuations in the U.S. Dollar exchange rate against the Investment Fund's domestic currency are unpredictable and can have a significant impact on the return on investment to each investor. Also, investments in foreign securities involve the risks of currency fluctuations between the U.S. Dollar and the currency in which such investment is made.

Interest Rate Risk: Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. Altemis may attempt to minimize the exposure of an Investment Fund to interest rate changes through the use of interest rate swaps, interest rate futures and/or interest rate options. However, there can be no guarantee that Altemis will be successful in fully mitigating the impact of interest rate changes.

Risk of Operations/Liquidity Risks: Although many of the securities that an Investment Fund may acquire will be traded on public exchanges, each exchange typically has the right to suspend or limit trading in all securities that it lists. Such a suspension

could render it difficult or impossible for an Investment Fund to liquidate its positions and would thereby expose it to losses. In addition, some of the securities in which an Investment Fund may invest may be thinly traded, restricted, or not traded in a public market, potentially making it difficult for such Investment Fund to dispose of a position at the time or price desired. Moreover, in periods of extreme market volatility, the bid/ask spreads for some securities that ordinarily are liquid may widen, making it difficult or undesirable to sell the securities. Moreover, there is a possibility that the institutions, including brokerage firms and banks, with which an Investment Fund will do business or with which securities may be entrusted for custodial purposes, will encounter financial difficulties that may impair the operational capabilities or the capital position of such Investment Fund. An Investment Fund will seek to mitigate this risk by selecting financially responsible brokers, clearing firms, and counterparties with which to do business. Furthermore, if investors elect to redeem a substantial amount of their investment as of the end of a given semi-annual period, an Investment Fund might be forced to close out existing positions at a time when it was disadvantageous to do so. There can be no assurance that the trading markets will remain liquid enough for an Investment Fund to close out existing positions at any time there is a need to do so.

Borrowing; Interest Rates; Margin: Altemis may borrow funds from brokerage firms and banks on behalf of an Investment Fund in order to be able to increase the amount of capital available for marketable securities investments. The rates at which an Investment Fund can borrow, in particular, will affect the operating results of such Investment Fund. Even if an Investment Fund makes a profit on a trade, the interest expense incurred in carrying the position may exceed the profit generated by the trade. An Investment Fund's use of short-term borrowings or repurchase agreements will result in certain additional risks to such Investment Fund. For example, should the securities pledged to brokers to secure an Investment Fund's margin accounts or repurchase obligation decline in value, such Investment Fund could be subject to a "margin call," pursuant to which such Investment Fund must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden precipitous drop in the value of an Investment Fund's assets, such Investment Fund might not be able to liquidate assets quickly enough to pay off its margin debt.

Risks of Foreign Investments and Emerging Markets: An Investment Fund may invest in securities of foreign companies, governments, and government agencies. Investing in such securities, which are generally denominated in foreign currencies, and the use of forward foreign currency exchange contracts, involves unusual risk not typically associated with investing in securities issued by U.S. companies or by the U.S.

government or its agencies or instrumentalities. Investing in emerging markets poses greater risks and a greater potential for returns than investing in developed countries. Securities of companies in these emerging markets are generally more volatile and may be much more volatile than securities issued by companies located in developed countries. An Investment Fund may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rate between such currencies and the U.S. Dollar. Moreover, individual foreign economies may compare unfavorably with the U.S. economy in growth of gross national product, rate of inflation, rate of savings and capital reinvestment, resource self-sufficiency, and balance-of-payment positions, and in other respects. Some of the countries in which an Investment Fund may invest have laws and regulations that currently preclude or severely restrict direct foreign investment in securities of their companies. Securities of some foreign companies are less liquid and their prices are more volatile than securities of comparable U.S. companies. Investing in foreign securities creates a greater risk of securities clearance and settlement problems. Further, some of the securities in which an Investment Fund may invest may be thinly traded and relatively illiquid or may cease to be traded after such Investment Fund invests in them. In addition to being illiquid, such securities may be issued by unseasoned companies and may be highly speculative. No assurance can be given that the investment portfolio will generate any income or will appreciate in value. In addition, an Investment Fund occasionally may acquire relatively large positions in a few securities. In such cases, and in the event of extreme market activity, an Investment Fund may not be able to liquidate investments promptly if the need should arise, which could materially and adversely affect the results to of such investments.

Global Political Risks: Some of the companies in which an Investment Fund may invest may be particularly exposed to the risk of political change and governmental action. With respect to some foreign countries, there is the possibility of expropriation or confiscatory taxation, limitations on the removal of funds or other assets of an Investment Fund, political or social instability, war or insurrection, terrorist attacks, or diplomatic developments that could affect the value and marketability of an Investment Fund's investments in those countries.

Foreign Taxes: Dividends and other distributions, including deemed dispositions, from an Investment Fund's investment may be subject to taxes in respect of which investors may not receive a full or any deduction from their local income nor a full or any foreign tax credit against their local income tax liability.

ITEM 9 – DISCIPLINARY INFORMATION

Altemis has no legal or disciplinary events that are material to a client's or prospective client's evaluation of the advisory business or the integrity of Altemis' management.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Altemis is registered with the Commodities Futures Trading Commission (“CFTC”) as a Commodity Pool Operator (“CPO”) and a Commodity Trading Advisor (“CTA”). Additionally, Borislav Arabadjiev and Oliver Schupp are both registered with the CFTC as Principals, Associated Persons and Swap Associated Persons.

Altemis is not expected to recommend or select other investment advisers for its Advisory Clients and receive compensation from (either directly or indirectly), or have another business relationship with, those advisers.

Altemis may provide consulting non-advisory services for a negotiated fee to certain entities.

Altemis Capital Management, LLC has no affiliated entities.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

Altemis has adopted a Code of Ethics pursuant to Rule 204A-1 of the Advisers Act to prevent violations of federal securities laws. All officers, directors, partners and employees of Altemis and any other person who provides advice on behalf of Altemis and is subject to Altemis' control and supervision (collectively referred to as "Supervised Persons") are required to adhere to the Code of Ethics.

Standards of Business Conduct

In general, investment advisers are fiduciaries with respect to their respective advisory clients. Pursuant to Section 206 of the Advisers Act, it is unlawful for Altemis and its employees: to employ any device, scheme, or artifice to defraud a client or prospective client; to engage in any transaction, practice, or course of business which defrauds or deceives a client or prospective client; or to either knowingly to sell any security to or purchase any security from a client when acting as principal for his or her own account, or knowingly to effect a purchase or sale of a security for a client's account when also acting as broker for the person on the other side of the transaction, without disclosing to the client in writing before the completion of the transaction the capacity in which the adviser is acting and obtaining the client's consent to the transaction; or to engage in fraudulent, deceptive or manipulative practices.

Prevention of Insider Trading

Altemis' Code of Ethics is designed to prevent insider trading that as more fully described in the Code of Ethics. Altemis' policy on insider trading applies to securities trading and information handling by all Supervised Persons (including spouses, minor children and adult members of their households and any other relative of a Supervised Person on whose behalf the Supervised Person is acting) for their own account or the account of any client of Altemis. Altemis takes its obligation to detect and prevent insider trading with the utmost seriousness. Altemis may impose penalties for breaches of the policies and procedures contained in the Code of Ethics, even in the absence of any indication of insider trading.

Periodic Reports

As more fully described in the Code of Ethics, "access persons" are required to submit reports (or brokerage statements/trade confirmations in lieu thereof) detailing their personal securities holdings to the CCO on an initial basis and an annual basis, and

their personal securities transactions on a quarterly basis (or brokerage statements/trade confirmations in lieu thereof) and obtain prior approval from the CCO before investing in limited offerings (i.e., private placements), initial public offerings, and certain other securities transactions. The CCO (or its designee) is responsible for reviewing the employees' personal securities transactions and holdings reports as part of Altemis' duty to maintain and enforce its Code of Ethics.

Reporting Violations

All Supervised Persons are required to report actual or known violations or suspected violations of Altemis' Code of Ethics promptly to the CCO. Any report of a violation or suspected violation of the Code of Ethics will be treated as confidential to the extent permitted by law. As part of Altemis' obligations to conduct an annual review of all of its policies and procedures pursuant to Rule 206(4)-7 under the Advisers Act, the Chief Compliance Officer shall review on an annual basis the adequacy of the Code of Ethics and the effectiveness of its implementation.

A copy of Altemis' Code of Ethics is available upon request.

ITEM 12 – BROKERAGE PRACTICES

Altemis provides advisory services and sub-advisory services to its Advisory Clients that typically do not require the use of a broker.

In limited circumstances, however, typically in conjunction with hedging transactions (which may not include the purchase or sale of securities), Altemis may use a broker.

To the extent brokerage transactions are executed, there are no limitations as to which broker is used, provided that Altemis seeks best execution. Altemis would consider a number of factors in selecting a broker in determining best execution for such transactions and determine the reasonableness of the broker's compensation. Such factors include, but are not limited to commissions and other charges, efficiency and quality of execution, reputation, financial strength and stability. Altemis is not obligated to solicit competitive bids and does not have an obligation to seek the lowest available commission cost.

Altemis may receive industry or economic research or other products or services other than execution from a broker-dealer which may be used in performing its investment decision making process. Altemis does not use soft-dollar agreements to receive other products or services from brokers. Advisory Clients, therefore, may be deemed to be paying up for other products and services provided by the broker which are included in the transaction charges. Research or other products and services may be used by Altemis for itself and/or in servicing some or all of its Advisory Clients. In addition, some of these products and services may not necessarily be used by the relevant Advisory Client even though its commission dollars (or other transaction charges) provided for the products and services and the relevant Advisory Client therefore, may not, in any particular instance, be the direct or indirect beneficiary of the products or services provided. Altemis may use Advisory Client commissions to acquire soft dollar items that Altemis would otherwise be obligated to provide to, or acquire at its own expense for, the relevant Fund. Nonetheless, Altemis will use soft dollars only if it believes that such soft dollar items may provide the Fund with benefits by supplementing the research and services otherwise available to the Fund. Altemis may have an incentive to select certain brokers based on the soft dollar items provided by such brokers rather than the client's interests in receiving the most favorable execution. The relationships with brokers that provide "soft dollar" services to Altemis may influence Altemis' judgment in allocating brokerage business and create a conflict of interest in using the services of those brokers to execute the Fund's transactions.

To the extent it uses soft dollars for hedging transactions, Altemis will do so only for products and services that are within the safe harbor of Section 28(e) of the Securities

Exchange Act of 1934, as amended, even in such cases where the hedging transactions do not involve the purchase or sale of a security.

Altemis does not consider, in selecting or recommending broker-dealers, whether Altemis or a related person receives client referrals from a broker-dealer or a third party.

Altemis may aggregate transactions when such transactions are appropriate for more than one client, however such aggregation may not involve the purchase or sale of securities. Aggregation is not relevant to investments in certain instruments (e.g., Underlying Funds, swap contracts).

ITEM 13 – REVIEW OF ACCOUNTS

Altemis has policies in place for reviewing the Advisory Clients' accounts for consistency with investment objectives and suitability of the particular Advisory Client, and that, over time, investment opportunities are fairly allocated among eligible accounts.

Altemis' investment professionals review the Advisory Client accounts periodically and on an on-going basis and provide reports regarding an Advisory Client in a manner, and at a frequency, as may have been negotiated with the an Advisory Client or as set forth in the Advisory Client's Governing Documents. Such reports are written. In addition, investors in the Funds generally are provided with periodic written investor reports regarding the Fund and relevant tax reporting information. Special reports may be developed to meet specific client requirements or respond to client inquiries.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Except for the soft dollar items discussed in Item 12, Altemis does not intend to receive any economic benefit from anyone who is not a client for providing investment advice or other advisory services.

Neither Altemis nor any related person directly or indirectly compensates any person who is not a supervised person for client referrals.

ITEM 15 – CUSTODY

Altemis is deemed to have custody by virtue of its status as investment manager of the Funds. Advisory Clients receive monthly and in some cases more frequent account statements from qualified custodians. These account statements are reviewed by Altemis on behalf of its Advisory Clients.

In preparing monthly statements for investors, a Fund's administrator will seek to reconcile differences between its books and records and those of the qualified custodian. Investors receive monthly account statements from the relevant administrator and should carefully review beginning and ending account balances, net asset values, and the record of subscriptions/contributions and redemptions/withdrawals.

Investors receive audited financial statements for their respective Investment Funds within 120 days of the end of such Funds' fiscal year (i.e., by April 30) or, in the case of FOFs, within 180 days of the end of such Funds' fiscal year (i.e., by June 30).

Altemis does not maintain custody of the UCITS fund's cash or securities.

ITEM 16 – INVESTMENT DISCRETION

Altemis generally intends to provide investment advisory services on a discretionary basis to its advisory clients. The respective investment management agreement or other agreement shall determine the scope of discretion that Altemis can exercise and any limitations with respect thereto. In certain cases Altemis may accept appointment as a non-discretionary advisor for a client. In such cases the discretion over investment decisions will remain with the client, which would be noted in the relevant agreement.

ITEM 17 – VOTING CLIENT SECURITIES

It is intended that to the extent that Altemis has discretion or has been delegated to vote the proxies of its Advisory Clients, Altemis complies with its proxy voting policies and procedures that are designed to ensure that in cases where Altemis votes proxies with respect to Advisory Client securities, such proxies are voted in the best interests of such Advisory Client.

The general policy is to vote proxies relating to investments with Portfolio Managers in a manner that serves the best interests of the Advisory Clients as determined by Altemis in its sole discretion.

At times, conflicts may arise between the interests of the Advisory Client, on the one hand, and the interests of Altemis, on the other hand. Conflicts may include that the individual designated to vote proxies will receive any unusual compensation or profit based on how Altemis votes on a proxy

If Altemis determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, Altemis will address matters involving such conflicts of interest on a case by case basis in a fair and equitable manner, subject to legal, regulatory, contractual or other applicable considerations. Altemis, in its sole discretion, may elect not to vote a proxy if unduly burdensome. Advisory Clients, and investors in the Funds, may request a copy of Altemis' Proxy Policy and information about how Altemis voted a proxy by contacting Altemis at the address, telephone number or email on the cover of this Brochure.

The Advisory Clients do not direct voting in any particular proxy solicitation.

Altemis shall maintain records related to its proxy voting as required by Rule 204-2 of the Advisers Act.

ITEM 18 – FINANCIAL INFORMATION

Altemis does not require or solicit pre-payment of fees in advance.

Altemis is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients.