



Delegate Advisors, LLC

Form ADV, Part 2A

March 2022

Contact

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This Form ADV Part 2A ("Brochure") provides information about the qualifications and business practices of Delegate Advisors, LLC. If you have any questions about the contents of this Brochure, please contact us at 919-932-8400. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Delegate Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Delegate Advisors, LLC may refer to itself as a "registered investment adviser" or "RIA". You should be aware that registration with the SEC or a state securities authority does not imply a certain level of skill or training.

Item 2: Material Changes

Our most recent update to Part 2A of Form ADV was made in March 2021. This update does not contain any material changes to our business since our last update.

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Item 4: Advisory Business

Delegate Advisors, LLC

Delegate Advisors, LLC (“Delegate Advisors”) is a Delaware Limited Liability Company registered as an investment adviser with the SEC. Delegate Advisors commenced operations on January 12, 2012. Delegate Advisors headquarters are located in Chapel Hill, North Carolina. No single investor owns 25% or more of Delegate Advisors.

Types of Advisory Services Offered

Delegate Advisors provides multi-family office and Outsourced Chief Investment Officer (“Outsourced CIO”) services to support its clients and to provide investment solutions primarily to high net worth individuals and families as well as entities such as companies, trusts, endowments, and foundations associated with Delegate Advisors’ high net worth or family clients. Delegate Advisors provides general advisory services as well as family office services. General advisory services include: a selection of “Investment Options,” defined below; management and oversight; investment services; tax strategy; estate planning; pension advice; and insurance and asset protection planning. Family office services may include treasury management, performance reporting, bookkeeping, family education, charitable counseling and property and casualty risk review. Delegate Advisors Investment Management Team (“Investment Team”) is responsible for developing investment strategies and selecting Investment Options that are suitable for Clients and tailored to their needs based on each Client’s Investment Policy Statement. Clients may impose restrictions on investing in certain securities or types of securities.

Additionally, Delegate Advisors provides investment advisory and research services to a privately offered pooled investment vehicle, the Flexible Credit Fund, LP (the “Flex Credit Fund” or the “Partnership”) that invests in other privately offered pooled investment vehicles. Flexible Credit Fund GP, LLC (or the “General Partner”), a Delaware limited liability company serves as the general partner of the Flex Credit Fund. Delegate Advisors provides investment advice directly to the Flex Credit Fund and not individually to the limited partners of the Partnership. Delegate Advisors manages the assets of the Flex Credit Fund in accordance with the terms of its governing documents.

Overview of Advisory Services

Delegate Advisors provides an outsourced CIO model to clients in evaluating and selecting investment managers and/or pooled investments (collectively, “Investment Options”) for client accounts. Operating as a traditional “manager-of-managers,” Delegate Advisors provides non-discretionary investment advice to clients regarding their accounts and Investment Options based on discussions and agreements with clients concerning (among other considerations) risk tolerance and goals for returns, liquidity needs, limitations on investments and concentration, tax management, and costs. Delegate Advisors may make recommendations to clients concerning these or other matters in order to achieve client objectives, take advantage of market opportunities, or protect against risks.

In accordance with the client’s overall goals, investment strategy, and risk tolerance, separate accounts are generally expected to hold, without limitation, equity securities, fixed income securities, limited partnerships, mutual funds, exchange-traded funds, commodity futures, options, swaps and other derivatives, hedge funds, private equity funds and investments, venture capital funds and investments, and other alternative investments. Accounts may also hold equity securities, fixed income securities, currencies, commodities, commodity futures, and options, swaps and other derivatives either selected by Delegate Advisors or by a sub-adviser retained by Delegate Advisors, through a managed account on the client’s behalf.

Personal and Family Financial Planning. Delegate Advisors provides general financial planning services to clients, including assisting in formulating financial and investment goals, retirement planning, estate planning, insurance planning, asset protection planning, and tax planning.

Family Office Services. Delegate Advisors provides an array of administrative services to high net worth individuals and their families, including treasury management, bookkeeping, and performance reporting. Delegate Advisors also provides services such as property & casualty risk review, family education, and charitable counseling.

Wrap Fee Programs

Delegate Advisors does not participate in wrap fee programs.

Assets Under Management

Delegate Advisors Regulatory Assets Under Management (“RAUM”) total approximately \$946,705,227 as of December 31, 2021. This includes assets Delegate Advisors manages on a discretionary basis of approximately \$177,769,438.

As of December 31, 2021, Delegate Advisors had Assets Under Advisement (“AUA”) totaling approximately \$2,829,671,310. These are client assets that include RAUM and that Delegate Advisors oversees as part of its overall investment advisory services.

Item 5: Fees and Compensation

Compensation

Delegate Advisors expects that all clients will be qualified purchasers as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, as amended. Accordingly, fee schedules and related information are omitted from this Brochure.

Billing

Clients will generally be charged an annual management fee that will be assessed on a quarterly basis. The management fee will be based on AUA. Payment of fees can be made directly by the client; or the client may authorize, in writing, their qualified custodian to debit fees from their account.

Other Fees/Expenses Associated With Management Services

Delegate Advisors or the relevant service provider will charge clients separately for services not covered by the management fee. These additional fees include: sub-advisory fees; performance fees or allocations; fees for trading and wiring; bank service and trustee fees; fees related to underlying investment vehicles; fees related to Investment Options; and certain interest charges, including on margin borrowing and account-related loans. All such fees are borne by the client in accordance with the investment advisory agreement. Certain such fees are described more fully in subsequent sections.

Delegate Advisors may also charge fees for additional services provided to clients, such as for estate planning, insurance and asset protection planning, and tax strategy.

Advance Billing

Except as otherwise agreed, Delegate Advisors will generally bill clients in advance for services to be rendered.

If a client relationship is terminated, any unearned fees that have been paid in advance by the client will be refunded to the client. The client will only be responsible for management fees in proportion to the number of days in the quarter prior to the termination effective date. Earned fees not yet billed will be pro-rated to the date of termination and paid by the client upon termination.

Compensation for the Sale of Securities or Other Investment Products

Not applicable.

Flex Credit Fund

During the term of the Flex Credit Fund, Delegate Advisors will receive an annual management fee (the "Management Fee") equal to 1% of total capital commitments. The Management Fee will be payable quarterly in advance. During any extension period of the Flex Credit Fund's term, the Management Fee will be 1% of total invested capital. All terms and conditions, including fee arrangements, are subject to modification based on the sole discretion of Delegate Advisors.

Fee and expense information regarding the Partnership is provided in the private placement memorandum. Prospective investors should refer to such documents for a full explanation of the fees and expenses to be incurred directly and indirectly by such investors.

In addition to Delegate Advisors' investment management fees, clients bear trading costs and custodial fees.

Item 6: Performance-Based Fees and Side-By-Side Management

Delegate Advisors may charge fees or allocations based on account performance to non-Family Office Services, non-Investments Services clients who want access to the Flex Credit Fund, as negotiated with the client or investor. The performance-based fee is a separate charge from the management fee based on AUA discussed above. Performance-based fees will only be charged to “qualified clients” in accordance with Rule 205-3 under the Investment Advisers Act of 1940, as amended (“Advisers Act”). Performance-based fees will not be charged to Family Office Services or Investments Services clients either in general or on specific proprietary investment vehicles.

Performance-based fees or allocations may give rise to certain conflicts of interest. For example, if one account pays a higher performance fee than other accounts, Delegate Advisors may have an incentive to direct the best investment opportunities to that account to the exclusion or partial exclusion of other accounts. Delegate Advisors has adopted and implemented procedures to ensure the fair and equal treatment of all client accounts and to prevent conflicts arising from variances in performance fees from influencing the allocation of investment opportunities among client accounts. Delegate Advisors also may cause clients to invest in Investment Options that include performance-based fees. The managers of these Investment Options face similar conflicts. However, Delegate Advisors believes that performance fees can serve to align a manager’s interests with those of the client.

Item 7: Types of Clients

Delegate Advisors is a multi-family office that utilizes an outsourced CIO model to support its clients and to provide investment solutions primarily to high net worth individuals and families as well as entities such as companies, trusts, endowments, and foundations that may or may not be associated with Delegate Advisors' high net worth or family clients.

Delegate Advisors expects to service high net worth individuals and families as well as entities such as companies, trusts, endowments, and foundations that may or may not be associated with Delegate Advisors' high net worth or family clients generally with a minimum net worth of \$50 million. In addition, Delegate Advisors will service athletes generally with a minimum net worth of \$25 million. These requirements may be modified in certain circumstances, and Delegate Advisors may waive them at its sole discretion.

Additionally, Delegate Advisors provides investment management services to the Flex Credit Fund. Information regarding the Flex Credit Fund is provided in the private placement memorandum. Each investor in the Flex Credit Fund is required to meet certain suitability and net-worth qualifications, such as by qualifying as an accredited investor within the meaning of rule 501 of Regulation D under the Securities Act of 1933 and a qualified purchaser as defined in the Investment Company Act of 1940.

In no event should this Brochure be considered to be an offer of or agreement to provide advisory services directly to any recipient. Rather, this Brochure is designed solely to provide information about the Adviser for the purpose of compliance with certain obligations under the Advisers Act and, as such, responds to relevant regulatory requirements under the Advisers Act.

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

Methods of Analysis

In analyzing Investment Options, Delegate Advisors will use a variety of methods, including adviser reputation, client service, investment philosophy, stability and continuity of management, performance under varying market conditions, fees, and minimum investment requirements. This information will be obtained from business publications, tracking organizations, industry sources, and other sources.

Client funds will ultimately be invested by the adviser(s) selected to manage the client account. As such, client accounts are subject to the methods of analysis used by such investment advisers. To the extent available and appropriate, these methods will also be considered in Delegate Advisors' selection of investment advisers. These methods may include the following.

Fundamental – Fundamental analysis is using real data to evaluate a security's value. For example, fundamental analysis can be performed on a bond's value by looking at economic factors, such as interest rates and the overall state of the economy, and information about the bond issuer, such as potential changes in credit ratings. For assessing stocks, this method uses revenues, earnings, future growth, return on equity, profit margins and other data to determine a company's underlying value and potential for future growth. In terms of stocks, fundamental analysis focuses on the financial statements of the company being evaluated. Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating a security.

Technical – This form of value analysis focuses on patterns of volume and price fluctuations for a given stock as compared to the activity of the larger, general market indicators. Securities are evaluated for purchase or sale based on an analysis of market statistics such as volume and prices over time as seen on various types of charts that are believed to establish relational patterns that can predict future movements in the markets. This relative comparison has little or no concern for any company's fundamental structure, production or worth. Technical analysis assumes that all the market factors are known to and considered by all the market's participants, although the market can act in irrational ways. Technical analysis purports to see repeatable patterns in similar market conditions, but any one of many factors may alter the outcome of an otherwise similar situation.

Cyclical – There are industries in which profits rise and fall on a cyclical basis. As profits of companies follow cyclical patterns, so do their stocks: going up and down, reflecting the current stage of the business cycle. There are a wide variety of industries that can be described as having distinct business cycles: oil and gas, semi-conductors, car-manufacturing, mining, homebuilding, fertilizer production and many others. Their main feature is that their profits and thus stock prices follow similar rising and falling patterns over the long run. There is no guarantee that historical trends will indicate current cycles.

The qualitative factors used by Delegate Advisors to determine the names of third-party money managers will include: reputation, performance record, philosophy, the continuity of management, service to clients, minimum dollar investment requirement, and fees. Information with respect to money managers (*e.g.*, performance figures, investment style, etc.) will be obtained by Delegate Advisors from tracking organizations, business publications, money managers, and other sources. Delegate Advisors may also consider other criteria, including, without limitation, administrative, recordkeeping, and reporting services provided by a money manager.

Asset Allocation Approach

Diversification of risks, including asset class, style, sector and industry risks, is paramount in seeking to achieve superior risk-adjusted returns. To achieve the appropriate balance between diversifying risk and earning returns, our strategic asset allocation process begins with long-term forward-looking assumptions about the risks, returns, correlations and additional statistical measures of risk for various asset classes.

Applying these capital market assumptions using quantitative tools allows us to develop a selection of asset allocations that seek to optimize expected returns and risk factors for a client portfolio.

Delegate Advisors seeks to achieve clients' investment goals consistent with the risk tolerance and other factors determined in consultation with the client. However, investing involves the risk of loss, and there is no guarantee that an investment strategy will meet its objective. Clients should be prepared to bear such risk.

Material Risks of Delegate Advisors' Methods of Analysis and Investment Strategies

The material risks involved in Delegate Advisors' method of analyzing Investment Options for client accounts include receiving incomplete or inaccurate information about investment approach, business practices, and performance. Delegate Advisors analyzes and selects unaffiliated Investment Options, and as such there can be no guarantee that such other managers' businesses or investment approaches are fully disclosed to or understood by Delegate Advisors.

Moreover, past performance under various market conditions is no guarantee of similar performance in the future. Delegate Advisors views on future market conditions may not turn out to be correct, and/or the Investment Options selected may not achieve the level of performance previously achieved.

Risks Associated with Recommending Primarily a Particular Type of Security

Delegate Advisors does not limit itself to recommending a particular type of investment. Rather, subject to any investment limitations agreed upon with the client, Delegate Advisors takes an "all asset" approach to selecting Investment Options. This means that the Investment Options selected may include any type of asset, including but not limited to equity securities, fixed income securities, limited partnerships, mutual funds, exchange-traded funds, commodity futures, options, swaps and other derivatives, hedge funds, managed accounts, private equity funds and investments, venture capital funds and investments, and other alternative investments. Risks associated with investments in such assets include, but are not limited to, the following.

Equity Risk

Investments in equity securities generally involve a high degree of risk. Prices are volatile and market movements are difficult to predict. These price movements may result from factors affecting individual companies or industries. Price changes may be temporary or last for extended periods. In addition to, or in spite of, the impact of movements in the overall stock market, the value of investments may decline if the particular investments within the portfolio do not perform well in the market. Prices of growth stocks may be more sensitive to changes in current or expected earnings than prices of other stocks. Prices of stocks may fall or fail to appreciate regardless of movements in securities markets. Generally, Delegate Advisors will seek to avoid exposure to initial public offerings, although that result cannot be guaranteed. Such investments may pose significant risks or prospects for significant returns.

Market Risk

The success of client portfolio activities will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, commodity prices, economic uncertainty, changes in laws, trade barrier, currency fluctuations and controls, and national and international political circumstances. These factors may affect the level of volatility of securities prices and the liquidity of investments in client portfolios. Such volatility or illiquidity could impair profitability or result in losses.

Extraordinary Events

Global terrorist activity and United States involvement in armed conflict may negatively affect general economic fortunes, including sales, profits, and production, and may lead to depressed securities prices and problems with trading facilities and infrastructure.

Fixed Income Risks

Investments in fixed income securities represent numerous risks such as credit, interest rate, reinvestment, and prepayment risk, all of which affect their price (*i.e.*, value). These risks represent the potential for a large amount of price volatility. In general, securities with longer maturities are more sensitive to price changes. Additionally, the prices of high yield, fixed income securities fluctuate more than high quality debt issues. Prices are especially sensitive to developments affecting the company's business and to changes in the ratings assigned by rating agencies. Prices are often closely linked with the company's stock prices. High yield securities can experience sudden and sharp price swings due to changes in economic conditions, stock market activity, large sales by major investors, default, or other factors. Developments in the credit market may have a substantial impact on the companies we may invest in and will affect the success of such investments. In the event of a default, the investment may suffer a partial or total loss.

Mutual Fund Investments

Investments in open-end as well as closed-end mutual funds generally involve the payment of duplicative fees through the indirect payment of a portion of the expenses, including advisory fees, of such mutual funds. Investments in mutual funds will be valued at the net asset values provided by those funds (which may in certain circumstances be unaudited valuations). Such investments increase the amount of fees paid by clients.

Exchange-Traded Funds

Exchange-traded funds ("ETFs") are publicly traded unit investment trusts, open-end funds or depository receipts that seek to track the performance and dividend yield of specific indexes or companies in related industries. These indexes may be either broad-based, sector, or international. However, ETF shareholders are generally subject to the same risk as holders of the underlying Securities they are designed to track. ETFs are also subject to certain additional risks, including the risk that their prices may not correlate perfectly with changes in the prices of the underlying Securities they are designed to track, and the risk of trading in an ETF halting due to market conditions or other reasons, based on the policies of the exchange upon which the ETF trades. Generally, each shareholder of an ETF bears a pro rata portion of the ETF's expenses, including management fees. Accordingly, in addition to bearing their proportionate share of expenses (e.g., Management Fees and operating expenses), Clients and Investors will also indirectly bear similar expenses of an ETF.

Futures/Commodities

Trading commodities and commodity interests (e.g., futures contracts on commodities, securities indices or currencies) is highly speculative and may entail risks that are greater than the risks associated with investing in securities. Prices of commodity interests are generally more volatile than prices of securities. Futures trading will have effects on a Client's portfolio similar to the effects of leverage. Clients may be exposed to market price fluctuations of securities or commodity interests underlying futures (or options on futures), while investing only a small percentage of the value of those underlying securities or commodity interests. A futures position for a Client may be opened by placing with a futures commission merchant an initial margin that is small relative to the value of the futures contract, making the transaction "leveraged." If the market moves against the Client's position or margin levels are increased, the Client may be called upon to pay substantial additional funds on short notice to maintain its position. If the Client were to fail to make such payments, its position could be liquidated at a loss, and the Client would be liable for any resulting deficit in its account.

Futures positions may be illiquid because, among other things, most commodity exchanges limit fluctuations in certain futures contract prices during a single day. Once the price of a contract for a particular future has increased or decreased by an amount equal to the "daily limit," positions can be neither taken nor liquidated unless traders are willing to effect trades at or within the limit. Such an occurrence could prevent the Client from liquidating unfavorable positions and subject it to substantial losses. In addition, the Client may not be able to effect futures contract trades at favorable prices if trading volume in those contracts is low.

To the extent the Client trades futures on exchanges in non-U.S. markets, the risks of these activities may be greater than trading in futures on U.S. exchanges. For example, non-U.S. futures are not cleared on and are not subject to the rules of a U.S. board of trade. Neither the CFTC nor the National Futures Association regulates activities of any non-U.S. board of trade, including execution, delivery and clearing of transactions, nor do they have any enforcement authority over non-U.S. boards of trade. In addition, funds provided as margin for non-U.S. futures and options may not be provided the same protections as funds received in respect of U.S. transactions.

Increased Regulations

Events during the past several years and adverse financial results have focused attention upon the necessity to maintain adequate risk controls and compliance procedures. These events have led to increased governmental and self-regulatory authority scrutiny of the financial industry. Various national governments have also expressed concern regarding disruptive effects of speculative trading and the need to regulate the markets in general. Any regulations that restrict the ability to employ, or broker-dealers and counterparties to extend, credit or restrict trading activities could adversely impact profit potential.

Market Liquidity Risks

The value of securities held in client accounts and that are traded on exchanges and the risks associated with holding these positions vary in response to events that affect asset markets in general. Market disruptions such as those that occurred in 1987, September 2001, and more recently the Flash Crash in May 2010 could lead to violent price swings in securities held within client portfolios and could result in substantial losses.

Potential Concentration

Client portfolios may have highly concentrated positions in issuers engaged in one or a few industries. This increases the risk of loss relative to the market as a whole.

Small Capitalization Companies

A substantial portion of assets may be invested in smaller and less established companies. Both debt and equity securities of such issuers tend to be more volatile than larger, more established companies. Such volatility could adversely impact client portfolios.

Large Company Risk

Large cap stocks can perform differently from other segments of the equity market or the equity market as a whole. Large capitalization companies may be less flexible in evolving markets or unable to implement change as quickly as smaller capitalization companies.

Non-U.S. Investments

We may invest client funds in securities such as debt, equity, currencies, derivatives, and other securities issued by persons domiciled outside the United States. Such investments expose the portfolio to a number of risks that may not exist in the domestic market alone. Such risks include, among other things, trade balances and imbalances and related economic policies, currency exchange rate fluctuations, imposition of exchange control regulation, withholding taxes, limitations on the removal of funds or other assets, possible nationalization of assets or industries, political difficulties, and political instability in foreign nations.

Short Sales, Leverage and Derivatives

Short sales, leverage and derivatives all represent substantial risks given their inherent heightened risk of loss. Leverage and derivatives imply borrowing capital. When such borrowing is deployed, losses can escalate quickly should investments suffer even small losses. Short sales involve a finite opportunity for appreciation, but a theoretically unlimited risk of loss. Short positions are also subject to experiencing a “short squeeze” (where excess demand for and limited supply of a security drive the price of the security up, which drives down the value of a short position on the security) that could lead to accelerating losses for short positions on that particular security.

Use of Third Party Managers

The use of third party managers in investment programs involves additional risks. The success of the third party manager depends on the capabilities of its investment management personnel and infrastructure, all of which may be adversely impacted by the departure of key employees and other events. The future results of the third party manager may differ significantly from the third party manager's past performance. While Delegate Advisors intends to employ reasonable diligence in evaluating and monitoring third party managers, no amount of diligence can eliminate the possibility that a third party manager may provide misleading, incomplete or false information or representations, or engage in improper or fraudulent conduct, including unauthorized changes in investment strategy, insider trading, misappropriation of assets and unsupportable valuations of portfolio securities.

Cybersecurity

Delegate Advisors and its service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users as well as unintentional damage or interruption that, in either case, can result in damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. A cybersecurity breach could expose Delegate Advisors, its clients and the Partnership to substantial costs (including, without limitation, those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, adverse investor reaction, the dissemination of confidential and proprietary information and reputational damage), civil liability as well as regulatory inquiry and/or action. While Delegate Advisors has established a business continuity plan in the event of, and risk management strategies, systems, policies and procedures to seek to prevent, cybersecurity breaches, there are inherent limitations in such plans, strategies, systems, policies and procedures including the possibility that certain risks have not been identified. Furthermore, Delegate Advisors, its clients and the Partnership cannot control the cybersecurity plans, strategies, systems, policies and procedures put in place by other service providers to its clients and Partnership and/or the issuers in which the Partnership invests.

Epidemics and Pandemics:

Many countries have been susceptible to epidemics, such as severe acute respiratory syndrome, avian flu, H1N1/09 flu and, currently, COVID-19 (commonly known as the "Coronavirus"). The epidemic or pandemic outbreak of an infectious disease in a country or region of the world or globally, together with any resulting restrictions on travel, transportation or production of goods or quarantines imposed, could have a negative impact on the national, regional or global economy and business activity in any of the countries in which Delegate may invest or recommend an investment (some economists have warned that global economic growth could be cut by more than half and that countries and the global economy could be plunged into recession) and thereby adversely affect the performance of client investments. The Coronavirus outbreak and any future outbreak of an infectious disease or any other serious public health concern in a country, region or globally could materially harm client investments. In addition, the Coronavirus has led to significant volatility in the securities markets and the Coronavirus and any future outbreak of an infectious disease or any other serious public health concern may lead to additional volatility and illiquidity of the client investments. Furthermore, the Coronavirus and any future outbreak of an infectious disease or any other serious public health concern may lead to significant interruption in normal business activity of Delegate and the clients' other service providers which could negatively affect the performance of client accounts.

Item 9: Disciplinary Information

Not applicable.

Item 10: Other Financial Industry Activities and Affiliations

Registered Broker-Dealer or Registered Representative

Not applicable.

Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Adviser or Associated Person

Not applicable.

Material Business Relationships with Certain Related Persons

Delegate Advisors provides administrative, investment advisory and research services to the Partnership of which Delegate Advisors' affiliate, Flexible Credit Fund GP, LLC, is the General Partner. Investment advice is given to the Partnership itself and not to any investor within the Partnership. Raptor Holdco LLC ("Raptor") is an affiliate of Raptor Capital Management which is an SEC registered investment adviser. Raptor holds a 10% ownership interest in Delegate Advisors. From time to time Delegate Advisors may recommend one or more private funds or co-investment opportunities sponsored by Raptor to Clients when it is in their best interests.

Recommendation and Selection of Other Investment Advisers

Delegate Advisors may recommend and select other investment advisers to serve as sub-advisers to portions of client accounts. None of these other investment advisers are Delegate Advisors' affiliates, nor does Delegate Advisors presently receive compensation from or have other business dealings with such investment advisers.

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

Code of Ethics

Delegate Advisors has adopted a written Code of Ethics (“Code”) as required by Advisers Act Rule 204A-1. The Code describes the standards of conduct expected of Delegate Advisors supervised persons, including that such persons abide by the federal securities laws and relevant fiduciary obligations. Consistent with the position of trust that all supervised persons hold with respect to clients, the Code includes ethical guidelines and prohibitions that govern supervised persons’ actions. Any violations of the Code must be reported in accordance with the policy set forth in the Code and may result in disciplinary action. You may obtain a copy of the Code upon request. Our contact information appears on the cover page of this Brochure.

Investment in Securities Recommended to Clients

Delegate Advisors or its related persons may invest in securities or other assets in which clients invest. Generally, this will arise only where such securities are issued by or held in an Investment Option. Delegate Advisors will also manage related persons’ accounts alongside client accounts in a manner that ensures that related persons’ accounts are not favored over client accounts. To the extent there are capacity constraints, entrance and exit opportunities will be offered first to clients. Client accounts will receive equal or better terms from the Investment Option (such as fees and liquidity) than related persons’ accounts.

Investment in Securities at or about the Same Time Recommended to Clients

Please refer to the section above, Investment in Securities Recommended to Clients.

Other Conflicts of Interest

On occasion, Clients that are private business owners solicit investment from Delegate Advisors and/or its employees. In the event that investment in such a business is not made available by the issuer to other Clients or such investment is not deemed suitable for Clients, Delegate Advisors’ employees are permitted to participate in such investment. This relationship could create the perception of a conflict of interest, mainly that employees could favor Clients that have offered private investment opportunities to them. The Code, described above, contains policies designed to mitigate such conflicts, including policies addressing the fiduciary duty owed to each Client.

Item 12: Brokerage Practices

Selecting or Recommending Broker-Dealers

While there are several important factors in broker selection, Delegate Advisors may direct trades to brokers that charge commissions higher than those obtainable from other brokers. In selecting a broker for any transaction or series of transactions, Delegate Advisors may consider a number of factors in addition to commission rates, including, for example, net price, reputation, financial strength and stability, efficiency of execution and error resolution, block trading and block position capabilities, willing to execute related or unrelated difficult transactions in the future, order of call, on-line access to computerized data regarding client accounts, the availability of stocks to borrow for short trades, custody, record keeping or other similar services, and matters involved in the receipt of general brokerage services.

Generally, in addition to a broker's ability to provide the "best execution," Delegate Advisors may also consider the value of ancillary services a broker-dealer has provided or may be willing to provide. Delegate Advisors does not commit itself to providing any specified level of volume or commissions in order to obtain this research. In some cases, the commissions or other transaction fees charged by a particular broker-dealer for a particular transaction or set of transactions may be greater than the amounts another broker-dealer who did not provide research might charge. This research may not be used for the exclusive benefit of the clients whose activity the broker considered when providing the research.

In addition, Delegate Advisors recommends investment advisers to manage the investment of client accounts. Each such unaffiliated investment adviser owes a fiduciary responsibility to its clients, which includes the duty to review broker-dealer charges regularly to evaluate their reasonableness. Delegate Advisors carries out due diligence reviews of the advisers it selects or recommends. Such reviews include, among other things, a review of the unaffiliated advisers' best execution policies. Delegate Advisors anticipates having authority to select broker-dealers to execute client transactions.

Aggregating the Purchase or Sale of Securities for Client Accounts

Delegate Advisors may make the same investment decision for more than one client account managed by Delegate Advisors. In such circumstances, in the event that purchase and sell orders of the same class of security are occurring at the same time for multiple clients, the orders may be combined for the purpose of seeking best execution for each participating client. An order that is partially filled will, as a general matter, be allocated pro-rata in proportion to each client's original order or account size. Notwithstanding, additional factors may cause deviations from Delegate Advisors' general trade allocation methodology, and those factors will be reviewed by Delegate Advisors over time.

Directed Brokerage

Delegate Advisors has, and may in the future, permit a client to direct brokerage to a particular broker-dealer. In doing so, Delegate Advisors may be unable to achieve the most favorable execution of client transactions. Directing brokerage may cause the client to pay higher commissions due to the inability to aggregate the client's order or otherwise receive less favorable pricing.

Trade Errors

From time to time, Delegate Advisors may experience a trade error caused by Delegate Advisors or an executing broker. In an event that a trade error occurs, Delegate Advisors will ensure that a client account is "made whole." Thus, trades are adjusted as needed in order to put the client in such a position as if the error had never occurred at no cost to the client. Delegate Advisors also will not use future brokerage to compensate a broker either directly or indirectly for absorbing the cost of correcting an error in an earlier transaction. Delegate Advisors attempts to minimize trade errors by promptly reconciling confirmations with order tickets and intended orders, and by reviewing past trade errors to understand the internal control breakdown that caused the errors.

Soft Dollars

An adviser receives soft-dollar benefits when it receives research (or other products or services other than execution services) from a broker-dealer or a third party in connection with client securities transactions. We do not currently maintain any formal soft-dollar credit-generating arrangements or commission-sharing arrangements.

Item 13: Review of Accounts

Periodic Account Review

Delegate Advisors regularly reviews Investment Options for consistency with stated investment policies and guidelines and that the fees and commissions charged by such managers are reasonable. The Investment Team is responsible for conducting such reviews.

Additional Account Review

Each account will be reviewed at least annually to determine whether the allocation of assets is appropriate given the investment policies of Delegate Advisors and the client. The Investment Team is responsible for managing client account liquidity and funding of and distributions from client accounts. More frequent reviews may be warranted depending upon account value, client objectives, or other factors.

Client Reports

Generally, client reports will be provided at least annually by Delegate Advisors, except as otherwise agreed with the client. Custodians will also report to clients on a periodic basis. Delegate Advisors' reports will include, among other things, information on account value, net contributions and withdrawals, and realized and unrealized gains or losses. The custodian statements are the official record for all pertinent account information. Client reports provided by Delegate Advisors supplement and do not replace or supersede in any way these reports from the custodian.

Clients should compare the information in the custodian's reports with that contained in the reports provided by Delegate Advisors. Clients should immediately report any discrepancies between the two reports.

Delegate Advisors also expects to provide periodic newsletters and market commentary. Other standard reports, which may include information on portfolio holdings and transactions, capital balances, and total return, may be provided at regular intervals as determined with clients.

Investors in the Partnership will receive a year-end audited financial statement prepared in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). In addition, such investors may also receive a quarterly unaudited report on the Partnership's overall performance, together with any other information deemed pertinent in the sole discretion of the Delegate Advisors.

Item 14: Client Referrals and Other Compensation

Pursuant to the terms of departure from Andrew D. Hart's prior employer, Delegate Advisors is paying, for a limited time, the former employer a 3% trailer fee on Mr. Hart's behalf. Andrew D. Hart is Delegate Advisor's Chief Executive Officer.

Delegate Advisors has entered into an agreement with Fidelity Brokerage Services LLC ("Fidelity") to participate in the Fidelity Family Office Services MFO Program (the "Program"). The Program is not a solicitation arrangement. The Program is an adviser referral program designed to help Fidelity clients and prospects select an advisor for wealth management.

As part of its fiduciary duties to clients, Delegate Advisors endeavors at all times, to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Delegate Advisors or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Delegate Advisors choice of Fidelity for custody and brokerage services. These benefits include the following products and services: participation in the Program, receipt of duplicate client statements and confirmations, research-related products and services, access to a trading desk, access to block trading, and the ability to have advisory fees deducted directly from client accounts.

Delegate Advisor's clients do not pay more for transactions effected and/or for assets maintained at Fidelity as a result of this arrangement. Delegate Advisors will not charge clients referred through the Program any fees or costs higher than its standard fee schedule offered to its clients. There is no requirement for Delegate Advisors to invest any amount or percentage of client assets in any specific investment products as a result of Delegate Advisors participation in the Program. Fidelity does not supervise Delegate Advisors and has no responsibility for Delegate Advisors management of client portfolios.

Additionally, Delegate Advisors may enter into solicitation agreements with third parties (a "Solicitor Arrangement") who are not supervised persons of Delegate Advisors, pursuant to which we may compensate for introductions to persons who become clients of Delegate Advisors. Under a Solicitor Arrangement we may share a portion of our management fee with the solicitor. Our CCO will review any Solicitor Arrangements prior to their implementation to confirm compliance with applicable laws, rules and regulations. Delegate Advisors will not charge clients referred fees higher than its standard fee offered to its clients. Solicitors that refer clients to us are subject to a conflict of interest because they will be compensated in connection with their solicitation activities.

Item 15: Custody

All clients' accounts are held in custody by unaffiliated broker/dealers or banks, but Delegate Advisors can access many clients' accounts through its ability to deduct advisory fees. In this sense, Delegate Advisors is considered to have custody of client assets. For separately managed accounts custodians send statements directly to the account owners on at least a quarterly basis. Delegate Advisors urges clients to carefully review these statements and compare these statements to any account information provided by Delegate Advisors.

Delegate Advisors is considered to have custody as a result of standing letters of authorization ("SLOA") in place from clients that allow Delegate Advisors to direct the custodian to send client funds based on the SLOA. Advisers relying on SLOAs to make certain disbursements on behalf of a client may avoid obtaining a surprise asset verification if each such client provides written instructions to the custodian regarding specific transactions that the client authorizes the custodian to disburse upon request of Delegate Advisors and provides Delegate Advisors with written instructions that explicitly describe the specific transactions that the client authorizes Delegate Advisors to disburse. Further, the custodian must verify these instructions when executing each transaction and confirm these instructions at least annually with Delegate Advisors. Delegate Advisors has no ability change any routing information regarding such disbursements and the client can terminate such relationship at any time.

All Partnership assets are held in custody by unaffiliated broker-dealers or banks; however, Delegate Advisors is deemed to have custody of these assets as it has access to Partnership accounts since it serves as the General Partner of the Partnership. Limited partners of the Partnership will not receive statements from the custodian. Instead the Partnership is subject to an annual audit and the audited financial statements are distributed to each limited partner. The audited financial statements will be prepared in accordance with GAAP and distributed within 180 days of the Partnership's fiscal year-end.

Item 16: Investment Discretion

Delegate Advisors advises clients on either a discretionary or non-discretionary basis. The client's investment advisory agreement specifies whether their accounts are managed on a discretionary or non-discretionary basis.

For discretionary clients, Delegate Advisors has the authority to determine the securities to be bought or sold and the amounts of the securities to be bought or sold on behalf of its Clients, without obtaining specific Client consent. Non-discretionary Clients have requested that their approval be obtained with regard to such decisions.

Item 17: Voting Client Securities

As noted in each investment advisory agreement with clients, Delegate Advisors will not vote proxies for securities in client accounts. The obligation to vote proxies will be the client's responsibility. Clients will receive proxies directly from their custodian.

It is anticipated that the sub-advisers selected by Delegate Advisors to manage client account securities investments will vote proxies for such securities. Such sub-advisers' proxy voting policies will govern how client securities are voted.

Clients with questions about particular proxy solicitations may contact Delegate Advisors through the Advisory Team.

Item 18: Financial Information

Not applicable.