

Part 2A of Form ADV: Firm Brochure

Item 1 – Cover Page

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This Brochure provides information about the qualifications and business practices of Atlas Principals, LLC (“Atlas”). If you have any questions about the contents of this Brochure, please contact Hemant Deshpande at 704-469-6349 or via email at compliance@atlasprincipals.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority, and references in this Brochure to Atlas as a “registered investment adviser” are not intended to imply a certain level of skill or training.

Additional information about Atlas is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

As this is the initial filing of the full Form ADV pursuant to registration as a registered investment adviser (“RIA”) for Atlas, there are no material changes to report.

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Item 4 – Advisory Business

- A. Atlas is a Delaware limited liability company formed in 2009 as an investment adviser. Atlas is principally owned by Seth M. Wilfong, Shawn M. Wilfong, and Andrew Aguilera through their individual trusts, respectively: Ad Infinitum GST Trust U/A/D 03/26/2014; Acta Non Verba GST Trust U/A/D 03/26/2014; and Venia Et Veritas GST Trust U/A/D 03/26/2014. Atlas provides discretionary investment advisory services for private investments.

Atlas' current clients include private investment funds operating through a "master-feeder" structure (the "Fund").

The Fund includes the following entities:

- The Snowball Master Fund Ltd., a Cayman Islands exempted company (the "Master Fund");
- The Snowball Fund LP, a Delaware limited partnership (the "Onshore Feeder"); and
- The Snowball Offshore Fund Ltd., a Cayman Islands exempted company (the "Offshore Feeder").

Collectively the Master Fund, the Onshore Feeder, and the Offshore Feeder shall be referred to as "Clients" or the "Fund." Any defined terms used in this Brochure not otherwise defined herein have their definition ascribed to them in the relevant offering or governing documents.

- B. Atlas' primary investment objective is to seek to deliver absolute returns regardless of market directions and economic conditions. Atlas seeks to create profits for its investors (the "Investors") and the general partner (the general partner and the Investors together, the "Partners") by compounding at an above average rate of return over the long term while protecting capital in down markets. The Fund has a thematic investment strategy with a focus on equity investments. In making an investment decision, Atlas employs a top-down approach that analyzes both the overall economic environment that may affect the potential investment and the specific company and its related industry examining the bottom-up fundamentals and applying a technical analysis to evaluate each investment on a case-by-case basis.
- C. Atlas manages investments in accordance with the investment objectives, strategies, guidelines, and terms and conditions, outlined in each Clients' applicable governing documents. Atlas does not provide individualized investment advice or tailor its advisory services to the individual needs of investors in the Fund. Atlas may enter into side letters with certain investors which may alter, grant or supplement rights applicable to a Fund's offering or applicable governing documents.

Additionally, Atlas may provide advisory services to certain clients classified as separately managed accounts. Such services will be individually tailored to such separately managed account clients.

D. Atlas does not participate in wrap-fee programs.

E. As of July 31, 2019, the Firm managed regulatory assets under management on a discretionary basis of approximately \$110,361,721.

Investors in private funds managed by Atlas should review not only this Brochure but also the full contents of the offering documents. This Brochure is intended to be a general summary of advisory services provided by Atlas to its general Client base. This Brochure is both supplemented and superseded by the offering documents for the Fund.

Item 5 – Fees and Compensation

Atlas generally receives both a management fee and performance-based compensation from its Clients. Atlas may reduce or waive management fees and/or performance fees for certain affiliates and related persons of Atlas, including employees or partners of Atlas and/or its affiliates and their immediate family members, and accounts established for the benefit of such persons. Atlas reserves the right to waive, rebate or impose different fees or otherwise modify the fee arrangements of an existing investor in a Client (or impose different fees on future investors in a Client). Certain series of certain classes of interests and shares of the Clients are subject to reduced management fees and/or lower performance-based fees. Any separately managed account client fees and expenses will be individually negotiated with each client. The relevant offering documents or applicable agreement includes a complete discussion of applicable fees paid by investors.

Atlas Funds

Generally, for the Onshore Feeder, Atlas receives a fixed advisory fee (the “Management Fee”) in an amount equal to 0.125% (approximately 1.5% per annum) of each Limited Partner’s Capital Account (as defined in the offering documents) balance calculated and payable as of the last day of each calendar month. Management Fees for Capital Contributions that do not fall on the first day of the month are paid based on a pro rata basis. The Management Fee is paid upon contribution of such new or additional funds to the Onshore Feeder. Adjustments shall also be made if a Limited Partner redeems on a date other than the end of the month.

Generally, Atlas may receive a performance allocation from the Onshore Feeder with respect to each Limited Partner’s Capital Account (the “Performance Allocation”). If at the end of any calendar year the net profits exceed net losses allocated to a Limited Partner’s Capital Account, then a Performance Allocation equal to 20% of such excess over any Loss Carry Forward, will be deducted from the Capital Account of such Limited Partner at the end of the calendar year. The Performance Allocation will not be made from the Capital Account of any Limited Partner to the extent that all loss carryforward amounts for such Limited Partner have not been offset by subsequent allocations of net profits in excess of net losses.

Atlas reserves the right to waive, rebate or impose different fees or otherwise modify the fee arrangements of an existing limited partner with the consent of such limited partner. Certain

interests are subject to reduced fees. In addition, Atlas reserves the right to impose different fees on future limited partners.

Generally, for the Offshore Feeder, Atlas receives a fixed advisory fee (the “Management Fee”) in an amount equal to 0.125% (approximately 1.5% per annum) of the net asset value (“NAV”) of each series of each class of shares (depending on the share class and series) calculated and payable as of the last day of each calendar month. Management Fees for Subscriptions that do not fall on the first day of the month are paid based on a pro rata basis. The Management Fee is paid upon subscription of such new or additional funds to the Offshore Feeder. Adjustments shall also be made if an investor redeems on a date other than the end of the month.

Generally, Atlas may receive a performance-based fee from the Offshore Feeder with respect to each series of each class of shares offered (the “Incentive Fee”). The Incentive Fee for each series of shares is generally equal to 20% of the amount by which the NAV of each such series of shares as of the last day of each calendar year (before giving effect to the Incentive Fee) exceeds the Prior High NAV of such series. Prior High NAV is the higher of (a) the highest previous Net Asset Value of such series of shares determined as of the last day of each calendar year, as reduced by the Incentive Fee paid to Atlas for such series, if any, and (b) the Net Asset Value of such series of shares immediately following the initial offering of shares therein. Prior High NAV shall be adjusted to account for redemptions out of such series (as defined in the offering documents).

The board of directors of the Offshore Feeder reserves the right to waive, rebate or impose different fees or otherwise modify the fee arrangements of an existing investor with the consent of such investor. Certain series of certain classes of shares are subject to reduced fees. In addition, the Offshore Feeder reserves the right to impose different fees on future investors.

In general, the Fund bears all of the expenses incident to its operations and business including, without limitation: (i) transaction costs incurred in connection with the conduct of the Fund’s business, including, without limitation, expenses of portfolio transactions and positions, including any execution, give-up, clearing and custody commissions and fees, brokerage fees, commissions and charges, initial and variation margin and all other expenses relating to the investment program such as due diligence costs, research expenses, including the costs of research equipment and investment-related products and legal fees; (ii) interest on balances due and any other fees and charges of prime brokers, financial counterparties, banks and custodians; (iii) income taxes, withholding taxes, transfer taxes and other governmental charges and duties imposed on or payable by the Fund; (iv) legal, compliance, consulting and other professional fees and expenses, including those of the Fund’s administrator and custodian, as well as privacy, technology and cybersecurity-related expenses; (v) accounting (including, without limitation, the costs of accounting systems and software), auditing and tax preparation expenses, fees and expenses incurred in connection with the preparation of the annual financial statements and any tax returns required to be filed by the Fund; (vi) costs and fees in connection with any pricing services and portfolio management reporting software;

(vii) any fees and expenses associated with the organization and conduct of any meetings of the Investors and the preparation and distribution of all reports to and other communications with Investors; (viii) litigation and indemnification expenses and other extraordinary expenses not incurred in the ordinary course of the Fund's business, including any expenses incurred by, or on behalf of, the Fund in connection with the enforcement of its rights concerning any investment; (ix) printing and distribution of the memorandum; (x) any government and regulatory filing fees, costs or expenses, including, but not limited to, those relating to Form PF, entity-level taxes, corporate licensing fees, registration fees or other charges including any expenses due to regulatory, supervisory and fiscal authorities or agencies in various jurisdictions; (xi) the costs of any communications with investors; (xii) Management and Performance Fees payable to Atlas; (xiii) the Fund's proportionate share of the Master Fund's expenses, if feeder fund; (xiv) the costs of obtaining insurance on behalf of the Fund; and (xv) all other operational expenses of the Fund. If Atlas appoints sub-advisers in the future, the Fund shall bear the expense of sub-advisory fees (which may include performance or asset-based fees) paid to sub-advisers of the Fund to the extent such fees exceed commission rebates to the Fund used to pay sub-advisers (if any). If such costs are incurred in connection with an investment in which both the Fund and any other accounts to whom Atlas or any of its affiliates provides investment services participate, such costs incurred by the Fund or such other account shall be borne pro rata by such entities based on the amount invested by such entities, unless Atlas reasonably determines that such costs shall be borne in different proportions. Please see the relevant private placement memorandum for a more complete listing of a Fund's potential expenses.

For more information on Atlas' brokerage practices, please refer to Item 12.

For separately managed account arrangements that Atlas may engage, fees and expenses will be individually negotiated and deducted pursuant to the advisory agreement.

Atlas generally does not collect fees in advance.

At this time, neither Atlas nor any of its supervised persons accept compensation for the sale of securities or other investment products.

Item 6 – Performance Based Fees and Side-by-Side Management

As described in Item 5, Atlas receives performance-based compensation from the Fund, and Atlas may receive performance-based compensation for advice provided to any separately managed account client which will be individually negotiated with such separately managed account client.

Performance-based compensation creates a potential conflict of interest in that Atlas has the incentive to make investments that are riskier or more speculative than they would make in the absence of performance-based compensation. In addition, because the performance-based compensation for some clients is calculated on a basis that includes unrealized appreciation of the client's assets, the performance-based compensation for those clients may be greater than if it were based solely on realized gains. Atlas recognizes that it is a fiduciary and, as such, must act in the best interests of its

Clients. Further, investors are provided with clear disclosure in the relevant Client's offering materials or investment management agreement as to how the performance-based compensation is charged.

Atlas values the assets held by its Clients and is responsible for the determination of asset valuations for all purposes, including the determination of the management fees and the performance-based compensation. Atlas calculates the value of Clients' assets in the manner set forth in each Client's offering materials or investment management agreement. The Fund generally has contracted with an administrator to provide certain services, including independent price verification of the investments held by the Fund and independent verification of the calculation of management fees and performance-based compensation. In addition, Atlas may, in their sole discretion, engage third parties to conduct independent valuations of less liquid or hard-to-value assets, to the extent applicable.

Item 7 – Types of Clients

Our Clients typically include pooled investment vehicles and may include separately managed accounts. Investing in any of Atlas' Clients may be subject to a minimum initial contribution, as set forth in the applicable offering documents, if any. Atlas, or its board of directors may, in its sole discretion, waive or lower the minimum initial subscription amount.

Investments in our Funds are generally limited to institutional investors and high net worth individuals that are accredited investors or qualified purchasers within the meaning of the Securities Act of 1933 ("Securities Act"), and the Investment Company Act of 1940 ("Company Act").

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

INVESTMENTS MANAGED BY ATLAS MAY BE DEEMED TO BE HIGHLY SPECULATIVE INVESTMENTS AND ARE NOT INTENDED AS A COMPLETE INVESTMENT PROGRAM. INVESTMENTS MANAGED BY ATLAS ARE DESIGNED ONLY FOR SOPHISTICATED PERSONS WHO CAN BEAR THE ECONOMIC RISK OF THE LOSS OF THEIR ENTIRE INVESTMENT AND WHO HAVE A LIMITED NEED FOR SHORT TERM LIQUIDITY IN THEIR INVESTMENT PROGRAM. THERE CAN BE NO ASSURANCE THAT ATLAS WILL ACHIEVE ITS INVESTMENT OBJECTIVE ON BEHALF OF ANY CLIENT, INCLUDING ANY PRIVATE FUND CLIENT.

A. Methods of Analysis and Investment Strategies

Atlas seeks to deliver absolute returns regardless of market directions and economic conditions. The Fund seeks to create profits by compounding at an above average rate of return over the long term while protecting capital in down markets. The Fund has a thematic investment strategy with a focus on equity investments. In making an investment decision, Atlas employs a top-down approach that analyzes both the overall economic environment that may affect the potential investment and the specific company and its related industry examining the bottom-up fundamentals and applying a technical analysis to evaluate each investment on a case-by-case basis.

Atlas seeks to implement its investment strategy by focusing on equity trading, equity derivatives, U.S. and foreign government securities, debt, futures, commodities, foreign exchange, interest rate swaps, and fixed income investments. Clients are flexibly managed, with the ability to invest in different types of securities in different industry sectors and in both U.S. and non-U.S. issuers. Clients' portfolios may not be well-diversified and may at times be concentrated in a small number of issuers, sectors and/or geographic locations. Clients invest in securities that may be or may become illiquid. These securities may include, but are not limited to, private stock, restricted stock, private equity investments, debt and such other investments not listed on an exchange that may be less saleable, restricted or illiquid. In addition, there may be securities in the Clients' portfolio that may not be suitable for investment by all investors. All investors may not participate in all investments, and investors may not participate in investments made prior to their subscription.

The Fund's investment program is primarily focused on investments in companies with market capitalizations of at least US\$50 million. Client portfolios may include some longer-term investments based on relative valuations and momentum investing as reflected in expanding earnings multiples and market capitalization.

Within the Fund's investment portfolio, the Fund intends to make active use of Exchange Traded Funds ("ETFs") in taking macro positions on equity sectors, foreign exchanges, commodities, interest rates, and fixed income issues. The Fund may use a variety of investment techniques designed to capitalize on declines in the market prices of equity securities, market indices and fixed-income instruments. The Fund may also participate in the direct purchase and sale of futures contracts relating to market indices, treasuries and commodities and may seek to profit from changes in currency exchange rates using currency futures contracts, currency forward contracts and other derivatives. Additionally, the Fund may invest in the international and domestic fixed income markets, capitalizing on both principal bond-price fluctuations and strategic income/yield.

In addition to making investments directly, Atlas may, from time to time, invest a portion of the Fund's assets with third-party investment managers with expertise in certain industries, strategies or sectors. In such instances, the portion of the Fund's assets being managed by a third-party manager will be charged additional fees by the third-party for such management in addition to the fees charged by Atlas at the Fund level. Therefore, a portion of an Investor's investment in the Fund may be charged two layers of fees due to such allocation.

The Fund may use leverage and margin in its investment program and may establish and utilize lines of credit. The amount of borrowing that the Fund has outstanding at one time may be significant. Investors should be aware of the risks and expenses in connection with the Fund's use of leverage.

Atlas generally has the flexibility to shift the Fund allocations among asset classes, thereby potentially allowing it to invest in the most attractive opportunities available in the relevant markets. The value and composition of the Fund's investments may vary over time and will be affected by, among other things, changing market conditions which, in the opinion of Atlas, may warrant a different allocation of the Fund's investments. As such, the actual asset mix will

likely vary from one moment to the next, perhaps significantly. The Fund may also depart from the investment strategy described herein by taking temporary defensive positions in response to adverse market, economic or political conditions. When doing so, the Fund may hold a substantial portion of its assets in cash or high quality fixed-income securities and may not be actively pursuing its investment objective.

B. General Risk Factors

The following risks should be carefully evaluated before making an investment in the Fund. These risk factors may be supplemented and/or superseded by the relevant offering documents. Potential investors are reminded to review the offering document prior to investing.

An investment managed by Atlas involves significant risk and is suitable only for sophisticated institutions and individuals for whom an investment does not represent a complete investment program and who fully understand and are capable of bearing the risks of an investment. There can be no assurance that Atlas will achieve its investment objectives for Clients. An investment managed by Atlas carries with it the inherent risks associated with investments in equities, equity related securities, the use of short-sales, futures, and leverage. Past results are not indicative of future results

Investment and Trading Risks

An investor should be aware that it may lose all or part of its investment in a Fund. All investments involve the risk of loss of capital. No guarantee or representation is made that the Firm's investment programs will be successful. The Firm's investment programs may utilize, without limitation or obligation, such investment techniques as option transactions, margin transactions, short sales, limited portfolio or strategy diversification, leverage and forward contracts, which can, in certain circumstances, increase the adverse impact to which the Firm's portfolios may be subject.

General Risk of Investing in Securities

Any investment in securities carries certain market risks. An investment in the Fund is highly speculative and involves a high degree of risk due to the nature of each Fund's investments and the investment strategies and trading strategies to be employed. An investment in the Fund should not in itself be considered a balanced investment program. Investors should be able to withstand the loss of their entire investment.

Trading Costs

The Fund's strategy may involve frequent trading of securities. As a result, the Fund's expenses for brokerage commissions are generally higher than investment funds that do not make frequent trades. The Fund bears these costs regardless of its profitability. In order for the Fund to realize a net profit, its gross profits must exceed its costs, including brokerage commissions, Atlas' fees, and other costs.

Absence of Regulatory Oversight

The Fund is not required and does not intend to register as an investment company under the Investment Company Act. Accordingly, the provisions of the Investment Company Act (which may provide certain regulatory safeguards to investors) are not applicable. For example, the Fund is not required to maintain custody of its own securities or place its securities in the custody of a bank or a member of a U.S. securities exchange, as required of registered investment companies under the SEC rules. A registered investment company that places its securities in the custody of a member of a U.S. securities exchange is required to have a written custodian agreement, which provides that securities held in custody will be, at all times, individually segregated from the securities of any other person and marked to clearly identify such securities as the property of such investment company and which contains other provisions complying with SEC regulations. The Fund and Atlas generally maintain such accounts at brokerage firms that do not separately segregate such assets as would be required in the case of registered investment companies. Under the provisions of the U.S. Securities Investor Protection Act, the bankruptcy of any such brokerage firm may have a greater adverse effect on the Fund than would be the case if the Fund and Atlas maintained their accounts to meet the requirements applicable to registered investment companies.

Future Regulation

Growing concern about the lack of regulation of private investment partnerships and hedge funds has led to the proposal of various state and federal laws and regulations regarding investment partnerships and hedge funds and may, in the future, lead to additional such proposals. Such regulatory proposals, or any future proposals, if adopted, could adversely affect the Fund, including its business and financial condition and prospects and could significantly raise expenses. In addition to the aforementioned regulation, there is the potential for change in any of the other laws under which the Fund and Atlas operate. Any such change in the law could adversely affect the Fund.

Securities Believed to Be Undervalued or Incorrectly Valued

Securities that Atlas believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame Atlas anticipates. As a result, the Fund may lose all or substantially all of its investment in any particular instance.

Operational Risks

The volume and complexity of the Fund's transactions place substantial burdens on Atlas' operational systems and resources, including those related to trade entry and execution, position reconciliation, corporate actions, collateral and margin maintenance, marking procedures, finance, accounting, profit and loss reporting, internal management, risk reporting and funds transfers. Human error (including, without limitation, trading errors), system failure or other problems with any of these processes could result in material losses or costs, which will generally be borne by the Fund.

Small and Medium Capitalization Stocks

The Fund may invest a portion of its assets in stocks of companies with small to medium levels of market capitalization. While the Fund believes they often provide significant potential for appreciation, such stocks involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of micro-capitalization, small-capitalization and medium-capitalization stocks are often more volatile than prices of large-capitalization stocks and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) is higher than for larger, “blue chip” companies. In addition, due to thin trading in some of those stocks, an investment in those stocks may be less liquid than an investment in many larger-capitalization stocks.

Hedging Transactions

The Fund may directly or indirectly utilize a variety of financial instruments, such as derivatives, options, interest rate swaps, caps and floors, and futures and forward contracts, both for investment purposes and for risk management purposes in order to (i) attempt to protect against possible declines in the values of their portfolio positions as a result of fluctuations in the markets and changes in interest rates; (ii) attempt to protect the Fund’s unrealized appreciation in the value of its investment portfolio; (iii) facilitate the sale of any such investments; (iv) attempt to enhance or preserve returns, spreads or appreciation on any investment in the Fund’s portfolios or to obtain exposure to a particular security or group of securities; (v) attempt to hedge against a directional trade; (vi) attempt to hedge the interest rate, credit or currency exchange rate on any of the Fund’s investments; (vii) attempt to protect against any increase in the price of any investments the Fund anticipates purchasing at a later date; or (viii) take such other action as Atlas deems appropriate.

Hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus offsetting the decline in the portfolio positions’ value. Such hedging transactions also limit the opportunity for gain if the value of the hedged portfolio positions should increase. It may not be possible for the Fund to hedge against a change or event at a price sufficient to protect the Fund’s assets from the decline in value of the portfolio positions anticipated as a result of such change. In addition, it may not be possible to hedge against certain changes or events at all.

To the extent that hedging transactions are effected, their success will be dependent on the Fund’s ability to correctly predict movements in the direction of currency or interest rates, the equity markets or sectors thereof or other events being hedged against. Therefore, while the Fund may enter into such transactions to seek to reduce currency exchange rate and interest rate risks, or the risks of a decline in the equity markets generally or one or more sectors of the equity markets in particular, or the risks posed by the occurrence of certain other events, unanticipated changes in currency or interest rates or increases or smaller than expected decreases in the equity markets or sectors being hedged or the non-occurrence of other events being hedged against may result in a poorer overall performance for the Fund than if the Fund had not engaged in any such hedging transaction. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio position being hedged may vary. Moreover, for a variety of reasons, the Fund

may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged, or a perfect hedge may not be available. Such imperfect correlation may prevent the Fund from achieving the intended hedge or expose the Fund to additional risk of loss.

Highly Volatile Markets

The prices of derivative instruments, including futures and options, can be highly volatile. Price movements of forwards, futures and other derivative contracts in which the Fund's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies, futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction. The Fund is also subject to the risk of the failure of any exchanges on which their positions trade or of their clearinghouses. Atlas cannot predict the future effects of such events on the markets.

Short Sales

Clients may engage in short sale transactions. The extent to which a Client engages in short sales will depend upon Atlas' investment strategy and perception of market direction. A short position creates the risk of an unlimited loss, as the price of the underlying security could theoretically increase without limit, thus increasing the cost of buying those securities to cover the short position. There can be no assurance that the securities necessary to cover a short position will be available for purchase. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Furthermore, a Client may be prematurely forced to close out a short position if a counterparty from which the security was borrowed demands its return. Legal and regulatory restrictions may impact the ability of a Client to take short positions and/or may require a Client to disclose any short position with possible adverse consequences to such Client.

Leverage and Financing Risks

A significant percentage of a Client's investments may be acquired through the use of leverage or other financing. Atlas intends to invest Client assets on a leveraged basis because of Atlas' belief that, in certain circumstances, investment returns can be enhanced through the use of leverage. Leveraging may exaggerate the effect on net asset value of any increase or decrease in the market value of a Client's portfolio. In addition, leveraging may increase a Client's expenses. For instance, money borrowed for leveraging will be subject to explicit or implicit interest costs or carrying charges that may or may not be recovered by a return on the assets purchased. A Client also may be required to maintain a minimum deposit in connection with such borrowing or to pay a commitment or other fee to maintain a line of credit. Either of these requirements would increase the cost of borrowing over the stated interest rate. Distributions, if any, could be suspended under certain market conditions. Amounts borrowed to leverage Client investments are typically secured by the pledge of assets held in a Client's

portfolio. A Client could suffer mandatory liquidation of assets pledged as collateral to compensate for the decline in value. In the event of a sudden precipitous drop in the value of Client assets, the Client may not be able to liquidate assets quickly enough to pay off its debt.

Electronic Trading

Atlas may trade on electronic markets and use electronic order routing systems, which differ from traditional open outcry pit trading and manual order routing methods. Characteristics of electronic trading and order routing systems vary widely among the different electronic systems with respect to order matching procedures, opening and closing procedures and prices, trade error policies and trading limitations or requirements. There are also differences regarding qualifications for access and grounds for termination and limitations on the types of orders that may be entered into the system. Each of these matters may present different risk factors with respect to trading on or using a particular system. Each system may also present risks related to system access, varying response times and security. Trading through an electronic trading or order routing system also entails risks associated with system or component failure. In the event of system or component failure, it is possible that for a certain time period, it might not be possible to enter new orders, execute existing orders or modify or cancel orders that were previously entered. System or component failure may also result in loss of orders or order priority. Some contracts offered on an electronic trading system may be traded electronically and through open outcry during the same trading hours. Exchanges offering an electronic trading or order routing system and/or listing the contract may have adopted rules to limit their liability, the liability of futures brokers and software and communication system vendors and the amount that may be collected for system failures and delays. These limitations of liability provisions vary among the exchanges.

Concentration of Investments

Clients may concentrate a significant portion of its assets in a relatively small number of investment positions at any one time. Accordingly, appreciation or depreciation in the value of investment positions may have a greater effect on the value of a Client's portfolio than would be the case in a more diversified or hedged portfolio. In addition, concentration of a significant portion of the Client's investments in a limited number of investment positions may increase the risk in situations where an investment position becomes illiquid or markets are disrupted. If the price of an asset held by a Client should decrease and the Client is unable for any reason to liquidate its position quickly or at a relatively advantageous price, the effect on the Client's portfolio would be heightened if the Client had concentrated its assets in such a position. Instability, volatility, or significant unforeseen events in a specific sector or any subsectors may not be readily balanced or offset by investments in other industries or markets not so affected.

Investments in Emerging Markets

Investing in emerging markets involves additional risks and special considerations not typically associated with investing in other more established economies or markets. Such risks may include (i) increased risk of nationalization or expropriation of assets or confiscatory taxation; (ii) greater social, economic, and political uncertainty, including war; (iii) higher dependence

on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity, and smaller capitalization of markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on realization of investments, repatriation of invested capital, and on the ability to exchange local currencies for U.S. Dollars; (viii) increased likelihood of governmental involvement in and control over the economy; (ix) governmental decisions to cease support of economic reform programs or to impose centrally planned economies; (x) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (xi) less extensive regulation of the markets; (xii) longer settlement periods for transactions and less reliable clearance and custody arrangements; (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors; (xiv) insolvency laws that do not provide for netting of trades to reduce exposure to the counterparty; and (xv) certain considerations regarding the maintenance of the Fund's financial instruments with non-U.S. brokers and securities depositories.

Repatriation of investment income, assets, and the proceeds of sales by foreign investors may require governmental registration and/or approval in some emerging countries. A Client could be adversely affected by delays in or a refusal to grant any required governmental registration or approval for such repatriation or by withholding taxes imposed by emerging market countries on interest or dividends paid on investments held by a Fund or gains from the disposition of such investments.

In emerging markets, there is often less government supervision and regulation of business and industry practices, stock exchanges, over-the-counter markets, brokers, dealers, counterparties, and issuers than in other more established markets. Any regulatory supervision which is in place may be subject to manipulation or control. Some emerging market countries do not have mature legal systems comparable to those of more developed countries. Moreover, the process of legal and regulatory reform may not be proceeding at the same pace as market developments, which could result in investment risk. Legislation to safeguard the rights of private ownership may not yet be in place in certain areas, and there may be the risk of conflict among local, regional, and national requirements. In certain cases, the laws and regulations governing investments in financial instruments may not exist or may be subject to inconsistent or arbitrary appreciation or interpretation. Both the independence of judicial systems and their immunity from economic, political, or nationalistic influences remain largely untested in many countries. A Client may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgements in non-U.S. courts.

General Legal Risk in Non-U.S. Countries

Many of the laws that govern private and foreign investment and transactions in securities, futures and swaps in non-U.S. countries are relatively new and largely untested and constantly changing. In many cases, rules in foreign countries have yet to be proposed, adopted or implemented. As a result, the Fund may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and lack of

enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment in certain non-U.S. countries in which assets of a Client may be invested. There can be no assurance that this difficulty in protecting and enforcing rights and recovering assets will not have a material adverse effect on the Client and its operations. Furthermore, it may be difficult to obtain and enforce a judgment in a court outside of the Cayman Islands or the United States. Additionally, the income and gains of the Client may be subject to withholding taxes imposed by foreign governments for which Investors may not receive a full foreign tax credit.

Material Nonpublic Information

Atlas will from time to time possess material nonpublic information relating to certain Client investments. Knowledge of such material nonpublic information may prevent Atlas from being able to allocate assets of a Client to certain investments it would have chosen if it was not prohibited from doing so because of such material nonpublic information. Atlas cannot predict the manner or extent to which the value of the interests will be affected by the inability of the Client to make such investments. In addition, Atlas would need to put certain controls in place to separate the material nonpublic information received with respect to its private investments from any public investments made. These procedures could make it more difficult for the Client to make certain investments, as well as to hedge or unwind certain positions.

Failure of Brokers, Counterparties, and Exchanges

Institutions, such as futures commission merchants (“FCMs”), securities broker/dealers, swap counterparties and banks, generally have custody of the Clients’ assets. Clients have established and may, in the future, establish additional relationships to obtain derivative intermediation and prime brokerage services; however, there can be no assurance that the Client will be able to maintain or establish such relationships. An inability to establish or maintain such relationships would limit a Client’s trading activities, could create losses, preclude the Client from engaging in certain transactions, and/or prevent the Client from trading at optimal rates and terms. Moreover, a disruption in the financing, derivative intermediation and prime brokerage services, including through any insolvency or bankruptcy or other financial distress experienced by a counterparty could impair the operational capabilities of the Client or the capital position of the Client and have a significant impact on the Client’s business due to its reliance on such counterparties.

Illiquidity; In-Kind Distributions

Investors should be fully aware of the long-term nature of an investment. There is no market for the interests, and no market is expected to develop. An investment in the Fund provides limited liquidity because the interests are not freely transferable. Investors may be unable to liquidate interests promptly in the event of an emergency or for any other reason. There can be no assurance that the Fund will have sufficient cash to satisfy redemption requests, or that it will be able to liquidate investments at the time of such redemption at favorable prices. In the event that there are redemptions by investors of a substantial percentage of the total interests within a limited period of time, Atlas may find it difficult to adjust its asset allocation and trading strategies to the suddenly reduced amount of assets under management. Under

such circumstances, in order to provide funds to pay redemptions, Atlas may be required to liquidate its investments earlier than would otherwise be desirable or on unfavorable terms, which could adversely affect the value of both the interests being redeemed and the remaining interests. Under the foregoing circumstances, and under other circumstances deemed appropriate by Atlas, redemption payments may be delayed, or an investor may receive in-kind distributions from the Fund's portfolio. Such investments so distributed may not be readily marketable or saleable and may have to be held by such investor for an indefinite period of time.

Force Majeure, Terrorism, and Other Acts

In addition to historic market risks, performance may be adversely affected by market fluctuations resulting from certain risks which are unprecedented in nature or magnitude and therefore not amenable to existing risk management techniques which are based on modeling past events and assigning probabilities to the recurrence of those events. Such events include, without limitation, natural catastrophes and catastrophic acts of terror resulting in mass casualties and associated destruction and subsequent abandonment of large areas in urban locales; imposition or declaration of martial law in jurisdictions with a long history of civil rule of law; mass disruption of communications facilities or other electronic facilities due to terrorist acts; pandemics resulting from bio-terror attacks or outbreaks of fatal disease for which there is no cure or treatment; urban terror using nerve gas or other toxins; terrorist use of nuclear weapons, radiation dispersal weapons or other weapons of mass destruction; cyber-terror and terrorist attacks on financial markets, exchanges and payments systems; and acts of Providence.

C. Specific Investment Risks

Equity Securities

Portfolio investments may include long and short positions in common stocks, preferred stocks and convertible securities of U.S. issuers and non-U.S. issuers. Clients may invest in depositary receipts relating to foreign securities. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business market in which individual companies compete, interest rates and industry market conditions and general market and economic conditions, economic environments. Clients may invest in equities and equity derivatives. The value of these instruments generally will vary with the performance of the issuer and movements in the equity markets. As a result, the Fund may suffer losses if it invests in equity instruments of issuers whose performance diverges from Atlas' expectations or if equity markets generally move in a single direction and the Client has not hedged against such a general move. With respect to its investments in equity derivatives, a Client may be exposed to risks that issuers will not fulfill contractual obligations such as, in the case of convertible securities or private placements, delivering marketable common stock upon conversions of convertible securities and registering restricted securities for public resale.

A Client's investments in equity securities may include securities that are listed on securities exchanges as well as unlisted securities that are traded over-the-counter. Equity securities of companies traded over-the-counter may not be traded in the volumes typically found on a

national securities exchange. Consequently, the Client may be required to dispose of such securities over a longer (and potentially less favorable) period of time than is required to dispose of the securities of listed companies.

Certain issuers of equity securities may be subject to different, often less comprehensive accounting, reporting and disclosure requirements, may be listed on less liquid and more volatile markets, and may be subject to high brokerage commissions and other fees. There are special tax considerations which apply to securities of certain issuers. In addition, the market value of certain assets as measured in U.S. dollars may be affected by the changes in currency rates and exchange control regulations.

Warrants and Rights

Clients may purchase or otherwise receive warrants or rights. Warrants and rights generally give the holder the right to receive, upon exercise, a security of the issuer at a stated price. Clients may use warrants and rights in a manner similar to its use of options on securities. Risks associated with the use of warrants and rights are generally similar to risks associated with the use of options. Unlike most options, however, warrants and rights are issued in specific amounts, and warrants generally have longer terms than options. Warrants and rights are not likely to be as liquid as exchange-traded options backed by a recognized clearing agency. In addition, the terms of warrants or rights may limit the Client's ability to exercise the warrants or rights at such time, or in such quantities, as Atlas would otherwise wish.

Swaps

The Fund may enter into swaps. Swaps may be structured to include exposure to a variety of different types of investments, asset classes or market factors. For instance, Clients may enter into swaps with respect to interest rates, credit defaults, currencies, securities, indices of securities and other assets or other measures of risk or return. Depending on their structure, swaps may increase or decrease the Client's exposure to equity securities, long-term or short-term interest rates, foreign currency values, financial strength of particular corporations, or other factors. Swaps can take many different forms and are known by a variety of names, and the Client may invest in many different forms and variations of swaps, such as lookalike swaps and swaptions and other related contracts. Depending on how they are used, swaps may increase or decrease the overall volatility of the Client's portfolio. The most significant factor in the performance of swaps is the change in the individual equity values, specific interest rate, currency or other factors that determine the amounts of payments due to and from the Client. If a swap calls for payments, the Fund must be prepared to make such payments when due. In addition, if the creditworthiness of a counterparty to the swap declines, the ability of the counterparty to meet its obligations under the swap can be expected to decline, potentially resulting in losses to the Client.

Clients may engage in cleared or uncleared swaps. Such transactions may include forward contracts, options, or other types of swaps. While some swaps may be highly liquid, particularly cleared swaps, transactions in swaps may involve greater risk than investing in futures because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from a swap transaction

or to assess the exposure to risk. Bid and offer prices need not be quoted and, even where they are, it may be difficult to establish what is a fair price. Reporting requirements under the Dodd-Frank Act will provide more information regarding swap pricing, but it is not certain whether that information will contribute to fair pricing.

Call Options

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

Put Options

There are risks associated with the sale and purchase of put options by a Client. Options may be traded on equities or other securities or commodity futures. The seller (writer) of a put option which is covered (e.g., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sale price (in establishing the short position) of the underlying security plus the premium received and gives up the opportunity for gain on the underlying security if the market price falls below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire premium investment in the put option.

Straddles

A straddle is an options strategy wherein an investor holds both a put and a call on the same underlying commodity at the same strike price and maturity date. To the extent a Client engages in short straddling, which involves selling both a put and a call on the same underlying commodity at the same strike price and maturity date, the potential for loss is unlimited.

Purchasing Initial Public Offerings

Clients may purchase securities of companies in initial public offerings or shortly thereafter. Special risks associated with these securities may include a limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the company and limited operating history. These factors may contribute to substantial price volatility for the shares of these companies and, thus, for the Client's interests. The limited number of shares available for trading in some initial public offerings may make it more difficult for the Client to buy or

sell significant amounts of shares without an unfavorable impact on prevailing market prices. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them.

Commodity Futures Contracts and Securities Futures Contracts

The value of futures depends upon the price of the instruments, such as commodities or securities, underlying them. The prices of futures are highly volatile, and price movements of futures contracts can be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary, and exchange control programs and policies of governments, as well as national and international political and economic events and policies. In addition, futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.” Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent the Client from promptly liquidating unfavorable positions and subject the Client to substantial losses or from entering into desired trades. Also, low margin or premiums normally required in trading commodity futures, security futures or other futures may provide a large amount of leverage, and a relatively small change in the price of a security or contract can produce a disproportionately larger profit or loss. In extraordinary circumstances, a futures exchange or the CFTC could suspend trading in a particular futures contract, or order liquidation or settlement of all open positions in such contract. Investments in futures also are subject to the risk of the failure of any of the exchanges on which the Client’s positions trade or of its clearinghouses or counterparties.

Spread Positions

Client operations may involve spread positions between two or more commodity interest positions. To the extent the price relationships between such positions remain constant, no gain or loss on the positions will occur. Such positions, however, do entail a substantial risk that the price differential could change unfavorably causing a loss to the spread position.

Client trading operations may also involve arbitraging between two investments. This means, for example, that a Client may purchase (or sell) investments (i.e., on a current basis) and take offsetting positions in options in the same or related investments. To the extent that the price relationships between such positions remain constant, no gain or loss on the positions will occur. These offsetting positions entail substantial risk that the price differential could change unfavorably causing a loss to the position. A “spread” position may not be less risky than a simple “long” or “short” position.

THE OF RISK FACTORS DISCUSSED IN THIS BROCHURE DO NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED IN AN INVESTMENT IN A CLIENT. PROSPECTIVE INVESTORS SHOULD READ THE ENTIRE

PRIVATE PLACEMENT MEMORANDUM OR INVESTMENT MANAGEMENT AGREEMENT AND CONSULT WITH THEIR OWN ADVISORS BEFORE DECIDING WHETHER TO INVEST IN A CLIENT. THE INVESTMENT PROGRAM IS SPECULATIVE AND ENTAILS SUBSTANTIAL RISKS. THERE CAN BE NO ASSURANCE THAT THE INVESTMENT STRATEGY WILL BE SUCCESSFUL, AND INVESTORS MAY LOSE THE VALUE OF THEIR ENTIRE INVESTMENT.

Item 9 – Disciplinary Information

Atlas has no legal or disciplinary events to disclose that would be material to a Client's or investor's evaluation of its advisory business or the integrity of its management team.

Item 10 – Other Financial Industry Activities and Affiliations

- A. Neither Atlas nor any of its management persons are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither Atlas nor any of its management persons are registered, or have an application pending to register, as a Futures Commission Merchant, commodity pool operator, commodity trading advisor, or as an associated person of the foregoing entities. However, Atlas operates as an exempt commodity pool operator.
- C. Managing member and co-founder, Seth M. Wilfong, currently serves as a director of Select Bancorp, Inc., a public company. In the event that Atlas or its employees wish to engage in trading of securities of Select Bancorp, Inc., Atlas or its employees may choose to do so in accordance with Select Bancorp, Inc.'s trading windows and blackout periods. Notwithstanding the foregoing, neither Atlas nor its employees would trade in any window period if doing so would otherwise be in violation of the insider any state or federal regulations.
- D. Atlas does not receive compensation from recommending or selecting other investment advisers for its Clients.

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

- A. Pursuant to Rule 204A-1 of the Advisers Act, Atlas has adopted a written code of ethics ("Code of Ethics") that sets forth standards of conduct expected of employees and addresses conflicts that can arise from personal trading. Atlas' Code of Ethics describes its fiduciary duties and responsibilities to investors and sets forth practices of supervising the personal securities transactions of its employees. The Code of Ethics requires all employees to place Client interests ahead of Atlas' interest and to maintain full compliance with any applicable federal and state securities laws governing registered investment advisory practices. Atlas will provide a complete copy of its Code of Ethics to any client or prospective client upon request made to the Chief Compliance Officer ("CCO") at compliance@atlasprincipals.com.

B. N/A

C. Personal transactions of Atlas' employees and related persons, which include the Firm's access persons, must be made strictly in accordance with the Firm's Code of Ethics and the terms of the offering described in any applicable investment product's offering materials subject to Atlas' internal compliance policies and approval procedures. Atlas' employees must receive pre-approval prior to buying or selling any covered security including: debt and equity securities; options on securities, on indices, and on currencies; all forms of limited partnership and limited liability company interests, including interests in private investment funds (such as hedge funds), and interests in investment clubs; repurchase agreements; and foreign unit trusts and foreign mutual funds. Additionally, all access persons must refrain from trading in any position being traded by Atlas on a particular day, unless otherwise approved by the CCO. Further, pursuant to Atlas' Code of Ethics, employees of Atlas must provide annual holdings reports and quarterly transaction reports detailing all of their respective holdings and transactions in securities (regardless of whether such security is held by a Client) over which they and their related persons have any direct or indirect beneficial ownership. Atlas' CCO reviews these reports for any conflicts of interest or other issues.

D. See C above.

Item 12 – Brokerage Practices

A. Atlas has sole authority for selecting the broker-dealer used in each transaction for Clients and for negotiating the fees to be paid to the broker-dealer in connection with such transactions. Atlas recognizes its duty to obtain "best execution." Consistent with such duty, in determining best execution, Atlas takes into account the full range and quality of a broker-dealer's services, including research and other services (including capital introduction services) that benefit Clients. Therefore, Atlas does not necessarily negotiate "execution only" commission rates and at times will "pay up" for research and other services provided by the broker through the commission rate ("soft dollars"). Atlas does not select broker-dealers solely based on the lowest possible commission costs, but on the best qualitative execution and overall value. Moreover, Atlas does not necessarily measure best execution by the circumstances surrounding a single transaction but instead may be measured over time.

Consistent with such policy, consideration is given to a variety of factors, including, but not limited to, one or more of the following: the ability to achieve prompt and reliable execution of transactions at favorable prices; the operational efficiency with which transactions are effected; the financial responsibility, strength, integrity and stability of the broker-dealers; the quality, comprehensiveness and frequency of available research and related services considered to be of value; the broker-dealer's facilities; custody, bookkeeping and similar services; the availability of marketing assistance, consulting services with respect to technology, operations, equipment and office space, commitment of capital, access to company management and access to deal flow; and the competitiveness of commission rates in comparison with other broker-dealers satisfying Atlas' other selection criteria. In addition, Atlas may also consider a broker-dealer's referral of investors to the Fund or the potential for future referrals.

Using brokerage commissions to obtain research or other products or services provides Atlas with a benefit because Atlas does not have to produce or pay for research, products or services. Accordingly, Clients may be deemed to be paying for research and other services with “soft” or commission dollars. Atlas has an incentive to select a broker-dealer based on its interest in receiving the research or other products or services, and not just the lowest-cost execution. Research and brokerage services obtained by the use of commissions arising from a Client’s portfolio transactions may be used by Atlas in its other investment activities, including, for the benefit of other Client accounts; however, Atlas generally seeks to allocate soft dollar benefits to Client accounts proportionately to the soft dollar credits the account generates.

Under applicable SEC rules, the concept of “soft dollars” is defined broadly and includes the use of brokerage compensation to pay for any goods or services, although Section 28(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) contains a safe harbor from the relevant restrictions that is available if soft dollars are used only for brokerage services and internally-developed research. When advisers, like Atlas, utilize client brokerage commissions to obtain research, products, or services, they receive a benefit because they did not have to pay for the research, products, or services. Atlas intends to limit the use of “soft dollars” for research and brokerage services within the meaning of Section 28(e). Generally, where services obtained with commission dollars provide both research and non-research assistance to Atlas, it will make a reasonable allocation of the cost which may be paid for with commission dollars.

The relationships with brokerage firms that provide “soft dollar” benefits to Atlas may influence Atlas’ judgment in allocating brokerage business and create a conflict of interest in using the services of those broker-dealers to execute Client transactions. For example, awarding business to broker-dealers based on Atlas’ receipt of research or brokerage services, or in recognition of past or future referrals may present an incentive for Atlas to recommend a broker-dealer in contravention to a Client’s interest in receiving most favorable execution.

- B. The same security may be purchased or sold at or about the same time for multiple Clients. In the likely event the orders are combined, transactions will generally be averaged as to price and normally allocated as nearly as practicable based on relative equity or the amounts desired to be purchased or sold for each account that is to receive the securities (which may not be every fund or account). While Atlas believes combining orders in this way will, over time, be advantageous to all participants, in particular cases the average price could be less advantageous to a Client than if the Client had been the only account effecting the transaction or had completed the transaction before the other participants. If an order on behalf of more than one account cannot be fully executed under prevailing market conditions, Atlas will allocate the trade among the different accounts on a basis that it considers equitable. Situations may occur where a Client could be slightly disadvantaged because of the investment activities conducted by Atlas for other investment accounts.

Atlas may maintain accounts with the Prime Brokers and/or executing brokers, through which Atlas may execute trades, borrow securities, and maintain custody of its securities.

Atlas reserves the right to change the brokerage and custodial arrangements described above.

Item 13 – Review of Accounts

Atlas’ managing members, or their designees review Client accounts in conformance with their investment strategies on an ongoing basis.

Fund investors are able to review monthly performance by a statement they receive directly from the fund administrator. Additionally, within 120 days after the end of each fiscal year, an annual report containing audited financial statements is delivered to each Fund investor.

Reporting received by a separately managed account client will be separately agreed to by Atlas and each prospective separately managed account client. Account reporting may be provided by Atlas or a third-party agreed upon by Atlas and the separately managed account client.

Item 14 – Client Referrals and Other Compensation

- A. As described in Item 12, Atlas may receive investor referrals from broker-dealers providing services to our Clients. Further, Item 12 discusses how Atlas receives certain research or other products or services from broker-dealers through “soft-dollars.”
- B. The Fund, Atlas, or our Affiliates may compensate placement agents, finders or solicitors (collectively, the “Placement Agents”) who solicit and introduce investors to the Fund. There are no placement fees payable to the Fund or Atlas in connection with the offering. The Placement Agents may be paid a placement fee which may be a one-time fee paid by the investor in addition to such investor’s subscription amount, or Atlas may pay an up-front placement fee or a portion of the management fee or performance fee or allocation to one or more of the Placement Agents. Any placement fee paid to a Placement Agent will be disclosed to the affected investor.

Currently, Atlas utilizes three Placement Agents: (1) Artist Capital LLC, a Delaware limited liability company, a broker-dealer registered with the U.S. Securities and Exchange Commission and regulated by the Financial Industry Regulatory Authority (“FINRA”); (2) Loretan Consulting, a company incorporated under the laws of Switzerland; and (3) Globam SA, a company incorporated under the laws of Switzerland. Neither Artist Capital LLC, Loretan Consulting, nor Globam SA are related to Atlas.

Item 15 – Custody

Atlas is deemed to have custody of the Fund’s assets because, among other reasons, it has the authority as investment manager to obtain the Fund’s assets, for example, by deducting advisory fees from a Fund’s account or otherwise withdrawing funds from a Fund’s account to pay Fund expenses. The

Funds maintain their assets, in their own name, with qualified custodians or otherwise as permitted under Rule 206(4)-2 under the Advisers Act (the “Custody Rule”).

To ensure compliance with the Custody Rule, Atlas has a reasonable belief that all investors will be provided with financial statements, audited by an independent accounting firm that is registered with and subject to review by the Public Company Accounting Oversight Board, in accordance with U.S. Generally Accepted Accounting Principles, within 120 days of the end of such fiscal year.

Item 16 – Investment Discretion

Atlas has full discretionary authority to manage its Client’s accounts, to the extent permitted by law, constrained only as set forth in agreements made with each Fund. Among other things, this means that Atlas is authorized to make purchase and sale decisions for the Client in its discretion, subject to the investment objectives and guidelines set forth in the relevant offering documents.

Prior to assuming discretion over a Client’s assets, Atlas will enter into an investment management agreement or other agreement that sets forth the scope of Atlas’ discretion. Clients and investors generally do not have the ability to impose limitations on Atlas’ discretionary authority, other than what may be set forth in those management agreement(s).

Prospective investors are provided with offering materials prior to their investment and are encouraged to carefully review those materials, and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective investors also are required execute a subscription agreement and other subscription documents before they may invest in the Fund, which agreements constitute legal, valid and binding obligations of the investor, enforceable in accordance with their terms.

Item 17 – Voting Client Securities

In general, Atlas will refrain from voting proxies when doing so does not impact the best interests of its Clients or their underlying investors. In the event that Atlas decides to vote a proxy received, Atlas will annotate why voting was beneficial to their underlying investors. Clients generally may not direct Atlas as to how to vote a particular proxy. Atlas’ policies and procedures contain procedures designed to address potential conflicts of interest that may arise between Atlas and its Clients.

Clients may obtain both information about how Atlas voted proxies and a copy of its Proxy Voting Policy by emailing the CCO at compliance@atlasprincipals.com.

Item 18 – Financial Information

N/A