



# ARCUS

CAPITAL PARTNERS

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## ***Part 2A of Form ADV: Firm Brochure***

***March 29, 2017***

This brochure provides information about the qualifications and business practices of Arcus Capital Partners, LLC. If you have any questions about the contents of this brochure, please contact us at 404.949.2111. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Arcus Capital Partners, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. Additional information about Arcus Capital Partners, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Material Changes

The last annual update of Arcus Capital Partners, LLC's ("Arcus, we, us, our, ours") Disclosure Brochure was dated March 28, 2016. Since that date, we made the following material changes to our business and our firm brochure:

- We have added disclosure concerning our affiliation with and management of Arcus Barrow Partners L.P. ("the Fund" or "ABP LP") and affiliated companies.
- We have explained in greater detail how we bill on margin accounts.
- We have added additional disclosure to "Other Financial Industry Activities and Affiliations".
- We have added disclosure on trade errors and cross trades.

Arcus is required to send a summary of any material changes to our brochures to our clients ("you, your, yours") by April 29th of each year. We may also provide updated disclosure information

about material changes on a more frequent basis.

Any summaries of changes include the date of our last annual update of our brochure.

The most current version of our brochure may be requested by contacting Adrienne Mandt, CFA, Chief Compliance Officer at 404.949.2116 or [adrienne.mandt@arcuscp.com](mailto:adrienne.mandt@arcuscp.com). We will provide you with our brochure at any time without charge.

Additional information about our company is available via the United States Securities and Exchange Commission's ("SEC") website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The SEC's website also provides information about any persons affiliated with Arcus who are registered as our investment adviser representatives ("your advisory representative"). Information on our investment adviser representatives who work with your account can also be found in our brochure supplements at the end of this brochure.

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SEC File Number: 801-69325

CRD Number 147346

## **Advisory Business**

Arcus is a Limited Liability Company organized under the laws of Georgia. The Atlanta-based investment advisory firm has been in business since September 2008. The ownership of Arcus Capital Partners, LLC is 82% in the following three principals via family entities controlled by them:

- Stephen S. Sloan
- Steven C. Edwards
- W. Ross Singletary

As of December 31, 2016, we managed approximately \$1.435 billion in client assets where we made all of the investment decisions (discretionary assets). An additional \$16 million is managed on a non-discretionary basis (where our clients made the investment decisions based upon our recommendations).

We provide investment advisory services utilizing a variety of resources, such as mutual funds, exchange traded funds (“ETFs”), hedge funds, limited partnerships and separate account management. The design of the allocation among these investments is determined by your circumstances as well as your risk tolerance.

The relationship begins with a data gathering and interview process designed to help us understand your goals, objectives, time horizon and risk tolerance. Depending on the specific nature of the service needed, we generally develop an investment plan that

is consistent with your desired rate of return, time horizon and risk tolerance.

We consider such factors as:

- the size and source of the account,
- your identity and background,
- your income and growth objectives,
- income tax bracket, and
- your relative risk aversion.

Your active participation in the delivery of information and development of stated goals and objectives is expected. We can then design a portfolio or modify an existing one. You should notify us promptly if there are any changes in your financial situation or investment objectives or if you wish to impose any reasonable restrictions upon the management of your account.

Arcus also provides investment advisory services to a pooled investment vehicle, the Fund, that is exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”), or state securities law. As the investment manager of the Fund, we are responsible for making all investment decisions for the Fund, provided that management authority is in some instances delegated to a sub-manager pursuant to a sub-management agreement. The Fund is managed in accordance with the investment objectives and strategies described in their respective private placement memoranda.

In conjunction with the management of your account, we have also entered into agreements with unaffiliated investment managers (sub-advisers) for the provision of certain investment advisory services to you. We provide individualized investment advice to you through the selection of these advisers for a portion of your investment portfolio. Factors considered in the selection of these investment managers include:

- our personal preference for a particular portfolio manager or investment program;
- your risk tolerance, goals and objectives, as well as investment experience; and
- the amount of your assets available for investment.

## ***Fees and Compensation***

Broker-dealers that hold client accounts are referred to as custodians. The broker-dealer that acts as the custodian for your account determines the values of most of the assets in your portfolio.

To the extent that we include private investment funds owned by you on any supplemental account reports or billing statements prepared by us, the value(s) for all such private investment funds shall reflect either the initial purchase price and/or the most recent valuation provided by the fund sponsor. If the valuation reflects the initial purchase price (and/or a value as of a previous date), the current value(s) (to the extent ascertainable) could be significantly more or less than the original purchase price,

thereby affecting your account value and advisory fee accordingly. We make every effort to obtain accurate and current pricing of your investments for reporting and billing purposes.

We offer our services on a fee-only basis. Fees for the initial quarter are based on the value of the actual inflows and outflows of your cash and securities as they are received by the custodian and are prorated in arrears based upon the number of calendar days in the calendar quarter that our agreement is in effect.

At the same time, you are billed for the initial quarter, you will pay for the following quarter in advance. This fee is calculated based upon the market value of the assets in your account on the last day of the previous quarter. Following the end of each quarter thereafter, you will be billed in advance, less any pro rata adjustments for actual cash or securities inflow or outflows from the previous quarter.

Margin accounts are billed on the gross total asset value in the account at the end of each quarter. Margin loan balances do not reduce the billable account value. The total net value of your account is the gross value of your assets (including any accrued income) less your margin loan balance. The total gross value of your assets, and therefore the billable account value, will exceed the total net value of your account if you have a margin loan balance.

Our annual fee schedule is described below:

<b><u>Assets Under Management</u></b>	<b><u>Advisory Fee</u></b>
First \$5,000,000	1.50%
Next \$5,000,000	1.00%
Next \$10,000,000	0.85%
Next \$30,000,000	0.70%
Next \$50,000,000	0.60%
Next \$100,000,000	0.50%

All fees are negotiable at our sole discretion. Such negotiations may be based upon account size, scope and complexity of services, prior relationships and related account holdings.

You must authorize us in writing to have the custodian pay us directly by charging your account. Your custodian provides you with statements that show the amount paid directly to us. You should verify the calculation of our fees. Your custodian does not verify the accuracy of fee calculations.

As compensation for investment advisory services rendered to ABP LP, we receive an annual management fee payable monthly in advance. Management fees paid by a Fund are indirectly borne by the investors in such Fund. The precise amount, and the manner and calculation, of the management fee for each Fund is set forth in such Fund's Advisory Agreement, limited partnership

agreement (or analogous organizational document) and/or other documentation received by each investor prior to investment in such Fund. Fees may differ from one Fund to another, as well as among investors in the same Fund.

Should either one of us terminate the advisory agreement we have entered into before the end of a billing period, any unearned fees that were deducted from your account will be returned to you by us. The amount refunded to you is calculated by dividing the most recent advisory fee you paid by the total number of days in the billing period. This daily fee is then multiplied by the number of calendar days in the billing period that our agreement was in effect. This amount, which equals the amount we earned for the partial billing period, is subtracted from the total fee you paid in advance to determine your refund.

In addition to our fee, you may be required to pay other charges such as:

- custodial fees,
- brokerage commissions,
- transaction fees,
- SEC fees,
- fees and expenses of third-party sub-advisers,
- internal fees and expenses charged by mutual funds or exchange traded funds ("ETFs"),
- other fees and taxes on brokerage accounts and securities transactions, and
- fees and expenses as described in the Fund offering memoranda.

You may refer to the section entitled “Brokerage Practices” for additional information about securities trading in your account.

Compensation for unaffiliated investment management generally consists of four elements:

- management and advisory fees shared by us and our employees (in accordance with the fee schedule presented above);
- management fees paid to the unaffiliated investment manager;
- transaction costs (if applicable) which may be paid to purchase and sell such securities; and
- custody fees (if applicable).

A complete description of the programs and services provided, including:

- the amount of total fees,
- the payment structure,
- termination provisions and
- other aspects of each program are detailed and disclosed in:
  - the unaffiliated investment adviser’s disclosure brochure and
  - the unaffiliated investment manager’s account opening documents.

A copy of all relevant disclosure documents of the unaffiliated investment adviser (sub-adviser) will be provided to anyone interested in these programs or managers.

## ***Performance-Based Fees and Side-by-Side Management***

Performance-based fees are designed to give a portion of the returns of an investment to the investment adviser as a reward for positive performance. The fee is generally a percentage of the profits made on the investments.

We charge performance-based fees on certain short-term oriented accounts for qualified clients only. These accounts are structured to target a defined return over a short period of time. If the targeted return is reached as provided for in the client agreement, we receive a fee which is negotiated on a case-by-case basis. If the targeted return is not met, we do not receive compensation for management of the account.

A portion of the Fund’s net investment profit is allocated to the capital account of its General Partner as “carried interest.” The General Partner of ABP LP is a related person of Arcus. The payment of carried interest may create an incentive for an Adviser to disproportionately allocate time, services or functions to Funds, or allocate investment opportunities to such Funds. Generally, and except as may be otherwise set forth in the partnership agreements of the Funds, this conflict is mitigated by contractual provisions and procedures setting forth investment timing and allocation requirements.

## ***Types of Clients***

We provide advisory services primarily to high net worth individuals, as well as, pension and profit sharing plans. As a condition for starting and maintaining an advisory relationship, we generally require a minimum portfolio size of \$1,000,000.

We, at our sole discretion, may accept clients with smaller portfolios based upon certain factors including:

- anticipated future earning capacity,
- anticipated future additional assets,
- account composition,
- related accounts, and
- pre-existing client relationships.

We will consider the portfolios of your family members who are also clients to determine if your portfolio meets the minimum size requirement.

## ***Methods of Analysis, Investment Strategies and Risk of Loss***

We employ a specific process in constructing a portfolio of unaffiliated investment advisers, funds and/or ETFs based on your individual investment objectives and risk tolerances. We begin the portfolio construction process by screening the universe of funds and managers using qualitative inputs such as:

- strategies,
- assets under management,
- internal expenses,

- identifying managers who commit significant personal funds to their own strategy, and
- manager tenure.

And quantitative inputs based on:

- historical returns,
- volatility of returns,
- variance of returns,
- value added by managers, and
- the strategy's sensitivity to broad market movements.

Actual fund or manager selection and portfolio weighting of each asset is determined by how each strategy is expected to contribute to portfolio returns, in addition to our outlook for asset classes and investment strategies.

Funds and managers are continuously monitored and can be removed from accounts for a number of reasons.

Reasons for elimination may include:

- underperformance of the manager vs. peers or expectations,
- identification of lower internal costs,
- an increase in volatility of a manager's returns,
- an unwanted change or drift in strategy, or
- a change in management.

Depending upon suitability and your investment parameters, investment strategies may include long-term and short-term purchases, trading (securities sold within 30 days), and the use of options, margin, and short sales.

ABP LP seeks to maximize total return on capital through the development and management of a diversified long/short portfolio of predominantly US mid-capitalization equity securities. The sub-manager intends to utilize a proprietary market risk evaluation tool co-developed with Arcus.

All investments involve risks that can result in loss:

- loss of principal,
- a reduction in earnings (including interest, dividends and other distributions), and
- the loss of future earnings.

Additionally, these risks may include:

- market risk,
- interest rate risk,
- issuer risk, and
- general economic risk.

Risks specific to our Funds are more thoroughly discussed in the offering documents.

Although we manage your portfolio in a manner consistent with your risk tolerances, we cannot guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.

You must also be aware that the use of margin, options and short sales are higher risk strategies. It is possible to lose all of the principal you invest, and sometimes more. In a cash account, your risk is limited to the amount of money that you have invested. In a margin account, your risk includes the amount of money invested plus the amount that has been loaned to you.

When you short sell, your losses can be infinite.

### ***Disciplinary Information***

We have not been the subject of any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management.

### ***Other Financial Industry Activities and Affiliations***

Arcus Barrow GP LLC serves as the general partner of Arcus Barrow Partners L.P. Arcus Barrow GP LLC is a relying adviser of Arcus Capital Partners, LLC.

Arcus focuses primarily on different investment strategies than that of ABP LP, although it is possible that purchases or sales may overlap from time to time. It is possible that the interests of the Fund will, on occasion conflict with the interests of other accounts.

We will use our best judgement when dealing with such conflicts. The following factors may mitigate, but do not eliminate, conflicts of interest among Funds and accounts:

- we will not make any investment unless we believe such investment is in the best interest of the account or fund for which it is considered,
- we have policies and procedures designed to address the fair allocation of investment opportunities,
- we may, at our sole discretion, use a third party, such as a pricing service,



- to resolve conflicts concerning the fairness of price or value, and
- we have established policies and procedures to guard against unlawful and inappropriate disclosure and use of material, nonpublic information.

We also occasionally recommend another investment adviser when their investment strategy is suitable for your account. If you establish an investment advisory relationship with this firm, we share in the advisory fees you pay to the firm. Arrangements of this nature are considered to present a conflict of interest because it creates an incentive to make recommendations based upon the amount of compensation an adviser receives rather than based upon a client's needs. We explain the specific costs associated with any recommended investments or unaffiliated advisers, and believe we make these recommendations in your best interest.

Certain of our Managing Partners serve on Limited Partner Advisory Committees ("LPACs") of investments owned by some of our advisory clients and employees, and a potential product selection for future clients and employees. The positions are nonpaid and in a nonfiduciary capacity to the Limited Partnership.

Certain of our Managing Partners also serve on Boards of Directors of investments owned by some of our advisory clients and employees. Investment in such companies are offered to certain clients of Arcus. This

creates a potential conflict of interest as the Managing Partner may possess, from time to time, sensitive and confidential information in relation to these investments as a result of serving on their Boards. Our Managing Partners are not required to, and may be prohibited from, acting on this information on your behalf. They are likely compensated for their services as a Director; however, the compensation inures to the benefit of Arcus rather than the individual partner. We disclose the participation of our Managing Partners in such roles to our advisory clients who invest in the related securities. Information concerning each of our Managing Partners and their outside business activities can be found in the supplements at the end of this brochure.

### ***Code of Ethics, Participation or Interest in Client Transactions and Personal Trading***

We have adopted a Code of Ethics ("Code") to address the securities-related conduct of our advisory representatives and employees. The Code includes our policies and procedures developed to protect your interests in relation to the following:

- the duty at all times to place your interests ahead of ours;
- that all personal securities transactions of our advisory representatives and employees be conducted in a manner consistent with the Code and avoid any actual or potential conflict of interest, or any abuse of an advisory representative's

- or employee's position of trust and responsibility;
- that advisory representatives may not take inappropriate advantage of their positions;
- that information concerning the identity of your security holdings and financial circumstances are confidential; and
- that independence in the investment decision-making process is paramount.

We will provide a copy of the Code to you or any prospective client upon request.

We buy and sell securities for our proprietary accounts that we also recommend to clients. Our advisory representatives and employees are also permitted to buy or sell the same securities for their personal and family accounts that are bought or sold for your account(s). The personal securities transactions by advisory representatives and employees raise potential conflicts of interest when they trade in a security that is owned by you or considered for purchase or sale for you.

We have adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in your best interest,
- prohibit favoring one client over another, and

- provide for the review of transactions to discover and correct any same-day trades that result in an advisory representative or employee receiving a better price than a client.

Advisory representatives and employees must follow our procedures when purchasing or selling the same securities purchased or sold for you.

## ***Brokerage Practices***

Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)") allows advisers, under certain circumstances, to cause clients to pay a broker or dealer a commission that is larger than another broker or dealer may have charged for the same transaction. This additional cost recognizes an additional value provided by the broker or dealer, perhaps in the form of specialized trade execution or research. While Arcus has no specific soft dollar arrangements for separately managed accounts, our pooled vehicles may engage in such arrangements. More detailed information concerning these arrangements can be found in the appropriate private placement offering documents.

The custodians we recommend typically also serve as your broker-dealer. We recommend Charles Schwab & Company, Inc. ("Schwab"), Fidelity Investments through its Institutional Wealth Service Group ("Fidelity"), TD Ameritrade, Inc. ("TD Ameritrade"), or another broker-dealer or custodian

(together, the “Broker-Dealers”) to serve as the custodian and broker-dealer for separately managed accounts. Interactive Brokers LLC serves as the broker-dealer and custodian for Arcus Barrow Partners L.P. The Broker-Dealer you select will assist us in servicing your accounts. We are independently owned and operated and not affiliated with any Broker-Dealer. Our use of the Broker-Dealers is, however, a beneficial business arrangement for us and for them. Information regarding the benefits of this relationship is described below.

In recommending the Broker-Dealers as custodian and as the securities brokerage firm responsible for executing transactions for your portfolios, we consider at a minimum their:

- existing relationship with us,
- financial strength,
- reputation,
- reporting capabilities,
- execution capabilities,
- pricing, and
- types and quality of research.

The determining factor in the recommendation of the Broker-Dealers to execute transactions for your accounts is not the lowest possible transaction cost, but whether the Broker-Dealers can provide what is in our view the best qualitative execution for your account.

The Broker-Dealers provides us with access to its institutional trading and custody services, which includes:

- brokerage,

- custody,
- research, and
- access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

We are not required to place a minimum volume of transactions or maintain a minimum dollar amount of client assets to receive these services. The Broker-Dealers do not charge separately for holding our clients’ accounts, but may be compensated by you through other transaction-related fees associated with the securities transactions it executes for your accounts.

The Broker-Dealers make available to us other products and services that benefit us but may not benefit you directly. Some of these products and services assist us in managing and administering our client accounts, such as software and other technology that:

- provide access to account data such as:
  - duplicate trade confirmations,
  - bundled duplicate account statements, and
  - access to an electronic communication network for client order entry and account information;
- facilitate trade execution, including:
  - access to a trading desk serving advisory participants exclusively and

- access to block trading which provides the ability to combine securities transactions and then allocate the appropriate number of shares to each individual account;
- provide research, pricing information and other market data;
- facilitate payment of our fees from client accounts; and
- assist with back-office functions, record keeping and client reporting; and
- receipt of compliance publications.

The Broker-Dealers also make available to us other services intended to help us manage and further develop our business. These services may include:

- consulting,
- publications and conferences on practice management,
- information technology,
- business succession,
- regulatory compliance, and
- marketing.

The Broker-Dealers sometimes make available or arrange for these types of services to be provided to us by independent third parties. The Broker-Dealers can discount or waive the fees they would otherwise charge for some of the services made available to us. They can also pay all or a part of the fees of a third party providing these services to us.

We receive economic benefits as a result of our relationship with the Broker-Dealers because we do not have to

produce or purchase the products and services listed above. We have an incentive to recommend a Broker-Dealer based on our interest in receiving the research or other products and services, rather than on your interest in receiving best execution. However, we believe that we act in your best interest to recommend broker-dealers that provide the combination of services and execution which best meet your needs.

Trades placed with each Broker-Dealer may be placed at different times and at different prices than other Broker-Dealers. Commissions and other fees for transactions executed through the Broker-Dealers may be higher than commissions and other fees available if you use another custodial or brokerage firm to execute transactions and maintain custody of your account. Fees for trades executed at broker-dealers other than your chosen custodian are in addition to the executing broker-dealer's fees. Thus, it will likely be more cost effective to execute your trades through your selected custodian. We nevertheless acknowledge our duty to seek best execution of trades for client accounts. We believe, however, that the overall level of services and support provided to our clients by the Broker-Dealers we recommend outweighs the benefit of possibly lower transactions costs which may be available under other brokerage arrangements.

Many of the services described above are used to benefit all or a substantial number of our accounts, including

accounts not maintained through the Broker-Dealer who provided the service. We do not attempt to allocate these benefits to specific clients.

You may direct us in writing to use a particular broker-dealer to execute some or all of the transactions for your account. If you do so and it is not one of the above-mentioned Broker-Dealers, you are responsible for negotiating the terms and arrangements for the account with that broker-dealer. We may not be able to negotiate commissions, obtain volume discounts, or best execution. In addition, under these circumstances a difference in commission charges may exist between the commissions charged to clients who direct us to use a particular broker or dealer and other clients who do not direct us to use a particular broker or dealer.

When appropriate we engage in bunched trading, which is the purchase or sale of a security for the accounts of multiple clients in a single transaction. If a bunched trade is executed, each participating client receives a price that represents the average of the prices at which all of the transactions in a given bunch were executed. If the order is not completely filled, the securities purchased or sold are distributed among participating clients on a pro rata basis or in some other equitable manner.

Bunched trades are placed only when we reasonably believe that the combination of the transactions provides better prices for clients than had individual

transactions been placed for clients. Transactions for nondiscretionary client accounts are not bunched with transactions for discretionary client accounts. Transactions for the accounts of our employees are included in bunched trades when they are trading the same security on the same day as our clients. They receive the same average price and pay the same commissions and other transaction costs, as clients. Transactions for the accounts of our employees will not be favored over transactions for client accounts.

We are not obligated to include any client account in a bunched trade. Bunched trades will not be placed for any client's account if doing so is prohibited or otherwise inconsistent with that client's investment advisory agreement. No client will be favored over any other client.

While Arcus does not engage in cross trades for separately managed accounts, the sub-manager of ABP LP may engage in internal cross trades where the trades will benefit the client on both sides of the trade. We will not directly or indirectly receive commissions or transaction-based compensation from the trade. Pricing for such trades will be obtained from an independent pricing service.

It is our policy that you must not be disadvantaged if a trade made on your behalf contains an error (either wrong number of shares, wrong product or wrong account). Trade errors are

corrected to reflect the original intent of the trade order without cost to you.

### **Review of Accounts**

The portfolio of recommended securities is generally reviewed, in aggregate on an ongoing basis. Any perceived need for change based on any of these reviews is then considered for each client portfolio on an individual basis.

Each individual portfolio is reviewed no less frequently than quarterly, although the sequences and frequency of reviews may change depending upon your particular needs or objectives, or the nature of the portfolio.

Changes in your circumstances or general market conditions, as well as other economic or political changes can trigger more frequent reviews. One or more of three Managing Partners will conduct these reviews.

We also periodically review reports provided to you by unaffiliated investment advisers that manage your accounts. We contact you at least annually, or more often as we agree upon, to:

- review your financial situation and objectives,
- communicate information to the unaffiliated adviser managing the account as warranted, and
- to assist you in understanding and evaluating the services provided.

### **Client Referrals and Other Compensation**

We have entered into a written compensation agreement with an unaffiliated investment adviser. They pay us a percentage of the fee that you pay to them as a result of our referral. These payments are a portion of the fee that the other adviser typically charges and do not result in an increase in the amount of the fee that you pay. Any solicitation or referral arrangements comply with applicable laws that govern:

- the nature of the service,
- fees to be paid,
- disclosures to clients, and
- any necessary client consents.

Arrangements of this nature are considered to present a conflict of interest because it creates an incentive to make recommendations based upon the amount of compensation an adviser receives rather than based upon a client's needs. We explain the specific costs associated with any recommended investments or unaffiliated advisers, and believe we make these recommendations in your best interest.

Arcus receives client referrals from Schwab through our participation in Schwab Advisor Network® (“the Service”). The Service is designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of and unaffiliated with Arcus. Schwab does not supervise Arcus and has no responsibility for

Arcus' management of clients' portfolios or our other advice or services. We pay fees to Schwab to receive client referrals through the Service. Our participation in the Service may raise potential conflicts of interest described below.

Arcus pays Schwab a Participation Fee on all referred clients' accounts that are maintained in custody at Schwab. The Participation Fee paid by us is a percentage of the fees the client owes to us or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. Arcus pays Schwab the Participation Fee for so long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to us quarterly and may be increased, decreased or waived by Schwab from time to time. The Participation Fee is paid by us and not by the client. We have agreed not to charge clients referred through the Service fees or costs greater than the fees or costs we charge clients with similar portfolios who were not referred through the Service. We do not accept the referral of clients from Schwab who do not intend to custody their assets at Schwab, nor do we recommend the transfer of assets from Schwab. We generally would pay Schwab a Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from, Schwab. Thus, if you are referred to us via the Service we have an incentive to recommend that your client accounts be held in custody at Schwab.

We also receive certain economic benefits as a result of our participation in Schwab's institutional program. Those benefits are described in detail in the preceding section entitled "Brokerage Practices."

## **Custody**

We do not serve as the qualified custodian for your account. However, Arcus Capital Partners, LLC is deemed to have custody of clients' funds and securities because we have our advisory fees debited from client accounts with written client permission. You will receive statements from the custodian that holds your investment account on at least a quarterly basis. We urge you to carefully review these statements and compare them to the account statements that we may provide you. You should verify that the transactions in your account are consistent with your investment goals and the objectives for your account. We also encourage you to contact your advisory representative or our Chief Compliance Officer should you have any questions or concerns regarding your account.

Arcus Capital Partners, LLC is also deemed to have custody of clients' funds and securities because Arcus Barrow GP LLC serves as the manager of ABP LP, which we advise. Audited financial statements are prepared in accordance with generally accepted accounting principles and are delivered annually to all members of the fund within 120 days of our fund's fiscal year-end. Therefore,

underlying investors in the funds are not required to receive quarterly custodial statements.

The qualified custodian provides the independent administrator of the fund with regular reports on the assets held in the hedge fund and the advisory fee we have charged. The administrator is responsible for confirming the value of fund account assets and verifying the accuracy of our advisory fee. The administrator provides hedge fund investors with regular reports regarding their respective investments

### ***Investment Discretion***

We offer our advisory services on a discretionary and non-discretionary basis. Discretionary means that we do not need advance approval from you to determine the type and amount of securities to be bought and sold for your accounts. Non-discretionary means that we must obtain advance approval of our recommendations from you prior to the purchase or sale of any securities for your accounts.

We do not, in either case, have the ability to choose the Broker-Dealer through which transactions will be executed in separately managed accounts without your prior approval. You may direct that such transactions be placed through brokers specified by you. Additionally, we do not have the ability to withdraw funds from separately managed accounts (other than to withdraw our advisory fees

which, may only be done with your prior written authorization.)

Discretion is used in a manner consistent with the stated investment objectives for your account, if you have given us written authorization to do so. We only exercise discretion in accounts where we have been authorized by you. This authorization is included in the investment management agreement you enter into with us.

### ***Voting Client Securities***

Generally, we do not take any action or give any advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which your accounts may be invested. In addition, we do not take any action or give any advice with respect to any securities held in any accounts that are named in or subject to class action lawsuits.

Subject to the direction of certain ERISA clients, proxies on securities held in those accounts are voted by our internal managers. We have adopted policies and procedures designed to comply with our fiduciary obligations and to prevent conflicts of interest from influencing proxy voting decisions made on behalf of ERISA clients. Our proxy voting policies and procedures, including information for ERISA clients on how their securities were voted, are available upon written request to:

Arcus Capital Partners, LLC  
Attention: Chief Compliance Officer



3060 Peachtree Road NW, Suite 1880  
Atlanta, GA 30305.

and fiduciary commitments to you and  
we have not been the subject of a  
bankruptcy proceeding.

### ***Financial Information***

We have no financial commitment that  
impairs our ability to meet contractual

Stephen S. Sloan

***Arcus Capital Partners, LLC***

***3060 Peachtree Road NW  
Suite 1880  
Atlanta, GA 30305***

***404.949.2115***

***www.arcuscp.com***

***Brochure Supplement***

***March 29, 2017***

**This brochure supplement provides information about Stephen Sloan that supplements the Arcus Capital Partner brochure. You should have received a copy of that brochure. Please contact Adrienne Mandt, CFA, Chief Compliance Officer, if you did not receive Arcus Capital Partner's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Stephen Sloan is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His CRD number is 426453.**

## **Educational Background and Business Experience**



Stephen Sloan

*Year of birth:* 1948

*Formal education:*

- University of Georgia, BA 1971

*Business background:*

- Arcus Capital Partners, LLC – Chairman and Managing Partner (09/08 – Present)
- Credit Suisse Private Banking - Managing Director/Regional Sales Manager (2004 – 2008)
- J.P. Morgan Private Bank – Founder and Manager of Atlanta Office (2000 – 2004)
- J.P. Morgan Securities-Managing Director and Manager of Energy Group (1989-2000)
- E.F. Hutton Investment Banking-Senior Vice President (1975-1987)

## **Disciplinary Information**

Stephen Sloan has not been the subject of any legal or disciplinary event.

## **Other Business Activities**

Mr. Sloan is not engaged in any business activities other than those related to Arcus Capital Partners, LLC.

## **Additional Compensation**

Stephen Sloan does not receive any additional compensation related to the advisory services provided to you.

## **Supervision**

Stephen Sloan is supervised by Ross Singletary, Managing Partner. Mr. Singletary can be reached at 404.949.2114.

We supervise Mr. Sloan by requiring that he adhere to our processes and procedures as described in our firm's Code of Ethics. We will monitor the advice that Mr. Sloan gives to you by performing the following reviews:

- A review of relevant account opening documentation when the relationship is established;
- A review of account transactions;
- Review custodial information on a quarterly basis to assess account activity;
- Perform annual oversight so that Mr. Sloan is aware of your current financial situation, objectives, and individual investment needs; and
- A review of client correspondence on an as needed basis.

W. Ross Singletary, II

***Arcus Capital Partners, LLC***

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Jacksonville, FL 32202***

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***Brochure Supplement***

***March 29, 2017***

This brochure supplement provides information about Ross Singletary that supplements the Arcus Capital Partner brochure. You should have received a copy of that brochure. Please contact Adrienne Mandt, CFA, Chief Compliance Officer, if you did not receive Arcus Capital Partner's brochure or if you have any questions about the contents of this supplement.

Additional information about Ross Singletary is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His CRD number is 2431084.

## **Educational Background and Business Experience**



Ross Singletary

*Year of birth:* 1967

*Formal education:*

- Washington & Lee University, BA 1989
- Columbia University, MBA 1998

*Business background:*

- Arcus Capital Partners, LLC – Managing Partner (09/08 – Present)
- Credit Suisse Private Banking – Director (2001 – 2008)
- Morgan Stanley Private Wealth Management - Associate (1998 – 2001)
- Conseco/Western National – Vice President and Financial Institutions National Sales Manager (1993-1998)
- First Union Bank – Corporate Banking (1989-1993)

## **Disciplinary Information**

Ross Singletary has not been the subject of any legal or disciplinary event.

## **Other Business Activities**

Mr. Singletary currently serves on the Board of Directors of Atlanta, Georgia based MAX Exchange LLC. This creates a conflict of interest, as a director's fiduciary responsibility towards the company takes precedence over fiduciary responsibility to Arcus' clients. Arcus has adopted policies and procedures to address such conflicts of interest.

## **Additional Compensation**

Arcus receives compensation for Ross's services as a Board Member of MAX Exchange LLC. Please see additional disclosure above.

## **Supervision**

Ross Singletary is supervised by Stephen Sloan, Managing Partner. Mr. Sloan can be reached at 404.949.2115.

We supervise Mr. Singletary by requiring that he adhere to our processes and procedures as described in our firm's Code of Ethics. We will monitor the advice that Mr. Singletary gives to you by performing the following reviews:

- A review of relevant account opening documentation when the relationship is established;
- A review of account transactions;
- Review custodial information on a quarterly basis to assess account activity;
- Perform annual oversight so that Mr. Singletary is aware of your current financial situation, objectives, and individual investment needs; and

- A review of client correspondence on an as needed basis.

Steven C. Edwards

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***Brochure Supplement***

***March 29, 2017***

**This brochure supplement provides information about Steven Edwards that supplements the Arcus Capital Partner brochure. You should have received a copy of that brochure. Please contact Adrienne Mandt, CFA, Chief Compliance Officer, if you did not receive Arcus Capital Partner's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Steven Edwards is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His CRD number is 2469795.**

## ***Educational Background and Business Experience***



Steven Edwards

*Year of birth:* 1970

*Formal education:*

- University of Georgia, BBA 1992

*Business background:*

- Arcus Capital Partners, LLC – Managing Partner (09/08 – Present)
- Credit Suisse Private Banking - Director (2001 – 2008)
- Morgan Stanley Private Wealth Management - Associate (1998 – 2001)

## ***Disciplinary Information***

Steven Edwards has not been the subject of any legal or disciplinary event.

## ***Other Business Activities***

Mr. Edwards is not engaged in any business activities other than those related to Arcus Capital Partners, LLC.

## ***Additional Compensation***

Steven Edwards does not receive any additional compensation related to the advisory services provided to you.

## ***Supervision***

Steven Edwards is supervised by Stephen Sloan, Managing Partner. Mr. Sloan can be reached at 404.949.2115.

We supervise Mr. Edwards by requiring that he adhere to our processes and procedures as described in our firm's Code of Ethics. We will monitor the advice that Mr. Edwards gives to you by performing the following reviews:

- A review of relevant account opening documentation when the relationship is established;
- A review of account transactions;
- Review custodial information on a quarterly basis to assess account activity;
- Perform annual oversight so that Mr. Edwards is aware of your current financial situation, objectives, and individual investment needs; and
- A review of client correspondence on an as needed basis

Michael H. Rollauer, CFP®

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***Brochure Supplement***

***March 29, 2017***

**This brochure supplement provides information about Michael H. Rollauer that supplements the Arcus Capital Partner brochure. You should have received a copy of that brochure. Please contact Adrienne B. Mandt, CFA, Chief Compliance Officer, if you did not receive Arcus Capital Partner's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Michael H. Rollauer is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His CRD number is 2634852.**



## **Educational Background and Business Experience**



Michael H. Rollauer, CFP®

*Year of birth:* 1974

### *Formal education:*

- Vanderbilt University, BS 1996

### *Business background:*

- Arcus Capital Partners, LLC – SVP (01/10 – Present)
- Harvest Oak Capital & Stateside Securities, LLC (02/09 – 12-09)
- Stanford Group Co.— Vice President (11/07-02/09)
- SunTrust Investment Services/Alexander Key Division Vice President (6/06-11-07)
- Sagemark Consulting/Lincoln Financial Group - Vice President (06/02-06/06)
- Citigroup/Smith Barney Division, Financial Advisor (1/99-06/02)

### *Professional Designations:*

**Certified Financial Planner™** - The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United

States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States. To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent,

measured as 2,000 hours per year);  
and

- Ethics – Agree to be bound by CFP Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

## ***Disciplinary Information***

Michael H. Rollauer has not been the subject of any legal or disciplinary event.

## ***Other Business Activities***

Michael H. Rollauer is not engaged in any business activities other than those related to Arcus Capital Partners, LLC.

## ***Additional Compensation***

Michael H. Rollauer does not receive any additional compensation related to the advisory services provided to you.

## ***Supervision***

Michael H. Rollauer is supervised by Stephen Sloan, Managing Partner. Mr. Sloan can be reached at 404.949.2115.

We supervise Mr. Rollauer by requiring that he adhere to our processes and procedures as described in our firm’s Code of Ethics. We will monitor the advice that Mr. Sloan gives to you by performing the following reviews:

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J. Robert Varghese, CMT®

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***Brochure Supplement***

***March 29, 2017***

**This brochure supplement provides information about J. Robert Varghese that supplements the Arcus Capital Partner brochure. You should have received a copy of that brochure. Please contact Adrienne B. Mandt, CFA, Chief Compliance Officer, if you did not receive Arcus Capital Partner's brochure or if you have any questions about the contents of this supplement.**

**Additional information about J. Robert Varghese is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). His CRD number is 2714427.**

## **Educational Background and Business Experience**



J. Robert Varghese, CMT®

*Year of birth:* 1973

*Formal education:*

- Pace University, BBA 1995
- Northeastern University, MBA 2006

*Business background:*

- Arcus Capital Partners, LLC – Chief Investment Officer (10/15 – Present)
- SunTrust Bank, Investment Advisory Group – Sr. Equity Research Analyst (2012 – 2015)
- Covenant Multi-Family Offices – Director of Investment Strategy & Research (2011)
- Barbnet Investments (Bass Brothers) – Portfolio Manager (2008 – 2010)
- Cadence Capital Management – Director of Quantitative Research (2002 – 2008)
- FactSet Research Systems – Vice President (1997 – 2002)

- GE Investments – Analyst (1996 – 1997)
- Morgan Stanley – Analyst (1995 – 1996)

*Professional Designations:*

**Chartered Market Technician®** - The Chartered Market Technician® (CMT) credential is the global standard for practitioners of [technical analysis](#) and technical risk management. It is a FINRA-recognized designation which sets apart CMT charterholders as specialists and value-generators among active investment professionals.

The designation is awarded to those who demonstrate mastery of a core body of knowledge in risk management and portfolio management settings. The advanced technical expertise represented by the CMT charter immediately communicates to clients and employers the disciplined approach, academic rigor, and unique professional skill set which CMT charterholders possess.

The objectives of the CMT Program are:

- To promote high ethical standards of education, integrity, and professional excellence
- To guide candidates in mastering a professional body of knowledge
- To professionalize the discipline of technical analysis

Those candidates who successfully complete all three levels of the CMT

examination and agree to abide by the MTA Code of Ethics are granted the right to use the CMT credential.

### ***Disciplinary Information***

J. Robert Varghese has not been the subject of any legal or disciplinary event.

### ***Other Business Activities***

J. Robert Varghese is not engaged in any business activities other than those related to Arcus Capital Partners, LLC.

### ***Additional Compensation***

J. Robert Varghese does not receive any additional compensation related to the advisory services provided to you.

### ***Supervision***

J. Robert Varghese is supervised by Stephen Sloan, Managing Partner. Mr. Sloan can be reached at 404.949.2115.

We supervise Mr. Varghese by requiring that he adhere to our processes and procedures as described in our firm's Code of Ethics. We will monitor the advice that Mr. Sloan gives to you by performing the following reviews:

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- A review of client correspondence on an as needed basis.