



Item 1 – Cover Page

Trilogy Capital Management, LLC

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March 27, 2019

This brochure (this “Brochure”) provides information about the qualifications and business practices of Trilogy Capital Management, LLC (“Trilogy”). If you have any questions about the contents of this Brochure, please contact us at (203) 971-3420. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Trilogy is a SEC-registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an investment adviser provide you with information about which you determine to hire or retain an investment adviser.

Additional information about Trilogy also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Trilogy is 139013.

## **Item 2 - Material Changes**

This is Trilogy's Annual Amendment to Form ADV.

Trilogy has not made any material changes to this Brochure since its most recent revision submitted with the previous Other-Than-Annual amendment filed on July 27, 2018. Pursuant to SEC rules, we will deliver a summary of any material changes to this Brochure and subsequent brochures within 120 days of the close of Trilogy's fiscal year.

You may request the most recent version of our brochure by contacting Barry Kupferberg, Trilogy's Director of Research and Chief Operating Officer, at 203-971-3420.

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#### **Item 4 - Advisory Business**

Trilogy Capital Management, LLC (“Trilogy”) was founded in July 2001 by Jonathan Rosenstein, its principal owner. Mr. Rosenstein is Trilogy’s sole portfolio manager and managing member. Trilogy is located in East Hampton, New York.

Trilogy provides a full range of discretionary investment advice and capital management services to its affiliated privately-offered pooled investment vehicles (hedge funds), which are available only to accredited investors. Specifically, Trilogy is the investment manager to a private investment partnership account called Trilogy Financial Partners, L.P., a “feeder fund” that makes investments through a master fund called Trilogy Portfolio Company, LLC, (“TFPI”) which Trilogy manages. In addition, Trilogy is the investment manager to a private investment partnership called TPF, L.P., (“TFPII”) (collectively, TFPI and TFPII shall be referred to as the “Fund” or the “Funds”). Trilogy also sub-advises a private fund on behalf of another asset manager, which invests in parallel to the Fund.

In addition, Trilogy has certain other special purpose vehicles called Trilogy Investments, L.P. and Trilogy Investments Limited. These special purpose vehicles were not open for investment in 2018 and are in dissolution. The sole general partner or controlling member of these special purpose vehicles is Trilogy Capital Partners, LLC (“Trilogy Capital Partners”), an entity effectively owned and controlled by Jonathan Rosenstein.

Trilogy’s objective is to achieve long term capital appreciation, while maintaining a moderate level of risk, by applying a flexible and opportunistic approach to investing. This involves evaluating the attractiveness of various asset classes, currently including bank debt, bonds, equities and cash equivalents. Trilogy frequently takes an active role with respect to its clients’ investments, including participating in ad hoc creditor committee meetings, bank steering committees and official Chapter 11 Creditors committees. Trilogy anticipates that, at most times, most of the Fund’s investments will be in non-investment grade credit markets. Trilogy’s advice is not limited to the types of investments described here. For a more detailed description of intended and permitted types of investments and investment strategies, investors should review the offering documents, which Trilogy can provide to accredited prospective investors upon request. (Nothing in this Brochure is intended to make or to support an offering of any securities.)

Trilogy maintains full discretion over the funds or accounts that it manages. There are no fixed limitations or diversification requirements as to specific asset classes in which Trilogy recommends investments. Trilogy does not tailor its advisory services to the individual needs of investors in any client fund or account that it manages, and investors may not impose restrictions on investing in certain securities or types of securities.

Trilogy does not participate in wrap fee programs by providing portfolio management services.

Trilogy manages approximately \$149,631,300 in Regulatory Assets Under Management (“RAUM”) on a discretionary basis as of December 31, 2018. Trilogy does not manage any assets on a non-discretionary basis.

#### **Item 5 - Fees and Compensation**

Trilogy receives a management fee for managing the Funds at an annual rate of 1.5% of the capital account balance of each limited partner or member. Trilogy Capital Partners receives a performance fee of 20% of net new appreciation (such profits are calculated annually). Note, however, that Trilogy employees who invest in a Trilogy fund have had fees waived or reduced; note also that investors in separately managed accounts may or may not pay a different performance fee.

Fees are deducted from investor assets in the private funds. Specifically, Trilogy's authorized agent directs the Funds' independent administrator MUFG Alternative Fund Services (Cayman) Limited ("MUFG") to deduct the fees from the assets of the Funds and to pay Trilogy or Trilogy Capital Partners (depending on the fee). Investors in the private funds cannot elect to be billed for fees. The owners of the separately managed accounts pay their fees directly.

The 1.5% management fee does not cover all costs and expenses of the Funds or accounts. The Funds (and by extension their limited partners/member) and account holders pay directly for legal fees, auditors' fees, custodian fees, brokerage and other transaction costs, and other fees. (Please see the section of this Brochure entitled "Brokerage Practices" for more disclosure concerning brokerage and transaction costs and practices.) Such additional fees are deducted from the Funds' assets by the Funds' independent administrator at the direction of Trilogy's authorized agent, who directs the payments to the appropriate recipients. Owners of the separately managed accounts are responsible for payment of any such additional fees attributable to their accounts.

Management fees are calculated and payable quarterly in advance. In addition, a pro rata portion of the management fee will be paid out of any capital contributions made by new or existing limited partners to the Funds on any date other than the first business day of each fiscal quarter (which in all cases would be the first day of the month) based on the number of months remaining in the fiscal quarter. In the event of a withdrawal by a limited partner from the Funds prior to the end of a fiscal quarter (which in almost every case would be the end of a month), a pro rata portion of the management fee (based on the number of months remaining in the fiscal quarter) will be repaid by Trilogy to the affected Fund and distributed to the withdrawing limited partner.

Trilogy and its employees, including "supervised persons," do not accept compensation for the sale of securities or any other investment products.

#### **Item 6 - Performance-Based Fees and Side-By-Side Management**

As disclosed above, Trilogy accepts performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of the clients. Trilogy's "supervised persons" do not accept performance-based fees. All of the clients are assessed performance-based fees; no account is charged another type of fee (other than the management fee disclosed above).

#### **Item 7 - Types of Clients**

Trilogy provides investment advice to hedge funds and separately managed accounts. These clients have investors of various types, which may include family foundations or trusts, pension plans, and various types of institutions. All investors must be accredited. The minimum investment in the Funds is \$5 million, which may be waived by the General Partner (Trilogy Capital Partners) in its sole discretion.

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

TFPI and TFP II employ the same methods of analysis and investment strategies, although TFP II will typically pursue investments within these same strategies to be held at a higher concentration and for a longer duration than TFPI. Trilogy uses various methods of analysis in formulating investment advice and managing assets. Trilogy believes that strong fundamental credit analysis is the key to reaching its investment objective. Accordingly, Trilogy's investment recommendations are based chiefly on its own proprietary research. Trilogy's research team assesses the current attractiveness of various investment classes that are on offer within the industries with which each analyst is familiar. These investments may include bonds, bank debt, equities, speculative and hedging investments in options, swaps of various types, forward instruments, derivatives such as warrants and convertible securities and cash equivalents, among other things. The team also focuses on developments pertaining to specific names in the portfolios. Trilogy's methods of securities analysis include economic and industry analysis, fundamental research concerning specific companies and securities, technical analysis, and other methods.

Trilogy typically uses three credit-centric strategies: Value Long (e.g., leveraged loans, high yield senior notes, event-driven distressed and DIP loans), Value Short (e.g., high grade and high yield bonds), and Intra-Capital Arbitrage (e.g., long/short credit within a single issuer's capital structure). By utilizing these strategies, Trilogy believes that it can follow and invest with companies, often over a period of years, regardless of where they are in their credit cycle.

Trilogy typically avoids long exposure to junior tranches of capital structures, as these securities frequently have not provided sufficient compensation for the downside risk. Short exposure generally is comprised of cash bonds. The strategy does not typically employ credit derivatives (CDS) and investments in collateralized loan obligations (CLOs). Additionally, the Funds typically are un-levered (though leverage has been, and might in the future be, used), generally maintaining net exposure below 100% of equity. Trilogy's strategy typically does not involve frequent trading, which could affect investment performance through increased brokerage and other transactions costs and taxes.

Investing in securities and other types of debt instruments involves a risk of loss that all clients and investors in clients advised by Trilogy should be prepared to bear. Trilogy strives to reduce risk while maintaining relatively consistent positive returns, and follows a risk management process including the use of stop-loss limits, diversification and hedging. Nevertheless, investors considering or already invested in the Funds or managed accounts advised by Trilogy must realize that hedge fund investments are inherently risky. Investors could lose some or even all of their investments, and they cannot depend on redeeming their interests in the Funds for cash when they might need it most.

The material risks of loss due to Trilogy's investment strategies and primary type of securities (debt) are described in detail in Trilogy's offering materials. Accredited investors should read and understand these risks prior to any investment. Risks include highly volatile markets, frozen markets, investments' lack of liquidity, counter-party failure, failure of financial institutions with whom Trilogy invests, failure of Trilogy's prime broker, reductions in credit or increased redemptions that could require forced liquidation of securities at poor prices, currency fluctuations, changes in the terms of any leverage used to purchase securities, margin calls on any such leverage, interest rate increases that generally can be expected to cause the values of fixed income securities to decline, lack of information about companies that issue distressed securities, lack of future markets for stressed and distressed securities, unpredictable outcomes in bankruptcy court that

could adversely affect the value of creditors' claims, loss or incapacity of the portfolio manager, and other factual, economic, legal or other developments that could cause the Funds or particular holdings in the Funds to perform poorly or even become worthless.

There may be actual and potential conflicts of interest between Trilogy and its clients. Trilogy advises a number of clients, and may acquire additional clients in the future. This may create conflicts of interest with respect to the time that Trilogy devotes to a particular client. Trilogy's policies and procedures permit transactions between clients, provided that such transactions comply with the investment objectives of each of the client accounts involved and applicable law. The existence of performance based fees may also cause a conflict Trilogy may have incentive to engage in more speculative trading. Performance based fees could also create conflicts in the allocation and aggregation of trades among accounts. Trilogy, its portfolio manager and its employees are permitted to trade in securities for their own accounts, subject to restrictions and reporting requirements. This is described in item 11 below (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading). In Item 10 below (Other Financial Industry Activities and Affiliations), there is a description of various relationships that could give rise to conflicts of interest.

Trilogy manages its potential conflicts of interest by maintaining a comprehensive compliance program that involves, among other things, the identification and review of conflicts of interest with the goal of minimizing or eliminating any adverse effects they might have on clients. Trilogy's management regularly discusses the ongoing business of the firm, matters regarding risk, pricing of portfolio investments, and risk management, including the identification and resolution of any actual or perceived conflicts.

#### **Item 9 - Disciplinary Information**

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

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

Trilogy and its management persons are not registered, nor have an application pending to register, as a broker-dealer, a registered representative of a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities. Item 10.C defines certain entities as potential "related persons" about which information should be disclosed. One category is pooled investment vehicles (hedge funds). Trilogy provides investment advice for a fee to its affiliated hedge fund clients, whose general partner or managing member (depending on the client) is effectively owned and controlled by Jonathan Rosenstein, who also effectively owns and controls Trilogy and who is the portfolio manager to all of the Funds and accounts managed by Trilogy. Trilogy exists for the purpose of being the investment adviser to the Funds and other accounts that agree to be managed in a manner generally similar to the Funds in certain material respects. The details of this relationship, including potential conflicts of interest, are fully disclosed in the Funds' offering materials. Potential conflicts of interest include, for example, possible conflicts with other investment entities or clients, conflicts as to time commitments, conflicts regarding valuation and other matters that could affect the calculation of the performance fee (among other things), conflicts regarding the allocation of securities transactions, profits, and losses (which also could affect fees), and conflicts regarding the provider of Trilogy's back office services (discussed further below). With regard to conflicts that might affect the

separately managed accounts, note that the owner of those accounts have constant access to full information about their accounts.

Trilogy also has relationships with broker-dealers that are or could be deemed to be material to its advisory business. For example, JP Morgan is the Funds' main prime broker, and Trilogy has a standard agreement in place with that firm. In addition, Trilogy uses several broker-dealers to makes transactions for its clients. Trilogy does not believe that its relationships with broker-dealers pose material conflicts of interest for Trilogy's clients, as Trilogy strives for best execution on every trade and is not dependent on a single or a small number of broker-dealer firms. None of these broker- dealers are related to or affiliated with Trilogy.

Additionally, with regard to arrangements with a sponsor or syndicate of limited partnerships (defined as a "related person") Trilogy may create and/or distribute investment partnerships which are privately placed and not registered under the Investment Company Act of 1940 and may receive fees in connection with that. Generally, Trilogy places the limited partnership interests in the Funds by itself or with the use of an authorized agent and does not use an outside or affiliated sponsor or syndicate.

Finally, it is important to note that Trilogy has a longstanding relationship with Mariner Investment Group, LLC ("Mariner") and its affiliate, the Back Office Services Group ("BOSG"). BOSG provides significant services and support to Trilogy including, among other things, financial and portfolio accounting, books and records services and certain trade allocation and reconciliation support services. Trilogy pays BOSG a negotiated fee for its services. Mariner provides certain infrastructure support and business continuity/disaster recovery services. Trilogy pays Mariner a negotiated fee for its services. Trilogy has also engaged Constellation Advisers, LLC for on-going compliance program support.

A Mariner entity also is the owner of the discretionary managed account managed by Trilogy generally in parallel to the Funds (this account is referenced in other sections of this brochure). As disclosed above, Mariner pays Trilogy an incentive fee to manage its account. Mariner is registered with the SEC as an investment adviser. Trilogy does not use Mariner's investment advisory services. Trilogy and Mariner/BOSG are not and do not consider themselves to be "affiliates" within the meaning of any federal or state laws. Trilogy believes that Mariner/BOSG's interests are aligned with those of Trilogy and its clients. However, due to the wide-ranging relationship with Mariner/BOSG, and the importance of its support services to Trilogy's operations, Trilogy recognizes that there are potential conflicts of interest or risks that could arise, particularly in the financial and asset allocation areas. Trilogy reviews the arrangement periodically to try to eliminate actual or perceived conflicts or risks. Trilogy staff also works routinely with Mariner/BOSG staff to see that the firm follows appropriate policies and procedures that should prevent harm to Trilogy's clients and their investors.

Trilogy does not recommend or select other investment advisers for its clients.

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

Pursuant to Rule 204A-1 of the Advisers Act, Trilogy has adopted a Code of Ethics and a related Personal Investment Policy (the "Code"), which sets forth standards of business and personal conduct for principals and employees of Trilogy, and seeks to address conflicts that may arise from



personal trading of such persons. The Code is predicated on the basic principles that employees of Trilogy will adhere to high ethical standards and fiduciary principles, and must:

- Place client interests first;
- Engage in personal securities transactions consistent with the Code and avoid any actual, potential, or apparent conflict of interest or any abuse of trust and responsibility;
- Keep securities holdings and financial circumstances of clients confidential; and
- Adhere to the principle that independence in the investment decision-making process is of paramount importance

In addition to a personal investment policy that places restrictions on and requires reporting to Trilogy concerning certain employee securities trading, Trilogy's Code governs and restricts outside business and certain personal activities, the giving and receipt of certain gifts and entertainment, political contributions, and other activities. The Code prohibits illegal trading activity, such as trading on material non-public information, and front-running. Trilogy's employees are required to read and to understand the Code, and they are trained on aspects of the Code at least annually.

Trilogy's investors or prospective investors (clients) may obtain a complete copy of Trilogy's Code of Ethics free of charge by submitting a written request to Trilogy Capital Management, LLC, 800 Westchester Avenue, Suite N517, Rye Brook, New York 10573, or by contacting Investor Relations at (203) 971-3420.

As described above, Trilogy provides an array of investment advisory products and services to investors and clients. Accordingly, Trilogy and its partners, officers and employees may have multiple advisory, transactional, financial and other interests in securities, instruments, companies or investment vehicles that may be purchased or sold by Trilogy for the Funds or managed accounts. Trilogy has established a variety of restrictions, procedures, and disclosures designed to address conflicts of interest arising between the Funds and accounts on the one hand and the Firm's business on the other. It is Trilogy's policy that personnel involved in decision-making for the Funds must seek to act in the best interests of their advisory clients. Where personnel do know of conflicts among Funds or between Funds and the Firm and/or personnel, it is Trilogy's policy to disclose their existence through delivery of this Form ADV or otherwise at Trilogy's discretion depending upon the circumstances, and to comply with legal requirements with respect to obtaining consents or other approval.

In the ordinary course of performing its investment advisory services, Trilogy may recommend to the Funds or managed account (clients) the purchase or sale of securities (or various classes of the same security) in which a different Trilogy client also has a position or interest which may be material. It is worth noting that, in such instances, clients could have different rights in those securities (e.g., in the event of a default or restructuring on the part of the issuer, or as a result of a bankruptcy proceeding). Such trading decisions could pose a conflict of interest because some of the securities owned by client funds are thinly traded, and it is conceivable that Trilogy's own transaction for one fund could affect the pricing of the security in the other fund, which in turn would affect performance returns in that fund which, again in turn would affect Trilogy's incentive fee. Such sales do not occur often and would only happen when, in the portfolio manager's judgment, the security transaction is in the overall best interests of the client funds.

In addition, Trilogy's related person Trilogy Capital Partners, LLC is the General Partner or Managing Member of the Funds, and Trilogy personnel have invested, and may invest, in the Funds. Accordingly, they have purchased or may purchase security interests in and from Funds that are clients. Moreover, as a result of their affiliation with Trilogy, personnel may be permitted to invest in classes of securities or shares offered by the Funds that result in personnel paying less in terms of fees and expenses than other investors pay for the same investment.

Otherwise, Trilogy's employees or other related persons generally are not permitted to buy or sell securities or related securities in which Trilogy's Funds have, or reasonably can be expected to have, a position, and they do not buy or sell securities from or to any client fund or investor in such a fund without following the applicable regulatory requirements.

Trilogy is permitted to buy or sell securities for a client account at or about the same time that it sells or buys the same securities for another client account, although this would happen only when Trilogy's portfolio manager determines that this is in the best interest of the different client accounts. On occasion, cross-trades are permitted among client accounts. For example, a cross trade may be effected in a relatively less liquid or otherwise difficult-to-transact-in security (e.g., difficult to locate or hard to borrow short) when, in the professional opinion of Trilogy's portfolio manager, it would reduce the risk of market impact or otherwise reduce the costs of the contemplated trade and would be beneficial to the affected clients, who may have different investment goals. Trilogy has specific procedures that it uses under these circumstances, which historically have been relatively rare.

## **Item 12 - Brokerage Practices**

Selection of Brokers or Dealers. Trilogy has full investment discretion and the authority to determine without client consultation or consent the broker, dealer or other counterparty through which securities or other instruments are bought and sold, and the commission rates or dealer spreads at which transactions are effected.

Trilogy's prime broker has certain administrative responsibilities, including the issuance of account statements and information with respect to securities transactions effected through other broker-dealers. The prime broker will be allocated a portion of the Funds' securities transactions, subject to principles of best execution. Trilogy utilizes a number of broker-dealers, including the prime broker, to effect transactions for the Funds. In placing orders for the purchase and sale of securities for clients, Trilogy's policy is to seek the best execution of orders, which generally means that it seeks to ensure that the client's total cost or proceeds is the most favorable under the circumstances. Trilogy does not adhere to any rigid formulas in making its selection of broker-dealers to effectuate securities transactions on behalf of its clients, but weighs a combination of factors or criteria. Trilogy's trading desk selects broker-dealers based upon, as applicable, reliability, reputation and experience in the industry, financial stability, capital commitment, clearing and settlement capabilities, efficiency in executing and clearing transactions (e.g., ability to prospect for and provide liquidity and block trades, while avoiding unwanted market impact), competitive commission rates, markups, spreads, and other types of fees as applicable, expertise in particular markets, and other relevant behavior and services, which can include research and analytic services (e.g., research reports and admission to research conferences). Trilogy may in its discretion change its selection of a prime broker for the Funds.

In addition to the foregoing principles of broker-dealer selection, Trilogy may allocate a portion of the Funds' brokerage business to brokers on the basis of certain considerations, which can include

securities allocation, the availability of margin or other leverage, familiarity with the investment techniques employed by the Funds, block positioning or other special execution capabilities or other services provided to the Funds. In so allocating brokerage, the commissions or fees the Funds pay to such brokers might not necessarily represent the lowest commission rate available, but would reflect Trilogy's evaluation of the research or other brokerage-related services supplied by such brokers and which benefit the Funds, either alone or together with the other clients of Trilogy. In each case, Trilogy will make a determination that the amount of any increased costs on account of such research or other services is reasonable relative to the value of services so provided.

Broker-dealers used by Trilogy for client execution sometimes provide their proprietary research to Trilogy. Trilogy does not select brokers in order to obtain research, and in fact Trilogy employs a staff of experienced analysts to produce their own proprietary research. The research obtained through the Funds' brokerage allocations may or may not be useful to Trilogy in connection with services rendered to the Funds, or to other accounts or entities managed by Trilogy or its affiliates. Similarly, research obtained by Trilogy for commissions paid to brokers in the course of managing other accounts may or may not be useful to the Funds. Since any particular research obtained by Trilogy may or may not be useful to the Funds and such other clients or entities, Trilogy, in considering the reasonableness of brokerage commissions paid by the Funds, will not attempt to allocate the relative costs or benefits of research as between the Funds and its other clients or entities except in limited circumstances where appropriate.

Trilogy may determine to allocate a portion of the Funds' brokerage business to firms whose employees participate as brokers in the private offering of Funds' Interests, although this would be extremely rare. Trilogy also may allocate brokerage on the basis of the broker's agreement to pay all or part of certain expenses borne by the Funds under the Funds Agreement, such as the Funds' accounting and legal expenses, although again this would be extremely rare. Trilogy intends to enter into such allocation arrangements only where it determines that the terms thereof will result in an overall net benefit to the Funds. In addition, any and all brokerage allocations for the Funds will be subject to the principles of best execution and other allocation policies described above, as well as any restrictions imposed by applicable law. Currently, Trilogy does not specially compensate any brokerage firm that has consultants or other divisions that refer or can refer investors to Trilogy Funds for such referrals, and Trilogy does not select brokers on the basis of investor referrals. Also, currently Trilogy has no arrangements where brokerage firms pay for the Funds expenses.

When Trilogy deems the purchase and sale of securities to be in the best interest of the Funds, and any other managed vehicles or accounts, they may aggregate the securities to be purchased or sold in order to obtain superior execution and/or lower brokerage expenses. In particular, execution prices for identical securities purchased or sold on behalf of multiple accounts in any one Business Day may be averaged. In such events, allocation of the securities purchased or sold, as well as expenses incurred in the transaction, will be made among the Funds and any other participating accounts or clients by applying such considerations as Trilogy, and its affiliates, deem appropriate, including relative account size of such entities and clients, amount of available capital, size of existing positions in the same or similar securities, impact of leverage, tax considerations and other factors. Although such allocations may typically be pro rata as to the Funds and other such entities and clients, they will not necessarily be so where allocation considerations, such as availability of capital, positions in similar securities or differing objectives, dictate a different result. The Funds will not be entitled to investment priority over other managed entities or accounts and may not necessarily participate in every investment opportunity. Trilogy will endeavor to make all investment allocations in a manner which it considers to be the most equitable to all managed entities and

clients. The Funds' investment strategy is likely to involve substantial positions in foreign securities, involving a variety of instruments. Commission rates and other transaction costs relating to certain contemplated investments of the Funds, particularly foreign securities and customized options or other hedging instruments, are often higher than those applicable to exchange-listed U.S. securities. Accordingly, the Funds' transaction execution costs may be expected to be higher at times than that of a comparable vehicle investing in U.S. securities.

Allocation of Orders. When a transaction is suitable for more than one Fund, Trilogy will generally attempt to allocate purchase and sale opportunities on a fair and consistent basis. Trilogy may consider some or all of the following factors in making allocation decisions among funds or other client accounts: the investment objectives, policies, restrictions, risk tolerance, time horizon, tax sensitivity, desired capitalization range, nature and size of the account, suitability, tolerance for portfolio turnover, availability of cash or buying power, account "ramp-ups", and whether the fund or other client account is eligible to participate in a trade pursuant to applicable compliance regulations. These objectives are discussed when the original investment in the Funds or other client account is made.

In addition, Trilogy may cause its clients to share proportionately in the legal fees and other expenses it incurs in investigating and negotiating potential transactions for the clients.

Borrowing. To the extent that the Funds or other client account uses leverage, it may borrow from a broker (e.g. prime broker or other counter-party or service provider of the Funds or Trilogy) at arms-length rates. If any client account managed or advised by Trilogy engages in short sales, Trilogy may cause the client account to borrow the securities sold short from a broker and such broker will earn and retain any interest in connection with borrowing. Trilogy's funds do not typically employ a high degree of leverage (though they may), nor do they engage in "naked" short-selling.

Trade Errors. Trilogy seeks to exercise due care in making and implementing investment decisions on behalf of its clients (e.g., the funds and accounts it manages or advises). Notwithstanding that objective, it is Trilogy's policy to seek to correct any trade error that may occur as soon after discovery as reasonably practicable, consistent with the orderly disposition (and/or acquisition) of the securities in question and in a manner such that the client portfolio incurs no loss. Losses suffered by a client as a result of trade error caused by Trilogy are to be reimbursed by Trilogy. Any gains realized by an account as a result of a trade error caused by Trilogy are to remain in the account. Other broker-dealers may not assume responsibility for trade error losses caused by Trilogy.

#### *1. Research and Other Soft Dollar Benefits*

As mentioned earlier, Trilogy relies exclusively on its own internal research, but may receive unsolicited research from brokers; Trilogy has no "soft dollar" arrangements with broker-dealers where it would receive research or other products or services other than execution in connection with client securities transactions.

#### *2. Brokerage for Client Referrals*

Trilogy does not consider, in selecting broker-dealers, whether it or a related person receives client referrals from a broker-dealer or third party. Trilogy does not, in fact, receive client referrals from

broker-dealers or third parties on behalf of them. Trilogy does not recommend broker-dealers to others.

### *3. Directed Brokerage*

Trilogy does not engage in or permit “directed brokerage,” which occurs when an adviser recommends, requests, or requires that a client direct it to execute transactions through a specified broker-dealer. Trilogy generally has full investment discretion and the authority to determine without client consultation or consent the broker, dealer or other counterparty through which securities or other transactions or other instruments are bought or sold, and the commission rates or dealer spreads at which transactions are effected.

Aggregation of Orders. If Trilogy believes that the purchase or sale of a security is in the best interest of more than one client, it may (but is not obligated to) aggregate the orders to be purchased or sold to seek favorable execution or lower brokerage commissions or fees, to the extent permitted by applicable law. Trilogy is not required to bunch or aggregate orders if portfolio management decisions are not made together or if Trilogy determines that it would not be consistent with its investment management duties to do so. Aggregation of orders under these circumstances should, on average, decrease the cost of execution, as a result of prevailing trading activity, it frequently is not possible to receive the same price or execution on the entire volume of securities purchased or sold. When this occurs, the various prices may in Trilogy’s sole discretion be averaged and accounts will be charged or credited with the average price. In such cases, each client that participates in the aggregated transaction will share transaction costs on a pro rata basis based upon each client’s participation in the transactions. The effect of aggregation may operate on some occasions to a client account’s advantage or disadvantage. Under certain circumstances, not all clients will be charged the same commission or commission equivalent rates in connection with a bunched or aggregated order. For example, from time to time brokerage commissions may be individually negotiated. Lastly, from time to time Trilogy may cause securities purchased on behalf of its clients to be held in the name of a nominee affiliate in trust on behalf of such clients. Such nominee holdings will be undertaken when the size of the investment or other considerations relating to the truncation favor holding the securities in the name of one person rather than subdividing the securities among the clients.

### **Item 13 - Review of Accounts**

Trilogy’s principals and employees review client fund positions and accounts on a continuous (daily, weekly, monthly, and quarterly) basis. Trilogy generally furnishes investors (i.e., limited partners in a Trilogy fund) with written quarterly reports listing the unaudited market value and other relevant information concerning the fund in which they are invested. Trilogy, through its agents, also provides certain monthly or mid-month emails that include estimated performance, among other things. Also, each investor will receive, at least annually and generally within 120 days of the end of the applicable fiscal year, audited financial statements of the applicable hedge fund as prepared by a nationally-known independent auditor in accordance with GAAP (the “Audited Financials”). Trilogy also makes such additional reports as are appropriate to investor relationships as agreed between Trilogy and the investors. Other than as required by applicable law or regulation, investors are furnished only such reports and information as they request to receive.

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

Trilogy has not received an economic benefit (financial or otherwise) from anyone who is not an

investor in a client Fund or account for providing investment advice or other advisory services to its client Funds and accounts.

From time to time, Trilogy may enter into arrangements with third parties whereby such third parties receive fees for referring investors to Trilogy or the Funds. Trilogy pays such compensation only if the investor is aware of the fee arrangement and the arrangement otherwise complies with applicable rules, regulations, and SEC guidance (e.g., Rule 206(4)-3 of the Advisers Act and relevant no-action letter guidance).

### **Item 15 - Custody**

Because of its ability to control the deduction of fees and the general partnership structure of the client hedge funds, which includes a power of attorney by Trilogy Capital Partners, Trilogy is considered to have “custody” of client funds and securities. JP Morgan, Trilogy’s prime broker, and MUFG, the fund administrator are the principal other custodians. Trilogy’s Funds receive account information from JP Morgan. Investors in Trilogy’s client Funds receive statements from Trilogy’s agents, as well as annual audited financial statements. Investors should carefully review their account statements.

### **Item 16 - Investment Discretion**

Trilogy accepts discretionary authority to manage securities and other investments on behalf of clients. There are no limitations on this authority. Trilogy Capital Partners, the general partner or managing member of the Funds, has a power of attorney to make transactions etc. for the benefit of the Funds. Please see the offering memorandum for specific terms.

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

#### **Proxy Voting Policy and Procedures Notice and Summary**

Pursuant to Rule 206(4)-6 under the Advisers Act, Trilogy is providing you with this summary of its proxy voting process, as well as information as to how you may obtain Trilogy’s complete proxy voting policy and procedures and information as to how proxies were voted for securities held by the Funds.

Trilogy has adopted proxy-voting policies and procedures designed to ensure that where investors have delegated proxy-voting authority to Trilogy, all proxies are voted in the best interest of such investors without regard to the interests of Trilogy or related parties. When an investor retains Trilogy, the firm generally determines through its investment management agreement (or otherwise), whether it will vote proxies on behalf of the investor. Currently, Trilogy uses an independent third party proxy voting service provider (the “Provider”). If the investor appoints Trilogy as its proxy-voting agent, the investor will also instruct Trilogy to vote its proxies in accordance with custom guidelines provided by the investor, Trilogy’s Standard Guidelines (currently the same as the Provider’s standard guidelines), or in the case of a Taft-Hartley investor, in accordance with the Provider’s Taft-Hartley guidelines. Trilogy informs the investor’s fund or account custodian (including prime brokers) to send all proxies to the Provider. Trilogy then informs the Provider that the investor has appointed Trilogy as its agent and instructs the Provider as to which guidelines to follow.

Investors in funds or accounts advised by Trilogy may obtain a complete copy of Trilogy's Proxy Voting Policy and Procedures or information on how Trilogy voted proxies free of charge by submitting a written request to Trilogy at 800 Westchester Avenue, Suite N517, Rye Brook, New York 10573, or by contacting Investor Services at (203) 971-3420.

## **Item 18 - Financial Information**

Trilogy believes that it is not required to include a balance sheet for its most recent fiscal year because it does not require pre-payment of fees six months or more in advance.

Trilogy does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

Trilogy has not been the subject of a bankruptcy petition during the past ten years.

## **Other Items of Interest**

### ***Anti-Money Laundering***

To help the government fight the funding of terrorism and money laundering activities, Trilogy seeks to obtain, verify, and record information that identifies investors who open investment advisory accounts with Trilogy or who subscribe for an interest in a private investment fund managed by Trilogy. When an investor opens an account with Trilogy, or subscribes for an interest in a private investment fund, Trilogy generally will ask for information (e.g., name, address, date of birth, identification number, a copy of an individual investor's driver's license or other identifying document) that enables Trilogy's agent to identify that investor in a manner that is consistent with applicable requirements and to share that information as required by applicable law or in connection with the execution of trades. For certain investors, Trilogy may rely, in whole or in part, on the investor's broker-dealer, transfer agent, or custodian to obtain, verify or record the required information. Trilogy's agent conducts an anti-money-laundering check on every new investor.

### ***Policy and Procedure for Filing Claims in Class Action Litigations***

Trilogy believes that it has a fiduciary responsibility to monitor securities class action suits and file claims on behalf of its clients. A class action is a civil lawsuit where a group of "class" is affected in the same manner or form. One or more representatives of the group ("class representatives") file suit on behalf of the class and a judge will initially decide whether or not the claims of the representatives arise from uniform facts or law common to all class members.

Notwithstanding the above, if an individual or institution has a unique set of circumstances that might vary from the class, it may prove worthwhile for them to opt out of the class action and file suit individually. Trilogy will arrange to file securities class action claims on behalf of its eligible clients unless a client instructs it otherwise. This policy applies to all assets managed by Trilogy. Note, however, that due to the nature of Trilogy's investment strategy and the types of assets involved, Trilogy anticipates that applicable class actions would be rare, if any.

FACTS	WHAT DOES TRILOGY CAPITAL MANAGEMENT, LLC ("TRILOGY") DO WITH YOUR PERSONAL INFORMATION?	
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	The types of personal information we collect and share depend on the product or service we provide to you. This information can include: Social Security number and assets; Account balances and transaction history; and Investment experience and wire transfer instructions.	
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Trilogy Capital Management, LLC ("Trilogy") chooses to share; and whether you can limit this sharing.	
Reasons we can share your personal information	Does Trilogy Share?	Can you limit this sharing?
<b>For our everyday business purposes</b> – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes</b> – to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	No	No
<b>For our affiliates' everyday business purposes</b> – information about your transactions and experiences	Yes	Yes
<b>For our affiliates' everyday business purposes</b> – information about your creditworthiness	No	We don't share
<b>For our affiliates to market to you</b>	Yes	Yes
<b>For nonaffiliates to market to you</b>	No	We don't share
<b>To limit our sharing:</b>	Call (203) 971-3405  <b>Please note:</b>  If you are a new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we may continue to share your information as described in this notice.  However, you can contact us at any time to limit our sharing.	
<b>Questions?</b>	Call (203) 971-3405	



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Who we are	
<b>Who is providing this notice?</b>	Trilogy Capital Management, LLC ("Trilogy")
What we do	
<b>How does Trilogy protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings
<b>How does Trilogy collect my personal information?</b>	We collect your personal information, for example, when you: Give us your contact information; Enter into an investment advisory contract or buy securities from us or an affiliate (e.g., invest in a Trilogy advised hedge fund); and Tell us where to send the money or make a wire transfer. We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
<b>Why can't I limit all sharing?</b>	Federal law gives you the right to limit only: sharing for affiliates' everyday business purposes – information about your creditworthiness; affiliates from using your information to market to you; and sharing for nonaffiliates to market to you. State laws and individual companies may give you additional rights to limit sharing.
<b>What happens when I limit sharing for an account I hold jointly with someone else?</b>	Your choices will apply to everyone on your account.
Definitions	
<b>Affiliates</b>	Companies related by common ownership or control. They can be financial and nonfinancial companies. <i>Trilogy does not have any Companies related by common ownership or control at this time</i>
<b>Nonaffiliates</b>	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <i>Nonaffiliates we share with may include Mariner Investment Group, LLC and Back Office Services Group</i>
<b>Joint marketing</b>	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <i>Trilogy does not engage in joint marketing.</i>