

Wainwright Investment Counsel, LLC

Part 2A of Form ADV

Brochure

March 30, 2017

One Boston Place, 41st Floor
Boston, Massachusetts 02108
Telephone: 617-531-3100
www.winvcounsel.com

This firm brochure (this “Brochure”) provides information about the qualifications and business practices of Wainwright Investment Counsel, LLC (hereinafter, “Wainwright,” or the “Firm” or “our” or “us”). If you have any questions about the contents of this Brochure, please contact Wainwright at 617-531-3100 or info@winvcounsel.com. The information in this Brochure has not been approved nor verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

Additional information about Wainwright is also available on the SEC’s web site at www.adviserinfo.sec.gov.

Item 2 – Material Changes

The Firm filed its annual Form ADV Part 2A (“Brochure”) on March 30, 2016 and an other-than-annual amendment on August 11, 2016. The following information provides clients with a summary of material changes since the last annual update of the Brochure on August 11, 2016. This version of the Brochure has been updated to explain the current range of services that Wainwright provides to clients and to update applicable disclosures. The updates generally do not reflect a change in business practices, conflicts of interest or internal controls. The following is summary of material changes:

- **Item 4 – Advisory Business.** Item 4 has been updated to reflect that Wainwright no longer provides Hedge Fund Advisory Services to the Wainwright Dreadnought Funds.
- **Item 6 – Performance-Based Fees and Side-by-Side Management.** Item 6 has been updated to further describe Wainwright’s policies and procedures when managing two or more client portfolios with different fee arrangements.
- **Item 17 – Voting Client Securities.** Item 17 has been updated to include the Firm’s policies for class action claims.

Wainwright will further provide you with a complete Brochure as necessary based on changes or new information, at any time, without charge. Currently, Wainwright’s Brochure may be requested by contacting info@winvcounsel.com, or by calling Wainwright at 617-531-3100.

Additional information about Wainwright is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with the firm who are registered, or are required to be registered, as investment adviser representatives.

Item 3 – Table of Contents

Item 2 – Material Changes	i
Item 3 – Table of Contents	ii
Item 4 – Advisory Business.....	1
Item 5 – Fees and Compensation	7
Item 6 – Performance-Based Fees and Side-By-Side Management.....	10
Item 7 – Types of Clients	12
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	12
Item 9 – Disciplinary Information.....	19
Item 10 – Other Financial Industry Activities and Affiliations.....	19
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	19
Item 12 – Brokerage Practices.....	21
Item 13 – Review of Accounts	23
Item 14 – Client Referrals and Other Compensation	24
Item 15 – Custody	26
Item 16 – Investment Discretion	27
Item 17 – Voting Client Securities	28
Item 18 – Financial Information.....	29

Item 4 – Advisory Business

Wainwright is an investment adviser registered with the SEC with its principal place of business located in Boston, Massachusetts. Wainwright has been providing investment advice since 1999. The Firm is privately held and majority employee owned and no one member owns or has contributed more than 25% of the capital of the Firm.

Wainwright provides a broad range of investment advisory and consulting services to its clients. Below is a summary of the services that Wainwright offers to clients.

Wainwright provides investment advice to the following types of clients: (i) individuals, high net worth individuals, family offices, endowments, trusts, estates, foundations, corporations and other business entities, and pooled investment vehicles including hedge funds and other investment partnerships; (ii) non-U.S. foundations, corporations, banks, and charitable and tax-exempt institutions; and (iii) pension, profit sharing, 401(k) and other plans that are subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), employee benefit plans, state and municipal governmental pension and post-employment benefit plans. Wainwright has provided investment advice to hedge fund-of-funds in the past and may provide advice to such clients in the future.

4.1. Investment Policy Statement Preparation

At the inception of each Advisory Consulting or Discretionary Management Services relationship, Wainwright will review and discuss each client's prior investment history, as well as other relevant information, background and circumstances. The results are used to develop a customized investment policy statement (“IPS”) or investment strategy framework that reflects the client’s stated investment objective, tolerance for risk, investment time horizon, liquidity needs, tax considerations, legal and regulatory considerations, and any unique circumstances that may apply. Additionally, any parameters or restrictions for the management of the account will be established. The IPS or investment strategy framework sets forth criteria for target asset allocation, selection of managers, securities and investment vehicles as well as the procedures and timing interval for monitoring investment performance. See also *Item 13 – Review of Accounts*.

4.2. Types of Investments

Wainwright's investment advice and recommendations are not limited to any specific product or service offered by a particular company or financial institution and will generally include advice for the following types of securities and instruments:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Corporate debt securities (other than commercial paper)
- Municipal securities
- United States governmental securities
- Options contracts on securities
- Futures contracts on intangibles
- Interests in partnerships investing in real estate and other assets
- Interests in partnerships investing in private equity
- Interests in partnerships, hedge funds or funds-of-funds
- Investment Company Securities (mutual funds)

At the client's request, alternative investments or separately managed accounts may be recommended, which could include, but not be limited to: hedge funds and funds-of-funds; private equity funds and funds-of-funds; venture capital funds and funds-of-funds; private real estate funds and funds-of-funds.

Investing in securities involves the potential for a risk of loss that clients should be prepared to bear. Because some types of investments involve certain additional degrees of risk, they will only be recommended or implemented consistent with the client's investment objectives, risk tolerance, liquidity, and other constraints.

Based on client circumstances and preferences, reasonable restrictions or constraints for investing in certain types of securities, instruments, types of securities or industry sectors may be applied. These restrictions will be considered when making investment recommendations to the client. Any investment guidelines or restrictions must be agreed to by the client and Wainwright.

4.3. Advisory Consulting Services to Pension Plans and Other Clients

In providing Advisory Consulting Services, Wainwright provides non-discretionary investment advice whereby the client retains the ultimate authority to decide whether to accept the investment recommendation. A non-discretionary account requires prior authorization or instruction from the client to effect each transaction; however, Wainwright typically plays a key role in communicating the client's instructions to the relevant custodians, administrators and managers to communicate the client's instructions, to arrange, effect or otherwise facilitate the purchase or sale of the recommended investments, including subscriptions in private funds and the allocation of separately managed account assets among managers, and to ensure that each client's investment decisions are appropriately implemented.

Wainwright's Advisory Consulting Services are highly customized to the requirements of each client, and the scope and duration of the services provided to a particular client is implemented through a written Advisory Consulting Services Agreement between the client and the Firm. Wainwright and the client may mutually agree to change the scope of the services at any time. In very limited circumstances, Wainwright may also provide valuation services with regard to assets that are not freely transferable.

Advisory Consulting Services clients may provide Wainwright information imposing reasonable restrictions or constraints such as for limitations for investing in certain securities, instruments, types of securities or industry sectors. These restrictions will be considered when making investment recommendations to the Advisory Consulting client. Any investment guidelines and restrictions must be agreed to by the client and Wainwright.

Unless by mutual agreement and understanding, an Advisory Consulting Services portfolio will not be managed for tax risk tolerance considerations.

4.3.1. Asset Allocation Strategy

Wainwright assists its clients in developing an overall asset allocation strategy that is consistent with the client's stated goals and objectives and determined based on the client's particular circumstances. If appropriate, this asset allocation strategy is included within the client's IPS or investment strategy framework. The Firm will monitor the asset allocation strategy on an ongoing basis, or as otherwise specified by the client, and will make periodic recommendations that the assets be reallocated or rebalanced based on various considerations such as market factors and the client's financial circumstances.

4.3.2. Manager Selection and Evaluation

Wainwright performs searches to identify and evaluate investment managers whose portfolio management styles are appropriate for a particular client based on that client's investment objective, risk tolerance and asset allocation strategy. Once the Firm has recommended an investment manager, and the Advisory Consulting Services client has accepted that recommendation, Wainwright will monitor, on an ongoing basis, each of those selected investment managers.

If Wainwright determines that a selected manager is not providing sufficient, adequate or appropriate investment management services to Wainwright's Advisory Consulting Services client, Wainwright will recommend that the client consider limiting or terminating the investment manager's services. If a manager or investment is terminated, Wainwright may recommend another investment manager using the same manager selection and evaluation process as outlined above or Wainwright may recommend that no replacement manager be added to the portfolio.

Advisory Consulting Services clients are responsible for making the ultimate decision whether to select, hire or terminate a particular manager or to invest in a particular investment recommended by Wainwright. Clients should refer to each recommended manager's Form ADV, due diligence questionnaire, prospectus or offering documents [which include, but are not limited

to, a prospectus or confidential private placement offering memorandum, subscription agreement, limited partnership or shareholder agreement etc. (collectively, “Offering Documents”)], as applicable, for a full description of the services offered by a particular manager and any material disclosures.

Clients obtain exposure to a particular investment manager through a broad range of investment vehicles and instruments including, but not limited to, hedge funds and funds-of-funds; private equity funds and funds-of-funds; venture capital funds and funds-of-funds; private real estate funds and funds-of-funds; separately managed accounts; and mutual funds. To the extent that it is consistent with the Advisory Consulting Services client’s IPS or investment strategy framework, Wainwright may recommend that a client invest in the different types of securities and investment vehicles listed in *Item 4.2* above.

Wainwright’s Research and Due Diligence Committee (“RDC”) has overall responsibility for coordinating and centralizing the initial and ongoing manager due diligence and research activities related to Wainwright’s Advisory Consulting Services.

Wainwright does not recommend or solicit any state regulated pension fund client to invest in any fund to which it provides Hedge Fund Advisory Services (see *Item 4.5*) or any fund with which it, or WFS, LLC, Wainwright’s has a wholly-owned broker-dealer subsidiary, has a private placement arrangement.

4.4. Discretionary Management Services

In a Discretionary Management Services arrangement, Wainwright will have investment discretion over the purchase and sale of securities and other instruments in the client’s Discretionary Management Services account. For each Discretionary Management Services account Wainwright will determine which securities to buy or sell, the number of shares to be bought or sold and the timing of the transaction. Each discretionary client agrees to grant Wainwright discretionary trading authority in its written Discretionary Management Services Agreement which includes, but is not limited to, a description of the terms of Wainwright’s Discretionary Management Services, a description of its compensation for those services and important disclosures.

Funds to which Wainwright provides Hedge Fund Advisory Services and funds on which Wainwright or WFS receive compensation are not eligible investments for accounts over which Wainwright exercises discretionary trading authority. Discretionary Management Services clients wishing to invest in those funds may do so through a separate and distinct Advisory Consulting Services account.

Unless by mutual agreement and understanding, a Discretionary Management Services portfolio will not be managed for tax risk tolerance considerations.

4.5. Hedge Fund Advisory Services

Wainwright provides discretionary advice and/or certain other services to a privately offered fund, as described in further detail below.

Funds to which Wainwright provides Hedge Fund Advisory Services and funds on which Wainwright or WFS receive compensation are not eligible investments for accounts over which Wainwright exercises discretionary trading authority. Discretionary Management Services clients wishing to invest in those funds may do so through a separate and distinct Advisory Consulting Services account.

4.5.1. Wainwright Renaissance Fund 1, L.P.

Wainwright Capital Partners, LLC (“WCAP”) is the general partner of the Wainwright Renaissance Fund 1, L.P., a Delaware limited partnership (the “Wainwright Renaissance Fund”). WCAP is registered as a commodity pool operator with the U.S. Commodity Futures Trading Commission and is a member of the National Futures Association. WCAP is a “related person” of Wainwright due to Wainwright’s 100% ownership of WCAP. Eric Bertonazzi, CEO and Chairman of the Board of Managers of Wainwright, is a managing member and principal of WCAP and controls its management and operations. Paul Martins, Chief Financial Officer, Chief Administrative Officer and a member of the Board of Managers of Wainwright, is a principal of WCAP, and controls the management and operations of WCAP. Gustavo Aristizabal, President and a member of the Board of Managers of Wainwright, is a principal of WCAP, and controls the management and operations of WCAP. Stephen Barrett is a member of the Board of Managers of Wainwright and a principal of WCAP. Additional information about Eric Bertonazzi, Gustavo Aristizabal and Stephen Barrett can be found in Wainwright’s Form ADV Part 2B Brochure Supplement (the “Brochure Supplement”). Additional information about Paul Martins is available upon request.

The Wainwright Renaissance Fund invests substantially all of its assets into a single investment, the Renaissance Institutional Equities Fund LLC (“RIEF”). Wainwright is not affiliated with RIEF or any of RIEF’s affiliates. Neither Wainwright nor any of its affiliates or related persons have any involvement in the day to day management of the portfolio positions or trading in RIEF. Wainwright serves as the administrative manager of the Wainwright Renaissance Fund. Wainwright receives a fee for the administrative management services it provides to the Wainwright Renaissance Fund. These services include management of the Wainwright Renaissance Fund’s operations, supervising the administrator, analyzing and reporting the Wainwright Renaissance Fund’s performance to its limited partners, and performing various administrative and back office services for the Wainwright Renaissance Fund.

Wainwright does not recommend or solicit any state regulated pension fund clients to invest in the Wainwright Renaissance Fund. Where appropriate and in limited circumstances, Wainwright may recommend an institutional client consider an investment directly into RIEF.

Effective August 18, 2016, RIEF reduced its minimum subscription requirements from \$5 million to \$1 million. As a result, for any clients of Wainwright (or its affiliates) that may consider an investment of \$1 million or more into the Wainwright Renaissance Fund there is an actual or potential conflict of interest since that client may be eligible to invest directly into RIEF (with its lower aggregate fees and shorter liquidity terms) versus making an investment into the Wainwright Renaissance Fund. Prior to making an investment in the Wainwright Renaissance Fund, Wainwright reviews the advantages and disadvantages of the subscription terms of an investment in RIEF versus the Wainwright Renaissance Fund and provides a written summary to the prospective investor.

4.5.2. Wainwright Global Capital, LP

Wainwright Global Capital, LP, a Cayman Islands partnership, is a wholly-owned subsidiary of Wainwright that is intended to provide services to clients located outside of the United States. WCAP is the general partner of Wainwright Global Capital, LP. This entity is not currently engaged in any business or investment activities and has been dormant since its 2012 inception.

4.5.3. Wainwright Renaissance International Fund, Ltd.

Wainwright Renaissance International Fund, Ltd., an exempted company formed under the laws of the Cayman Islands, was established to allow non-U.S. investors, as well as U.S. tax-exempt investors, the opportunity to obtain exposure to Renaissance Institutional Equities Fund International L.P. The Wainwright Renaissance International Fund, Ltd. is not currently engaged in any business or investment activities and has been dormant since 2010.

4.6. Ad-Hoc Management Consulting Services

Wainwright also provides ad-hoc Management Consulting Services in the form of customized projects, educational workshops and/or materials based on its industry knowledge and/or familiarity with best practices. Such services are typically limited in nature and based on the communicated needs of the client.

4.7. Discretionary and Non-Discretionary Assets Under Management

As of December 31, 2016, Wainwright Investment Counsel, LLC advised \$3,095,100,000 of client assets on a non-discretionary basis and managed \$65,500,000 of client assets on a discretionary basis.

Item 5 – Fees and Compensation

Wainwright receives compensation for providing Advisory Consulting and Discretionary Management Services by charging a fee on the client's assets under management, investment performance, or a combination of both. Wainwright receives compensation for ad-hoc Management Consulting Service arrangements based on the scope and services to be provided by Wainwright. Fixed fee arrangements may also be available under certain circumstances such as for providing model investment strategy portfolios. The specific manner for which fees are charged by Wainwright is disclosed within each client's written agreement with Wainwright. All fees and fee arrangements are subject to negotiation.

5.1. Fees for Advisory Consulting and Discretionary Management Services

Fees for Advisory Consulting and Discretionary Management Services are generally calculated as a fixed percentage of the market value of assets under management on the last business day of the quarter. Asset based fee schedules are generally tiered, offering breakpoints for larger account balances and, while quoted on an annual basis, are, with limited exception, calculated and assessed on a quarterly basis, in arrears. Advisory fees may also be calculated using another method, such as average of assets under management during the quarter or on a fixed annualized fee basis, upon mutual agreement with the client.

The standard annual fee schedule for Advisory Consulting Services is:

- 1.50% on the first \$1.0 million of account assets.
- 0.50% for assets between \$1.0 million and \$5.0 million.
- 0.40% for assets above \$5.0 million.

The annualized asset based fee schedule for Discretionary Management Services clients generally ranges from 0.5% to 1.5% of account assets. By written agreement between the Discretionary Management Services client and the Firm, eligible Discretionary Management Services clients will be charged a performance-based fee. See *Item 6 – Performance-Based Fees and Side-By-Side Management* below for additional information about performance-based fees.

Funds on which Wainwright or WFS receive compensation (*e.g.* the Wainwright Renaissance Funds or any other non-Wainwright affiliated fund) may be included in the assets under management of an Advisory Consulting or Discretionary Management Services account but are generally excluded from Wainwright's Advisory Consulting or Discretionary Management Services fee calculations.

Wainwright does not recommend or solicit any state regulated pension fund client to invest in any fund to which it provides Hedge Fund Advisory Services (see *Item 4.5*) or any fund with which it, or WFS, has a solicitation or private placement arrangement.

Clients may elect to be billed for their fees or they may authorize Wainwright to debit fees directly from their investment account(s). See *Item 15 – Custody*.

Advisory Consulting and Discretionary Management Services fees will be pro-rated if services begin after the first day, or end before the last day, of a full billing period. Upon termination, any prepaid, unearned portion of any advance payment will be refunded in a timely manner, and any earned portion of any arrears arrangement will be due and payable. Clients may terminate their Advisory Consulting or Discretionary Management Services Agreements in writing, according to the specific terms of the agreement. Wainwright does not assess termination charges.

5.2. Performance-Based Fees for Discretionary Management Services

Discretionary Management Services clients may negotiate a performance-based fee arrangement with Wainwright. Performance-based fee arrangements must be established through a written agreement between the Discretionary Management Services client and the Firm. See *Item 6 - Performance-Based Fees and Side-By-Side Management* for additional information about performance-based fees.

5.3. Fees for Hedge Fund Advisory Services

Wainwright or its affiliates receive both asset-based management and performance-based fees for its Hedge Fund Advisory Services. Management and performance-based fees relating to hedge funds are set forth in each fund's Offering Documents. Wainwright or its affiliates reserve the right to waive, reduce, rebate, or calculate differently the management fee, administrative services fee and/or performance fee with respect to any investor in a fund to which Wainwright provides Hedge Fund Advisory Services (e.g. the Wainwright Renaissance Fund).

Performance-based fees are typically billed on an annual basis as set forth in each fund's Offering Documents. Upon redemption prior to a calendar year end, the earned portion of any performance-based fee will be due and payable in accordance with the fund's Offering Documents. Any performance-based fee arrangements will be calculated and assessed in accordance with the fund's Offering Documents and applicable rules and regulations including any available exemptions thereunder.

5.3.1. Wainwright Renaissance Fund 1, L.P.

Wainwright will receive a quarterly management fee for the management and administrative services it provides to the Wainwright Renaissance Fund. These services include management of the Wainwright Renaissance Fund's operations, supervising the administrator, analyzing and reporting the Wainwright Renaissance Fund's performance to its limited partners, and performing various administrative and back office services for the Wainwright Renaissance Fund.

Management fees, while quoted on an annual basis, are calculated and assessed on a quarterly basis, in advance, as set forth in the fund's Offering Documents. WCAP, as the general partner of the fund, will receive a performance-based incentive fee allocation when certain benchmarks are met. Performance-based fees are calculated and assessed on an annual basis as set forth in the fund's Offering Documents. The management and performance fees are calculated by the Fund's administrator for payment to Wainwright and WCAP, respectively.

5.3.1. Wainwright Global Capital, LP

This entity is not currently engaged in any business or investment activities and Wainwright does not receive any fees for services provided.

5.3.2. Wainwright Renaissance International Fund, Ltd.

This entity is not currently engaged in any business or investment activities and Wainwright does not receive any fees for services provided.

5.4. Fees for Ad-Hoc Management Consulting and Additional Services

Wainwright will receive fees for providing Ad-Hoc Management Consulting Services in the form of customized projects. Fees for Ad-Hoc Consulting Management Services are charged on a fixed fee basis. Fees for additional services are negotiated on a client-by-client and project-by-project basis based on the scope of services as set forth in the written agreement with the client.

5.5. Additional Expenses

Clients of Wainwright may incur additional fees and expenses charged by their custodians and broker-dealers for providing services to the client's account. Such fees will be dependent on the investments in the account and include, but are not limited to, custodial fees, transaction costs, brokerage commissions and mutual fund expenses. Clients may also incur certain other charges imposed by custodians, brokers, third-party investment managers and other third-parties, such as interest charges, ticket charges, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, overnight delivery fees and other fees and taxes on brokerage accounts and securities transactions. Clients are responsible for the payment of these costs and expenses.

Mutual funds (including money market mutual funds or other cash equivalents), exchange-traded funds, investment advisers and private funds also charge management and/or performance-based fees, as the case may be, which are disclosed in that fund's prospectus or Offering Documents. Such charges, fees and commissions are exclusive of, and in addition to, fees paid for Wainwright's services. Wainwright does not receive or share in any compensation related to these additional expenses.

5.6. Compensation to Registered Representatives of WFS

Wainwright has a wholly-owned subsidiary, WFS, LLC, that is an SEC registered broker-dealer and a member of FINRA and SIPC. Most of Wainwright's employees are registered representatives of WFS. WFS's primary business activity is to facilitate private placement transactions.

Wainwright employees who are registered representatives of WFS receive production compensation for the sale of certain investment products, such as private funds, that may or may not be held by Wainwright clients. The receipt of this compensation creates a conflict of interest and gives Wainwright employees who are registered representatives of WFS incentive to recommend investment products based on compensation received, rather than on a client's specific needs or investment objectives. Wainwright addresses this conflict through its private placement pre-approval procedure, oversight by the Firm's Enterprise Risk Management Committee and oversight by the Firm's Investment Policy and Risk Committee. With limited exception, private product offerings for which Wainwright or WFS receives compensation are generally excluded from Wainwright's Advisory Consulting Services fee calculations.

Wainwright does not recommend or solicit any state regulated pension fund client to invest in any fund to which it provides Hedge Fund Advisory Services (see Item 4.5) or any fund with which it, or WFS, LLC, Wainwright's has a wholly-owned broker-dealer subsidiary, has a private placement arrangement.

Please see *Item 12 – Brokerage Practices* for more information.

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

Wainwright and its affiliates manage accounts that are charged a performance-based fee and accounts that are charged other types of fees, such as asset based or fixed fees (see *Item 5 – Fees and Compensation* above). Performance-based fees are based on the performance or capital appreciation of the investment assets of a client. Performance-based fee arrangements will only be established by written agreement between the Discretionary Management Services client and the Firm.

Performance-based fees arrangements for Hedge Fund Advisory and eligible Discretionary Management Services clients will be negotiated with Wainwright on a case-by-case basis. Performance-based fees are offered in lieu of, or in addition to, asset-based fees and will be established by written agreement. Any performance-based fee arrangements will be in accordance with SEC Rule 205-3 and any available exemptions thereunder.

6.1. Conflicts of Interest

Performance-based fees create an incentive for Wainwright to recommend investments that are riskier or more speculative than would be the case if such arrangement were not in effect. Wainwright and its employees may be perceived to have an incentive to devote more resources toward managing accounts for which it charges a performance-based fee over other types of client accounts that are not charged a performance-based fee, such as Advisory Consulting Services clients. Wainwright addresses this conflict through its private placement pre-approval procedure and oversight by the Firm's Enterprise Risk Management Committee, the Investment Policy and Risk Committee, and the Wainwright CEO.

6.2. Side-by-Side Management

The practice of managing two or more client portfolios which pay different fees, including but not limited to performance-based fees, is known as “side-by-side management.” Wainwright recognizes that side-by-side management can create an incentive for Wainwright to advantage one client at the expense of another client with the intention of maximizing the fees Wainwright collects for its services or enhancing a particular portfolio or composite’s performance. Wainwright has policies and procedures in place to mitigate these risks. These include the following policies which are contained in this document:

- Aggregation and Allocation for Advisory Consulting Services and Discretionary Management Accounts which ensures that investment opportunities are allocated fairly and appropriately;
- Fees and Billing, which identifies the conflicts of interest and controls for calculating and billing client fees.
- Review of Accounts, which outlines the process for monitoring portfolios for adherence to client risk constraints; and
- Valuation of Securities, which mitigates the risk that Wainwright could value a client asset incorrectly.

6.3. Discretionary Management Services Clients

Eligible Discretionary Management Services clients may negotiate a performance-based fee arrangements with Wainwright. Performance-based fee arrangements must be established by written agreement between the Discretionary Management Services client and the Firm.

6.4. Hedge Fund Advisory Services

Wainwright or its affiliates receive performance-based fees for its Hedge Fund Advisory Services. Methods for calculating performance-based fees relating to hedge funds are set forth in each respective fund’s Offering Documents.

6.5. Wainwright as Solicitor

Wainwright receives performance-based fees from another registered investment adviser in return for acting as a solicitor (see *Item 14 – Client Referrals and Other Compensation*).

6.6. WFS Private Placement Services

Wainwright receives performance-based fees indirectly through WFS in connection with WFS’s solicitation and private placement services, including its role as placement agent for the private fund described above in *Item 4 – Advisory Business* as well as for other unaffiliated private funds. A portion of the performance-based fees and other compensation earned by WFS from its solicitation and private placement services are paid to registered representatives of WFS (who are also employees of Wainwright) as production compensation.

Wainwright does not recommend or solicit any state regulated pension fund client to invest in any fund to which it provides Hedge Fund Advisory Services (see *Item 4.5*) or any fund with which it, or WFS, has a solicitation or private placement arrangement.

Item 7 – Types of Clients

Wainwright provides services to individuals, high net worth individuals, family offices, endowments, trusts, estates, foundations, corporations and other business entities, and pooled investment vehicles including hedge funds and other investment partnerships, non-U.S. foundations, corporations, banks, charitable and tax-exempt institutions, pension, profit-sharing, 401(k) and other plans that are subject to ERISA, employee benefit plans, state and municipal governmental pension and post-employment benefit plans. Wainwright has provided investment advice to hedge fund-of-funds in the past and may provide advice to such clients in the future.

The Firm's clients are domiciled both within and outside of the United States. Account minimums vary by product and service and are subject to negotiation.

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

8.1. Methods of Analysis and Investment Strategies

8.1.1. Advisory Consulting Services

Depending on a particular client's needs and objectives, Wainwright employs the following methods of analysis and approaches our investment strategy with the following steps:

Determine Current Exposure: Review the client's current portfolio and analyze the existing portfolio's investment characteristics by asset class, strategy and style. This analysis typically includes, but is not limited to, weightings by asset class, expected returns and risk metrics.

Formulate Investment Policy Statement ("IPS") or Investment Strategy Framework: Work with the client and coordinate the development of an IPS or investment strategy framework which defines an investor's investment objectives, tolerance for risk, investment time horizon, liquidity needs, tax considerations, legal and regulatory considerations, and any unique circumstances that may apply. These considerations are critical in determining a client's target asset allocation.

Asset Allocation Analysis: Examine Wainwright's capital market assumptions for each asset class and integrate them with specific investment policy objectives. Generate model portfolios to evaluate different asset class scenarios for client consideration.

Manager Due Diligence: Perform manager due diligence employing both quantitative and qualitative metrics. The analysis may include, but is not limited to: performance; style specificity; asset growth; volatility of returns; downside risk; firm history; portfolio characteristics; and manager expertise.

Portfolio Construction: Construct the client portfolio according to the results of the asset allocation analysis and the IPS/investment strategy framework inputs, both of which require client input. Portfolios may be constructed with some combination of mutual funds, exchange traded funds or separately managed accounts. In addition, if eligible and appropriate, limited partnerships, private funds or other pooled investment vehicles may be included within the portfolio construction process.

Portfolio Monitoring: Review client accounts and provide quarterly reports. Some of the specific metrics Wainwright evaluates include: active versus passive strategies, risk target in a specific asset class, pre-existing exposures, investment manager style, risk adjusted returns, tax considerations, separate versus commingled account management, tracking error, and correlation among managers and strategies.

8.1.2. Advisory Consulting and Discretionary Management Services

Depending on a particular client engagement, Wainwright may use any of the following methods of analysis in Advisory Consulting and Discretionary Management Services accounts:

Fundamental Analysis: Wainwright attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the issuer itself) to determine if the issuer is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the security.

Technical Analysis: Wainwright analyzes past market movements and applies that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of an issuer. This presents the risk that a poorly managed or financially unsound issuer may underperform regardless of market conditions.

8.1.3. Hedge Fund Advisory Services

Wainwright employs similar but not identical methods of analysis to its Hedge Fund Advisory Services as it does for its Advisory Consulting or Discretionary Management Services, subject to the investment objectives and investment restrictions set forth in each fund's Offering Documents.

8.1.4. Ad-Hoc Management Consulting and Additional Services

The methods of analysis for Wainwright's Ad-Hoc Management Consulting and other services will vary by the scope of the ad-hoc engagement.

8.2. Material Risk Factors

Investment activities involve a significant degree of risk. The performance of any investment is subject to numerous factors which are neither within the control of, nor predictable by Wainwright. Such factors include a wide range of economic, political, competitive, technological and other conditions (including acts of terrorism and war) that may affect investments in general or specific industries or companies. The investment decisions made and the actions taken in managing client assets will be subject to various market, liquidity, currency, economic, political and other risks. Investing in securities involves risk of loss that clients should be prepared to bear. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a client's investments will fluctuate due to market conditions and other factors. Investments may lose value and past performance is never a guarantee of future results.

The information contained in this Brochure cannot disclose every potential risk associated with an investment strategy, nor all of the risks applicable to a particular manager, security or investment. Rather, it is a general description of the nature and risks of the consulting and advisory services provided by Wainwright and the related investments. This summary is qualified in its entirety by reference to the prospectuses and Offering Documents that apply to the funds that Wainwright recommends and/or in which a client invests. Clients should carefully read those prospectuses and/or Offering Documents before making an investment in any fund.

8.2.1. General Risks

Risks of Investing in Securities: Securities markets are volatile and investing in securities involves the risk of loss that clients should be prepared to bear. Wainwright cannot guarantee that the strategies offered will be able to achieve a particular level of return or maintain a particular risk profile.

Risks may vary by client according to their investment objectives, guidelines, liquidity needs or risk tolerances and not every strategy or portfolio will be exposed to each of the risks described in this Brochure. This list is not intended to be exhaustive of all of the risks associated with investing in strategies that are recommended by Wainwright.

Market Risk: The direction of the stock market is difficult to predict and is dependent upon changes in a number of factors, including, but not limited to, interest rates, inflation, and a host of additional economic and political factors. There is always a risk that the stock market as a whole will decline, bringing down the value of individual securities regardless of their fundamental characteristics. The same is true of the markets for other asset classes. Market risk is also known as systematic risk or undiversifiable risk. This risk is both unpredictable and impossible to completely eliminate.

Investment Advisor Selection Risk: The investment performance of a client's investment program will vary with the success or failure of the investment advisor that a client selects to manage their assets. An investment advisor's past performance is not indicative of future results. Current and prospective clients should not assume that the future performance of any specific investment advisor, investment strategy, recommendation or investment will be profitable.

Asset Allocation Risk: A portfolio that holds large cash positions may deviate from the stated benchmark and could underperform as a result. Differences in the security holdings and weights of a portfolio versus the strategy benchmark may result in disparities between portfolio performance relative to its benchmark.

A portfolio may perform better or worse than a similarly managed account for various reasons including, but not limited to, the frequency and timing of rebalancing and trading each portfolio and the size and number of positions in each portfolio.

Portfolio Concentration Risk: Strategies that are concentrated in only a few securities, sectors or industries, regions or countries or asset classes could expose a portfolio to greater risk and may cause the portfolio value to fluctuate more widely than a portfolio that is diversified. Overexposure to certain sectors or asset classes (*e.g.* MLPs, REITs, etc.) may prove to be detrimental to an investor if there is a negative sector move.

Company Specific Risk: The risk related to a firm's business plans, stock valuation, profitability, accounting practices, growth strategy, and other factors particular to a company rather than to the overall market. Some of these risks cannot be predicted, such as the retirement or death of a senior executive, which may lead to negative performance in the future.

Stock or Fund Selection Risk: The risk that an investor chooses a security or fund that underperforms the market for unanticipated reasons. There can be no assurance that investors will ever come to realize the value of some of these investments, and that the investment will ever increase in value. During this time, the investor may have funds locked up in an underperforming investment, which presents an opportunity cost for other investments.

Timing Risk: The risk that an investment performs poorly after its purchase or better after its sale. Moreover, if a redemption is required by the investor, the investor may face a loss due to poor overall market performance or security performance at that time.

Data Risk: Wainwright's securities analysis relies on data that is provided by third party vendors and publically available sources of information. Information that is incomplete, inaccurate or outdated would affect the efficacy of that analysis.

Counterparty Risk: A portfolio is subject to risk with respect to the counterparties. Risks affecting counterparties such as brokers, custodians, clearing banks or agents, escrow agents or issuers, foreign exchanges or securities lending programs could result in failure by the counterparty to honor its obligations. A portfolio may experience significant delays in obtaining any recovery (including recovery of posted collateral) during insolvency, bankruptcy or other reorganization proceedings and might realize only a limited recovery or no recovery at all. If the credit rating of a counterparty is lowered, a portfolio would be exposed to any increased credit risk associated with that counterparty.

Credit Risk: The credit rating of an issuer of a security is based on, among other things, the issuer's historical financial condition and the rating agencies' investment analyses at the time of rating. An actual or perceived deterioration of the ability of an issuer to meet its obligations would have an adverse effect on the value of the issuer's securities.

Liquidity Risk: Low trading volume, large positions or legal restrictions are some conditions which could limit or prevent a portfolio from selling particular securities or closing positions at desirable prices. Securities that are relatively liquid when acquired could become illiquid over time. The sale of any such illiquid investment might be possible only at substantial discounts or might not be possible at all. Further, such investments may be difficult to value.

8.2.2. Investment Risks

Equity Securities: Equity instruments are subject to equity market risk, which is the risk that common stock prices will fluctuate over short or even extended periods. Equity securities generally have greater price volatility than fixed income securities. The market price of equity securities may increase or decrease, sometimes rapidly or unpredictably. Equity securities may decline in value due to factors affecting markets generally, particular industries, sectors or geographic regions represented in those markets, or individual security concerns.

Debt or Fixed Income Securities: Debt securities are affected by changes in interest rates. When interest rates rise, the value of debt securities are likely to decrease. Conversely, when interest rates fall, the values of debt securities are like to increase. The values of debt securities may also be affected by changes in the credit rating or financial condition of the issuing entities.

Master Limited Partnerships ("MLPs"): MLPs are limited partnerships that trade on securities exchanges similar to stocks. Issuers of MLPs are not subject to income tax, and shareholders in MLPs are actually "limited partners" in that company. The issuers' special tax designation allows MLPs to pass the tax burden on to their shareholders which will result in higher tax obligations for taxable clients.

Risks Associated with Exchange Traded Funds (“ETFs”) and Exchange Traded Notes (“ETNs”): ETFs and ETNs are, by definition, portfolios of securities, and although the unsystematic risk associated with investments in ETFs and ETNs may be low relative to investments in securities of individual issuers, there are events that can trigger sharp, and sometimes adverse, price movements in ETFs and ETNs that are not related to movements of the markets in general. These events include, but are not limited to, unanticipated dividends, changes to regular dividend amounts, announcements of rights offerings and possible unexpected revisions to the net asset values of the ETF and ETN. ETFs are subject to market risk, whereas ETNs are subject to both market risk and the credit risk of the issuer of the ETN.

Borrowing and Leverage Risk: If permitted by a client’s investment guidelines and by mutual agreement with the client, a portfolio may purchase securities on margin, engage in short sales, borrow money or use derivatives, each of which will cause the portfolio to be leveraged. Leverage exaggerates the effect on a portfolio’s value for any increase or decrease in the market value of the portfolio’s investment value. Leveraging will also create interest expenses for a portfolio which can exceed the investment return from the borrowed funds.

Short Sales: If permitted by a client’s investment guidelines and by mutual agreement with the client, a portfolio may engage in short selling. Wainwright makes no assurance that a strategy utilizing short sales will be profitable. Further, short sales of securities involve a form of investment leverage and the amount of the portfolio’s potential loss is theoretically unlimited. See *Borrowing and Leverage Risk*.

Options: If permitted by a client’s investment guidelines and by mutual agreement with the client, a portfolio may engage in options strategies. Options are complicated and risky investments because they require an investor not only to predict whether the price of a security is going up or down, but also predict the amount and timing of that movement. This requires a sophisticated understanding of the underlying security, as well as the particular options strategy being used to speculate or hedge the security. Ongoing attentiveness to price and market movements for the underlying security is necessary in order to accurately determine the potential gains or losses from the use of options. Additional information about the risks related to options strategies is available upon request.

Futures Contract Risk: If permitted by a client’s investment guidelines and by mutual agreement with the client, a portfolio may engage in futures strategies. The use of futures, for hedging or other purposes, involves risk and could result in lower returns or even losses in a client account. There is a risk that a derivative may not be well correlated with the security, index or currency to which it relates. Daily exchange limits on the price movement of a futures contract may make trading or closing out a position difficult or impractical. It is possible that a client could lose more than the cash amount invested in the derivative. Additional information about the risks related to futures strategies is available upon request.

Preferred Equity: Holders of preferred equity are positioned between the bondholders and common stockholders within the liquidation of the capital structure. Preferred equity is subordinate to various other levels of debt, so if a company declares bankruptcy, the holders of preferred equity will not receive payment until all of the company's secured creditors and bondholders have received payment. Also, like debt securities, the values of preferred equities are closely tied to interest rates. Typically, the longer the maturity, the more the preferred equity is affected by changes in interest rates.

Foreign Markets: Investments in foreign companies and overseas markets may involve unique risks, including, but not limited to, risks relating to changes in currency exchange rates, political, economic and social events, different market operations and less information. Additional information about the risks related to investing in foreign, emerging and frontier markets is available upon request.

Alternative Investments: Alternative investments involve additional risks that clients must consider. Lock-up periods and other terms may obligate investors to commit their capital investment for a minimum period of time, typically no less than one or two years and sometimes up to 10 or more years. Illiquidity is considered to be the most substantial risk and may eliminate the ability of an investor to liquidate an investment early regardless of the success of the investment. Alternative investments are difficult to value within a client's total portfolio. There may be limited availability of suitable benchmarks for comparison of performance; historical performance data may also be limited. In some cases, there may be a lack of transparency and regulation providing an additional layer of risk. Some alternative investments may involve use of leverage and other speculative techniques. As a result, some alternative investments may carry substantial, additional risks, which may result in the loss of some or all of the investment. For tax-exempt investors, use of leverage and certain other strategies will result in adverse tax consequences, such as the possibility of unrelated business taxable income as defined under the U.S. Internal Revenue Service Code.

8.2.3. Procedural and Operational Risks

Key Personnel Risk: The death, disability, or departure of key investment personnel, or other changes to the Wainwright Investment Committee, could have a material effect on our ability to monitor the investment recommendations by the Firm and could adversely affect our ability to effectively implement those strategies.

Operational Risk: Portfolios are exposed to operational risk introduced through human intervention or the failure of automated processes. Operational risks include, but are not limited to, reconciliation errors, trading the wrong security, trading a security for an unintended portfolio or purchasing a security that a portfolio was intended to sell, or vice versa.

Adherence to IPS or Investment Strategy Framework Risk: Client relationships with portfolio specific investment objectives, guidelines, restrictions or risk tolerances are exposed to the risk that these goals are not achievable or that the portfolio unpredictably deviates from those guidelines or limitations.

Item 9 – Disciplinary Information

Registered investment advisers are required to provide information about any legal or disciplinary events that would be material to a client’s evaluation of Wainwright or the integrity of its management. Wainwright has no disciplinary events to disclose.

Item 10 – Other Financial Industry Activities and Affiliations

Wainwright has a wholly-owned subsidiary, WFS, that is an SEC registered broker-dealer and a member of FINRA and SIPC. Most of Wainwright’s employees are registered representatives of WFS. Please see *Items 5 – Fees and Compensation* and *12 – Brokerage Practices* for additional information. Wainwright has several affiliations and interests in various limited partnerships and limited liability companies, as described in *Item 4 – Advisory Business*.

Wainwright and WFS receive additional compensation in connection with certain managers or funds that are recommended to Advisory Consulting clients. For additional information, please refer to *Items 4.5* and *14 – Client Referrals and Other Compensation*.

Wainwright does not recommend or solicit any state regulated pension fund client to invest in any fund to which it provides Hedge Fund Advisory Services (see *Item 4.5*) or any fund with which it, or WFS, has a solicitation or private placement arrangement.

Wainwright has a wholly-owned subsidiary, WCAP, which is registered as a commodity pool operator registered with the U.S. Commodity Futures Trading Commission and is a member of the National Futures Association. WCAP is the general partner of the Wainwright Renaissance Fund and Wainwright Global Capital, LP. Please see *Item 4.5* for additional information.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

11.1. Code of Ethics and Personal Trading

Wainwright has adopted a Code of Ethics (the “Code”) for its supervised persons which describes, among other things, its fiduciary duty to its clients and standard of conduct for its employees. Wainwright has policies and procedures in place for: the protection of personal and confidential information; the prevention of insider trading; gifts and entertainment; contributions to elected officials; and personal securities trading practices. All supervised persons of Wainwright receive annual compliance training on Wainwright’s compliance policies and procedures and are required to annually certify that they have received, read, understood, and complied with the those policies, including the Code. Material revisions, updates, or amendments to the Code are distributed to supervised persons of Wainwright on a periodic basis. A copy of Wainwright’s Code is available to any client or prospective client, free of charge, upon request.

11.1.1. Protection of Personal and Confidential Information

Wainwright has adopted written policies and procedures that address physical, technical, and administrative safeguards for the protection of customer data, personnel records and confidential or proprietary information.

Wainwright has controls in place that are reasonably designed to restrict access to confidential information to those Wainwright employees who need to know that information in the course of their job responsibilities.

11.1.2. Prevention of Insider Trading

It is a violation of federal law to purchase or sell securities (or options to purchase or sell securities) of any company based upon inside information or to share inside information with another person who may use the information for their own profit or to avoid a loss.

Wainwright has implemented policies and procedures designed to identify and monitor employee personal trading for evidence of insider trading.

11.1.3. Gifts and Entertainment

Wainwright has a responsibility to ensure that gifts and entertainment do not create conflicts of interest or the appearance of impropriety that could reflect negatively on Wainwright and its business relationships.

Wainwright has implemented policies and procedures to report gifts and entertainment given to or by Wainwright or its employees and to prevent prohibited activities.

11.1.4. Contributions to Elected Officials

SEC Rule 206(4)-5 defines “pay-to-play” as the practice of making campaign contributions and related payments to elected or labor union officials in order to influence the awarding of lucrative contracts for the management of public pension or labor union plan assets or similar government investment accounts.

Wainwright has policies which prohibit its employees from making campaign contributions or related payments to elected or labor union officials at the local, state and federal levels.

11.1.5. Personal Securities Trading Practices

Wainwright employees may buy or sell the same securities for their personal accounts that it may also recommend to its Advisory Consulting or Discretionary Management Services clients, or funds to which Wainwright or its affiliates provide hedge fund advisory services. With limited exceptions, Wainwright employees are required to obtain pre-clearance for all transactions in their personal accounts. Wainwright's Personal Transactions Policy is intended to prevent conflicts of interest, or the appearance of a conflict of interest, with the investment advice it provides to its clients. Unless by specific exception, personal investments must be held for a minimum of thirty (30) calendar days to reduce the incentive for short-term trading and maintain focus on Wainwright's core responsibilities to its advisory clients. Wainwright's Chief Compliance Officer, or its designee, is primarily responsible for providing trade pre-clearance and reviewing and monitoring the personal transactions of Wainwright employees.

11.1.5.1 Blackout Periods

Wainwright reserves the right to implement security or fund specific employee personal transaction blackout periods for buying and selling securities or funds in personal accounts when investment recommendations are amended by the Research and Due Diligence Committee ("RDC"). Wainwright shall allow sufficient time for any RDC recommendation to be disseminated to its Advisory Consulting Services clients before the blackout is lifted and Wainwright Personnel are pre-cleared to buy or sell those securities for their personal account(s).

11.2. **Principal and Agency Cross Trades in Discretionary Management Services Accounts**

Wainwright does not engage in principal or agency cross trading for any client accounts. Wainwright does not cross trades between any client accounts or affiliated funds.

Item 12 – Brokerage Practices

Wainwright has a wholly-owned subsidiary, WFS, LLC, that is an SEC registered broker-dealer and a member of FINRA and SIPC

Wainwright does not receive research or related products or services, other than execution-only services, from any broker-dealer or third party in connection with client transactions. In certain limited circumstances, and where it will be advantageous to the client, Wainwright may request an ETF provider or their designated broker, to create shares at net asset value in consideration of the order size, size of the fund, average trading volume and market availability.

With limited exception, Wainwright does not negotiate client commissions paid to broker-dealers to execute client transactions. Wainwright does not select broker-dealers for Advisory Consulting or Discretionary Management Services client securities transactions (see *Item 16 – Investment Discretion*). Client securities transactions are typically executed through the executing broker-dealer affiliated with or preferred by the client's qualified custodian. For example, if the client's qualified custodian is State Street Corporation, brokerage trades will typically be routed for execution at State Street Global Markets as that custodian's preferred executing broker. Similarly, a client account that utilizes Pershing Advisor Solutions, LLC as the qualified custodian, will likely have brokerage executions routed through Pershing, LLC, the custodian's preferred executing broker.

12.1. Pershing Advisor Solutions, LLC

Pershing Advisor Solutions, LLC represents the largest, by number of accounts, of all of the custodial relationships for Wainwright clients. In consideration of this relationship, Pershing provides services to Wainwright and its clients that include, but are not limited to, software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitates trade execution and allocation and aggregation of trade orders for multiple client accounts; (iii) facilitates payment of Wainwright fees from its clients' accounts that are custodied at Pershing Advisor Solutions, LLC; and (iv) assists with back-office functions, recordkeeping and client reporting. These services do not represent any economic benefit to Wainwright as Wainwright would not be compelled to purchase these services at its own expense in the absence of this relationship. Wainwright has periodically negotiated lower standard client commission rates with Pershing Advisor Solutions, LLC.

12.2. Aggregation and Allocation for Advisory Consulting Services Client Accounts

Orders for advisory client accounts are entered (or facilitated, as the case may be) within a reasonable time from when the instruction or authorization is received from the client. Although multiple advisory client accounts may purchase or sell the same securities on the same day, orders will not necessarily be aggregated and prices may deviate across Advisory Consulting Services accounts.

12.3. Aggregation and Allocation for Discretionary Management Accounts

Allocation procedures will be fair, equitable, and determined in advance of trading in a specific security on any given day. Wainwright manages multiple Discretionary Management Services client accounts that may purchase or sell the same securities at the same time. Where possible, Wainwright will aggregate orders for the purchase or sale of the same security on behalf of all Discretionary Management Services clients transacting that day. In such cases, each participating client will receive the average execution price. Each participating client will pay a brokerage commission and other charges imposed by their custodian (*e.g.*, ticket charges, odd-lot differentials). With limited exception, partial order executions will be allocated on a pro-rata basis among the participating portfolios in proportion to their pre-determined participation in the aggregated order.

12.4. **Soft Dollars**

Wainwright does not currently engage in soft dollar activity, including permitted soft dollar arrangements or mixed use arrangements.

12.5. **Best Execution**

Wainwright has a fiduciary duty to seek best execution for any transactions it routes for any client account over which it has trade authority (discretion). Best execution has been defined by the SEC as the execution of securities transactions for clients in such a manner that the clients' total cost or proceeds in each transaction is the most favorable under the circumstances.¹

Item 13 – Review of Accounts

13.1. **Advisory Consulting and Discretionary Management Services**

At the inception of each Advisory Consulting or Discretionary Management Services relationship, Wainwright's investment adviser representatives ("IARs") prepare (or assists the client in preparing) an investment policy statement ("IPS") or investment strategy framework that reflects the client's stated investment objective and parameters for the management of the account. This information is the basis for performing client account reviews and will be modified if the objectives, tolerance for risk, investment time horizon, liquidity needs, tax considerations, or other unique circumstances of the client change. See *Item 4.1*.

Wainwright conducts at least quarterly reviews for all Advisory Consulting and Discretionary Management Services client accounts and provides at least quarterly written account reports as set forth in the Firm's advisory agreement with the client. Account reviews include, but are not limited to, market fluctuations, significant events, client needs and client objectives. Quarterly written reports include, but are not limited to, market value by asset class, instrument or investment, as applicable; the percentage each investment represents in the entire portfolio; monthly or quarterly returns; and year-to-date return for each portfolio and/or investment. Additional information provided to clients could include, but is not limited to: Financial Market Highlights for the quarter; selected index returns for the quarter; an asset allocation summary; geographic composition; portfolio liquidity; hedge or private fund investment market value summary; statistical analysis of monthly returns; portfolio composition by asset class; portfolio composition by manager; performance by asset class; and performance attribution metrics.

¹ General Information on the Regulation of Investment Advisers, Division of Investment Management modified March 11, 2011: <http://www.sec.gov/divisions/investment/iaregulation/memoia.htm>

Upon special arrangement between the client and the Firm, a client may also receive customized daily, weekly or monthly reports. Additional asset valuation reports and/or performance information may also be provided directly by an underlying manager, such as for a private fund, or their qualified custodian. An extensive objective review for Advisory Consulting and Discretionary Management Services accounts is typically conducted on a semi-annual basis (or more or less frequently as deemed necessary by Wainwright) by Wainwright's Investment Policy & Risk Management Committee in order to evaluate the alignment between the client's investment philosophy and their existing portfolio. These periodic reviews typically take into consideration liquidity, investment time horizon, and recent changes to a client's investment objectives, risk tolerance, and/or any other factors deemed pertinent for that particular client, such as tax or legal considerations.

All performance information and materials are reviewed and approved by the Wainwright CCO, or his/her designee, prior to delivery.

13.2. Discretionary Management Services

For Discretionary Management Services accounts, portfolios are reviewed no less frequently than monthly by the IAR and his/her supervisor. The IAR, with the assistance of the analyst team and/or the Operations Department, may conduct more frequent reviews as the result of either a triggering event (*i.e.*, market adjustment) or at the request of the client.

13.3. Hedge Fund Advisory Services

All limited partners of the Wainwright Renaissance Fund receive from the independent third party administrator a: 1) monthly statement and 2) quarterly net asset value statement. Additionally, audited financial statements prepared in accordance with Generally Accepted Accounting Principles and distributed to the beneficial owners on an annual basis.

Item 14 – Client Referrals and Other Compensation

14.1. Client Referrals to Wainwright

Wainwright pays referral fees to independent persons or firms ("Solicitors") for introducing clients to the Firm. When Wainwright pays a referral fee, in accordance with SEC Rule 206(4)-3 of the Investment Advisers Act of 1940 as amended, Wainwright requires the Solicitor to provide the prospective client with a copy of this Brochure and a separate disclosure statement that includes the following information:

- The Solicitor's name and relationship with the Firm;
- The fact that the Solicitor is being paid a referral fee;
- The amount of the fee (as a percentage of its gross management fees); and
- Whether the fee paid to the Solicitor by the client will be increased above Wainwright's normal fees in order to compensate the Solicitor.

A referred client is not charged a fee greater than they would have paid had they come directly to Wainwright.

14.2. Wainwright as Solicitor

Wainwright has entered into a solicitor agreement with a registered investment adviser not affiliated with the Firm. Pursuant to this agreement, Wainwright receives referral fees in its capacity as a Solicitor for introducing clients or fund managers to this registered investment adviser. The referral fees that Wainwright earns from this solicitation activity have in the past, and may in the future, account for a significant portion of its revenue over certain periods. Whenever Wainwright receives referral fees, in accordance with SEC Rule 206(4)-3, the prospective client executes a separate disclosure statement that includes the following information:

- Wainwright's name as Solicitor and its relationship with the registered investment adviser;
- The fact that Wainwright is being paid a referral fee;
- The amount of the fee (as a percentage of its gross fees); and
- Whether the fee paid to Wainwright will be increased above the registered investment adviser's normal fees in order to compensate Wainwright (as Solicitor).

14.3. Solicitation Arrangements for Hedge Fund Advisory Services

WFS, the broker-dealer affiliate of Wainwright, is the non-exclusive placement agent for the Wainwright Renaissance Fund. WFS receives a placement fee under the Wainwright Renaissance Fund's placement agreement for any investor that invests in such fund as a result of WFS's sales efforts. Please refer to *Item 4 – Advisory Business* for details regarding the Wainwright Renaissance Fund.

WFS currently acts in the capacity of a solicitor or placement agent for unaffiliated private funds and may, in the future, receive and/or pay compensation to additional third parties as a result, the nature and amount of which must be dictated by a respective solicitor and/or placement agent agreement.

Wainwright does not recommend or solicit any state regulated pension fund client to invest in any fund to which it provides Hedge Fund Advisory Services (see *Item 4.5*) or any fund with which it, or WFS, has a solicitation or private placement arrangement.

Item 15 – Custody

15.1. Advisory Consulting and Discretionary Management Services

Clients of Wainwright must retain a broker-dealer, bank, or other qualified custodian of its choice to take possession of its investment assets.² Neither Wainwright nor its employees may accept, hold or accept authority to obtain possession of, directly or indirectly, any client funds or securities with the sole exception provided for direct debiting advisory fees from custodian accounts. Wainwright will not intentionally take custody of client funds or securities, including cash. Wainwright's authority with respect to the client's qualified custodian is principally limited to issuing instructions to effect or settle trades, corporate actions instructions and, if authorized, direct debiting of advisory fees.

With the exception of its authority to deduct Advisory Consulting or Discretionary Management Services fees directly from certain Pershing Advisor Solutions, LLC accounts, Wainwright does not have actual, or constructive, custody of client assets. Clients should contact Wainwright directly if they believe that there may be an error in their statement or if they are not receiving at least quarterly custodian statements.

Wainwright urges its clients to carefully review and compare their custodian statements to any portfolio statements provided by Wainwright and report any material discrepancies to both parties.

15.2. Hedge Fund Advisory Services

WCAP is deemed to have custody of the Wainwright Renaissance Fund's assets by virtue of its capacity as the general partner of the fund. Wainwright relies on the annual audit exemption provided under Rule 206(4)-2 of the Investment Advisers Act of 1940 as amended, with respect to the Wainwright Renaissance Fund.

15.3. Capacity as Trustee

In a limited number of circumstances, an IAR of Wainwright acts as a trustee or in a similar capacity³ for client accounts as a result of a family or personal relationship with the client and not as a result of employment with Wainwright. Wainwright is not deemed to have custody over these client accounts. All such activity must be disclosed to Wainwright's Chief Compliance Officer.

² In the case of accounts holding shares of open-end mutual funds, the qualified custodian is the fund's transfer agent and shares are held in the client's name listing Wainwright, as agent or trustee for the clients.

³ If a supervised or related person of Wainwright is appointed as trustee solely as a result of a family or personal relationship with the grantor or beneficiary of the trust, and not as a result of employment with Wainwright, the role of the supervised person as trustee should not be imputed to Wainwright; thus Wainwright should not be deemed to have custody of such client's assets and therefore not subject to the custody rule.

15.4. Pershing Advisor Solutions, LLC

Wainwright recommends Pershing Advisor Solutions, LLC to clients requesting guidance on the selection of their custodian. In doing so, Wainwright takes into account the availability of certain products and services and other arrangements provided by this custodian as a convenience to Wainwright. Wainwright considers the intrinsic value of these products and services when making this recommendation and does not rely solely on the nature, cost or quality of custody and brokerage services provided by this custodian, which may create a potential conflict of interest. See *Item 12 – Brokerage Practices* for additional information.

In the situation where clients elect to custody their assets at Pershing Advisor Solutions, LLC, Wainwright will have trade authority to route discretionary or non-discretionary trade orders through a trade execution platform provided by Pershing Advisor Solutions, LLC for execution by Pershing, LLC. Wainwright does not require any client to use Pershing Advisor Solutions, LLC. Clients may engage another custodian and/or executing broker-dealer at their discretion.

Item 16 – Investment Discretion

16.1. Advisory Consulting Services

Wainwright does not have investment discretion for Advisory Consulting Services clients. The IAR will make investment recommendations and the client will retain the authority to accept, modify or reject such recommendations.

16.2. Discretionary Management Services

Discretionary Management Services clients delegate investment discretion to Wainwright through a written Discretionary Management Advisory Agreement. Discretionary authority allows Wainwright to determine which securities to buy or sell, the number of shares to be bought or sold and the timing of the transaction. While the Discretionary Management Services client will have the ultimate authority to select an executing broker-dealer for their respective account, Wainwright is available to provide guidance or recommendations with regard to the selection of an executing broker-dealer.

Each account's IAR and the IAR's supervisor is primarily responsible for oversight and review of the Discretionary Management Services account. Wainwright's Investment Policy & Risk Management Committee supplements this oversight through semi-annual client account reviews. See *Item 13 – Review of Accounts* for additional information.

16.3. Hedge Fund Advisory Services

16.3.1. Wainwright Renaissance Fund 1, L.P.

The Wainwright Renaissance Fund invests substantially all of its assets into a single investment, the Renaissance Institutional Equities Fund LLC (“RIEF”) (see *Item 4.5.1*). Wainwright is not affiliated with RIEF or any of RIEF’s affiliates. Neither Wainwright nor any of its affiliates or related persons have any involvement in the day-to-day management of the portfolio positions or trading within RIEF. Wainwright serves as the administrative manager of the Wainwright Renaissance Fund.

Item 17 – Voting Client Securities

17.1. Advisory Consulting Services

Without prior written consent by the CEO and CCO of Wainwright, Wainwright shall not vote proxies on behalf of its Advisory Consulting Services clients. Advisory Consulting Services clients will retain voting responsibility and will receive proxy materials directly from their custodian(s). These clients may contact Wainwright’s Chief Compliance Officer with questions about a particular solicitation or ballot. Otherwise, Wainwright will have no involvement in voting client securities.

17.2. Discretionary Management Services

In limited circumstances, and with the prior written consent of the CEO and CCO of Wainwright, Wainwright may vote proxies on behalf of Discretionary Management Services clients. Otherwise, Discretionary Management Services clients will retain voting responsibility and will receive proxy materials directly from their custodian(s). These clients may contact Wainwright’s Chief Compliance Officer with questions about a particular solicitation or ballot. Otherwise, Wainwright will have no involvement in voting securities.

The Firm maintains policies and procedures with respect to those instances where it votes client securities. Additional information is available upon request at 617-531-3100 or info@winvcounsel.com.

17.3. Hedge Fund Advisory Services

Wainwright does not vote proxies on behalf of its Hedge Fund Advisory Services accounts.

17.4. Class Action Claims

From time to time, securities held in a client portfolio may be the subject of class action litigation. The decision regarding whether to file a proof of claim in a class action settlement is a question involving legal judgment. Neither Wainwright nor its affiliates represent or facilitate class action claims on behalf of clients. Furthermore, Wainwright and its affiliates do not instruct or give advice as to whether or not a client should participate as a member of class action lawsuit and will not automatically file claims on behalf of its clients. For any client who determines they wish to participate as a member of the class, the Firm will provide supporting documentation pertaining to their account that may be helpful and/or required in order to file a proof of claim. Any claims forwarded by a client to the Firm will not be returned to the client unless at the request of the client.

Item 18 – Financial Information

Registered investment advisers are required to provide certain financial information or disclosures about their financial condition. Wainwright has no financial commitment that would impair its ability to meet contractual and fiduciary commitments to its clients, and has not been the subject of any bankruptcy proceeding.