

**MACROSYNERGY PARTNERS LLP**

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This Brochure provides information about the qualifications and business practices of Macrosynergy Partners LLP.

If you have any questions about the contents of this Brochure, please contact us at +44 207 399 2700 or email [info@macrosynergy.com](mailto:info@macrosynergy.com). You may also visit our website at [www.macrosynergy.com](http://www.macrosynergy.com).

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Macrosynergy Partners LLP is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and on the Financial Conduct Authority's website at <https://www.fca.org.uk/>.

Registration of an Investment Adviser does not imply that Macrosynergy Partners LLP or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

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**Item 2: Material changes**

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This document is the initial Brochure prepared by Macrosynergy Partners LLP (“Macrosynergy, the “Firm””). The Brochure will be updated on an annual basis and any material changes to it will be identified in this section.

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**Item 4: Advisory Business**

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Macrosynergy Partners LLP is a Limited Liability Partnership incorporated on the 17<sup>th</sup> of August 2009 in the United Kingdom with partnership no. OC347976 and its principal place of business is in London. The Firm is recognised as an alternative investment fund manager (AIFM) as defined in the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (AIFMD).

The Firm has been regulated by the Financial Conduct Authority (“FCA”), previously the Financial Services Authority (“FSA”), in the United Kingdom since 30<sup>th</sup> November 2009 and has been registered with the SEC as an Exempt Reporting Advisor since 28<sup>th</sup> April 2014. Since 28<sup>th</sup> February 2017, the Firm has also been registered with the CFTC as a Commodity Pool Operator.

The Firm is directly owned by individual members and Macrosynergy Limited.

The Firm’s clients comprise a number of unregulated collective investment schemes (“funds”). The Firm provides investment management services on a discretionary basis to US and non-US privately offered investment funds. The private investment funds that are offered to investors generally invest their assets in other private investment funds, which are also managed by the Firm, through which we pursue a particular investment strategy. The Firm does not currently provide investment advisory services to any managed accounts but has done previously. As of the 31<sup>st</sup> September 2017, the Firm has assets under management of \$491.4m, all of which are managed on a discretionary basis. The Firm manages the Macrosynergy Trading Fund, the Macrosynergy Co-Investment Fund, and the Macrosynergy Argentina Fund.

The Firm manages assets for clients in a variety of strategies which focus on global emerging and developed markets primarily investing in foreign exchange, interest rates, sovereign and quasi sovereign credit and equities. Each fund has an established strategy, and the investment management services provided by the Firm to its clients and the terms of any investor’s investment in a fund are governed exclusively by the funds organisational documents and the relevant offering documents.

Each fund and sub fund managed by the Firm may contain a number of different share classes, which differ in matters such as reporting currency, minimum investment, redemption terms, treatment of income and fees.

The Firm does not participate in any wrap fee programs by providing portfolio management services.

The information contained in this Brochure summarises the details contained within the prospectuses prepared for each of the funds. The Brochure is not required to provide all of the information which a prospective investor will require prior to making an investment.

**Item 5: Fees and Compensation**

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Macrosynergy's fees are explained in detail in each fund's offering documents.

The Firm charges each client a management fee. For the funds, these fees are based on the Net Asset Value ("NAV") of each class within a fund and are deducted from the portfolio on a monthly basis. Fees are payable in arrears and are charged only in respect of the period for which the fund or account was managed.

The individual funds may contain a variety of share classes with different minimum subscription levels, redemption arrangements and management fees. Part of the fees received may be rebated to clients. Such rebate is fully transparent to all investors or potential investors, upon request.

A performance fee is also charged to the funds payable to the manager annually in arrears. Where performance fees are due, these are calculated in respect of discrete periods based on the increase in the NAV per share of each class within each fund. No performance fee becomes due unless the NAV exceeds the previous high watermark. Some funds can also have additional 'hurdles' which have to be surpassed. Performance fees are deducted from the portfolio on an annual basis in arrears and may not be chargeable to all of the sub classes within a particular fund. Performance fees are included in the NAV and are not charged separately. If an investor was to redeem all or part of their investment during a year any performance fee due on the investment will become due upon redemption date.

Performance fees may also be charged to individual accounts and these are agreed with each client. This will depend on the client type, the strategy and the size of the mandate.

No other hourly, flat or asset-based fees are charged to the funds and accounts.

Other fees

In addition to the management and performance fees, funds will also be subject to other investment costs, including brokerage commissions, transaction fees, custodian fees and other fees and taxes on brokerage accounts and securities transactions.

The funds will also be subject to investment and operating expenses incurred by those funds which may include administration fees, director's fees, prime brokerage fees, legal fees, audit fees, tax related fees and other expenses as set out in the relevant fund prospectus.

Please see the Item 12 of this brochure for more information on Macrosynergy's brokerage practices.

**Item 6: Performance-Based Fees and Side-by-Side Management**

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As outlined above Macrosynergy receives a performance fee if the net asset value per share of a fund as of the end of a specified period is above the net asset value per share of the fund at the beginning of such period. In measuring the asset value for the calculation of performance based fee, Macrosynergy will include realised and unrealised capital gains and losses.

Certain employees of Macrosynergy may receive compensation determined on a discretionary basis linked with the performance fee earned from a client account. Performance based compensation arrangements may create an incentive for Macrosynergy to recommend investments that may be riskier or more speculative than would be recommended under a different fee arrangement. Such compensation arrangement can also create an incentive to favour higher fee paying accounts over other accounts in the allocation of investment opportunities. Macrosynergy has adopted policies and procedures to ensure all clients are treated fairly, and to address any potential conflicts of interest related to the management of multiple clients and the allocation of investment opportunities among clients.

**Item 7: Types of Clients**

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Macrosynergy Partners LLP provides investment management services to a range of private collective investment schemes. Investors in the private funds include institutions, pension funds, private funds, professional investors, trusts, corporations and other business entities.

Certain funds managed by Macrosynergy may not be available to US investors. Any funds which do accept US investors will require that any US investor will certify that they are an “accredited investor” as defined in Regulation D under the Securities Act of 1933 and as a “qualified purchaser” as defined in Section 2(a)(51) of the Investment Company Act of 1940 and meet other applicable suitability requirements. The funds may impose similar qualification requirements with respect to non-US investors.

Each fund where Macrosynergy acts as investment adviser specifies minimum subscription limits and the subscription and redemption terms applicable. These may vary according to the sub fund and base currency of each individual share class. Minimum subscription limits and redemption terms can be found in the offering documents of each fund.

**Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

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**Methods of Analysis**

The primary investment strategy is global macro, which involves a broad investment and trading mandate across a variety of global markets and instruments including foreign exchange, local interest rate, sovereign credit and equity markets. Macrosynergy seeks to identify investments with powerful macro drivers and asymmetric return profiles. The investment process is based on fundamental macroeconomic and political analysis, asset valuations and analysis of market technicals. Inputs to these assessments include extensive country travel, contact with policymakers and key stakeholders, fundamental data analysis, as well as other proprietary analytical and valuation tools.

The funds attempt to achieve the highest return on capital, within each fund's risk management framework designed to manage the risk of capital loss, through investments and transactions, both long and short, across global markets, including but not limited to, foreign exchange, sovereign and corporate credit securities, interest rate instruments, equities, equity indices and commodities through investment in the spot, forward, futures, options and swap markets as well as in other derivative instruments related to these asset classes.

**Investment Strategies**

Each fund is managed based on the investment objectives and strategies disclosed in the fund's offering documents. Specific descriptions of such strategies and a full description of the risks associated with such strategies are also included in each fund's offering documents.

**Risk of Loss Factors**

Investing in securities and derivatives involves risk of loss that clients should be prepared to bear. Investors should consider the following factors before investing in any of the funds referred to in this Brochure. No assurance can be given that a client will achieve its investment objective or that investors will realize a profit on their investment.

Macrosynergy utilizes value at risk (VAR) to statistically measure the potential loss in the value of a portfolio or segment of a portfolio due to adverse movements in underlying risk factors. Macrosynergy also employs stress testing, event risk analysis and other risk measurement methods and tools to assess risk on an ongoing basis. These tools assist Macrosynergy in evaluating potential market risk but do not eliminate risks.

The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in each of the funds. Prospective investors are urged to consult their professional advisers and the fund prospectuses before deciding to invest in the funds.

**General Economic and Market Conditions**

The success of the funds' activities are affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities prices and the



liquidity of the funds' investments. Volatility or illiquidity could impair the funds' profitability or result in losses.

The economies of individual emerging countries may differ favorably or unfavorably from the economy of a developed country in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, the economies of emerging countries generally are heavily dependent upon international trade and, accordingly, have been, and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be adversely affected by economic conditions in the countries with which they trade. The economies of certain countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

### ***Liquidity and Market Characteristics***

The funds may be adversely affected by a decrease in market liquidity for the instruments in which it invests which may impair the funds' ability to adjust its positions. The size of the funds' positions may magnify the effect of a decrease in market liquidity for such instruments. Changes in overall market leverage, deleveraging as a consequence of a decision by a Prime Broker and Custodian, or other counterparties with which the funds enter into repurchase/reverse repurchase agreements or derivative transactions, to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions, may also adversely affect the funds' portfolios.

### ***Leverage and Borrowing***

The funds may use borrowings for the purpose of making investments and/or meeting redemptions. The use of borrowing creates special risks and may significantly increase the funds' investment risk. Borrowing creates an opportunity for greater yield and total return but, at the same time, will increase the funds' exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of borrowings that are in excess of the interest costs associated therewith may cause the Net Asset Value of the Shares to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the Net Asset Value of the Shares may decrease more rapidly than would otherwise be the case.

### ***Short Selling***

The funds may sell securities short. Short selling involves trading on margin and accordingly can involve greater risk than investments based on a long position. A short sale of a security involves the risk of a theoretically unlimited increase in the market price of the security, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no guarantee that securities necessary to cover a short position will be available for purchase.

In addition, as a result of regulatory or legislative action taken by regulators around the world in response to recent volatility in the global financial markets, taking short positions on certain securities has been restricted and the position is subject to change in the short to medium term. Accordingly, Macrosynergy may not be in a position to fully express its negative views

in relation to certain stocks or sectors and the ability of Macrosynergy to fulfil the investment objective of the funds may be constrained.

### **Derivatives**

The funds utilise both exchange-traded and over-the-counter derivatives, including, but not limited to, futures, forwards, swaps, options and contracts for differences, as part of its investment approach. These instruments can be highly volatile and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited. In the event that a call for further margin exceeds the amount of cash available in the funds, the funds will be required to close out the relevant contract. In addition, daily limits on price fluctuations as well as speculative position limits (as further described below) on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses. Further, when used for hedging purposes, there may be an imperfect correlation between these instruments and the investments or market sectors being hedged. Transactions in over-the-counter contracts may involve additional risk as there is no exchange or market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Contractual asymmetries and inefficiencies can also increase risk, such as break clauses, whereby a counterparty can terminate a transaction on the basis of a certain reduction in Net Asset Value, incorrect collateral calls or delays in collateral recovery. The funds may also sell covered and uncovered options on securities and other assets. To the extent that such options are uncovered, the funds could incur an unlimited loss.

The funds may incur risks associated with the sale and purchase of call options. The seller (writer) of a call option which is covered (i.e. the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of an uncovered call option, if applicable, may be unavailable for purchase, except at much higher prices, thereby reducing or eliminating the value of the premium. Purchasing securities to cover the exercise of an uncovered call option can cause the price of the securities to increase, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium investment in the call option.

The funds may incur risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (i.e. the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security if the market price falls below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option.

The CFTC and U.S. exchanges have established limits, referred to as “speculative position limits,” on the maximum net long or net short position that any person, or group of persons acting together, may hold or control in certain commodities. The Dodd-Frank Wall Street

Reform and Consumer Protection Act (the “Dodd-Frank Act”) also authorizes the CFTC to establish speculative position limits in all futures and swaps markets. The CFTC has proposed new rules that would impose position limits on certain futures and option contracts and physical commodity swaps that are “economically equivalent” to such contracts. If enacted, these rules could restrict trading activities in such contracts and swaps on behalf of the Master Fund.

The CFTC has also adopted rules with respect to the treatment of positions held by a commodity pool, for purposes of determining compliance with speculative position limits. Futures positions of the funds are allocated to the person or entity controlling trading decisions for the funds. Currently, all of the positions held by all accounts owned or controlled directly or indirectly by Macrosynergy and its principals are aggregated with the funds’ positions. Depending upon the total amount of assets being managed in the funds’ accounts and other accounts controlled directly or indirectly by Macrosynergy, such position limits may affect the ability of Macrosynergy to establish particular positions in certain commodities for the funds or may require the liquidation of positions.

### ***Sovereign Debt***

The funds may invest directly and indirectly through derivative instruments (including swaps and credit default swap indices) in sovereign debt instruments. The issuers of sovereign debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest when due, and the funds may have limited recourse in the event of a default. A sovereign debtor’s willingness or ability to repay principal and pay interest in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign currency reserves, the availability of sufficient foreign exchange on the date a payment is due, the sovereign debtor’s policy toward international lenders and the political constraints to which a sovereign debtor may be subject. Furthermore, such entities may be entitled to claim sovereign immunity from any claims made against them should they default on any of their obligations under such loans. This may hinder, or prevent entirely, the recovery of any loss suffered as a result of such default.

Government interference with international transactions in its currency or the debt obligations of itself or its nationals through various means, including, without limitation, regulation of the local exchange market, restrictions on foreign investment by residents, limits on flows of investment funds from abroad and debt moratoria, may expose the funds to unanticipated losses.

### ***Emerging Markets***

Investing in Emerging Markets may be subject to greater risks than developed markets for a number of reasons including, but not limited to, currency controls and the fluctuation of currency exchange rates, changes in government or economic or monetary policy or changed circumstances in dealings between nations. Other factors may include high rate of inflation and the potential for substantial depreciation in the value of local currencies. Short term volatility and significant declines in these markets are not uncommon.

The economies of emerging countries are heavily dependent on international trade and accordingly can be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which emerging countries trade. These economies also may be adversely affected by economic conditions in the countries with whom they trade.

The funds may be active in Emerging Markets securities markets, which in comparison to developed markets, are smaller, less liquid and more volatile. Most of the trading in Emerging Market securities is done over the counter rather than on an organised exchange. These markets can be significantly more volatile because a single large investors can have a notable impact. The funds may have difficulty valuing certain investments and in disposing of certain investments.

The funds may transact in high yield bonds which are rated in the lower rating categories by the various credit rating agencies. Securities in the lower rating categories are subject to greater risk and are generally considered to be predominately speculative with respect to the issuer's capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Due to these greater risks the yields and prices of such securities may fluctuate more than those of higher rated securities. The market for high yield securities may also be thinner with lower volumes trades which can adversely affect the prices at which these securities can be sold.

### **Currency Exposure**

The ordinary shares of the funds can be denominated in US Dollars, Euro, Sterling and Troy Ounces and are issued and redeemed in (or in amounts calculated by reference to) those currencies (the Troy Ounce being deemed a currency for the purposes of this paragraph). Certain assets of the funds may, however, be invested in securities and other investments which are denominated in other currencies and in other financial instruments the prices of which are determined by reference to such other currencies. The funds, however, values its investments and other assets in US Dollars. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. Macrosynergy may seek to hedge the foreign currency exposure but will necessarily be subject to foreign exchange risks. To the extent that unhedged, the value of the funds' net assets will fluctuate with the relevant exchange rate as well as with price changes of the funds' investments in the various local markets and currencies. Further, the Shares are denominated in US Dollars, Euro, Sterling and Troy Ounces and will be issued and redeemed in (or in amounts calculated by reference to) those currencies. Macrosynergy may seek to hedge the foreign exchange exposure of the assets of the funds attributable to the Euro Shares, the Sterling Shares and the Gold Shares with the aim of minimising the impact of fluctuations in the relevant exchange rate on the Net Asset Value per Share of such Shares. Prospective investors whose assets and liabilities are predominately in other currencies should take into account the potential risk of loss arising from fluctuations in value between the US Dollar, the Euro, Sterling or Troy Ounces, as the case may be, and such other currencies.

### **Counterparty Risk**

The funds are subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes and the risk that counterparties may not have access to finance and/or assets at the relevant time and may fail to comply with their obligations under the relevant agreements. Recent well-publicised weaknesses in certain financial institutions may be indicative of increased counterparty risk. In the event of any counterparty entering an insolvency procedure, the funds' positions may be liquidated or closed-out without the funds' consent, or the funds might not be entitled to liquidate its positions or calculate net settlement amounts or could experience delays in liquidating its positions and incur significant losses, including the loss of that portion of the

funds' portfolios financed through such a transaction, a decline in value of its investment during the period in which the funds seek to (or is unable to) enforce their rights, an inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. During an insolvency procedure (which may last many years) the use by the funds of assets held by or on behalf of the counterparty may be restricted and accordingly (a) the ability of Macrosynergy to fulfil the investment objective may be severely constrained, (b) the funds may be required to suspend the calculation of the Net Asset Value and as a result subscriptions for and redemptions of Shares, and/or (c) the Net Asset Value may be otherwise affected. During such a procedure, the funds are likely to be an unsecured creditor in relation to certain assets and accordingly the funds may be unable to recover such assets from the insolvent estate of the counterparty in full, or at all. In addition, trading agreements (depending on the counterparty, types of product, and the relevant jurisdictions in which the products are traded) may contain provisions that seek to limit the liability of a counterparty to the funds and under which the funds indemnify the counterparty, which could, in each case, result in losses to the Fund. The funds and Macrosynergy are not restricted from dealing with any particular Prime Broker, Clearing Broker, foreign exchange prime broker or other counterparty or from concentrating any or all transactions with a particular counterparty or counterparties.

### ***Tax Considerations***

Where the funds invest in securities that are not subject to withholding tax at the time of acquisition, there can be no assurance that tax may not be withheld in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The funds will not be able to recover such withheld tax and so any such change would have an adverse effect on the Net Asset Value of the Shares. Where the funds sell securities short that are subject to withholding tax at the time of sale, the price obtained will reflect the withholding tax liability of the purchaser. In the event that in the future such securities cease to be subject to withholding tax, the benefit thereof will accrue to the purchaser and not to the funds.

Where the funds choose or are required to pay taxation liabilities and/or account for reserves in respect of taxes that are or may be payable in respect of current or prior periods by the funds (whether in accordance with current or future accounting standards), this would have an adverse effect on the Net Asset Value of the Shares. This could cause benefits or detriments to certain Shareholders, depending on the timing of their entry to and exit from the funds.

### ***Accounting for Uncertainty in Income Taxes***

Accounting Standards Codification 740 ("ASC 740"), "Income Taxes" (in part formerly known as "FIN 48"), provides guidance on the recognition of uncertain tax positions. ASC 740 prescribes the minimum recognition threshold that a tax position is required to meet before being recognised in an entity's financial statements. It also provides guidance on recognition, measurement, classification and interest and penalties with respect to tax positions. The financial statements of the funds will be prepared in accordance with US GAAP and prospective investors should be aware that, among other things, ASC 740 could have a material adverse effect on the periodic calculations of the Net Asset Value of the funds, including reducing the Net Asset Value of the funds to reflect reserves for income taxes that may be payable in respect of current and/or prior periods by the funds. This could cause benefits or detriments to certain Shareholders, depending upon the timing of their entry into and exit from the fund.

***US Tax-Exempt Investors***

Certain prospective investors may be subject to U.S. federal and state laws, rules and regulations which may regulate their participation in the Funds, or their engaging directly, or indirectly through an investment in the Funds, in investment strategies of the types which the Funds may utilise from time to time. Each type of U.S. Tax-Exempt Shareholder (as defined below) may be subject to different laws, rules and regulations and should consult with their own advisors as to the advisability and tax consequences of an investment in the funds. Investment in the funds by U.S. Tax-Exempt Shareholders requires special consideration. Trustees or administrators of such investors are urged carefully to review the matters discussed in this Prospectus and the relevant application form.

***Cybersecurity Risks***

Macrosynergy's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although Macrosynergy has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, Macrosynergy and/or the funds may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Macrosynergy's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm Macrosynergy's reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance.

**Item 9: Disciplinary Information**

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The Firm has not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no persons involved in the management of the Firm have been subject to such action.

**Item 10: Other Financial Industry Activities and Affiliations**

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Macrosynergy is authorised and regulated by the FCA in the UK as a Collective Portfolio Management Investment (“CPMI”) firm, receiving authorisation on 30<sup>th</sup> November 2009, with Firm Reference Number 506294. The authorisation that it holds means that the Firm is permitted to provide discretionary management services to professional clients. The Firm is not permitted to deal with retail clients or hold client money or assets.

Macrosynergy, nor any of its management, are registered, or have an application pending to register, as a broker-dealer with the SEC, registered representative of a broker-dealer, or as a futures commission merchant.

Macrosynergy is registered with the Commodities Futures Trading Commission as a Commodity Pool Operator.

Macrosynergy does not recommend or select other investment advisers for its clients, nor does the firm have any other business relationship with an investment adviser that would create a conflict of interest with respect to their clients.

Macrosynergy maintains a record of any potential conflicts of interest, including external appointments held by all staff, including the management persons listed above. This list is updated when necessary and completeness is confirmed on an annual basis. None of the relationships notified to the Firm by the individuals concerned create a material conflict of interest between the Firm and its clients or between clients.

Robert Enserro, Macrosynergy’s CEO, is a member of the Firm and also a director of some of the funds managed by the Firm.



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

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**Code of Ethics**

As part of its commitment to honesty, integrity and professionalism Macrosynergy has adopted a Code of Ethics which sets forth a standard of business conduct expected of all Macrosynergy employees and partners, reflecting Macrosynergy's fiduciary duties, supervisory requirements and the obligation to comply with applicable laws.

All employees and partners are made aware of the requirements with the Code. All employees are provided with a copy of the Code at the time of hire and annually thereafter and each employee must affirm that they have received a copy of the code, and that they have read and understand its provisions.

The Code highlights the procedures and controls to prevent the misuse of material non-public information. The Code prohibits the communication of such information to any person who does not have a legitimate need to know such information and to assure that Macrosynergy is meeting its obligations to clients and remain in compliance with applicable law.

The Code also includes policies seeking to avoid conflicts of interest with respect to personal transactions by its employees and partners, reporting of outside business interests and political contributions and restrictions on the acceptance of gifts and entertainment.

The Code of Ethics is available to clients or prospective clients upon request.

**Participation or Interest in Client Transactions**

The Firm may promote funds to clients in which related persons may also have an investment. This is disclosed to the client at the time of investment. Such activity is considered to be an alignment of interest between the related persons and the client.

Participation in specific transactions may be appropriate, at times, for more than one client. In such instances, where appropriate, participation in such opportunities will be allocated on a fair and equitable basis over time taking into account all relevant factors. Macrosynergy has adopted an allocation policy which sets out the guidelines to be followed in such transactions.

From time to time, Macrosynergy may offer Co-Investment opportunities, typically alongside its Funds. In these instances, certain Fund investors may be offered the opportunity to co-invest alongside the Macrosynergy Partners. Macrosynergy exercises its discretion when allocating such co-investment opportunities, taking into consideration facts and circumstances, which may include the nature of the transaction, speed of execution required, tax considerations, familiarity with and history of investing in the relevant industry, ability to provide strategic insight and other relevant factors.

**Personal Trading**

All employees are subject to restrictions on personal trading. These provisions are outlined in detail in the Code of Ethics and include the following:

- All personal brokerage accounts used by staff and their spouses and dependent children (“related persons”) must be notified to the Firm.
- Prior approval is required before a trade can be executed.
- Copies of contract notes are received by the Firm.
- Initial and annual holdings reports are submitted to the Firm by all staff. These are checked back to the original approvals and contract notes where appropriate.

**Item 12: Brokerage Practices**

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**General arrangements**

The Firm maintains a list of brokers with whom it may deal for the funds managed. This list is reviewed at least on a quarterly basis and brokers are added or deleted according to the Firm's view of the quality and cost of the service provided. Brokers are used by the Firm at its own discretion.

***Selection of Broker-Dealers***

Macrosynergy utilises many brokers to execute trades for its funds in accordance with internal policies and procedures adopted by the firm. Macrosynergy has a duty to obtain best execution for its clients and accordingly has adopted a best execution policy which sets forth the criteria considered when selecting a broker-dealer for execution. Such factors include price, costs, speed of execution, likelihood of execution, size of the order, nature of the order, market impact and other considerations relevant to the trade.

In addition to these factors, Macrosynergy believes that achieving best execution may also involve a consideration of the liquidity of the market and whether the order is executed on a regulated market or over-the-counter. The Chief Operating Officer and Chief Compliance Officer periodically evaluate the broker-dealers used to execute client trades.

**Funds and accounts**

Quantitative analysis is all performed by the Firm and as such no payments are made to brokers for research or other benefits to be paid for out of commissions or costs associated with each transaction. All brokerage costs paid by the Firm are paid in respect of execution services received only. The Firm is not incentivised to select a more expensive broker over another when executing trades.

European regulation in relation to changes to inducement requirements and the regulation of research, particularly regarding payment for research and research budgets were set out in MiFID II which came into effect on 3<sup>rd</sup> January 2018. The new rules prohibit firms who provide portfolio management services from receiving any inducements in relation to these services to clients, except for minor non-monetary benefits. However, firms are permitted to receive third party research in a way that does not contravene the inducement rules.

Under MiFID II firms can pay for research services out of their own resources, or it can be charged to its funds. Macrosynergy has opted to pay for research from its own resources. Macrosynergy has established policies and procedures around the receipt and payment for such research.

***Directed Brokerage***

Macrosynergy does not permit any directed brokerage arrangements.

***Aggregating Orders***

Macrosynergy may aggregate orders for more than one fund together. When this is done it is done in a fair and equitable manner in line with the firms Order Aggregation and Allocation Policy which outlines the process used and which is designed to minimise any conflict of interest between funds.

**Item 13: Review of Accounts**

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Each fund or account that Macrosynergy manages is subject to continuous review in order to ensure that it remains within the investment guidelines agreed with the client. The frequency of the review is determined by client requirements and takes into consideration the investment objectives, policies and restrictions of the respective funds as well as market conditions and any legal or regulatory restrictions. In addition, any significant company, industry or market changes will trigger prompt reviews of all relevant funds.

In addition, all funds and accounts are reviewed daily by their assigned portfolio manager. Each fund's holdings, performance, market value and cash are updated each business day. Risk reports are produced on a daily basis and these can be reviewed by the portfolio managers and other members of Macrosynergy's senior management.

The Firm reports to the boards of the funds on a quarterly basis. These reports comprise of analysis of risk and return drivers during the period in question, major asset allocation changes, benchmark or peer analysis as well as a review of any trading or operational factors.

Statements are sent independently to clients on a monthly basis by the Custodian. In addition the manager sends a report on either a monthly or quarterly basis which analyses the portfolios risk and return characteristics along with commentary on the market and the portfolio itself.

**Item 14: Client Referrals and Other Compensation**

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Macrosynergy is not remunerated by any party other than its clients. Macrosynergy receives no economic benefit for providing investment advice or other advisory services to its clients whether directly or indirectly.

Macrosynergy may compensate third parties for referrals whereby the third party introduces potential investors to invest in funds managed by Macrosynergy. Such arrangements are subject to written agreements between Macrosynergy and the third parties and provides for us to pay a fee to the third party. The fee paid to the third party is typically a percentage of the fee received by Macrosynergy from the client in respect of the investment introduced by the third party.

**Item 15: Custody**

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The funds' cash and securities are held by qualified custodians. Investors receive annual financial statements audited by an independent public accounting firm for the funds in which they are invested.

**Item 16: Investment Discretion**

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Macrosynergy has full discretionary authority with respect to investment decisions for each client under the terms of the investment management agreement, or a similar agreement with each client. Macrosynergy provides investment advice to clients in accordance with the investment objectives and guidelines set forth in their respective offering documents.

Prior to accepting an appointment to act as a discretionary manager for a client, Macrosynergy conducts a full “know your customer” assessment. This is performed so that the Firm understands each client’s investment objectives and is then able to manage the portfolio in a suitable manner.



**Item 17: Voting Client Securities**

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The majority of Macrosynergy's investments are in securities which do not carry voting rights. In relation to occasional positions in single stocks, Macrosynergy views Proxy Voting as an extension of the investment process. In cases where Macrosynergy votes proxies with respect to client securities, such proxies are voted in the best interests of the clients. In fulfilling its obligation to clients, Macrosynergy seeks to act in a manner that will enhance the economic value of the underlying securities held by the clients.

Macrosynergy does not consult with its clients before exercising any vote but always seeks to vote in a manner that it determines to be in the best interests of its clients.

Information on how the Firm has voted, together with a copy of its proxy voting policies and procedures, are available on request.

**Item 18: Financial Information**

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Macrosynergy does not require or solicit pre-payment of any type of client fees in advance. Macrosynergy is not aware of any financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.