

1. Cover Page

Form ADV Part 2A

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This brochure (“**Brochure**”) provides information about the qualifications and business practices of Active Alts Inc. (“**Active Alts**” or the “**Firm**”). 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. Any reference to or use of the terms “registered investment advisor” or “registered,” does not imply that the Firm or any person associated with the Firm has achieved a certain level of skill or training.

Additional information about Active Alts also is available on the SEC’s website at www.adviserinfo.sec.gov by searching the Firm name or CRD #285036.

2. Material Changes

This Brochure dated March 26, 2019 is Active Alts' first brochure.

Active Alts will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Currently, this Brochure may be requested free of charge by contacting Amanda Misch, Chief Compliance Officer (the “**CCO**”) at (646) 747-3181 or amisch@alariccompliance.com.

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4. Advisory Business

Active Alts offers investment advisory and sub-advisory services to clients on a discretionary basis through: (1) separate account management (“**Individual Separate Accounts**”) and (2) managed account programs sponsored by broker-dealers (“**SMA Accounts**”).

Active Alts is located in Westport, Connecticut. It was founded in 2016 by Bradley Lamensdorf, the sole owner.

Investment Advisory Services

General

Active Alts offers investment advisory and sub-advisory services on a discretionary basis to Individual Separate Accounts and SMA Accounts.

Active Alt’s principal and portfolio manager, Bradley Lamensdorf, is responsible for the investment decisions with respect to the investment strategy selected by an account, including identification and selection of specific securities and investments to be purchased in light of current and anticipated economic and market conditions, taking into account guidelines, limitations and information relating to the client, legal restrictions and internal strategy guidelines.

Different client accounts will have different investment objectives, guidelines, and fee structures (including in certain instances performance fees). The management of these accounts gives rise to potential conflicts of interest because Active Alts has an incentive to favor one account over another. See Item 6.

Individual Separate Accounts

Active Alt’s investment advisory services are provided generally based on the strategy selected by the client, subject to agreed-upon account restrictions and guidelines. Active Alts provides its services in a broad array of fixed income, equity and other investment strategies, including in the broad categories of municipal bonds, taxable fixed income, global and international, value, growth and core equities, real assets, asset allocation, quantitative/enhanced, index, and alternative assets. Depending on the particular strategy, Active Alts invests in a variety of securities and other investments, including in certain cases derivatives, and employs different investment techniques. Certain strategies include elements of other strategies, and may be customized to meet the individualized needs of Active Alt’s clients.

SMA Accounts

Active Alts provides investment advisory services to SMA Accounts through an account program pursuant to an advisory agreement directly with the client. Active Alts is appointed to act as an investment adviser through a process generally administered or assisted by the program sponsor. Clients participating in the SMA Account program, generally with assistance from the sponsor, select Active Alts to provide investment advisory services for their account (or a portion thereof).

Clients are encouraged to consult their own financial advisors and legal and tax professionals on an initial and continuous basis in connection with selecting and engaging the services of an investment manager for a particular strategy and participating in an SMA Account program. In the course of providing services to SMA Accounts who have financial advisors, Active Alts generally relies on information or directions communicated by the financial advisor acting with apparent authority on behalf of its client. SMA Account clients should review all materials relating to their program (including the program brochure) regarding the SMA Account program's terms, conditions and fees, and consider the advantages, disadvantages and overall appropriateness of the program in light of the client's particular circumstances.

Tailored Services and Investment Restrictions

Individual Separate Accounts and SMA Accounts

Active Alt's discretionary authority over an account is generally subject to directions, guidelines and limitations imposed by the client and, in the case of an SMA Account, the program sponsor. Active Alts will endeavor to follow reasonable directions, investment guidelines and limitations.

Recommendations may be limited if the client does not provide the Firm with accurate and complete information. It is the client's responsibility to keep Active Alts informed of any changes to their investment objectives or restrictions. Clients may also request other restrictions on the account, such as when a client needs to keep a minimum level of cash in the account or does not want Active Alts to buy or sell certain specific securities or security types in the account. Active Alts reserves the right to not accept and/or terminate management of a client's account if it feels that the client-imposed restrictions would limit or prevent the Firm from meeting or maintaining the client's investment strategy.

Wrap Fee Programs

Active Alts does not offer wrap fee programs as part of its services and does not place Clients into wrap fee programs of other providers.

Assets Under Management

As of December 31, 2018, there are no assets under management on a discretionary basis. There are no assets under management on a non-discretionary basis.

5. Fees and Compensation

Investment Advisory Fees

Active Alts' advisory fees are based on a percentage of assets under its management. For eligible client accounts, performance-based fees also may be negotiated in appropriate circumstances.

Fees and services may be negotiable based on factors such as client type, asset class, pre-existing

relationship, portfolio complexity and account size or other special circumstances or requirements. Some existing clients pay higher or lower fees than new clients. Related accounts may be aggregated for fee calculation purposes in certain circumstances.

When Active Alts calculates fees, valuations of account assets are determined in accordance with Active Alts' valuation procedures, which generally rely on third party pricing services, but may permit the use of other valuation methodologies in certain circumstances. Active Alts' determinations may differ from valuations reflected in a client's custodial statements.

Individual Separate Accounts

Advisory fees for Individual Separate Accounts are generally based on an annual management fee of no greater than 2% assessed on the total assets under management. Advisory fees for Individual Separate Accounts opened by "qualified clients" may include a performance-based fee ranging between 10% and 15%. However, fees for certain strategies or accounts may be more or less, as negotiated with the client. The exact fee structure will be determined in the client's written investment advisory agreement.

SMA Accounts

Active Alts and the program sponsors each charge their fees separately. Fees for advisory or sub-advisory services provided to an SMA Account client are negotiated between Active Alts and the SMA Account client and where appropriate, the advisor to the SMA Account client. Fees may be based on a percentage of assets under management and/or performance-based.

Advisory fees for SMA Accounts opened by accredited investors are generally based on an annual management fee of no greater than 2% assessed on the total assets under management. Advisory fees for SMA Accounts opened by "qualified clients" may include a performance-based fee ranging between 10% and 15%. However, fees for certain strategies or accounts may be more or less, as negotiated with the client. The exact fee structure will be determined in the client's written investment advisory agreement or in the sub-advisory agreement.

Additional Information

Active Alts' management fees are generally payable monthly or at such other times as agreed upon by the parties involved based upon the market value of assets in the account on the date of valuation, the average of the market value of the assets in the account during the billing period, or the month end market value. For Individual Separate Accounts and SMA Accounts, payment arrangements, including the timing (in advance or in arrears) and billing procedures (which may include sending an invoice and/or deduction of fees), will be agreed upon by Active Alts and the client. For certain Individual Separate Accounts and SMA Accounts, a performance fee will be charged at year end, as provided in the relevant account investment management agreement.

Generally, if an account is opened or closed during a billing period, the advisory fees are prorated for that portion of the billing period during which the account was open. Certain accounts may be managed by Active Alts without an advisory fee.

Other Fees and Expenses

On behalf of its Individual Separate Accounts and SMA Accounts, Active Alts may invest in closed-end funds, open-end funds, Exchange Traded Funds (“**ETF**”), exchange traded notes, and other pooled investment vehicles. When Active Alts invests client assets in such securities, unless otherwise agreed and where permitted by law, the client will bear its proportionate share of fees and expenses as an investor in the fund or vehicle in addition to Active Alts’ investment advisory fees.

Clients will also incur other fees and expenses, which include brokerage commissions, transaction fees, and other related costs and expenses in connection with brokerage accounts and securities transactions. Other fees clients may incur include certain charges imposed by custodians, brokers, third party investment and other miscellaneous fees such as deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees.

Active Alts shall not receive any portion of these commissions, fees, and costs. Neither Active Alts nor any of its employees accept compensation for the sale of securities or other investment products.

Active Alts may invest client assets in shares or other interests in certain program accounts, private pooled vehicles or investment companies advised by Active Alts. To the extent that Active Alts invests client assets in such an account or affiliated fund, Active Alts may, depending on the arrangement with the client, the program sponsor and any legal requirements, waive or offset investment advisory fees on the assets invested in such program account or affiliated fund, credit the account for the fees paid by the affiliated fund to Active Alts, avoid or limit the payment of duplicative fees to Active Alts and its related persons through other means, or charge fees both at the affiliated fund level and separate account level.

Active Alts’ clients will incur brokerage and other transaction costs as explained in further detail in the Brokerage Practices section below.

A client or Active Alts may terminate its agreement at any time by providing notice as provided in the relevant client investment management agreement.

Account Additions and Withdrawals

Individual Separate Account and SMA Account clients may make additions to and withdrawals from their account at any time, subject to the Firm’s and the program sponsor’s policies and procedures. Additions may be in cash or securities, provided that Active Alts reserves the right to liquidate any transferred securities or decline to accept particular securities into a client’s account. Individual Separate Account and SMA Account clients may withdraw account assets on notice to Active Alts, subject to the usual and customary securities settlement procedures. However, Active Alts designs its portfolios for Individual Separate Account and SMA Account clients as long-term investments and the withdrawal of assets may impair the achievement of a client’s investment objectives. Active Alts may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (*i.e.*, contingent deferred sales charge) and/or tax ramifications.

Potential Conflicts of Interest

When Active Alts invests an Individual Separate Account client's assets in an SMA Account, Active Alts receives advisory fees for the advisory services provided by Active Alts to the SMA Account in addition to the investment advisory fee paid by the Individual Separate Account client.

In such circumstance, a potential conflict arises from the receipt by Active Alts of additional compensation as a result of the Individual Separate Account client's investment in certain portfolios. The additional payments to Active Alts may influence Active Alts' decision of which portfolios to invest the Individual Separate Account client. See Item 6. To mitigate the potential conflict, Active Alts ensures that there is full disclosure of all payments received by Active Alts allowing Individual Separate Account clients to make fully informed decisions.

Other Compensation

Active Alts does not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

6. Performance-Based Fees and Side-by-Side Management

Active Alts offers investment advisory services to multiple accounts with different investment objectives, guidelines and policies, and with different fee structures.

Active Alts may receive both asset-based fees and performance-based fees as compensation for its advisory services. Performance-based fees may create an incentive for Active Alts to make investments that are riskier or more speculative than would be the case in the absence of a performance-based fee. In these instances, Active Alts' compensation may be greater than it would otherwise have been, as the fee will be based on account performance instead of, or in addition to, a percentage of assets under management. Additionally, certain accounts may pay higher fees and/or performance-based fees, which may create an incentive for Active Alts to allocate better performing or riskier investments to such accounts because of the potential for higher fees. The CCO reviews accounts, including those with performance-based fees, to detect evidence or patterns of preferential treatment relative to comparable accounts, including those without performance-based fees.

7. Types of Clients

Active Alts offers investment advisory and sub-advisory services to individual clients as described above..

Active Alts does not require a minimum account size.

8. Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Active Alts performs a market analysis using current market information, however, Active Alts has no control over the dissemination rate of market information; therefore, certain analyses may be compiled with outdated market information, severely limiting the value of the analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Investment Strategies

General descriptions of Active Alts' investment strategies are included below. These descriptions are not intended to serve as applicable account guidelines. Except in limited instances (e.g., certain allocation or multi-asset class solutions strategies), Active Alts' strategies are not generally intended to provide a complete investment program for a client, and clients are responsible for appropriately diversifying their assets as appropriate.

Active Alts reserves the right to limit the availability of any particular strategy at any given time based on factors including asset class capacity, pre-existing relationships, minimum account sizes, fees and distribution channels. In addition, Active Alts develops other investment strategies from time to time and manages portfolios according to a client's specific investment guidelines, and thus, strategies may vary by client account. Certain strategies are available only in certain channels or through investing in the Fund. For the Fund, the descriptions of the investment strategies below are qualified in their entirety by the information included in the Fund's prospectus and SAI or other official offering documentation.

Active Alts may move to large portions of cash from time to time to reduce risk from general markets.

Individual Separate Accounts

The investment objective of the Individual Separate Accounts is principal preservation and growth. The investment strategy for Individual Separate Account clients will be specifically tailored to such clients based upon his or her risk profile and stated objectives or in such client's written investment advisory agreement. Active Alts, who will use such information to assist it in selecting a combination of fixed income products, including individual mutual funds or ETFs, to implement the client's investment objectives. Active Alts may invest an Individual Separate Account client in a program account as well.

SMA Account

The investment objective of the SMA Account is to seek long-term capital appreciation to be effected by purchasing and selling short exchange-traded common equity securities ("**Equities**") selected from a universe of U.S. companies with a market capitalization of \$1 billion or more as tracked by Ned Davis Research, Inc. (the "**NDR Large & Mid-Cap Universe**"). The SMA

Account does not seek to replicate the performance of a specific index. Instead, the SMA Account uses an active investment strategy in an effort to meet its investment objective.

Under normal market conditions, the SMA Account typically holds long positions and short positions in approximately 75 to 150 Equities. Active Alts selects Equities that it believes are likely to outperform the market over time or increase in value in the near term for the SMA Account's long position (the "**Long Position**"), and selects Equities that it believes are likely to lose value in the near or longer term for the SMA Account's short position (the "**Short Position**").

In selecting Equities for the Long Position and the Short Position, Active Alts utilizes a proprietary Equities ranking methodology developed by Ned Davis Research, Inc. ("**NDR**"), referred to as "**NDR Focus**". To select Equities for the Long Position, Active Alts screens the group of companies in the NDR Large & Mid-Cap Universe that have the highest NDR Focus rankings. To select Equities for the Short Position, Active Alts screens the group of companies in the NDR Large & Mid-Cap Universe that have the lowest NDR Focus rankings.

The SMA Account portfolio net exposure (market value of the Long Position minus the market value of the Short Position) ranges from net long, to market neutral to net short, depending on Active Alt's analysis of market conditions, based on factors including, but not limited to, trends, monetary environment, valuations of the general market and investor sentiment. In managing the SMA Account's net exposure, Active Alts seeks to collaborate with NDR to design and update market indicators tailored specifically for the SMA Account strategy.

Typically, the SMA Account maintains the market value of Long Positions at 90% or less and the market value of Short Positions at 60% or less. Maximum gross exposure (the market value of Long Positions plus the market value of Short Positions) is 100% at the establishment of a position. The maximum long exposure at the establishment of a position for the SMA Account is 90% long with 10% cash. The maximum short exposure at establishment of the position for the SMA Account is 40% long and 60% short (net exposure of 20% short). Changes in market value may cause the SMA Account exposures to exceed these limits after a position is established.

The SMA Account portfolio may be more heavily focused in different sectors or industries at different times depending on market conditions, and/or company, sector and industry outlooks. While the SMA Account is not limited with respect to any single position, the SMA Account generally will not add to a position when doing so will cause the position to exceed two percent (2%) of the total assets of the SMA Account.

In general, the SMA Account will open long and short positions that Active Alts believes offer substantial potential for capital appreciation, based on its fundamental and technical analysis of markets, companies and sectors, working with the NDR indicators. Conversely, the SMA Account will generally close out positions when Active Alts believes the security has met its target price, Active Alt's fundamental or technical outlook for a market, company or sector has changed, or Active Alts believes better opportunities are available.

Active Alts may also seek to manage risk by raising the SMA Account's level of cash and cash equivalent investments (e.g., through making investments in short-term U.S. treasuries, money market instruments and similar types of cash equivalent investments).

As a result of its trading strategy, the SMA Account expects to engage in frequent portfolio transactions that will likely result in higher portfolio turnover than other similar investment companies. Portfolio turnover is a ratio that indicates how often the securities in a portfolio change during a year. A higher portfolio turnover rate indicates a greater number of changes, and a lower portfolio turnover rate indicates a smaller number of changes. Under normal circumstances, the anticipated annual portfolio turnover rate for the SMA Account is expected to be greater than 100%.

Risks

General

As with any investment, loss of principal is a risk of investing in accordance with any of the investment strategies described above. This Brochure does not include every potential risk associated with an investment strategy, or all of the risks applicable to a particular portfolio. Rather, it is a general description of the nature and risks of Active Alts' principal strategies. The strategies described above also are subject to the risks listed below.

Potential Risks of Investing in Mutual Funds, ETFs, Bonds and Equities

Redemption Fee Risk. A mutual fund redemption fee, also referred to as a “redemption fee,” “market timing fee,” or “short-term trading fee,” is a charge by a mutual fund company to discourage investors from making a short-term purchases and sales of mutual fund shares. Redemption fees vary by mutual fund and are described in each mutual fund's prospectus. Imposition of redemption fees can have a material impact on the performance of an account.

Stock Market Risk. Mutual funds that invest in equity securities are subject to stock market risk. Stock market risk is the possibility that stock prices overall will decline over short or extended periods. Markets tend to move in cycles, with periods of rising prices and periods of falling prices. Investing in small or medium-sized companies involves greater risk than is customarily associated with more established companies. Stocks of such companies may be subject to more volatility in price than larger company securities.

Foreign Securities Risk. Foreign securities are subject to the same market risks as U.S. securities, such as general economic conditions and company and industry prospects. However, foreign securities involve the additional risk of loss due to political, economic, legal, regulatory, and operational uncertainties; differing accounting and financial reporting standards; limited availability of information; currency conversion; and pricing factors affecting investment in the securities of foreign businesses or governments.

Interest Rate Risk. Bonds also experience market risk as a result of changes in interest rates. The general rule is that if interest rates rise, bond prices will fall and so will the mutual funds' and ETF's share price. The reverse is also true: if interest rates fall, bond prices will generally rise. A bond with a longer maturity (or a bond fund with a longer average maturity) will typically fluctuate more in price than a shorter-term bond. Because of their very short-term nature, money market instruments carry less interest rate risk.

Credit Risk. Bonds and bond mutual funds are also exposed to credit risk, which is the possibility that the issuer of a bond will default on its obligation to pay interest and/or principal. U.S. Treasury securities, which are backed by the full faith and credit of the U.S. Government, have limited credit risk, while securities issued or guaranteed by U.S. Government agencies or government sponsored enterprises that are not backed by the full faith and credit of the U.S. Government may be subject to varying degrees of credit risk. Corporate bonds rated BBB or above by Standard & Poor's are generally considered to carry moderate credit risk. Corporate bonds rated lower than BBB are considered to have significant credit risk. Of course, bonds with lower credit ratings generally pay a higher level of income to investors.

Liquidity Risk. Liquidity risk exists when a particular security is difficult to trade. A mutual fund's investment in illiquid securities may reduce the returns of the mutual fund because the mutual fund may not be able to sell the assets at the time desired for an acceptable price, or might not be able to sell the assets at all. Similarly, private equity funds, hedge funds and direct investments are normally an investment with companies or sectors that are not publicly traded. These investments are normally very illiquid; therefore, they are not ideal for clients with frequent cash needs. There is normally no public market for private equity shares, if investors need to sell their shares, they may do so at a substantial discount. These investments should be viewed as long term investments.

Call Risk. Many fixed income securities have a provision allowing the issuer to repay the debt early, otherwise known as a "call feature." Issuers often exercise this right when interest rates are low. Accordingly, holders of such callable securities may not benefit fully from the increase in value that other fixed income securities experience when rates decline. Furthermore, after a callable security is repaid early, a mutual fund or ETF would reinvest the proceeds of the payoff at current interest rates, which would likely be lower than those paid on the security that was called.

Objective/Style Risk. All of the mutual funds and ETFs are subject, in varying degrees, to objective/style risk, which is the possibility that returns from a specific type of security in which a mutual fund invests will trail the returns of the overall market.

U.S. Government Agency Securities Risk. Securities issued by U.S. Government agencies or government-sponsored entities may not be guaranteed by the U.S. Treasury. If a government sponsored entity is unable to meet its obligations, the securities of the entity will be adversely impacted.

Risks associated with ETF shares traded on an exchange. ETFs are listed for trading on an exchange and can be purchased or sold on the secondary market at market prices. While it is expected that the market price of an ETF typically will approximate its net asset value ("**NAV**"), there can be instances where market price and NAV vary significantly, thus the client may pay more or less than NAV when purchasing ETF shares on the secondary market, and may receive more or less than NAV when selling ETF shares.

Management Style Risk. There is no guarantee that Active Alts' judgments about the attractiveness, value, and potential appreciation of particular investments in which it invests will be correct or produce the desired results. If Active Alts fails to accurately evaluate portfolio investments, evaluate market risk or appropriately react to current and developing market conditions, the account may be adversely affected.

Medium Capitalization Companies Risk. Active Alts may invest a significant portion of its clients' assets in medium capitalization companies (which Active Alts defines as companies having a market capitalization of between \$1 billion and \$6). Investing in the securities of medium capitalization companies generally involves greater risk than investing in larger, more established companies. The securities of medium capitalization companies usually have more limited marketability and therefore may be more volatile and less liquid than securities of larger, more established companies or the market averages in general. Such companies also typically are subject to a greater degree of changes in earnings and prospects.

Large Capitalization Companies Risk. Active Alts may invest in large capitalization companies (defined by Active Alts as companies with more than \$6 billion in capitalization). Large capitalization companies may be unable to respond quickly to new competitive challenges, such as changes in technology and consumer tastes, and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Money Market Risk. In order to maintain sufficient liquidity, to implement investment strategies or for temporary defensive purposes, Active Alts may invest a significant portion of its assets in shares of one or more money market funds. Generally, money market mutual funds are registered investment companies that seek to earn income consistent with the preservation of capital and maintenance of liquidity by investing primarily in high quality money market instruments, including, without limitation, U.S. government obligations, bank obligations and high-grade corporate instruments. An investment in a money market mutual fund is not insured or guaranteed by the Federal Deposit Insurance Company or any other governmental agency, entity or person. While investor losses in money market mutual funds have been rare, they are possible. In addition, the Fund will incur additional indirect expenses due to acquired fund fees and other costs to the extent it invests in shares of money market mutual funds.

Limited Experience Risk. Although the executives and members of Active Alts have extensive experience in managing investments for clients including corporations, non-taxable entities, investment companies and other business and private accounts, Active Alts has not managed this particular strategy before, which may limit Active Alts' effectiveness.

Risks Related to Portfolio Turnover. As a result of its trading strategy, Active Alts may sell portfolio securities without regard to the length of time they have been held and will likely have a higher portfolio turnover rate than other registered investment companies. Since portfolio turnover may involve paying brokerage commissions and other transaction costs, higher turnover generally results in additional expenses. High rates of portfolio turnover may lower the performance of an account due to these increased costs and may also result in the realization of short-term capital gains.

9. Disciplinary Information

Active Alts' advisory affiliate and principal, Bradley Lamensdorf (CRD# 1979074), had a disclosure event reported in his Investment Advisor Representative Public Disclosure Report. Mr. Lamensdorf received a reprimand from the Texas State Securities Board on January 25, 2005, for rendering investment advice when not registered as an "Investment Advisor Representative" with the Texas

State Securities Board, during the period of January 1999 to February 2005. Further information about this event is disclosed in Active Alts' Form ADV Part 1, and on the SEC's IARD system at: https://www.adviserinfo.sec.gov/IAPD/Support/ReportViewer.aspx?indvl_pk=1979074.

10. Other Financial Industry Activities and Affiliations

Since Active Alts provides fee-only advice, no products are sold. Active Alt's investment supervisory services account for 100% of the total advisory business at Active Alts.

Mr. Lamensdorf is a principal of Sand Dollar Beach, LLC, which is a principal of Ranger Alternative Management, L.P., a registered investment advisor and sub advisor to Active Bear, a publicly traded ETF. Since 8/2010, Mr. Lamensdorf has been a portfolio manager to Active Bear. Sand Dollar Beach, LLC shares an address with Active Alts.

Since 12/2012, Mr. Lamensdorf has been the managing member and Chief Investment Officer of Lamensdorf Market Timing Report LLC, a Connecticut limited liability company, which owns an investment newsletter, "The Lamensdorf Market Timing Report". The newsletter provides non-personalized investment analysis and market timing information to paid subscribers. Active Alts has no financial interest in or control over such newsletter. Lamensdorf Market Timing Report LLC shares an address with Active Alts.

Mr. Lamensdorf is the principal of a related entity, BHL Advisors, LLC, which is winding down.

11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading, Privacy

Active Alts maintain an investment policy relative to personal securities transactions. This investment policy is part of Active Alts' Code of Ethics, which serves to establish a standard of business conduct for all of Active Alts' supervised persons that are based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, Active Alts also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Active Alts or any person associated with Active Alts. A copy of the Active Alts Code of Ethics is available to any existing or prospective clients upon request to the CCO.

Active Alts and/or its supervised persons may buy or sell securities that are also recommended to clients by Active Alts. This practice may create a situation where Active Alts and/or its supervised persons are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Active Alts did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of Active Alts' clients) and other potentially abusive practices.

As disclosed above, Active Alts has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Active Alts' "**Access Persons**". Active Alts' securities transaction policy requires that an Access Person provide the CCO or her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the CCO or her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date determined by the CCO.

Active Alts' representatives may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Active Alts' representatives are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above, Active Alts has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each Access Person.

Active Alts may recommend participating in initial and secondary offerings to eligible clients. In such cases, such investments may not be appropriate in Active Alts' opinion for certain clients. In other cases, such offerings may be available in limited quantities wherein Active Alts may need to allocate shares to clients in a lesser proportion than they requested. These situations create a potential conflict of interest and in such cases Active Alts will manage such conflicts through applicable policies and procedures.

A copy of Active Alts' Privacy Policy is attached as Exhibit A.

12. Brokerage Practices

Active Alts does not maintain custody of the client assets that we manage. Client assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or a custodian bank. Prior to engaging Active Alts to provide investment management services, the client will be required to enter into a written investment advisory agreement with Active Alts setting forth the terms and conditions under which Active Alts shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that Active Alts considers in recommending any broker-dealer or custodian to clients include historical relationship with Active Alts, financial strength, reputation, execution capabilities, pricing, research, and service, as well as the broker-dealer's or custodian's ability to execute the type of anticipated activity. Although the commissions and/or transaction fees paid by Active Alts' clients shall comply with Active Alts' duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Active Alts determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Active Alts will seek competitive rates, it may not necessarily obtain the lowest possible

commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Active Alts' investment management fee. Active Alts' best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Active Alts may receive from the broker-dealer/custodian, without cost (and/or at a discount), support services and/or products, certain of which assist Active Alts to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by Active Alts may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software (such as a Bloomberg terminal) and/or other products used by Active Alts in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that may be received may assist Active Alts in managing and administering client accounts. Others do not directly provide such assistance, but rather assist Active Alts to manage and further develop its business enterprise.

Active Alts' clients do not pay more for investment transactions effected and/or assets maintained at such broker-dealers/custodians as a result of this arrangement.

There is no corresponding commitment made by Active Alts to such broker-dealers/custodians or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

Active Alts may accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will typically negotiate terms and arrangements for their account with that broker dealer, and Active Alts will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Active Alts. As a result, in cases of a directed brokerage arrangement the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

In the event that the client directs Active Alts to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Active Alts.

To the extent that Active Alts provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless Active Alts decides to purchase or sell the same securities for several clients at approximately the same time.

Active Alts may (but is not obligated to) combine or “bunch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Active Alts’ clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Active Alts shall not receive any additional compensation or remuneration as a result of such aggregation.

Trade Error Corrections

From time-to-time, Active Alts may make a trade error when servicing a client’s account. When this occurs, Active Alts will correct the trade in one of two ways, described more fully below, depending on the facts and circumstances associated with the error itself and at the time we discover the error. Trading errors will be corrected at no additional cost to clients.

13. Review of Accounts

General

Active Alts monitors the portfolios of clients as part of a continuous and ongoing process, while regular account reviews are conducted at least quarterly. Such reviews are conducted by the Firm’s principal. Clients are encouraged to discuss their needs, goals, and objectives with Active Alts and to keep Active Alts informed of any changes thereto. Active Alts contacts clients at least annually to review previous services and/or recommendations and to discuss the impact resulting from any changes in the client’s financial situation and/or investment objectives.

Account Reporting

Individual Separate Accounts and SMA Accounts

Active Alts provides portfolio reports to the extent agreed with the client, upon reasonable request, or specified under the SMA program agreement. Portfolio reports generally include portfolio holdings and may include performance information. Such reports are not intended to replace a client’s custodial account statements as records for official or tax reporting purposes.

Clients are encouraged to request and review monthly or quarterly account statements (including holdings, asset amounts and transactions during the period) sent directly to a client from their custodian (e.g., broker-dealer, bank or trust company).

Active Alts also may distribute economic commentaries and other materials periodically. Special reports may be prepared to meet specific client requirements. See Item 4 regarding other reports and materials.

14. Client Referrals and Other Compensation

Active Alts does not make or accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

Active Alts does not receive any formal economic benefits (other than its normal compensation) from any firm or individual for providing investment advice.

15. Custody

Active Alts has custody of some clients' funds or securities only to the extent that it may be authorized by clients to deduct advisory fees directly from a client's account[s]. A qualified custodian (generally a broker-dealer, bank, trust company, or other financial institution) holds clients' funds and securities. Clients will receive statements directly from such qualified custodian at least quarterly. The statements will reflect client funds and securities held with the qualified custodian as well as any transactions that occurred in the account, including the deduction of fees. Clients should carefully review the account statements you receive from your qualified custodian. When clients receive statements from Active Alts as well as from the qualified custodian, clients should compare these two reports carefully. Clients with any questions about your statements should contact the Firm at the address or phone number on the cover of this Brochure. Clients who do not receive their statement from their qualified custodian at least quarterly should also notify the Firm.

16. Investment Discretion

Active Alts has full discretion to determine the specific security to trade, the quantity, and the timing of transactions for client accounts without notice to, or approval from the client. Active Alts is granted this discretionary power in the Agreement. Clients also give Active Alts trading authority over their accounts when they sign the custodian paperwork. However, certain client-imposed conditions may limit Active Alts' discretionary authority, such as where the client prohibits transactions in specific security types or directs Active Alts to execute transactions through specific broker-dealers.

17. Voting Client Securities

Individual Separate Accounts and SMA Accounts

Active Alts does not have the authority to vote client securities (proxies) on behalf of its Individual Separate Account and SMA Account clients. The Firm has no obligation to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in a client's account. Each client will have the responsibility to vote proxies in his or her own account. Active Alts does not have proxy-voting authority solely because it provides advice or information about a particular proxy vote to a client.

Class Actions

Active Alts does not instruct or give advice to its clients on whether or not to participate as a member of class action lawsuits and will not automatically file claims on a client's behalf. However, if a client notifies us that they wish to participate in a class action, Active Alts will provide the client with any transaction information pertaining to the client's account needed for the client to file a proof of claim in a class action.

18. Financial Information

Active Alts does not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance and, thus, has not included a balance sheet of its most recent fiscal year. Active Alts is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients, nor has Active Alts been the subject of a bankruptcy petition at any time during the past ten years.

19. Requirements for State-Registered Advisers

A. Bradley Lamensdorf is the sole owner and portfolio manager of Active Alts. Mr. Lamensdorf received a B.A. in psychology from the University of Texas at Austin in 1992. Mr. Lamensdorf has his Uniform Securities Agent State Law Examination (Series 63) and his Uniform Investment Adviser Law Examination (Series 65).

B. N/A

C. Performance-based fees will be charged at year end, as provided in the relevant account investment management agreement. Performance-based compensation may create an incentive for Active Alts to recommend an investment that may carry a higher degree of risk to the client.

D. 1. N/A

2. Active Alts' advisory affiliate and principal, Bradley Lamensdorf (CRD# 1979074), had a disclosure event reported in his Investment Advisor Representative Public Disclosure Report. Mr. Lamensdorf received a reprimand from the Texas State Securities Board on January 25, 2005, for rendering investment advice when not registered as an "Investment Advisor Representative" with the Texas State Securities Board, during the period of January 1999 to February 2005. Further information about this event is disclosed in Active Alts' Form ADV Part 1, and on the SEC's IARD system at: https://www.adviserinfo.sec.gov/IAPD/Support/ReportViewer.aspx?indvl_pk=1979074

E. N/A

For further information, please see information provided above in this Brochure, as well as in the ADV Part 1 and Part 2B.

PRIVACY POLICY

We are committed to respect and protect the privacy of the information Client (“you”) have entrusted to us. This notice provides you with information on how Active Alts, Inc. (“we”, “us” or “Manager”) collects and uses your personal client information. This notice also details how we maintain the confidentiality and accuracy of certain information. Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all such 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.

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number
- Income
- Date of birth
- Transactional History including Trading History
- Employment Information and Credit History

When you are no longer our client, we continue to share your information, as described in this notice.

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 Active Alts, Inc. chooses to share, and whether you can limit this sharing.

Reasons we can share your personal information	Does Active Alts, Inc. share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates’ everyday business purposes— information about your transactions and experiences	Yes	No
For our affiliates’ everyday business purposes—	No	N/A because we do not

information about your creditworthiness		share
For our affiliates to market to you	No	N/A because we do not share
For non-affiliates to market to you	No	N/A because we do not share

Who is providing this notice?

Active Alts, Inc.

How does Active Alts, Inc. protect my personal information?

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.

How does Active Alts, Inc. collect my personal information?

We collect your personal information, for example, when you:

- Open an account by completing an application
- Deposit money or transfer assets
- Provide a personal financial statement
- Provide information from a third party

Why can't I limit all sharing?

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
- sharing for non-affiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

Affiliates

Companies related by common ownership or control. They can be financial and non-financial companies.

- *Ranger Alternative Management, L.P.*

Non-affiliates

Companies not related by common ownership or control. They can be financial and non-financial companies.

- *Active Alts, Inc. does not share with non-affiliates so they can market to you.*

Joint marketing

A formal agreement between non-affiliated financial companies that together market financial products or services to you.

If you have any questions regarding our Privacy Notice, please call (203) 557-3006.

1. Cover Page

Form ADV Part 2B

Bradley H. Lamensdorf

Active Alts Inc.
6 Old Hill Road
Westport, CT 06880
203-557-3006

March 26, 2019

This brochure supplement (“**Brochure Supplement**”) provides information about the above named professional and supplements the Active Alts Inc. (“**Active Alts**”) brochure (“**Brochure**”). You should have received a copy of that brochure. Please contact Amanda Misch, Chief Compliance Officer (the “**CCO**”) at (646) 747-3181 or amisch@alariccompliance.com. If you did not receive Active Alts’ Brochure or if you have any questions about the content of this Brochure Supplement. The information in this Brochure Supplement has not been approved or verified by the United States Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

Additional information about the above-named professional also is available on the SEC’s website at www.adviserinfo.sec.gov.

2. Educational Background and Business Experience

Bradley Lamensdorf is the manager and founder of Active Alts. Mr. Lamensdorf has more than 15 years of investment management experience.

In 2006, Mr. Lamensdorf founded BHL Partners LP a commodity oriented hedge fund primarily focused on gold and gold equities.

Since 2009, Mr. Lamensdorf has served both as a Portfolio Manager and Principal of Ranger Alternative Management, L.P., providing trading and marketing strategy for short only portfolios. From 2007-2012 Mr. Lamensdorf served as a principal of Precisian GP LLC and a Portfolio Manager of Precisian Partners L.P.

Mr. Lamensdorf also served as a principal of Tarpon Capital Management, L.P. and the Portfolio Manager for Tarpon Partners, L.P. In 1997, he was a founder, partner and co-manager of KBH, LLP, an investment firm created to manage investment portfolios for the King-Hughes family. Mr. Lamensdorf worked on the equity trading desk for the Bass family in Fort Worth, Texas, where he co-managed an extensive equity portfolio with emphasis on short selling and derivatives strategies.

Mr. Lamensdorf received a B.A. in psychology from the University of Texas at Austin in 1992. Mr. Lamensdorf has his Uniform Securities Agent State Law Examination (Series 63) and his Uniform Investment Adviser Law Examination (Series 65).

3. Disciplinary Information

Mr. Lamensdorf's disciplinary information is listed in Section 9 of ADV Part 2A.

4. Other Business Activities

Mr. Lamensdorf's other business activities are listed in Section 10 of ADV Part 2A.

5. Additional Compensation

N/A

6. Supervision

As the sole owner of Active Alts, Mr. Lamensdorf does not report to anyone.

7. Requirements for State-Registered Advisers

- A.
 - 1. N/A
 - 2. Active Alts' advisory affiliate and principal, Bradley Lamensdorf (CRD# 1979074), had a

disclosure event reported in his Investment Advisor Representative Public Disclosure Report. Mr. Lamensdorf received a reprimand from the Texas State Securities Board on January 25, 2005, for rendering investment advice when not registered as an “Investment Advisor Representative” with the Texas State Securities Board, during the period of January 1999 to February 2005. Further information about this event is disclosed in Active Alts’ Form ADV Part 1, and on the SEC’s IARD system at: https://www.adviserinfo.sec.gov/IAPD/Support/ReportViewer.aspx?indvl_pk=1979074

B. N/A