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This brochure provides information about the qualifications and business practices of Slate Creek Capital, LLC ("Slate Creek"). If you have any questions about the contents of this brochure, please contact us at 303-810-5307 and/or info@slatecreekcapital.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 Slate Creek also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

As used in this brochure, the words "we", "our" and "us" refer to Slate Creek Capital, LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm.

## **Item 2 – Material Changes**

The initial filing of this Part 2A Firm Brochure ("Brochure") occurred on April 16, 2019. Slate Creek Capital, LLC is required to make clients aware of information that has changed since the last annual update to the Brochure and that may be important to them. Clients can then determine whether to request the full Brochure for review in its entirety and/or to contact us with questions about the changes.

This item will be updated with the first annual updating amendment of the Brochure to reflect any material changes.

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## Item 4 – Advisory Business

Slate Creek Capital, LLC is dedicated to providing investment management services to institutional and high-net worth clients. Slate Creek works closely and jointly with its clients to assess their budgetary and cash flow needs, long-term financial goals, investment risk tolerances and other factors that may impact their investment portfolio. Slate Creek recommends and implements a custom and diversified investment strategy for each of its advisory clients.

Slate Creek is a limited liability company founded in 2019 and has been in the business as an investment adviser since inception. It is wholly-owned by Dave Falcia and Scott Fox.

Slate Creek provides fully integrated investment management and wealth planning services to its clients. These services are provided through the following investment programs.

- Discretionary Private Client Portfolio Management. Slate Creek provides discretionary advice and portfolio management services to high-net worth individuals and their families.
- Private Investment Opportunities. Slate Creek sources, structures sponsors and manages private equity, real estate and financing investment opportunities for its advisory clients through special purpose vehicles (“SPVs”). Private equity and debt SPVs will be considered advisory clients of Slate Creek. The SPVs will be available to both Discretionary Private Client Portfolio Management clients and other qualified persons who choose to invest in such opportunities.

Slate Creek’s services are based on the individual needs of its advisory clients and it tailors its investment recommendations to each client’s goals. Clients may impose reasonable restrictions in the written investment management agreement with Slate Creek and Slate Creek will work with clients to determine the feasibility of implementing and monitoring for proposed restrictions and/or limitations. Clients’ investment management agreements also include information about their accounts’ other investment guidelines, management fees, termination rights and proxy voting. Clients may generally terminate their agreements with Slate Creek following 30 days written notice.

Unless they have a separate investment management agreement with Slate Creek, investors in Slate Creek’s private SPVs are not considered Slate Creek’s advisory clients. With respect to each SPV, this Brochure is qualified in its entirety by the SPV’s offering memorandum, term sheet, operating or limited partnership agreement or similar disclosure and governing documents (collectively, the “offering documents”).

In certain circumstances to meet client needs, Slate Creek may engage third-party investment managers (“Sub-Advisers”) to assist in portfolio management responsibilities. Slate Creek’s engagement of and payment of sub-advisory fees to any Sub-Adviser that is also a Third-Party Manager (as defined below) presents a conflict of interest and gives Slate Creek an incentive to select a Sub-Adviser based on the overall economic relationship with the Sub-Adviser, rather than the client’s needs. Clients will be notified of and consent to Slate Creek’s use of any Sub-Adviser with respect to their accounts as well as the amount and structure of any Sub-Adviser’s fee payments. (See Item 5: Fees and Compensation and Item 14: Client Referrals and Other Compensation, below, for more information).

In addition to the advisory services discussed above, Slate Creek provides non-discretionary advice to institutional advisory clients regarding their core and operating cash positions through its Non-

Discretionary Institutional program. These institutional services include recommending investment options managed by third-party investment managers, which may include Sub-Advisers (together, “Third-Party Managers”), and providing risk, market, and economic analysis. Clients serviced through Slate Creek’s institutional program will invest directly through Third-Party Managers recommended by Slate Creek, pursuant to separate investment management agreements between clients and the Third-Party Managers. Slate Creek receives compensation from these Third-Party Managers, which may include Sub-Advisers as discussed above, in connection with recommendations made to institutional advisory clients (See Item 5: Fees and Compensation and Item 14: Client Referrals and Other Compensation, below, for more information on compensation received from recommended Sub-Advisers). Slate Creek does not have trading discretion or investment authority for its institutional clients and their accounts.

Slate Creek does not participate in wrap fee programs.

We are a newly organized investment adviser and expect to have \$100 million in non-discretionary assets under management and \$10 million in discretionary assets under management within 120 days of our initial filing for investment adviser registration with the SEC.

## **Item 5 – Fees and Compensation**

For the Discretionary Private Client Portfolio Management program, Slate Creek receives a management fee which is negotiated with clients upon entering into an investment management agreement. Management fees will vary depending on the amount of assets under management, but will typically be paid pursuant to the following schedule:

<u>Assets Under Management</u>	<u>Fee</u>
1.0 - 2.5 million	1%
2.5 - 5 million	0.75%
More than 5 million	0.50%

Slate Creek charges management fees on a quarterly basis. Clients are invoiced and pay these fees in advance. To the extent a client terminates the advisory relationship during a quarter, the client will receive a refund of its pro-rata amount of fees rendered to the point of termination.

Slate Creek may, in its sole discretion, charge lower management fees based on certain criteria, including investment strategy, client type, client domicile, account composition or size, and other factors Slate Creek deems relevant. Slate Creek, in its sole discretion, may also waive or charge lower management and/or performance fees for employees, affiliates or relatives of such persons. Slate Creek may also enter into “side letter” agreements with certain investors in the SPVs to provide more favorable investment terms to these investors than those described in a SPV’s offering documents.

For the Private Investment Opportunities program, Slate Creek may receive a management fee and/or carried interest or a performance allocation from an SPV upon exiting an investment. SPV investors will also bear the ordinary expenses of the SPV including administration, organizational, investment, legal, accounting, audit and other professional fees and expenses. An administration fee may be charged to cover such costs or the investors will otherwise bear their pro-rata portion of such expenses through their ownership in the SPV. If a Discretionary Private Client Portfolio Management client invests in a SPV, then Slate Creek will waive its fees such that the client will not

pay management fees for both the Private Investment Opportunities program and the Discretionary Private Client Portfolio Management program simultaneously. However, such client will be subject to any carried interest or performance allocation applicable to the SPV and will also bear its share of the SPV's expenses.

Clients participating in any of Slate Creek's investment programs may incur operational and transaction fees, costs and expenses imposed by custodians, brokers, prime brokers and other third-parties. Clients invested in pooled investment vehicles which include mutual funds, ETFs, the SPVs and other private investment funds such as private equity or venture capital funds and other similar pooled investments will also incur fees and expenses associated with an investment in the vehicle which may include organizational fees, management fees, performance allocations and other costs and expenses. Last, clients may also incur wire transfer fees and trustee fees.

For the Non-Discretionary Institutional program, when Slate Creek recommends a Third-Party Manager, Slate Creek will enter into a revenue sharing agreement with that Third-Party Manager. Receiving a revenue share presents a conflict of interest and gives Slate Creek an incentive to recommend investment products based on the compensation received, rather than the institutional investor's needs. This potential for this conflict is heightened when a Third-Party Manager is also a Sub-Adviser because Slate Creek then also has an incentive to use a Sub-Adviser based on the overall relationship, rather than the institution's needs. All institutional clients who invest through a recommended Third-Party Manager will receive notice of any revenue share that Slate Creek will receive from the Third-Party Manager and any sub-advisory fee payments made.

## **Item 6 – Performance Based Fees**

As discussed in Item 5 above, Slate Creek may receive performance-based fees upon exit of SPV investments made through the Private Investment Opportunities program. Carried interest arrangements are subject to Section 205(a)(1) of, and Rule 205-3 under, the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Detailed information regarding performance-based fees charged to an SPV will be provided in each SPV's governing documents. If Slate Creek enters into carried interest arrangements, it may create an incentive for Slate Creek to invest SPVs in riskier or more speculative instruments through the Private Investment Opportunities program. This potential conflict is mitigated by the fact that Slate Creek does not have discretion to invest its clients in an SPV without their consent; rather clients choose to invest, through the SPVs, in specific assets identified to clients by Slate Creek.

## **Item 7 – Types of Clients**

Slate Creek provides investment advisory and wealth management services primarily to institutional and high-net worth investors, including related entities such as family limited partnerships and limited liability companies, trusts and foundations. We do not have a stated minimum to open an account, however our clients typically have at least \$1 million of investable assets under our management.

Slate Creek also provides investment advisory services to its private equity and debt SPV clients, as well as its non-discretionary institutional clients.

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

Slate Creek takes a holistic and diversified approach to managing client portfolios and considers a given client's assets, income, liquidity requirements, risk tolerance, and investment horizon. Investment strategies for the Discretionary Private Client Portfolio Management program are tailored over time based on clients' changing needs and appetite for risk. Generally, strategies for institutional advisory clients will have a shorter timeframe and will focus more heavily on cash and near cash components.

Slate Creek's asset allocation and security selection are based on our fundamental analysis of securities and investment products as well our view on macro-economic trends. In addition, clients may be invested through Sub-Advisers, other Third-Party Managers, or pooled investment vehicles. Slate Creek conducts independent review of, and relies upon, the investment materials and other reports produced by those Sub-Advisers and other Third-Party Managers, however, Slate Creek will not normally perform independent research on specific securities or other assets selected for investment by a Sub-Adviser, other Third-Party Manager, or pooled investment vehicle.

Investing in securities involves the risk of loss that clients should be prepared to bear.

No guarantee or representation is made that our investment programs will be successful, that a client will achieve targeted returns or that there will be any return of capital invested. Investment results may vary substantially over time. Slate Creek's methods of attempting to minimize such risks may not accurately predict future risk exposures. Risk management techniques are based in part on the observation of historical market behavior, which may not predict market divergences that are larger than historical indicators. Also, information used to manage risks may not be accurate, complete or current, and such information may be misinterpreted.

Investing and trading activities risk the loss of capital. This Brochure is not intended to address every potential risk and certain risks described below may only apply to certain clients depending on a client's goals and objectives. Some of these risks may include:

- *Investment and Trading Risks.* Clients may be invested in securities and other financial instruments using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of financial markets. The performance of any investment may depend on a number of factors, including conditions in regional and local economies, conditions in the securities markets generally, performance of companies in particular industries or regions and political and technological developments.
- *Investment Selection.* In making its investment recommendations, Slate Creek often relies on information and data provided and prepared by third parties. Although we intend to evaluate the accuracy and importance of such information and data, we will not always be in a position to confirm the completeness, genuineness, or accuracy of such information and data.
- *General Economic and Market Conditions.* A client's performance may be affected by general economic and market conditions and factors that impact the investments, such as interest or currency rates, availability of credit, inflation rates, real or perceived adverse economic conditions, economic uncertainty, changes in laws, and national, and international political developments. These fluctuations may be temporary or may last for extended periods. Unexpected volatility or illiquidity could impair a portfolio's profitability or result in losses.

- *Equity Markets and Stock Price Volatility.* U.S. and foreign equities markets have experienced tumultuous times in the past reflected in highly volatile market prices for listed securities. Certain factors may have a significant impact on the market price of securities and, consequently, may adversely affect a client's portfolio, such as general economic data, interest and currency rate fluctuations, announcements of technological innovations, developments in patent or other proprietary rights, public concern or perception of issues relating to the safety of products developed by a company, announcements of collaborative partners, issues relating to government regulation, loss or gain of key employees in research and/or operations, fluctuations in companies' operating results, future sales of common stock, analysts' comments, including changes in recommendations, and general market conditions. Slate Creek may invest clients in securities which may be more volatile and carry more risk than some other forms of investment. Security prices in general may decline over short or even extended periods of time and such declines may be significant.
- *Limited or No Liquidity.* Slate Creek may invest client assets in privately-offered pooled investment vehicles with limited liability such as private equity and venture capital funds. Interests in these vehicles are not freely transferable and generally have limited, or no, withdrawal rights. Slate Creek may also invest client assets in illiquid assets such as real estate that could be difficult to sell or transfer in certain market environments.
- *Additional Fees and Expenses.* When investing in pooled investment vehicles such as mutual funds, ETFs, private equity and venture capital funds, clients will bear additional expenses including management fees and in certain cases, performance allocations or carried interest charged by the vehicle's investment adviser. The risk of owning pooled investment vehicles generally reflects the risks of owning the underlying securities or other instruments in the pooled investment vehicle.

## **Item 9 – Disciplinary Action**

There are no legal or disciplinary events that Slate Creek or its supervised persons have been involved in.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Slate Creek is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons who have financial industry activities and/or affiliations. Slate Creek does not have any required disclosures to this Item.

As discussed in Items 4 and 5 above, Slate Creek pays compensation to certain Sub-Advisers used in managing client accounts and receives compensation from Third-Party Managers, which may include Sub-Advisers, in connection with recommendations made to clients through the Non-Discretionary Institutional program. As discussed in Item 8 above, Slate Creek may receive and use investment research from Third-Party Managers, including Sub-Advisers. (*See also Item 14: Client Referrals and Other Compensation*, below, for more information on compensation received from recommended Third-Party Managers).



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

Slate Creek has adopted a code of ethics (the “Code”) pursuant to Rule 204A-1 of the Advisers Act. The Code applies to all Slate Creek directors, officers, employees and any other person who provides services on behalf of Slate Creek and is subject to its supervision and control. The Code requires that Slate Creek’s business be conducted in accordance with the highest ethical and legal standards and focuses on the misuse of confidential information, personal securities trading and outside business activities. Slate Creek will provide a copy of its code of ethics to any client or prospective client upon request.

Slate Creek and its related persons may recommend SPVs managed by Slate Creek or its related persons to clients. In addition, Slate Creek and its related persons may have investments in SPVs recommended to clients, or purchased on the client’s behalf. Slate Creek and its related persons may have an incentive to make such investments and recommendations in order to receive additional fees or to increase the value of their investments rather than to advance the best interests of clients. In order to mitigate these conflicts, Slate Creek has adopted the Code which generally requires Slate Creek and its related persons to act in the best interests of clients and otherwise consistent with their fiduciary duties.

Slate Creek and its related persons may purchase the same securities for personal accounts that Slate Creek recommends to clients. However, to avoid conflicts of interest, Slate Creek and its related persons will only make such purchases after client orders for the same securities have been completed and in keeping with the requirements of the Code. Slate Creek also monitors the prices of these securities to ensure that Slate Creek and its related persons do not benefit from trading after its clients in the same securities.

## **Item 12 – Brokerage Practices**

In recommending a broker-dealer to clients in the Discretionary Private Client Portfolio Management program, we will consider the overall quality and reliability of the brokerage services as well as the breadth of investment products made available, the reputation, financial strength and stability of the provider and their prior service to us and our other clients. Commission rates, being a component of price, are one factor we consider. In making broker recommendations, we are not obligated to seek in advance competitive bidding for the most favorable commission rate applicable to any particular transaction for your account or recommend any broker on the basis of its purported posted commission rate. Accordingly, recommended brokers may charge commission rates that are higher than another broker-dealer would have charged for effecting transactions when we have determined in good faith that the broker’s commission rates generally are reasonable in relation to the overall quality and reliability of the brokerage services.

Slate Creek does not receive soft dollars. Slate Creek does not consider in selecting or recommending broker-dealers whether it or a related person receives client referrals from a broker-dealer or third-party. Slate Creek does not have directed brokerage arrangements with clients.

With respect to the Discretionary Private Client Portfolio Management program, we intend to establish a relationship with Charles Schwab & Co., Inc. (“Schwab”), a FINRA-registered broker-dealer and member SIPC, to serve as broker and qualified custodian for our clients. We are

independently owned and operated and are not affiliated with Schwab or any other broker/custodian. While we recommend that clients use Schwab as their broker and qualified custodian, clients make the ultimate decision on choice of brokerage and custodian.

We will only recommend Schwab to clients where we believe that it is in the best interest of that client, based on the scope, quality and price of Schwab's services.

Slate Creek may aggregate multiple sale and purchase orders for shares of the same securities purchased for our clients' portfolios if, in Slate Creek's reasonable judgment, such aggregation will result in an overall economic benefit to the clients. Slate Creek will consider when making such determination whether the clients are benefited by relatively better purchase or sales prices, lower commission or other transaction expenses and beneficial timing of transactions or a combination of these and other factors. When aggregate sale and purchase orders occur, Slate Creek will seek to allocate the executions among the participating client accounts in a manner believed by Slate Creek to be fair and equitable for all accounts involved.

### **Item 13 – Review of Accounts**

Dave Falicia and Scott Fox, the Managing Partners, review client accounts no less than on an annual basis; provided that Slate Creek may review client accounts more frequently than annually, particularly if there are major market or economic events, a life event for a client or upon client request.

### **Item 14 – Client Referrals and Other Compensation**

As discussed in Item 4 and 5 above, Slate Creek receives compensation from Third-Party Managers, which may be Sub-Advisers, in connection with recommendations made to institutional clients through the Non-Discretionary Institutional program. These arrangements create an incentive for Slate Creek to select Sub-Advisers and recommend other Third-Party Managers based on the compensation and/or overall relationship benefit to Slate Creek rather than client needs. To manage this potential conflict, Slate Creek has adopted a number of policies and procedures that are designed to ensure that all client accounts participating in the Non-Discretionary Institutional program are managed in a manner consistent with Slate Creek's fiduciary obligations, as well as each client's investment objectives, investment strategies and restrictions. Slate Creek has also adopted policies and procedures to ensure that where a Third-Party Manager is also a Sub-Adviser, clients are made aware of Slate Creek's overall relationship with the Third-Party Manager, including any direct or indirect compensation and/or investment research received from the Third-Party Manager.

### **Item 15 – Custody**

Slate Creek does not anticipate having custody of its clients' assets. However, if it does, Slate Creek will not serve as a "qualified custodian" for any client. All client assets will be maintained with a qualified custodian in compliance with Rule 206(4)-2 under the Advisers Act and related SEC guidance.

Because Slate Creek will act as the general partner or manager of any SPV used to facilitate the Private Investment Opportunities program, Slate Creek will have custody of client assets managed through such program. Slate Creek will distribute audited financial statements or undergo an annual surprise exam by an independent public accountant and will otherwise comply with Rule 206(4)-2 under the Advisers Act and related SEC guidance.

Clients should carefully review all statements and reports provided to them by Slate Creek and their qualified custodian in connection with their Slate Creek accounts whether they are provided by Slate Creek or custodians. Statements from Slate Creek may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies for certain securities.

### **Item 16 – Investment Discretion**

Slate Creek offers discretionary management services through the Discretionary Private Client Portfolio Management program, under which it manages clients' accounts on their behalf. This discretionary authority is generally set forth in the discretionary investment management agreements. Clients may limit this authority in their investment management agreements (*See Discretionary Private Client Portfolio Management* under Item 4: Advisory Business, above, for more information on our discretionary management services).

As general partner or manager of the SPVs in the Private Investment Opportunities program, Slate Creek will have discretion over the SPVs' assets. Slate Creek will not be given discretionary authority, however, to invest its other clients in the SPVs. Slate Creek also provides non-discretionary advisory services to institutional investors as described above.

### **Item 17 – Voting Client Securities**

As a matter of general firm policy and practice, Slate Creek does not accept authority to vote proxies on behalf of our clients. Our clients retain the responsibility for receiving and voting proxies for any and all securities maintained in their portfolios. Slate Creek clients will usually receive proxies and/or other solicitations directly from the custodian or transfer agent of the particular security. Our clients may contact us for advice or information concerning a particular proxy vote, and we will not charge any additional fees for advice, unless significant expenses are incurred. Slate Creek will use commercially reasonable efforts to forward any proxy notices, solicitations or other information we may receive related to a security held in a client's account, but we will not take any further action with respect to the voting of such proxy. It should also be noted that we do not advise or act on our clients' behalf in legal proceedings involving companies whose securities are held or were previously held in client portfolios, including, but not limited to, the filing of "Proofs of Claim" in class action lawsuits and settlements.

## **Item 18 – Financial Information**

Slate Creek is not required to provide financial information in this Brochure because we do not (i) require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance; (ii) we are not aware of any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients; and (iii) we have not been the subject of a bankruptcy petition.