

Part 2A of Form ADV: Firm Brochure

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This firm brochure (the “**Brochure**”) provides information about the qualifications and business practices of Logica Capital Advisers, LLC (“**LCA**” or the “**Adviser**”), an investment adviser registered with the United States Securities and Exchange Commission (“**SEC**”). If you have any questions about the contents of this Brochure, please contact us at (424) 652-9500 or [hello@logicafunds.com](mailto:hello@logicafunds.com).

The information in this Brochure has not been approved or verified by SEC or by any state securities authority. Additional information about Logica Capital Advisers, LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration with the SEC or any state securities authority does not imply a certain level of skill or training. This Brochure does not constitute an offer to sell or a solicitation of any offer to invest in any security.

**ITEM 2: MATERIAL CHANGES**

None.

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#### ITEM 4: ADVISORY BUSINESS

LCA is a global investment management firm, founded in 2011, that takes a systematic research-driven approach to managing alternative and traditional strategies. The Adviser commenced operations as an investment adviser in 2011 and has been registered with the SEC since February 8, 2020.

LCA and its affiliates and subsidiaries (collectively “**Logica**”) operate from its Los Angeles, California headquarters. LCA is a privately held alternative asset manager that provides discretionary investment advisory services to individual clients, family offices, entities and institutions through separately managed accounts, sub-advisory arrangements and through private pooled investment funds (each a “**Client**” and collectively, the “**Clients**”). As of December 31, 2021, regulatory assets under management totaled approximately \$ 175234717, all of which is managed on a discretionary basis.

Our principal beneficial owner is Wayne Himelsein, President and Chief Investment Officer, who founded Logica in 2011. Mr. Himelsein leads LCA and is responsible for the research and development directives and investment activities of LCA. Wayne, together with the Adviser’s management team, also oversees the management of LCA’s general business operations and strategy.

LCA provides discretionary investment management services to Clients, using a quantitative approach based on advanced mathematical and statistical techniques. LCA is also the investment advisor providing discretionary investment management services to the Logica Absolute Return Fund, LP, a Delaware limited partnership (“**US Master Fund**”), Logica Absolute Return Offshore Ltd., a Cayman Islands exempted company (the “**Offshore Feeder Fund**”) that invests all or substantially all of its investable assets in the U.S. Master Fund, the Logica Tail Risk Fund, LP, a Delaware limited partnership (the “**LTR Fund**”), and the Logica Hedged Equity Fund, LP, a Delaware limited partnership (the “**LHE Fund**”), and together with the US Master Fund, the Offshore Feeder Fund, the LTR Fund, collectively, the “**Funds**” and each separately a “**Fund**”).

LCA’s advisory services to Clients are tailored to the investment objectives, guidelines and restrictions (if any) set forth in such Clients’ Investment Advisory Agreement (“**IAA**”) for each separately managed account or sub-advisory arrangement, and the applicable Private Placement Memorandum, Limited Partnership Agreement and related documents (collectively, the “**Offering Documents**” and together with the IAA, collectively the “**Governing Documents**”) for each Fund.

In managing Client assets, LCA follows an overall market agnostic investment strategy, and strategically allocates Client assets across complimentary internally developed investment strategies (the “**Logica Strategies**”) that are quantitative in nature and focus on macroeconomic exposures, equity market behavior, and volatility as an asset class, utilizing varying approaches in seeking to generate returns and manage risk. LCA applies a top-down oversight that infuses its investment philosophy and risk management principles.

Logica Capital Management, LLC, a Delaware limited liability company (the “**General Partner**”) formed on January 3, 2011, acts as the general partner of the US Master Fund, the LTR Fund and the LHE Fund. The General Partner has appointed LCA as the investment adviser to the US Master Fund, the LTR Fund and the LHE Fund, and has delegated exclusive responsibility for the management of the US Master Fund’s, the LTR Fund’s, and the LHE Fund’s assets and investment program to LCA. The affairs of the Offshore Feeder Fund are governed by its directors (the “**Directors**”). The Directors have appointed LCA as the investment manager to the Offshore Feeder Fund and delegated exclusive responsibility for the management of the Offshore Feeder Fund’s assets and investment program to LCA. The General Partner also assists LCA by providing certain administrative services to such Clients and the Funds, including managing the day-to-day administrative and business affairs of the Funds. Logica Capital Management, LLC is a “**Relying Adviser**” of LCA, and therefore not required to register as an investment adviser, in

reliance on the position expressed in the January 18, 2012 SEC's no action letter addressed to the American Bar Association's Subcommittee on Hedge Funds.

The descriptions of LCA's Clients and Logica Strategies in this Brochure, including the type of investments made, strategies used, fees and expenses charged, risk factors, conflicts of interests that may arise and related party transactions that may occur in LCA's management of such Client(s) and investments are qualified in their entirety by reference to each managed account Client's relevant IAA with LCA or the Offering Documents related to each Fund managed by LCA.

## ITEM 5: FEES AND COMPENSATION

LCA is compensated through various fee structures, including asset-based fees and performance-based fees.<sup>1</sup> Asset-based fees are typically annual fixed fees based on AUM. A performance or incentive fee is based upon a percentage of the net profits of the account being managed. Typically, when calculating net profits, performance fees are based on absolute or benchmark-relative returns over an agreed upon time period and are subject to high water marks or loss carryforwards. As more fully described below, LCA either bills or deducts fees in arrears, according to the terms of the pertinent Investment Advisory Agreement (“*IAA*”) or other governing documentation. Under certain circumstances, fees are negotiable.

### *Management Fee*

For investment management services that the Adviser renders to the Clients, the Adviser generally receives an annual fixed management fee of one and one half percent (1.5%) of assets under management (“*AUM*”) (generally including, but not limited to, cash balances and cash invested in money market funds, notional value, typically payable monthly in arrears at the rate of one twelfth (1/12) of Client net asset value, and calculated as of the last day of each month (“**Management Fee**”), unless such Management Fee is subsequently waived, reduced or modified, at the LCA’s sole and absolute discretion.

### *Performance Fee*

The Adviser also generally receives a performance fee or incentive allocation of fifteen percent (15%) of net profits. Additional operating expenses apply.

LCA may, in its sole and absolute discretion, waive or reduce the Management Fee and/or Performance Fee charged with respect to one or more Clients for any period of time, or agree to apply a different Management Fee and/or Performance Fee for that Client, without obtaining the consent of other Clients.

### *LCA Funds*

LCA and its affiliates enter into side letters with investors in its Funds (“*Subscribers*”) to waive or modify the standard terms of such Fund in respect of a particular subscriber. Certain Subscribers are not charged any management fees, are not charged any performance fees, are charged fees in arrears rather than in advance or have a differing fee structure because of their overall relationship with LCA or its affiliates or their investment approach. In particular, certain Subscribers in a Fund that are employees, business associates and other “*friends and family*” of LCA, its affiliates or their personnel will typically not pay management fees or other performance fees in connection with their investment in a Fund or may pay a reduced rate. Consequently, fees charged to certain Subscribers may deviate from the standard fees disclosed in a Fund’s offering documents.

For its Funds, LCA has the absolute discretion, subject to its fiduciary duty, to agree with Subscribers, particularly with respect to those Subscribers who are large or strategic investors, to waive or modify the application of any provision of a Fund’s limited partnership agreement (including, but not limited to, those relating to liquidity, investment capacity, fees, and transparency). Moreover, with respect to such Subscribers, LCA remains subject to its fiduciary obligations, its duties under the Investment Advisers Act of 1940, as amended (“*Advisers Act*”) and any terms negotiated through side letters.

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<sup>1</sup> Throughout this Brochure, the term “*performance fee*” means performance fee or incentive allocation, as applicable.

In some instances, side letters grant such Subscribers materially favorable terms relating to, among other things, liquidity, investment capacity, economic rights, fees, information and reporting rights, co-investment rights, certain rights or terms necessary in light of particular legal, regulatory or policy requirements of a particular investor, veto rights, transfer rights and transparency. In addition, LCA reserves the right to waive or rebate all or a portion of its management fees and/or performance fees with respect to a Subscriber. Prospective Subscribers and existing Subscribers should consider these possible conflicts of interest in making their decision to invest or remain invested in a Fund, as certain Side Letters can result in favoring some Subscribers over others and affect a Subscriber's expectations as to future return and risk.

LCA may agree to provide certain Subscribers enhanced disclosure with respect to specific security positions, risk information and/or portfolio characteristics of the Funds. Accordingly, not all Subscribers will have the same degree of access to the type and/or frequency of individual position listings in connection with the Funds in which they invest.

### ***Managed Accounts***

Generally, advisory fees for Managed Accounts are based upon a percentage of AUM and vary depending upon the nature of the portfolio to be managed and the strategy employed. Fees are based upon the fee methodology agreed to with each Managed Account. Managed Account advisory fees generally range up to one and one half percent (1.5%) of AUM (generally including, but not limited to, cash balances and cash invested in money market funds, and sometimes based on and agreed upon notional value of the account managed by LCA), payable at the end of either the month or the quarter. LCA and the Managed Account may agree upon a performance fee equal to fifteen percent (15%) of net profits in addition to or in lieu of a fixed advisory fee. In some instances, additional operating expenses apply.

### ***Additional Fees and Expenses***

LCA's fees are in addition to third parties for brokerage commissions, transaction fees/costs, data and research costs, clearing and settlement charges, custodial fees, bank service fees, interest expenses, borrowing costs, service provider fees, distribution fees, as applicable, and other related operating and other costs and expenses which will be incurred by Clients as detailed in the Offering Documents or IAA, as applicable. Execution of Client transactions typically requires payment of brokerage commissions by Clients. Please see Item 12 – Brokerage Practices below for a description of the factors that LCA considers in selecting counterparties for the execution of transactions and determining the reasonableness of their compensation. Investment activity also involves other transaction fees and taxes payable by Clients, including but not limited to, sales charges, odd-lot differentials, transfer taxes, financial transaction taxes, wire transfer and electronic fund fees, overdraft fees and other fees and taxes on brokerage accounts and securities transactions.

In addition, Clients may incur certain charges imposed by custodians, prime brokers, counterparties, banks, governmental authorities, third-party investment consultants, attorneys and other third parties, such as custodial fees, consulting fees, administrative fees, auditing fees, legal and compliance fees, insurance fees, and transfer agency fees.

Certain Clients also pay certain fees and/or expenses relating to governmental, regulatory, licensing, filing, or registration filings and their preparation, incurred in compliance with the applicable rules of any self-regulatory organization or any foreign, U.S. federal, state or local laws; to the extent permitted by applicable law, and subject to applicable client documentation, legal fees and costs arising in connection with litigation or a regulatory investigation; and extraordinary expenses or costs that the Client from time to time incurs. Further details of these and other expenses are described in the Clients' offering documents.

### ***Additional Information***

The investment terms offered to different Clients pursuing similar investment objectives in many cases differ, as do the investment terms offered to Subscribers in investment vehicles pursuing the same or similar investment objectives. For example, certain Managed Accounts have information sharing terms that are more extensive and/or timely than other Clients. As another example, certain Managed Accounts have different liquidity terms than other Subscribers pursuing the same or similar investment objectives in a Fund. Similarly, certain Subscribers of Funds managed as dedicated funds have information sharing terms that are more extensive and timely than other Subscribers in other funds. Additionally, certain such Subscribers are not subject to the same liquidity terms that apply to other Funds. Prospective Subscribers and existing Subscribers should consider these possible conflicts of interest in making their decision to invest or remain invested in a Fund, as certain Side Letters can result in favoring some Subscribers over others and affect a Subscriber's expectations as to future return and risk.

Advisory fees are negotiable for Clients or investors in certain circumstances and LCA from time to time enters into individual agreements with particular Clients or investors with respect to, among other things, the amount, the method of payment and timing of charging any management fee or performance fee. Generally, LCA deducts the management fee and/or performance fee from Funds, by instructing such fund's administrator and/or custodian. Managed Accounts are either invoiced for advisory fees or they self-remit payment for those fees.

As noted above, fee arrangements may provide for the payment of monthly or quarterly advisory fees in advance or arrears. If termination of an advisory contract by the Client occurs during a month or quarter in which a fee is charged in advance, generally, such circumstances will result in the refund of a pro rata portion of the fee to the investor or Client for the remaining portion of the monthly or quarterly period, as the case may be.



## **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

### ***Performance-Based Fees***

As noted above, a performance fee represents an asset manager's compensation for managing a client account which is based upon a percentage of the net profits of the account being managed. Typically, when calculating net profits, performance fees are based on either absolute or benchmark-relative returns over an agreed upon time period, with performance fees subject to high water marks or loss carryforwards. In some instances, a performance fee represents all or a portion of LCA's standard fee arrangement. In other instances, LCA is compensated solely through an asset-based fee (i.e., LCA is paid a percentage of the amount of assets in the account). LCA reserves the right to negotiate the rate of any applicable performance fees or asset-based fees on a case-by-case basis. With respect to LCA's management of Client assets, performance fees give rise to certain conflicts of interest. Specifically, LCA's entitlement to performance fees in managing one or more accounts creates an incentive to take risks in managing those accounts that in certain circumstances LCA would not otherwise take in the absence of such fee arrangements. Additionally, since Performance Fees reward for performance in accounts which are subject to such fees, LCA has an incentive to favor these accounts over those that have only asset-based fees with respect to trading opportunities, trade allocation, and allocation of new investment opportunities. Performance Fees that are charged by LCA, may under some circumstances, create an incentive to cause the Client to make investments that are riskier or more speculative than would be the case if the compensation were not performance based, particularly in any period after losses have been suffered. Generally, LCA addresses these conflicts by utilizing an investment allocation policy designed to treat all Clients fairly and equitably over time.

LCA may, in its sole and absolute discretion, waive or reduce the performance-based fee charged with respect to one or more Clients for any period of time, or agree to apply a different performance-based fee for that Client, without obtaining the consent of other Clients.

Also, Mr. Himelsein has a material investment in the US Master Fund and the LHE Fund, each of which earns a return (or suffers losses) identical to the return (or loss) of independent Limited Partners that are invested in such Funds, such that LCA's interests are fully aligned with the interests of its Client. Management and performance-based fees on Mr. Himelsein's investment are waived, as are such management and performance fees for any other principals or employees of LCA, if and as applicable.

### ***Side-by-Side Management***

Side-by-side management of various types of accounts raises the possibility of favorable or preferential treatment of a Client account or a group of accounts arising from differences in fee arrangements, including favoring Clients with higher fee schedules over those with lower fee schedules.

LCA simultaneously manages multiple types of investment vehicles, including the Funds, Managed Accounts, and sub-advisory arrangements, in many instances according to the same or a similar investment strategy (i.e., side-by-side management). The simultaneous management of these different investment vehicles gives rise to the types of conflicts described above, for example, the fees for the management of certain types of investment vehicles may be higher than for others or the liquidity terms may differ. Nevertheless, when managing the assets of such investment vehicles, LCA has a duty to treat all Clients fairly and equitably over time.

Although LCA has a duty to treat all Clients fairly and equitably over time, each Client will not necessarily be managed the same at all times. Specifically, there is no requirement that LCA use the same investment practices consistently or at the same time across all Clients. In general, investment decisions for each Client

will be made independently from those of other Clients, and will be made based on the individual needs and objectives of each Client. In addition, different account guidelines, applicable laws and regulations, and/or differences within particular investment strategies leads, in some cases, to the use of different investment practices for accounts with a similar investment strategy or investing in the same securities. LCA knows the size, timing and possible market impact of Client trades. A conflict of interest exists where LCA could use this information to the advantage of certain accounts they manage and to the possible detriment of other accounts. LCA will not necessarily purchase or sell the same securities at the same time, in the same direction, or in the same proportionate amounts for all eligible accounts, particularly if different accounts have different amounts of investable cash available, different existing exposures, different liquidity requirements, different strategies, or different risk tolerances. In addition, some accounts purchase long positions in certain securities while other accounts simultaneously sell short or sell to reduce exposure to those same, similar or related securities. As a result, although LCA manages numerous accounts with similar or identical investment objectives, or may manage accounts with different objectives or strategies that trade in the same, similar or related securities, the portfolio decisions relating to these accounts, and the performance resulting from such decisions, may differ from account to account and, accordingly, Client to Client. Changes to, or modifications in, the investment strategies employed by the Adviser may be implemented incrementally, rather than simultaneously, across Clients pursuing similar or identical investment objectives.

Please see Item 12 – Brokerage Practices below for a more detailed discussion of LCA’s trade allocation and aggregation policy and procedures.

**ITEM 7:        TYPES OF CLIENTS**

LCA currently provides investment advisory services, directly and indirectly, to individual high net worth clients and institutional clients including, but not limited to, investment companies, pooled investment vehicles, pension and profit-sharing plans, charitable organizations, state or municipal government entities, other investment advisers, insurance companies, sovereign wealth funds and foreign official institutions, corporations or other businesses entities. Additionally, LCA provides investment management services to its Funds whose participants may include, but are not limited to, institutional investors as described above, as well as individuals and other investors.

## **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### ***Methods of Analysis***

LCA uses quantitative and/or statistical models to construct its investment portfolios, identify, and transact in securities. LCA seeks to achieve Client investment objectives by strategically allocating Client capital across Logica Strategies (as applicable) using a proprietary optimization process which explicitly includes constraints on market risk factors, position limits, volatility limits and sector and portfolio exposures, while taking transaction costs into account.

Our analytical methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information. While we continuously review and refine, as, if and when necessary, our investment approach, there may be market conditions where the quantitative investment approach performs poorly. Despite the proprietary nature of quantitative equity models, their effectiveness can dissipate over time as a result of the independent discovery of similar strategies by academics and practitioners and as the market becomes more efficiently priced. Technological advances in computing and the Internet have made the processing and dissemination of vast amounts of financial data much easier. As a result, the proprietary components of any model are constantly threatened with discovery and publication, which will cause their investment value to be potentially arbitrated away. Consequently, dedication to constant innovation is an integral component of any quantitative investment management process.

### ***Investment Strategies***

LCA seeks to achieve superior risk adjusted returns across a wide range of market conditions and economic cycles, while maintaining a defensive posture toward falling US equity markets, through the General Partner's broad investment approach and core focus on volatility as an asset class. Our skillset includes, but is not limited to, proprietary trading strategies, risk mitigation techniques, and allocation formulas that generally seek a balanced portfolio with negative correlation to large cap US equity markets. LCA is primarily focused on volatility, expressed through ETF, equity, and options strategies that take a quantitative and/or systematic approach in seeking to extract alpha out of the markets.

***Logica Absolute Return Fund LP / Logica Absolute Return Offshore, Ltd.*** - The Logica Absolute Return Fund LP and Logica Absolute Return Offshore, Ltd., was designed with the objective of generating consistently positive returns during market declines while also offering positive returns during rising equity markets, providing a profile that mimics an at-the-money straddle on the S&P 500 without the negative carry associated with a naïve long equity index put and call option approach.

***Logica Tail Risk Fund LP*** - The Logica Tail Risk Fund LP was designed with the objective of generating consistently positive returns during market declines while offering neutral to positive returns during rising equity markets, providing a profile that mimics an at-the-money put option on the S&P 500 without the negative carry associated with a naïve long equity index put option approach.

***Logica Hedged Equity Fund LP*** – the Logica Hedged Equity Fund LP uses a quantitative/mathematical approach to seeking superior risk adjusted returns across a wide range of market conditions, regimes, and economic cycles through a core focus on trading equity markets against complementary asset classes. The LHE Fund seeks to minimize drawdowns while maximizing upside participation with its investment strategy that utilizes proprietary selection, trading, and allocation models, to construct a portfolio that balances and optimizes “*risk on*” equity market exposure alongside “*risk off*” flight to quality exposure that

exhibits conditional negative correlation. Specifically, the LHE Fund's portfolio construction process and risk mitigation procedures, employ multiple quantitative metrics and methodologies to allocate and optimize capital amongst various offsetting macroeconomic exposures in a way that seeks to best achieve the objectives of participating in equity markets while hedging their varying risk regimes and crisis environments. The proprietary sources of alpha are based primarily in trading and timing skill and related models, alongside the goal of achieving the ideal balance in pursuit of rigorously risk-controlled equity market exposure. Given this objective, the LHE Fund accepts a reasonable level of directional market exposure and overall correlation to equity markets but is also broadly diversified; consistent with generating excess returns with a capital preservation mindset.

The Adviser primarily develops, evaluates, manages and executes proprietary investment strategies (collectively, the "**Logica Strategies**" and each a "**Logica Strategy**"). Each Logica Strategy generally trades securities that provide daily liquidity, including, without limitation, ETF and equity option exposure, proprietary trading, hedging, options trading, index and macro-economic asset exposure, short selling exposure, statistical arbitrage, dispersion trading, and volatility trading, amongst others. The Fund's proprietary capital allocation process seeks to enhance return, and further mitigate risk, by strategically balancing the various Logica Strategies across the portfolio; where calibration metrics between and amongst them include, but are not limited to, volatility exposure, directional exposure, and numerous components and aspects of market behavior. Consistent with this approach, and unlike many private investment partnerships that as a matter of investment policy require that no more than a fixed percentage of their assets be invested in any one asset class or index or industry or group of industries, the Investment Adviser does not establish fixed guidelines or limitations regarding diversification of and/or allocation to Logica Strategies, or the underlying positions within each Logica Strategy followed by the Fund. At any given time, the Fund's assets could be concentrated in securities or asset classes that the Adviser believes offer an optimal opportunity for appreciation relative to their risk profile. However, by virtue of the Fund's structure, in which assets are strategically allocated among a number of Logica Strategies to achieve maximum upside convexity in equity down markets, while minimizing downside volatility and cost of carry in equity up markets through a long volatility investment approach, alongside the application of the Adviser's general risk management principles, the Fund's assets will usually be employed amongst a balanced and diversified set of Logica Strategies that aim to be complementary in the achieving of these goals. Each Logica Strategy will be managed separately by the Adviser, and within the Fund's prime brokerage account. If Fund assets are not allocated pursuant to the Fund's investment strategy, the Fund may make direct investments in U.S. government obligations, money market accounts and/or other short-term debt securities. In managing the Fund's assets, the Adviser generally follows an overall investment strategy that is quantitative with respect to investments and strategies selected, and broadly diversified and macroeconomic in scope.

The Logica Strategies may generally trade securities with the intent to buy or sell them quickly, in an attempt to take advantage of short-term price inefficiencies in equity markets. Because Logica Strategies involve more frequent trading than does a longer-term strategy, there will generally be increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains. Because of these costs, frequent trading can affect overall investment performance.

At LCA's discretion, we employ leverage. This practice may significantly increase a strategy's market exposure and its risk. When a portfolio has borrowed money for leverage and its investments increase or decrease in value, the portfolio's net asset value will increase or decrease more (possibly by multiples, depending upon the degree of leverage employed by the portfolio at such time) than if it had not borrowed money. In addition, the interest the portfolio must pay on borrowed money will reduce the amount of any potential gains or increase any losses.

***There can be no assurance that the objectives associated with any investment strategies described above will be met. At any time, the Adviser may add, remove, or modify any of the strategies it employs, and this includes any of the strategies discussed above. These methods, strategies, and investments involve risk of loss to Clients and Clients must be prepared to bear the loss of their entire investment.***

### ***Material Risks of Loss***

Some of the risks associated with the LCA's strategies, and the securities and other assets utilized to implement those strategies, including without limitation, the quantitative and statistical methods of analysis used by LCA are set forth below. Please consult the Offering Documents for each Fund for a more complete description of risk factors specific to an investment in each Fund. There is no assurance that an investment will provide positive performance over any period of time. Past performance is no guarantee of future results and different periods and market conditions may result in significantly different outcomes.

***Investment and Trading Risks in General.*** Inherent in any investment in securities is the risk of losing the invested capital. LCA believes that the investment programs of each Fund and the Accounts and LCA's research techniques moderate this risk through a careful selection of securities and investment opportunities, as well as through the application of LCA's ongoing qualitative and quantitative risk assessment and management program. However, no guarantee or representation is made that a Client's investment program will be successful or profitable, and investment results may vary substantially over time. The investment programs of the Fund and the Accounts will utilize investment techniques such as option and derivative transactions, limited diversification, margin transactions, short sales, and futures and forward contracts, which can, in certain circumstances, maximize the adverse impact of any loss or adverse event to which the Funds and the Accounts may be subject. LCA does not, in general, attempt to measure or hedge all market or other risks inherent in the Funds' or an Account's portfolio, and seek to measure and hedge certain risks, if at all, only partially. Specifically, we may choose not, or may determine that it is economically unattractive, to hedge certain risks, instead relying on diversification in an attempt to mitigate the risks.

***General Market and Economic Risk.*** Most trading strategies utilized by LCA involve some, and occasionally a significant degree of, market risk. The profitability of each Fund and the Accounts depends, in significant part, upon LCA correctly assessing future price movements of securities and other financial instruments. LCA cannot assure any Client that LCA will accurately predict these price movements. Additionally, unanticipated illiquidity in a market could lead to substantial losses or mean that a Fund or an Account is unable to close out certain positions when it wishes. The success of a Fund's and/or an Account's activities also will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of investments) or regulations (or their interpretation), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors will affect the level and volatility of the prices of securities, commodities and other financial instruments and the liquidity of a Fund's and an Account's investments. Illiquidity or significant changes in volatility could impair profitability or result in losses. The Funds and the Accounts invest in the U.S. and a number of other countries. The economies of non-U.S. countries may differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, relative currency appreciation or depreciation, asset reinvestment opportunities, resource self-sufficiency and balance of payments position. Further, certain economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain non-U.S. countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation than others.

**Public Health Risk.** The Funds and the Accounts could be materially adversely affected by the widespread outbreak of infectious disease or other public health crises, including the current COVID-19 pandemic. As further described below, public health crises such as the COVID-19 pandemic, together with any containment or other remedial measures undertaken or imposed, could have a material and adverse effect on the Funds and the Accounts and their investments, including by disrupting or otherwise materially adversely affecting the human capital, business operations or financial resources of LCA, the Funds' Administrator and/or other service providers and counterparties as well as exchanges, clearinghouses and other market participants and severely disrupting global, national and/or regional economies and financial markets and precipitating an economic downturn or recession that could materially adversely affect the value and performance of the Funds and their respective investments. For example, the COVID-19 pandemic has already led to extreme volatility in the financial markets (including several brief automatic trading halts on U.S. stock exchanges). Public health crises and efforts to address them may result in any or all of the following (and, in the case of the COVID-19 pandemic, has resulted in certain of the following): (i) the closure of LCA's offices or other businesses, including office buildings, factories, retail stores, distribution channels and other commercial venues, (ii) workforce, trade or travel disruptions or restrictions (including related cybersecurity incidents) negatively impacting LCA's operations, (iii) the institution of short sale bans in a number of markets or the closure of certain exchanges or trading venues or (vi) a reduction in the availability and/or adverse changes in the terms of capital or leverage. Any of the foregoing could have a material adverse impact on the Fund, the Fund's investments, the Accounts, the Accounts' investments and LCA's ability to continue to operate certain investment strategies. In addition, public health crises such as the COVID-19 pandemic and containment efforts may adversely affect the ability, or the willingness, of a party to perform its obligations under its contracts and lead to uncertainty over whether such failure to perform (or delay in performing) might be excused under so called "*material adverse change*," force majeure and similar provisions in such contracts. As a result, (i) counterparties and service providers to the Funds, the Accounts or LCA may fail to perform (or delay the performance of) their obligations, (ii) pending transactions may not close or settle on time or at all, (iii) the Funds, an Account or LCA may be forced to breach (or may determine not to perform obligations under) certain agreements, and (iv) related litigation may ensue. Any of these occurrences could have a material adverse effect on the Fund and its investments. The extent of the impact of COVID-19 on the Funds, the Accounts and their investments will depend largely on future developments, including the severity, duration and spread of the outbreak throughout the world and the effect on the global economy and the markets in which the Funds and the Accounts invest, all of which are highly uncertain and cannot be predicted, but the impact is likely to be material.

**Cybersecurity Risk.** With the increased use of technologies such as the Internet to conduct business, the Adviser and its Clients are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "*hacking*" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyberattacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting the Adviser, sub-adviser(s) and other service providers (including, but not limited to, accountants, law firms, custodians, transfer agents and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, impediments to trading, the inability of Clients and/or investors to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which a Client invests, counterparties with which a Client engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial

institutions (including financial intermediaries and other service providers for Clients) and other parties. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While a Client's service providers may have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the Adviser cannot control the cyber security plans and systems put in place by its service providers or any other third parties whose operations may affect a Client. As a result, Clients could be negatively impacted.

***Potential Interest Rate Increases.*** The U.S. has experienced a sustained period of historically low interest rate levels. In recent months, the Federal Reserve has been openly contemplating the need for a series of incremental interest rate increases in the coming years, which if implemented will result in increases in short-term and long-term interest rates. The uncertainty of the U.S. and global economy, changes in U.S. government policy, and changes in the federal funds rate, increase the risk that interest rates will remain volatile in the future. Sustained future interest rate volatility may cause the value of the fixed income securities held by the Funds or an Account to decrease, which may result in substantial withdrawals or redemptions from the Funds or such Account that, in turn, force a Fund or such Account to liquidate such securities at disadvantageous prices negatively impacting the performance of a Fund or such Account.

***Extraordinary Market Conditions and Governmental Actions.*** Unpredictable or unstable market conditions may result in reduced opportunities to find suitable investments to deploy capital or make it more difficult to exit and realize value from a Fund's existing investments. An example of this sort of instability started in 2007, when markets experienced significant losses arising largely because global credit spreads widened materially, equity index levels declined, and many funds liquidated assets. In reaction to the extreme losses and volatility in commodities and securities markets and the failure of credit markets to function normally, regulators in several countries undertook extraordinary regulatory actions in 2008, including, but not limited to, short-selling restrictions. Regulators and central banks in the U.S. and other countries continue to consider and implement measures intended to stabilize and encourage growth in U.S. and global financial markets. LCA believes that the Clients may be materially and adversely affected by similar or other events in the future. For example, markets may experience extreme volatility and losses and the Clients may be unable to hedge, or effectively hedge, certain material risks. In the long term, there may be significant new regulations that could limit the Clients' activities and investment opportunities or change the functioning of capital markets. Consequently, the Clients may not be capable of, or successful at, preserving the value of their assets, generating positive investment returns or effectively managing its risks. It is important to understand that the Clients can incur material losses even if they react quickly to difficult market conditions and there can be no assurance that a Fund will not suffer material adverse effects from broad and rapid changes in market conditions and related regulatory actions.

***Regulatory Changes for Hedge Funds.*** The legal, tax and regulatory environment worldwide for private funds (such as the Funds) and accounts utilizing hedge fund strategies, their managers and advisers is evolving, and changes in the regulation of private funds, accounts utilizing hedge fund strategies, their managers and advisers, and their trading and investing activities may have a material adverse effect on the ability of the Clients to pursue their investment program and the value of investments held by the Clients. There has been an increase in scrutiny of the alternative investment industry by governmental agencies and self-regulatory organizations. New laws and regulations or actions taken by regulators that restrict the ability of the Clients to pursue their investment programs or conduct business with brokers and other counterparties could have a material adverse effect on the Clients. Such laws and regulations may also materially increase the costs of operating a Fund or an Account and the costs of executing and financing certain strategies utilized by the Clients, which costs are borne by each Client. In addition, LCA may, in its sole discretion, cause a Client to be subject to certain laws and regulations if we believe that to be in the Client's interest, even if such laws and regulations may have a detrimental effect on one or more investors.



***Dodd-Frank Act.*** The U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the “***Dodd-Frank Act***”) was enacted in July 2010. The Dodd-Frank Act has resulted in extensive rulemaking and regulatory changes that affect private fund managers, the funds that they manage and the financial industry as a whole. Additionally, under the Dodd-Frank Act, the SEC and the U.S. Commodity Futures Trading Commission (the “***CFTC***”) have mandated (and will mandate) recordkeeping, reporting, central clearing and mandatory trading on electronic facilities requirements for investment advisers, which add costs to LCA’s and each Fund’s and the Accounts’ legal, operational and compliance obligations and increase the amount of time that LCA spends on non-investment-related activities. The Dodd-Frank Act affects a broad range of market participants with whom the Funds and the Accounts interact or may interact, including banks, non-bank financial institutions, rating agencies, mortgage brokers, credit unions, insurance companies, payday lenders and broker-dealers, and may change the way in which LCA conducts business with its brokers and other counterparties.

***Regulation in the Derivatives Industry.*** The Dodd-Frank Act has had a significant impact on the derivatives industry. The Dodd-Frank Act divides the regulatory responsibility for derivatives in the United States between the SEC and the CFTC, a distinction that does not exist in any other jurisdiction. The CFTC has regulatory authority over “*swaps*” and the SEC has regulatory authority over “*security-based swaps*.” As a result of this bifurcation and the different pace at which the agencies have promulgated necessary regulations, different transactions are subject to different levels of regulation in the U.S. Though many rules and regulations have been finalized, there are others that are still in the proposal stage and more that will be introduced. In addition, there has been and will be extensive rulemaking related to derivative products by non-U.S. regulatory authorities. Differences between regulatory regimes may make it more difficult or costly for dealers, prime brokers, futures commission merchants, custodians, exchanges, clearinghouses and other entities, such as a Fund, to comply with and follow various regulatory regimes. There are significant legal, operational, technological and trading implications that result from the Dodd-Frank Act and related rules and regulations that may make it difficult or impossible for the Funds or the Accounts to enter into otherwise beneficial transactions.

***Systemic Risk.*** Systemic risk is the risk of broad financial system stress or collapse triggered by the default of one or more financial institutions, which results in a series of defaults by other interdependent financial institutions. Financial intermediaries, such as clearing houses, banks, securities firms and exchanges with which the Funds and the Accounts interact, as well as the Funds and the Accounts, are all subject to systemic risk. A systemic failure could have material adverse consequences on a Fund and on the markets for the securities in which a Fund and/or the Accounts seek to invest.

***Stock Market Risk.*** The Funds’ and the Accounts’ long positions may decline in value at the same time that the value of the securities sold short by the Funds and/or the Accounts increase in value, thereby increasing the potential for loss to the Funds and their respective investors and/or to the Accounts. It is also possible that LCA may misjudge the effect a particular security or securities will have on a Fund’s and/or an Account’s exposure to market risk or that LCA may misjudge the effect that a particular combination of securities that may be held long or sold short will have on a Fund or an Account, and this may result in the LCA’s failure to insulate a Fund or an Account from general equity market risk.

***Hedging Strategies.*** There can be no assurances that a particular hedging strategy implemented by LCA is appropriate, or that certain risk is measured properly. Further, while LCA may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and/or increased (rather than reduced) risk for the investment portfolios than if LCA did not engage in any such hedging transactions.

***Short sale risk.*** Short sales lose when the stock price rises. As such, the market risk is unlimited in that the increase in the market price of the security sold short is unlimited. In addition, the amount of any gain

will be decreased, and the amount of any loss increased, by the amount of any premium, dividends, interest or expenses a Fund or an Account may be required to pay in connection with a short sale.

***Borrowing and Leverage.*** The Funds and the Accounts may invest in securities subject to indebtedness. This practice, depending upon the extent to which it is employed, may significantly increase a Fund's and/or an Account's market exposure and risk. When a Fund or an Account has borrowed money for leverage and its investments increase or decrease in value, its portfolio's net asset value will increase or decrease more (possibly by multiples, depending upon the degree of leverage employed by a Fund or an Account at such time) than if it had not borrowed money. In addition, the interest a Fund and/or an Account (as the case may be) must pay on borrowed money will reduce the amount of any potential gains or increase any losses. The extent to which a Fund's and/or an Account's portfolio will borrow money, and the amount they may borrow, will depend on market conditions and interest rates.

***Economic Risk.*** Changes in economic conditions, including, for example, interest rates, inflation rates, political and diplomatic events and trends, tax laws and innumerable other factors, can affect substantially and adversely the business and prospects of a strategy.

***Investment Competition.*** The market for some types of securities is highly competitive. The Funds and the Accounts will be competing for investment opportunities with a significant number of financial institutions, other private clients as well as various institutional investors. Many of these competitors are larger and have greater financial, human and other resources than LCA has and may in certain circumstances have a competitive advantage over the Funds and the Accounts. As a result of this competition, there may be fewer attractively priced investment opportunities, which could have an adverse impact on LCA's ability to meet a Fund's or an Account's investment objective or the length of time that is required for a Fund or an Account to become fully invested.

***Counterparty Creditworthiness.*** The Funds and the Accounts may trade securities on a principal basis in the over-the-counter market and, therefore, may be subject to the risk of insolvency, bankruptcy or delivery failure of the transactions counterparty.

***Institutional Risk and Custodial Risks.*** The institutions, including brokerage firms and banks, with which the Funds and the Accounts (directly or indirectly) do business, or to which securities have been entrusted for custodial and prime brokerage purposes, may encounter financial difficulties that impair the operational capabilities or the capital position of a Fund or an Account. Brokers may trade with an exchange as a principal on behalf of an account, in a "debtor-creditor" relationship, unlike other clearing broker relationships where the broker is merely a facilitator of the transaction. Such broker could, therefore, have title to assets of the account (for example, the transactions which the broker has entered into on behalf of the account as principal as well as the margin payments which the account provides). In the event of such broker's insolvency, the transactions which the broker has entered into as principal could default and the account's assets could become part of the insolvent broker's estate, to the detriment of a Fund or an Account. In this regard, a Fund's or an Account's assets may be held in "street name" such that a default by the broker may cause such Fund's or such Account's rights to be limited to that of an unsecured creditor.

***Foreign Securities.*** The Funds and the Accounts may invest in American Depositary Receipts (commonly referred to as "ADRs"), which are U.S. dollar denominated equity and debt securities of foreign issuers or directly in foreign securities. Interest or dividend payments on such securities may be subject to foreign withholding taxes. Investments in foreign securities involve considerations and risks not typically associated with investments in securities of domestic companies, including possible unfavorable changes in currency exchange rates, reduced and less reliable information about issuers and markets, different accounting standards, illiquidity of securities and markets, local economic or political instability and greater market risk in general.

**Portfolio Turnover.** LCA implements strategies that may frequently invest on the basis of short-term market considerations. The turnover rate of a Fund's and/or an Accounts' positions may therefore be significant, potentially involving substantial brokerage commissions and fees.

**Technology and Computer Infrastructure.** The computer infrastructure of LCA, and its respective affiliates and subsidiaries (as applicable) may be vulnerable to security breaches. Any such problems could jeopardize confidential information transmitted over the internet, cause interruptions in LCA's operations or give rise to liabilities to third parties. Concerns over the security of internet transactions and the safeguarding of confidential information could also inhibit the use of LCA's systems to conduct transactions over the internet. To the extent that investment activities involve the storage and transmission of proprietary information and trading information, security breaches could expose us to a risk of financial loss, litigation and other liabilities. LCA's control policies may not protect us against all of such losses and liabilities. Any of these events, could have a material adverse effect on the portfolios and result in operational losses or lack of functionality to conduct business.

**Performance-Based Compensation, in General.** A Fund's General Partner (as applicable) and/or LCA will receive certain performance-based compensation in the form of performance fees and/or incentive allocations, based on the performance of the Funds and the Accounts. A common concern for investors and regulators is the fact that the right to receive performance-based fees/incentive allocations may create an incentive for the General Partner and/or LCA to make investments that are riskier or more speculative than those that might have been made in the absence of such performance-based compensation arrangements in order to maximize their own compensation at the risk or to the detriment of a Fund and its investors and/or an Account. In addition, because such performance-based fees/incentive allocations are generally calculated on a basis that includes realized and unrealized appreciation of a Fund's and an Account's assets, the allocation may be greater than if it were based solely on realized gains. Further, because such performance-based fees/incentive allocations are not subject to clawback after they are crystalized at the close of the fiscal year, there is the possibility that any performance-based compensation that the General Partner and/or LCA earns will be theirs, at a cost to investors, even though a Fund and its investors and an Account may sustain losses in future years and therefore never surpass the high-water mark at the time the last earned fees were crystalized. All of these dynamics create a potentially significant conflict of interest inherent in the traditional fee structures associated with investments in hedge funds and other private investment funds. As a result, investors in the Funds and the Accounts must be prepared and able to assume these conflicts of interest and corresponding risks associated with this type of fee structure.

**Long Volatility Investing and Long Volatility Instruments.** LCA's investment objective primarily focuses on long volatility investing, which is primarily carried out through long volatility instruments, such as equity or index options. By its very nature, there is a cost to owning the right to benefit from volatility. Without any trading, the mere ownership of a long volatility instrument, such as a put or call option, results in a slow loss of capital, oftentimes referred to in the financial industry as "*bleed*". Analogous to purchasing insurance, and paying ongoing premiums, a long volatility instrument generally carries a cost of ownership, calculated daily, such that if naively held until expiration, the value would decay, over the time held, to reach zero. Given the risk of a worthless expiration, and the steady decay in value as it approaches expiration, the mere act of giving an investment the time it may needs to succeed, embeds a cost, and associated loss, to the Funds and the Accounts. By investing in long volatility, LCA believes that its investment strategy can not only derive profits on its own merit, but has the ability to generate enough profit to surpass the fixed cost of ownership, or value decay, associated with the mere ownership of such assets. If LCA is wrong in its judgement or forecasts, the Funds and the Accounts will not only lose on the incorrect forecast, but also on the "*bleed*" suffered during the time they held.

**Options and Other Derivative Instruments.** The Funds and the Accounts may invest in derivative instruments. The prices of many derivative instruments, including many options and swaps, are highly volatile. Price movements of options contracts and payments pursuant to swap agreements 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. The value of options and swap agreements also depends upon the price of the securities, currencies or other assets underlying them. The Funds and the Accounts are also subject to the risk of the failure of any of the exchanges on which their positions trade or of their clearinghouses or of counterparties. The cost of options is related, in part, to the degree of volatility of the underlying securities, currencies or other assets. Accordingly, options on highly volatile securities, currencies or other assets may be more expensive than options on other investments. Put options and call options typically have similar structural characteristics and operational mechanics regardless of the underlying instrument or asset on which they are purchased or sold. A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the writer the obligation to buy, the underlying security, commodity, index, currency or other instrument or asset at the exercise price. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller the obligation to sell, the underlying instrument or asset at the exercise price.

If a put or call option purchased by a Fund or an Account were permitted to expire without being sold or exercised, such Fund or such Account would lose the entire premium it paid for the option. The risk involved in writing a put option is that there could be a decrease in the market value of the underlying instrument or asset caused by rising interest rates or other factors. If this occurred, the option could be exercised and the underlying instrument or asset would then be sold to such Fund or such Account at a higher price than its current market value. The risk involved in writing a call option is that there could be an increase in the market value of the underlying instrument or asset caused by declining interest rates or other factors. If this occurred, the option could be exercised and the underlying instrument or asset would then be sold by such Fund or such Account at a lower price than its current market value. Purchasing and writing put and call options and, in particular, writing “*uncovered*” options are highly specialized activities and entail greater than ordinary investment risks. In particular, the writer of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying instrument or asset above the exercise price of the option. This risk is enhanced if the instrument or asset being sold short is highly volatile and there is a significant outstanding short interest. These conditions exist in the stocks of many companies. The instrument or asset necessary to satisfy the exercise of the call option may be unavailable for purchase, except at much higher prices. Purchasing instruments or assets to satisfy the exercise of the call option can itself cause the price of the instruments or assets to rise further, sometimes by a significant amount, thereby exacerbating the loss. Accordingly, the sale of an uncovered call option could result in a loss by a Fund or an Account of all or a substantial portion of its assets. Swaps and certain options and other custom instruments are subject to the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty.

**Counterparty Risks.** The Funds and the Accounts may enter into many transactions, including derivative and other over-the-counter transactions, with or through third parties in which the failure of the third party to perform its obligations could have a material adverse effect on the Funds or an Account. The counterparty risk is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Funds or an Account has concentrated its transactions with a single or small group of counterparties. The assets of the Funds and the Accounts generally are held in accounts maintained for them by their prime brokers or in accounts with other market participants, including non-U.S. sub-custodians selected by the prime brokers. These accounts generally are not segregated, bankruptcy-remote accounts titled in the owner’s name and, therefore, a failure of any broker or market participant is likely to have a greater adverse impact than if the assets, or the accounts in which they are held, were registered in the name of a Fund or an Account. In addition, because the Funds’ and Accounts’ securities generally are

held in margin accounts, and the prime brokers have the ability to loan those securities to other persons, a Fund's and/or an Account's ability to recover all of its assets in the context of a bankruptcy or other failure of a prime broker may be further limited. The Funds and the Accounts may transact with counterparties (including prime brokers) located in various jurisdictions outside the U.S. The local counterparties are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to a Fund's or an Account's assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize about the effect of their insolvency on the Funds, the Accounts and their assets. Investors should assume that the insolvency of any significant counterparty would result in a loss to a Fund or an Account, which could be material. If any counterparties of a Fund or an Account were to become insolvent or the subject of liquidation proceedings, there exists the risk that the recovery of such Fund's or such Account's securities and other assets from the prime broker or broker-dealer will be delayed or be of a value less than the value of the securities or assets originally entrusted to the prime broker or broker-dealer. Additionally, there is a risk that positions that are reasonably hedged may become "*unhedged*" as a result of the effect of insolvency proceedings.

**Position Limits.** "*Position limits*" imposed by various regulators or self-regulatory organizations and exchanges may also limit the Fund's or an Account's ability to effect desired trades. Position limits are the maximum amounts of gross, net long or net short positions that any one person or entity may own or control in a particular financial instrument. All positions owned or controlled by the same person or entity, even if in different accounts, may be aggregated for purposes of determining whether the applicable position limits have been exceeded. Thus, even if the Fund or an Account does not intend to exceed applicable position limits, it is possible that another fund or account managed by LCA may be aggregated. To the extent that the Fund's position limits were aggregated with another fund's or an affiliate's position limits, the effect on the Fund and resulting restriction on its investment activities may be significant. If at any time, positions managed by LCA were to exceed applicable position limits, we would be required to liquidate positions, which might include positions of a Fund or an Account, to the extent necessary to come within those limits. Further, to avoid exceeding the position limits, the Funds and the Accounts might have to forego or modify certain of its contemplated trades.

**Option-Volatility Trading.** Option-volatility trading is a derivatives-based strategy that seeks to profit from market turbulence (or the lack thereof), as reflected in movements in option prices that result from market fluctuations. The goal of employing this strategy is to buy inexpensively priced (*i.e.*, cheap implied volatility) options whose underlying instruments are expected to be more volatile, and sell expensively priced (*i.e.*, rich implied volatility) options whose underlying instruments are expected to be less volatile. The strategy may be implemented through options on equities and equity indices, or in other asset classes such as foreign exchange and fixed income. Such option combinations include spreads (buying an option to buy or sell an asset while simultaneously selling an option to buy or sell the same asset with a different expiration date or strike price) or straddles (option combinations that will profit from movement in the level of the value of an asset outside of certain bands, or the lack of such movement, without regard to whether the movement is upward or downward). Option-volatility trading may also involve trades in which futures (or other derivatives) are used to create a position that synthetically resembles an option or option combination, or in which options are purchased or sold versus an offsetting position in the underlying market (such as a basket of stocks). The decision process is dependent on fundamental and technical analysis of the underlying instruments and computer models are often used to enhance the execution of various hedges. Option-volatility trading is a complex financial strategy and requires significant resources and capabilities. The pricing of options, VIX futures, volatility swaps, variance swaps and other related products (together, "*volatility derivatives*") involves a wide variety of factors—including prices of the underlying assets, implied volatility surfaces, interest rate yield curves, and time to expiry. Not only will different traders differ among themselves concerning the correct theoretical value for a given volatility

derivative, but actual and theoretical values may diverge for extended periods of time. There can be no assurance LCA will correctly identify volatility derivative positions that are mispriced relative to the underlying or relative to another volatility derivative or that the market will, in fact, regress to theoretical values. In addition, when trading options on equity indices, the Funds and the Accounts could suffer losses from increased diversification in the index even when individual equities are more volatile than expected, resulting in less than expected movement in the index. As a consequence of the foregoing factors, substantial losses could be incurred by the Funds and the Accounts.

***Short Positions.*** The Funds and the Accounts routinely take short positions in a wide range of assets, typically as part of a hedged strategy intended to reduce the risk of investing. A short sale of an asset exposes the seller to the risk of an increase in the market price of that asset with a theoretically unlimited risk of loss. Purchasing assets to close out a short position can itself cause their market price to rise further, increasing losses on the short position. Furthermore, a Fund or an Account may prematurely be forced to close out a short position if a lender demands the return of the asset borrowed (and sold short) and an alternative source of borrowing that asset is not available. Certain market regulators have imposed restrictions (including required reporting) or bans on the ability of market participants to take short positions and the frequency with which such restrictions are imposed has increased in recent years. Among other things, such restrictions make hedging practices more difficult and expose the Funds and the Accounts to greater risk.

***Changes in Derivatives Regulations.*** The regulatory environment for derivatives is evolving, and changes in such regulation could restrict, make costlier, or otherwise adversely affect the Funds' and the Accounts' ability to pursue their investment strategies.

***Future Regulatory Change is Impossible to Predict.*** The securities and derivatives markets are subject to comprehensive statutes, regulations and margin requirements. In addition, the SEC and the exchanges are authorized to take extraordinary actions in the event of a market emergency, including, for example, the retroactive implementation of speculative position limits or higher margin requirements, the establishment of daily price limits and the suspension of trading. The regulation of securities and derivatives both inside and outside the United States is a rapidly changing area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Funds and the Accounts is impossible to predict, but could be substantial and adverse.

***Risk of Loss.*** The performance of the Funds and the Accounts can be highly volatile. The Funds and the Accounts may lose capital through (i) investment losses, (ii) withdrawals of capital to fund expenses or in connection with equity withdrawals and redemptions by investors or (iii) a combination of investments losses and such withdrawals of capital. Investment losses may give rise to requests for equity withdrawals and redemptions, but withdrawals and redemptions may occur irrespective of performance, and perhaps for reasons wholly unrelated to the Funds or Accounts.

***Trade Error Risk.*** Occasionally, transactions may be executed erroneously on terms other than those intended by LCA. For example, a transaction may be executed in the wrong asset, for the wrong quantity or price, to buy when the LCA meant to sell, to sell when LCA meant to buy or by reason of a programming error in a trading program. Programming errors could also lead to the submission of repetitive orders or orders otherwise made in excess of any intention, or could cause an algorithm-driven program to bypass risk management or other controls. Except to the extent otherwise required by law, the applicable Fund or Account will bear the losses or costs of any such errors. Given the potentially large volume of transactions executed on behalf of the Funds and the Accounts, investors should expect that trade errors will occur from time to time.

**Trade Execution Risk.** Many of the investment techniques used by the Funds and the Accounts require the rapid and efficient execution of transactions, or the ability of a Fund or an Account to accumulate or liquidate large positions. Inefficient execution can impair realization of the market opportunities sought with the techniques.

**Assumption of Business, Terrorism and Catastrophe Risks.** The Funds and the Accounts may be subject to the risk of loss arising from exposure that it may incur, indirectly, due to the occurrence of various events, including, without limitation, hurricanes, earthquakes, and other natural disasters, terrorism and other catastrophic events. These risks of loss can be substantial and could have a material adverse effect on a Fund and its investors' investments therein.

**Model-based Strategies.** Certain investment strategies utilized by the Funds and the Accounts are based on models of the behavior of financial instruments, market conditions or certain market participants and use formulas or algorithms to make trading decisions by reviewing a variety of inputs, comparing the information against historical and current data, and predicting price movements. These models are developed by LCA. Models generally must be updated in order to remain effective. There can be no assurance that LCA will be able to continue to develop, update or acquire effective models and any changes that are made in an attempt to respond to perceived changes in market conditions may be unsuccessful. Additionally, virtually all computer programs contain some errors or "bugs" and it is impractical to eliminate 100% of the bugs in the programming process (although programs generally are tested before they are put into use, in an attempt to eliminate errors that would be likely to have significant consequences). As a result, while LCA expects that its personnel will endeavor to minimize the effect of programming errors, LCA cannot provide any assurance that all programs will in all instances operate in the intended manner, and there may be remaining programming errors which could have substantial adverse consequences.

**Statistical Arbitrage Strategies.** The success of a Fund's or an Account's statistical arbitrage or quantitative strategies depends on the market values of various financial instruments moving towards their theoretical values (or relative values) as predicted by statistical modeling. In the event of market disruptions generally or specific events that cause deviations from historical relationships between certain financial instruments and other instruments or data points used to predict value, significant losses could be incurred.

**Regulatory Risks Applicable to Algorithmic Trading Strategies.** A recent increase in governmental and regulatory scrutiny has focused on investment funds that operate automated or computer-based trading. Such scrutiny has led and can in the future lead to costly investigations, litigation, legislative testimony, loss of reputation, fines and settlements, and could also result in additional severe consequences. The SEC approved a two-year pilot program that began in May 2016 that will allow equity securities of certain, small-cap companies with a market capitalization of \$3 billion or less, among other factors, to trade in five-cent increments. This may have the effect of increasing the cost of trading by market participants, including the Funds or the Accounts. The SEC has considered the imposition of additional mechanisms to eliminate "quote stuffing," whereby large numbers of stock orders are placed and canceled almost immediately, such as by setting minimum amounts of time for which stock quotes must remain active. The implementation of new trading "circuit breakers" and additional trading limitations are also being considered by the SEC. These mechanisms would restrict programmatic trading in the event that a market moved up or down by more than a predetermined number of points on any trading day. The CFTC proposed Regulation Automated Trading ("**Regulation AT**") in November 2015, which would impose potentially burdensome risk and compliance controls on any person engaged in "algorithmic trading" on any U.S. designated contract market, including among other things, certain pre-trade risk controls, and policies addressing controls around model development, testing and monitoring and algorithmic-focused training. The MiFID II Proposals in the European Union also introduce rules on algorithmic trading in financial instruments. In the event of their implementation, compliance with any one or more of the abovementioned proposed

regulations may negatively impact the ability of LCA and the Funds and/or the Accounts to effect certain trading strategies, and may in turn have a negative effect on a Fund's and/or an Account's investments. Regulation of algorithmic trading is also being considered by other global securities regulators.

***Risks Inherent in Computer-Driven and Technological Systems.*** LCA relies extensively on a wide range of technological systems, including computer hardware and software systems and telecommunications systems, in all phases of daily operations, including research, valuation, trade identification and construction, trade execution, clearing, risk management, back-office functions and reporting. Such systems are subject to a number of inherent and unpredictable risks. For example, there may be materially adverse undiscovered errors in software programs; costs of procurement of such technology may increase; claims related to intellectual property infringement may be brought against users of technology, including the Funds and the Accounts; software and/or hardware may malfunction and/or degrade; electronic and telecommunications delivery may fail; security breaches may lead to unauthorized trades or stolen intellectual property; services provided by third-party vendors to support the intellectual property systems may be interrupted; and computer-driven trading errors may occur.

***Quantitative Analysis.*** LCA's risk management systems rely heavily on quantitative models and information and data that is supplied or acquired rather than developed by trade-by-trade analysis and discretion. Models are used to construct sets of transactions and investments, to value investments or potential investments for trading purposes, to provide risk management insights, and to assist in hedging a Fund's or an Account's investments. When models and data prove to be incorrect, misleading or incomplete, any decisions made in reliance thereon expose the Funds and the Accounts to potential risks. For example, by relying on models and data, LCA may be induced to buy certain investments at prices that are too high, to sell certain other investments at prices that are too low, or to miss favorable opportunities altogether. Similarly, any hedging based on faulty models and data may prove to be unsuccessful. A significant number of the models are predictive in nature. The use of predictive models has inherent risks. For example, such models may incorrectly forecast future behavior, leading to potential losses on a cash flow and/or a mark-to-market basis. In addition, in unforeseen or certain low-probability scenarios (often involving a market disruption of some kind), such models may produce unexpected results, which can result in losses for a Fund and/or an Account. Furthermore, because predictive models are usually constructed based on historical data supplied or acquired, the success of relying on such models may depend heavily on the accuracy and reliability of the supplied historical data. While such data regarding historical market conditions, pricing and other information is believed to be accurate, such data will not necessarily be independently verified in each instance. All models rely on correct market data inputs. If incorrect market data is entered into even a well-founded model, the resulting valuations will be incorrect. In addition, given that the systems can execute trades autonomously, undesired results may only be detected after the fact, perhaps after a significant number of transactions have occurred.

***The following risks relate to the Adviser's quantitative and statistical methods of analysis:***

***Computer Systems Risks.*** Throughout its investment management process and business operations, LCA relies on a variety of computer hardware and software systems and platforms, some of which may be proprietary while others may be licensed from third parties (such systems and platforms, collectively, "***Computer Systems***"). Incorrect data, including stale or missing data, hardware or software malfunctions, programming inaccuracies, and similar errors may impair the performance of Computer Systems, which may negatively affect investment performance.

***Crowding/Convergence.*** There is significant competition among quantitatively-focused managers. To the extent that LCA is not able to develop sufficiently differentiated models, and maintain the differentiating factors, LCA's intended investment objective may not be met, irrespective of whether the models are profitable in an absolute sense. To the extent that LCA's models come to resemble those employed by



other managers, the risk that a market disruption that broadly affects the models of quantitatively-focused managers (including competitors of LCA) may adversely affect a Client is increased, as such a disruption could accelerate reductions in liquidity or rapid repricing due to simultaneous trading across a number of funds in the marketplace.

**Model and Data Risk.** Given the complexity of the Logica Strategies, LCA must rely heavily on quantitative models and information and data supplied by third parties (“**Models and Data**”) rather than granting trade-by-trade discretion to LCA’s investment professionals. Models and Data are used to construct sets of transactions and investments, to value investments or potential investments (whether for trading purposes, or for the purpose of determining the net asset value of an account), to provide risk management insights, and to assist in hedging LCA’s investments. When Models and Data prove to be incorrect, misleading or incomplete, any decisions made in reliance thereon expose a Fund and/or an Account to potential risks. For example, by relying on Models and Data, LCA may be induced to buy certain investments at prices that are too high, to sell certain other investments at prices that are too low, or to miss favorable opportunities altogether. Similarly, any hedging based on faulty Models and Data may prove to be unsuccessful. Furthermore, when determining the net asset value of a Fund’s or an Account’s portfolio, any valuations of a Fund’s or an Account’s portfolio investments that are based on valuation models may prove to be incorrect. Some of the models used by LCA are predictive in nature. The use of predictive models has inherent risks. For example, such models may incorrectly forecast future behavior, leading to potential losses on a cash flow and/or a mark-to-market basis. In addition, in unforeseen or certain low-probability scenarios (often involving a market disruption of some kind; for instance, major earthquakes or terrorist attacks), such models may produce unexpected results, which can result in losses to a Fund’s or an Account’s portfolio. Furthermore, because predictive models are usually constructed based on historical data supplied by third parties, the success of relying on such models may depend heavily on the accuracy and reliability of the supplied historical data. That said, LCA employs steps to use the best service providers for historical data to mitigate this risk. All models rely on correct market data inputs. If incorrect market data is entered into even a well-founded model, the resulting valuations will be incorrect. However, even if market data is input correctly, “*model prices*” will often differ substantially from market prices, especially for securities with complex characteristics, such as derivative securities. **Involuntary Disclosure.** As described under “*Model and Data Risk*” and “*Crowding/Convergence*,” LCA’s ability to achieve its Client’s investment objective is dependent in large part on its ability to develop and protect its models and proprietary research. The proprietary research and the Models and Data, defined below, are largely protected by LCA through the use of policies, procedures, agreements, and similar measures designed to create and enforce robust confidentiality, non-disclosure, and similar safeguards. However, extensive position-level public disclosure obligations (or disclosure obligations to Clients, exchanges, or regulators with insufficient privacy safeguards) and theft of research, technical specifications, and other data could lead to opportunities for competitors to reverse-engineer strategies, and thereby impair the relative or absolute performance of a Client’s portfolio.

**Obsolescence Risk.** LCA’s strategies are unlikely to be successful unless the assumptions underlying the models used to implement those strategies are realistic and either remain realistic and relevant in the future or are adjusted to account for changes in the overall market environment. If such assumptions are inaccurate or become inaccurate and are not promptly adjusted, it is likely that profitable trading signals will not be generated. LCA’s testing of its Models and Data are directed in part at identifying these risks, but there is no guarantee that these risks will be effectively managed. If and to the extent that the models do not reflect certain factors, and LCA does not successfully address such omission through its testing and evaluation and modify the models accordingly, major losses may result. LCA will continue to test, evaluate, and add new models, as a result of which the existing models may be modified from time to time. Any modification of the models or strategies will not be subject to any requirement that Clients receive notice of the change or that they consent to it. There can be no assurance as to the effects (positive or negative) of any modification of the models or strategies on a Client’s portfolio.

**Operational Risk.** LCA has developed systems and procedures to manage operational risk. Operational risks arising from mistakes made in the confirmation or settlement of transactions, from transactions not being properly booked or accounted for, or other similar disruption in the Adviser's operations may cause a Client to suffer financial loss, the disruption of the Adviser's business, liability of Clients to third parties, regulatory intervention, or reputational damage to LCA. LCA relies heavily on its portfolio management, trading, financial, accounting, and other data processing systems. The ability of its systems to accommodate an increasing volume of transactions could also constrain the Adviser's ability to properly manage a Client's portfolio.

**Proprietary Trading Methods.** Because LCA's trading methods are proprietary, a Client will not be able to determine any details of such methods or whether they are being followed.

**Risk of Programming and Modeling Errors.** LCA's research and modeling process is extremely complex and involves financial, economic, econometric and statistical theories, research and modeling; the results of that process must then be translated into computer code. Although LCA seeks to hire individuals skilled in these functions and to provide appropriate levels of oversight, the complexity of the individual tasks, the difficulty of integrating such tasks, and the limited ability to perform "real world" testing of the end product raises the chances that the finished model may contain an error. One or more of such errors could adversely affect a Client's portfolio and would generally not constitute a trade error subject to reimbursement under LCA's policies. Generally, LCA will not notify Clients or investors of non-compensable errors or incidents, including coding or data issues. LCA's testing of its Models and Data are directed in part at identifying these risks, but there is no guarantee that these risks will be effectively managed.

**Trading Decisions Based on Quantitative and Other Analysis.** LCA's portfolio management and trading decisions are based on quantitative models, signals, and other analyses. Any factor that would lessen the prospect of major trends occurring in the future (such as increased governmental control of, or participation in, the financial markets) may reduce the prospect that a particular trading method or strategy will be profitable in the future. In the past, there have been periods without discernible trends and, presumably, such periods will continue to occur in the future. Moreover, any factor that would make it more difficult to execute trades at desired prices in accordance with the signals of the trading method or strategy (such as a significant lessening of liquidity in a particular market) would also be detrimental to profitability. Further, many advisors' investment models and trading methods utilize similar analyses in making trading decisions. Therefore, bunching of buy and sell orders can occur, which makes it more difficult for a position to be taken or liquidated. No assurance can be given that the Adviser's strategies will be successful under all or any market conditions.

**Trading Judgment.** The success of the proprietary valuation techniques and investment and trading strategies employed by LCA is subject to the judgment and skills of the portfolio managers, research teams and trading teams. Additionally, the abilities of the trading team with regard to execution and discipline are important to a Client's performance. There can be no assurance that the investment decisions or actions of the portfolio managers, researchers or trading personnel will be correct. Incorrect decisions or poor judgment may result in substantial losses to a Client.

**Data Feed Failure.** Certain of LCA's models utilize data feeds from a number of sources. If such data feeds become corrupted, compromised, limited or discontinued, or become undeliverable or inaccessible in a timely manner, the models may not be properly formulated. The failure to receive the data feeds or receive the data feeds in a timely manner may leave LCA or the Funds and the Accounts unable to trade, and may expose a Fund and/or one or more Accounts to risk of loss or loss of opportunities, especially if the loss of the data feed coincides with turbulent market conditions. If the data feeds are discontinued, compromised

in any material respect or not deliverable or accessible in a timely manner, it may result in a material loss to the Funds and/or the Accounts.

***Use of Simulations.*** Certain of LCA's investment processes will involve the construction of investment strategies based on a combination of trading signals and the simulated back-testing of such trading signals and investment strategies against historical market conditions, pricing and other information over chosen historical time periods. Simulations generated by LCA for the purpose of constructing the Funds' and the Accounts' portfolios involve numerous methodologies and assumptions, certain of which are highly subjective in nature. There can be no guarantee that the predictive results of any simulation will be accurate. For example, a simulation may not reflect the impact that material economic and market conditions may have had on the LCA's decision making if the simulation had been reflective of actual trading by LCA. Methodologies and assumptions used to generate simulations are subjective in nature and modifications in the methodologies used and assumptions made could materially impact the results of a simulation and associated investment activity.

***Unauthorized Access Risk.*** The ability of LCA to achieve its investment goals for the Funds and the Accounts is dependent in large part on LCA's ability to develop and protect such models and proprietary research. The models and proprietary research and the models and data are largely protected by us through the use of policies, procedures, agreements, surveillance and other measures designed to create and enforce confidentiality, non-disclosure and similar safeguards. There can be no assurance, however, that such safeguards will be successful, and unauthorized access to such information could lead to opportunities for third-parties to reverse-engineer LCA's models and thereby impair the performance of the Funds and/or the Accounts.

***Market Data.*** LCA, like many financial institutions, uses a wide variety and large quantity of market data procured from a host of different suppliers, including multiple exchanges. Notwithstanding LCA's reliance on large quantities of market data, sources of market data may decline over time, which could adversely impact the investment program of the Funds and/or the Accounts. In addition, market data contract pricing and terms are complex and subject to change without prior notice in many cases; increases in market data contract pricing could make the acquisition of certain data significantly more expensive, which would negatively impact the Funds' and the Accounts' net performance by reducing returns or making it cost-prohibitive to acquire or retain certain data sources.

***The above summary does not purport to be a complete discussion of all the risks associated with a Client's specific mandate. A Fund's offering memorandum contains additional information with respect to the risks to which the Client will be subject when investing in such Fund.***

**ITEM 9:       DISCIPLINARY INFORMATION**

There are currently no reportable legal or disciplinary events that are material to a Client or to a Fund, prospective clients or their evaluation of LCA's advisory business or the integrity of LCA's management.

## ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither LCA, 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.

LCA has filed an exemption with the National Futures Association as a commodity pool operator under Section 4.13(a)(3) and as a commodity trading adviser under Section 4.14(a)(8) of the Commodity Exchange Act.

### *Related Persons*

LCA and its principals, through its affiliate LCM, acts as general partner for certain of its related persons, and this activity may be considered to be separate from the provision of investment advice. Furthermore, the principals of LCA are also principals of LCM and perform services on a day-to-day basis on behalf of LCM in addition to the services performed on behalf of LCA. For purposes of this brochure, LCA does not consider itself to be engaged in the business of its related persons.

LCA provides investment advice to certain Funds (which are managed by LCM as the general partner) in its capacity as investment adviser and also acts as investment adviser to other LCA clients. All of the persons treated as LCA's employees in this Form ADV are employees of both LCA and LCM; may share their time among LCA and LCM and/or affiliates of the foregoing; and receive compensation and other benefits from LCA, LCM and/or such affiliates. Certain such persons devote a significant portion (and in some cases substantially all) of their business time and attention to the conduct of LCA's activities generally. LCA makes all determinations regarding whether, when, how, and to what extent to deploy such persons; accordingly, any such deployment will be subject to the overall supervision of LCA.

Logica Absolute Return Fund, LP, a Delaware Limited Partnership (the "**US Master Fund**"), is a new affiliate of LCA, launched on April 1, 2020. The US Master Fund will sell limited partnership interests to Clients. LCA will act as the investment adviser to the US Master Fund, and LCM serves as its General Partner.

Logica Absolute Return Offshore Ltd., a Cayman Islands exempted company (the "**Offshore Feeder Fund**") was incorporated under the laws of the Cayman Islands on September 21, 2020 and launched on November 1, 2020, to facilitate indirect investments by investors in the US Master Fund. The Offshore Feeder Fund will invest all or substantially all of its investable assets in the US Master Fund which, in turn, will invest its assets in accordance with the investment program of the US Master Fund set forth in the US Master Fund Offering Documents. LCA will act as the investment manager to the Offshore Feeder Fund. The affairs of the Offshore Feeder Fund are managed by its directors, Wayne Himelsein, Karl O'Reilly and David Acutt (collectively the "**Directors**"). The Directors have delegated the day-to-day operation of the Offshore Feeder Fund to service providers including the LCA, the Offshore Fund's administrator and NAV calculation agent. The services of Karl O'Reilly and David Acutt, as Directors of the Fund, are provided by International Management Services Ltd. ("**IMS**").

Logica Tail Risk Fund, LP, a Delaware Limited Partnership (the "**LTR Fund**"), was formed on January 26, 2021 and launched on April 1, 2021. The LTR Fund will sell limited partnership interests to Clients. LCA will act as the investment adviser to the LTR Fund, and LCM serves as its General Partner.

Logica Hedged Equity Fund, LP, a Delaware Limited Partnership (the "**LHE Fund**"), is a new affiliate of LCA, formed on August 3, 2021 and launched on January 1, 2022. The LHE Fund will sell limited partnership interests to clients. LCA will act as the investment adviser to the LHE Fund, and LCM serves as its General Partner.

Logica Capital Management, LLC, a Delaware limited liability company ("**LCM**"), is an affiliate to LCA, and would classify as a Relying Adviser. LCM aids and assists LCA by providing certain administrative services, including managing certain aspects of the day-to-day administrative and business affairs, as well as now serves as General Partner to the US Master Fund and the LTR Fund. Responsibility for the management of Client assets and investment program are with LCA and LCM. Wayne Himelsein is the principal member, manager and controlling person of both the LCA and LCM. In addition, LCA's executive officers and management personnel all own the same membership interests in LCM as they own in LCA.

Random Holdings, LLC, a Delaware limited liability company and its wholly owned subsidiaries (collectively, "**RH**"), are a related entity to LCA with common ownership interest and/or control. RH provides investment capital with which LCA builds and trades its strategies, including those it offers to its Clients, as well as those in the process of research and development. Exclusive responsibility for the management of Client assets and investment program are with LCA. Wayne Himelsein is the principal member, manager and controlling person of LCA (and LCM), and is also the investment manager and a controlling person of RH. In addition, RH holds membership interests in LCA and LCM, as well as invests as a Limited Partner in the Fund.

LCA's chief operating officer ("**COO**") and general counsel, Joe Tagliaferro III, is also "*of counsel*" to the law firm, Withers Bergman LLP ("**WB**"), in connection with certain matters entirely unrelated to LCA and LCA's clients. WB is an independent global law firm that acts as outside legal counsel to LCA and its partners in certain matters from time to time. Mr. Tagliaferro does not provide any legal services on behalf of WB to LCA or any of LCA's partners. Any services provided for or on behalf of LCA by WB are provided solely by attorneys, partners and employees of WB other than Mr. Tagliaferro. As a COO and general counsel of LCA, Mr. Tagliaferro does not have any active involvement in LCA's investment or trading activities. As a result of the foregoing, certain actual and potential conflicts of interests exist, including without limitation, conflicts related to the allocation of time, attention and resources dedicated to LCA, or the possibility that LCA will be required to obtain different legal counsel in the event that WB has a client or matter which conflicts with WB's representation of LCA. While WB is engaged as LCA's legal counsel on certain matters, LCA also maintains relationships with other law firms upon which it can rely in the event an actual conflict with WB arises in the future.

### ***Certain Conflicts of Interest***

As a result of the above-described related persons, relationships and affiliations, LCA, its related persons, and its and their directors, partners, managers, officers, and employees have actual and potential conflicts of interest with respect to the LCA's Clients. Such conflicts arise from, among other things, the management and operation of a Client, as well as from other activities that are unrelated or only partly related to the business and affairs of any particular Client (e.g., but without implied limitation, advising or managing other Clients) ("**Other Activities**"). Such Other Activities partially or exclusively benefit LCA and/or its related persons, and LCA and/or one or more related persons will make all decisions with respect to any conflicts of interest with respect to a Client and/or any underlying investors, including conflicts involving the management and operations of a Client or any Other Activity. References to Other Activities pursued by related persons in this brochure include Other Activities pursued, directly or indirectly, by LCA and LCM for its own benefit, respectively. No assurances can be given that any of the matters outlined in this section, or any decision made by any related persons with respect to such matters, would not materially adversely affect a Client or one or more underlying investors and/or would not benefit one or more related persons or other clients. In addition, because related persons are likely in the future to expand the number, variety, and/or focus of their Other Activities, conflicts of interest (whether or not outlined in this brochure) are expected to become more frequent and/or pronounced over time.

Although this section outlines certain conflicts of interest, it does not purport to identify or describe all such conflicts. Disclosures regarding conflicts of interest and their resolution generally will be contained in the applicable Governing Document, this brochure, and/or another document. Other documents, such as financial or periodic reports, furnished to clients or investors also may contain disclosure regarding conflicts of interest. Any of the conflicts of interest outlined below and/or in the Governing Document for the applicable client, as well as any other risks that are not identified, could result in material losses to such Client (and the underlying investors in a Fund). It should be noted that many of the conflicts of interest outlined under one caption or heading are applicable to one or more other captions and headings.

LCA and its related persons have policies to address certain of the conflicts outlined in this Item 10. However, any such policies will not necessarily eliminate the effects of such conflicts of interest. Moreover, in certain instances the application of such policies is likely to result in an economic benefit to certain Clients or to the Adviser's related persons and not to other Clients, and/or an economic harm to one or more clients.

### ***Conflicts Arising from Management and Operations of Clients***

Various conflicts of interest arise from the management and operations of LCA's Clients some of which are private investment funds sponsored or managed by LCA and/or LCA's affiliates, such as LCM. Such conflicts arise in a variety of scenarios. For example, for Clients from which LCA or its related persons receive a performance fees or incentive-based fees, the existence of such performance fees, along with the absence of provisions requiring LCA or related persons to absorb an equivalent percentage of any cumulative losses (other than as specified in the relevant provisions outlined in the applicable Governing Documents), creates an incentive for LCA or related persons to make decisions and/or investments on behalf of a Client that are riskier or more speculative than those that would be made in the absence of a performance fee.

Further, the LCA and its related persons have incentives to secure a large capital base in order to increase the value of the Management Fee, which could make it difficult to generate returns for a Client as attractive as those that could be generated if the Client had a smaller capital base.

As outlined in each Fund's Governing Documents, LCA and/or its applicable related persons are authorized to determine the financial institutions and/or counterparties, if any, to be used by such Client. Such financial institutions and counterparties (or their affiliates or other related persons) are expected to have other relationships with LCA and/or one or more of its related persons. Examples of such relationships may include without limitation (a) investments by such financial institutions or counterparties or their Clients in certain Funds and/or other affiliated entities; (b) investments by LCA's related persons in such financial institutions, counterparties, or their affiliates; and (c) placement agent, capital introduction, or other service or advisory relationships. Any such relationships would give LCA and/or its related persons an incentive to select such financial institutions and/or counterparties for the transactions of the applicable Client even when such financial institutions or counterparties offer less competitive terms (such as with respect to fees) for their services.

### ***Conflicts Arising from Other Activities***

In addition to conflicts of interest that arise with respect to the management and operation of any particular Client, conflicts of interest also arise from Other Activities. LCA and its related persons currently engage in a range of Other Activities, and there are no limits on the nature or the extent of Other Activities in which they may engage in the future. Such Other Activities in many cases produce or will produce greater economic or other benefits for LCA and/or its related persons than certain Clients produce for such parties,

and thus create or will create incentives for LCA and its related persons to favor Other Activities over the applicable clients in various ways.

Examples of Other Activities that are currently pursued by LCA and/or its related persons include without limitation: (a) providing investment advice and/or operational or other services to various Clients or other persons generally in exchange for Management Fees; (b) serving as general partner or manager of, or holding a limited partner, shareholder, member, or other ownership interest in, other investment or businesses generally in exchange for Performance Fees or other charges; (c) engaging in other investment, trading, or financial businesses and activities unrelated to its clients; and (d) engaging in technology-related or other businesses and activities.

Other Activities generally will benefit persons other than a particular Client or its underlying investors. Such persons may include without limitation other clients and their investors, LCA itself or its related persons (such as when LCA or a related person pursues an investment opportunity for its own benefit and not for the benefit of a Client), and/or the person performing the activity (such as when employees of LCA conduct trading for their own accounts). Currently, LCA and its related persons devote only a portion of their working time and effort to the business and affairs of any particular client of LCA, and it is expected that they will devote a substantial (and probably a greater) amount of their working time and effort to Other Activities.

In addition, Other Activities expose LCA and/or its related persons to risks independent of those associated with any particular client, and such risks could materially adversely affect LCA and/or such related persons and their ability to perform work that benefits LCA's Clients. Other Activities create additional incentives for LCA and/or its related persons to take actions with respect to a Client that they might not otherwise take if they were to consider solely the interests of the Client.

For example, subject to applicable law and the applicable Governing Document, LCA may take into account one or more non-financial considerations (such as environmental, social, political, ethical, corporate governance, and other considerations) in (a) the formulation and execution of investment decisions, (b) the selection of counterparties and service providers to a Client, and/or (c) other aspects of the manner in which it conducts its business, whether in relation to a Client or otherwise.

While unlikely, it's possible that LCA may conclude that certain actual or potential investments implicate such non-financial considerations and could therefore result in adverse publicity or regulatory scrutiny and/or undermine the ability of LCA and/or its related persons to attract and retain key employees, retain or raise additional capital from investors, and/or maintain relationships with commercial counterparties.

As a result, LCA may make or dispose of investments, forgo investment opportunities, enter into or terminate counterparty or service provider relationships, or take other actions in connection with the conduct of its business, in each case in a manner that it would not have done had it taken into account only financial, economic, operational, and/or legal considerations applicable to its Clients.

As disclosed in the applicable Governing Documents, LCA and its related persons may give advice and take action with respect to any Client, or with respect to such party's own investments, that may differ from the advice given, or may involve a different timing or nature of action taken, with respect to any one or all other Clients that LCA or its related persons advise, and thus effect transactions for such Clients at prices or rates that may be more or less favorable than for other Clients.

In addition, LCA, its related persons, and/or other Clients may hold the same (or the opposite) position in a given security, commodity, or other financial instrument as that held by a particular Client at the same time, and at any given time one or more such parties are expected to hold such common (or opposing)



investments or one or more closely related investments that have similar (or opposite) economic exposures as those held by a particular Client. Any such positions or investments create conflicts for such persons and may limit the ability of LCA to add to a position held by a particular Client, to dispose of such a position, or to obtain a favorable price in the course of such addition or disposition.

None of the principals of LCA or LCM, including the Directors, has any obligation to devote its full time to the business of any particular LCA Fund or Client. Each is only required to devote such time and attention to the affairs of the Clients and Funds as it decides is appropriate, and some principals of LCA or LCM may engage in Other Activities or ventures, including competing ventures and/or unrelated employment, which result in various conflicts of interest between such principals and the LCA Funds and/or Clients.

The foregoing description of actual and potential conflicts of interest does not purport to be a complete enumeration or explanation of all actual or potential conflicts of interest that may exist or arise in the future nor all of the related risks. No independent or third party is in a position to confirm that the principals of LCA are equitably resolving the above-described conflicts of interest and related party transactions. The principals of LCA intend to resolve all such conflicts of interest in accordance with applicable law and regulation and their fiduciary duties to its Clients and Funds.

## **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### ***Description of Our Code of Ethics***

LCA aims to comply with all applicable laws and regulations governing LCA's practices and activities. Accordingly, LCA's Code of Ethics includes guidelines for professional standards of conduct for our members, officers and employees ("***Associated Persons***"). LCA's goal is to protect its Client's interests at all times and to demonstrate LCA's commitment to its fiduciary duties of honesty, good faith, and fair dealing with our Clients. All of LCA's Associated Persons are expected to adhere strictly to these guidelines. Persons associated with LCA are also required to report any violations of our Code of Ethics. Additionally, LCA maintains and enforces written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about investors or their account holdings by persons associated with LCA. Clients or prospective clients may obtain a copy of the Code of Ethics by contacting LCA at the telephone number on the cover page of this Brochure.

### ***Participation or Interest in Client Transactions***

Neither LCA nor any of LCA's Associated Persons has any material financial interest in Client transactions beyond the provision of investment advisory services as disclosed in this Brochure; provided, however, LCA will of course have a material financial interest with any Client who is specifically a related party and/or if its capital is directly provided by an LCA Associated Person.

### ***Personal Trading Practices***

LCA or an LCA Associated Person will buy or sell securities for Clients before LCA or LCA Associated Persons buy or sell such securities for their own account. Please refer to the "***Brokerage Practices***" section in Item 12 of this Brochure for information on LCA's block trading practices.

A conflict of interest may exist in such cases because LCA has the ability to trade ahead of its Clients and potentially receive more favorable prices than its Clients will receive. To eliminate this conflict of interest, it is LCA's policy that neither LCA nor LCA Associated Persons shall have priority over Client accounts in the purchase or sale of securities. It is also LCA's goal to trade at very different times and in highly liquid markets and instruments such that any risk of potential conflict(s) is minimized.

## **ITEM 12:      BROKERAGE PRACTICES**

### ***Selection of Broker –Dealers***

LCA's objective in selecting broker-dealers and in effecting portfolio transactions is to seek to obtain the best combination of price and execution on transactions effected for accounts. The best net price, giving effect to brokerage commissions, spreads and other costs, is normally an important factor in this decision, but a number of other judgmental factors will be considered as they are deemed relevant.

These factors include, but are not limited to, LCA's knowledge of negotiated commission rates and spreads currently available; the nature of the security or instrument being traded; the size and type of the transaction; the nature and character of the markets for the security or instrument to be purchased or sold; the desired timing of the trade; the activity existing and expected in the market for the particular security or instrument; confidentiality; the execution, clearance, and settlement capabilities as well as the reputation and perceived soundness of the broker or dealer selected and other brokers or dealers considered; LCA's knowledge of actual or apparent operational problems of any broker or dealer; the broker's or dealer's execution services rendered on a continuing basis and in other transactions; the reasonableness of spreads or commissions; and the research services and products furnished by the broker-dealer, if any.

Although LCA generally seeks competitive commission rates and dealer spreads, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker or dealer involved and would thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

### ***Research and Other Soft-Dollar Benefits***

LCA does not utilize nor receive any soft dollar benefits, nor does it take soft dollars into consideration when executing trades. From time to time, we may receive unsolicited research from brokers. LCA does not use any unsolicited research, and receipt of such research, if any, does not influence our decision to use the broker providing it.

### ***Brokerage for Client Referrals***

Representatives of LCA may from time to time speak at conferences and programs sponsored by brokers or dealers that are directed at investors interested in investing in alternative investment Clients. LCA may also utilize third party marketing firms affiliated with a broker-dealer. These conferences and programs and marketers may be a means by which LCA can be introduced to Clients or prospective investors. In addition, brokers or dealers may refer Clients to, or arrange for meetings with, potential investors who are also clients of such broker dealers. While these conferences, programs, references and meetings (collectively, a "***Capital Introduction Programs***") may be arranged by brokers or dealers, there is no guarantee that any Client or potential investor participating in a Capital Introduction Program will invest. Generally, other than the standard commission rates and customary brokerage fees paid by an account (which would be paid solely for trade execution and/or brokerage services), the brokers or dealers do not receive any compensation, directly or indirectly, for such participation in a Capital Introduction Program or any subsequent investments which may result from such participation, unless negotiated upfront and made wholly transparent to the Client, and at the full discretion of a potential Client. Furthermore, participation in a Capital Introduction Program is not a consideration for LCA in selecting or retaining brokers or executing trades.

### ***Aggregation of Purchases and Sales of Securities***

When possible, trade orders are combined or “*batched*” to facilitate best execution, as well as for the purpose of negotiating more favorable brokerage commissions or spreads. These batched orders are then generally allocated on a pro-rata basis, at the same average price, among each client participating in that specific trade, including all Clients, subject to certain investment considerations. In instances where aggregation is not practical or possible, our investment professionals seek to follow our best execution policies, whereby we believe the costs of not aggregating client orders are either immaterial or marginal.

### **ITEM 13: REVIEW OF ACCOUNTS**

LCA is continually reviewing and revising its portfolio models and their suitability for Clients. This is an ongoing effort. LCA continuously reviews and monitors the Client portfolio accounts along with the specific portions of the Client portfolio allocated among the various internal Logica Strategies. The level of review and guidance provided by LCA's personnel varies based upon facts and circumstances specific to individual Clients. Generally, a review of a Client's account includes specific securities held, adherence to investment guidelines, and account performance. Additional reviews may be triggered by, among other factors, changing market conditions, news concerning specific holdings, or at the specific request of a Client.

#### ***Reporting***

The custodian, Interactive Brokers, provides each Client financial statements at any frequency they prefer, whether daily, monthly or quarterly, which are prepared and delivered by Interactive Brokers. The managed account Clients also have the ability to login and view their accounts online, and all of its positions and associated transactions and reports, in real-time. Separately, the third-party Administrator, NAV Consulting, provides monthly statements and related industry standard reporting to Limited Partners and investors of the Funds.

## **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

### ***Relationships with Consultants***

Many of LCA's Clients and prospective Clients retain investment consultants to advise them on the selection and review of investment managers. LCA has certain Clients that were introduced to LCA through consultants. These consultants or their affiliates may, in the ordinary course of their investment consulting business, recommend LCA's investment advisory services or otherwise place LCA into searches or other selection processes for a particular client. LCA has extensive dealings with investment consultants, both in the consultants' role as adviser for their clients and through independent business relationships. Specifically, LCA provides consultants with information on portfolios it manages for its mutual clients, pursuant to its Clients' directions. LCA also provides information on its investment styles and performance to consultants, who use that information in connection with searches they conduct for their clients. LCA also responds to "Requests for Proposals" ("**RFPS**") from prospective clients in connection with those searches. In addition, in certain circumstances:

- LCA may invite consultants to events or other entertainment hosted by LCA.
- In some cases, LCA serves as investment adviser for the accounts of consultants or their affiliates or as adviser or sub-adviser for funds offered by consultants and/or their affiliates.

In general, LCA relies on each consultant to make appropriate disclosure to its clients of any conflict that the consultant believes to exist due to its relationship with LCA.

### ***Relationships with Brokers***

As discussed in Item 12 – Brokerage Practices, LCA currently does not have or use any soft dollar arrangements. As noted in Item 12 – Brokerage Practices, with regard to inducement rules under MiFID II, LCA takes a global unbundling approach and pays for external research and data out of its own assets. LCA has a duty to seek overall best execution of transactions for Clients and has instituted internal controls and procedures designed to ensure that LCA is receiving best execution for Client transactions over time, taking into account all pertinent factors.

### ***Other Relationships***

In certain cases, LCA compensates certain third parties for investor referrals from LCA's own resources. In other cases, and as disclosed in the relevant Fund offering materials, compensation for such third-party investor referrals is paid for by the relevant Fund or by the relevant investor.

LCA is a party to an Introducer Agreement with Alumia, under which Alumia markets certain of LCA's investment strategies to wholesale clients and provide client services to LCA's Clients in certain countries.

LCA and/or certain of LCA's Funds has engaged external placement agents for placement of new fund interests. Placement agents that introduce investors to a Fund are subject to a conflict of interest to the extent that they will be compensated in connection with their introduction activities. If a prospective investor is introduced to a Fund through a placement agent, appropriate disclosure will be made to such prospective investor regarding the arrangement, if any, with such placement agent. If any placement agent receives compensation for its services, such compensation would be made on a fully disclosed basis as outlined in the Fund's offering documentation.

### ***Client Investment Referrals***

LCA may enter into certain agreements with registered broker-dealers or other appropriately licensed or registered (to the extent legally required) persons providing for payment of a portion of the investment amount or ongoing payments based on a percentage of the fees and compensation LCA earns from the Client that are attributable to the invested amount of the Client introduced by such persons. These fees will be paid by LCA and not the Client.

An LCA Client or prospective Limited Partner or investor in the Funds may also enter into arrangements with placement agents and/or Financial Industry Regulatory Authority (“**FINRA**”) registered broker-dealers to solicit investors in the Funds or for a managed account, and such arrangements may provide for the compensation of such placement agents and/or broker-dealers for their services at LCA’s expense on a fully-disclosed basis. A prospective investor solicited by a placement agent and/or broker-dealer will be advised, and asked to acknowledge its understanding, of such arrangement in writing.

Additionally, in connection with the offer and sale of the Interests, LCA may, in its discretion, permit commissions or other compensation for sales of the Interests sold by Financial Industry Regulatory Authority (“**FINRA**”) registered broker-dealers to be paid to such broker-dealer in connection with the sale of Interests to the broker-dealer’s clients (“**Broker Commissions**”). However, any such Broker Commissions will be paid and deducted from the applicable investor’s subscription amount to purchase Client Interests, on a fully disclosed basis, with the express written consent of the investor, as permitted by law. In these instances, the Client will permit the investor to pay such Broker Commissions pursuant to written agreements with the broker-dealer and the investor, up to the maximum amount permitted by applicable law and FINRA rules. Any Broker Commissions paid by the Client on behalf of an investor who becomes a Client in the Client will be amortized within such Client’s capital account and debited against such Client’s capital account in accordance with the Offering Documents, including the Partnership Agreement. In the event any such Client withdraws capital from the Client prior to the full amortization of the Broker Compensation, the Client’s capital account will be debited for the remaining portion of the unreimbursed Broker Compensation.

## **ITEM 15: CUSTODY**

LCA is deemed to have custody of the assets of private funds by virtue of LCA's or its affiliates' control over such funds' assets or role as general partner and/or managing member of such funds. Investment advisers with custody of client funds or securities are required to comply with the requirements of Rule 206(4)-2 of the Advisers Act. LCA does not have actual physical custody of any investor funds or securities invested in such Funds; rather, all such assets are held in the name of each of the applicable Funds by an independent qualified custodian. Each applicable Fund is audited annually by an independent public accountant, and investors receive annual financial statements within one hundred twenty (120) days following such Fund's fiscal year end, as required by applicable law.

LCA does not custody the assets of the Managed Accounts. Managed Accounts must make their own arrangements for custody of securities. Such custodians may be broker-dealers, prime brokers, banks, trust companies, or other qualified institutions. The qualified custodian will typically provide the separately managed accounts with at least quarterly account statements relating to the assets held within the account advised by LCA. Each Managed Account should carefully review the qualified custodian's statement upon receipt to determine that it completely and accurately states all holdings in the account and all account activity over the relevant period. Any discrepancies identified by a Managed Account should be immediately reported to LCA and the qualified custodian.

LCA urges all Clients to carefully review and compare the reports they view and the statements they receive from the custodian, and that any issues or discrepancies are communicated to LCA promptly. Similarly, LCA urges all Limited Partners and investors in the Funds to carefully review and compare the reports they view and the statements they receive from the independent administrator, NAV Consulting, and that any issues or discrepancies are promptly communicated to LCA and/or its administrator.



**ITEM 16:      INVESTMENT DISCRETION**

LCA, in its capacity as investment adviser to Clients, has discretionary authority to allocate assets pursuant to Client preferred investment strategies, and in the case of the Funds, pursuant to the terms of the Offering Documents. Discretionary authority is provided in the applicable governing documents, including investment advisory agreements or investment management agreement or a Fund's Offering Documents, as applicable. LCA will only purchase and sell securities and other instruments for the Client on a discretionary basis in a manner with Client stated investment objectives and restrictions, or in the manner described in the Offering Documents. Various securities and/or tax issues as well as LCA's internal compliance policies may impose additional restrictions on the instruments and securities that may be bought and sold on behalf of the Client.

## ITEM 17: VOTING CLIENT SECURITIES

By virtue of the power of attorney granted to it in its investment management agreements with the Clients, the Adviser has the ability to vote proxies in any proxy solicitations that may occur with respect to the issuers of portfolio securities that the Clients hold. The Adviser has adopted a proxy voting policy, as required by Rule 206(4)-6 of the Advisers Act, which requires investment advisers to describe their voting policy and to act in their clients' best interest in voting proxies (or in declining to vote). For purposes of the Adviser's proxy policy, a "*proxy*" includes the submission of a shareholder's vote by proxy instrument, in person at a meeting of shareholders or by written consent. The Adviser does not consider proxies to include routine corporate action elections that the Adviser processes with the Clients' brokers on a day-to-day basis. (Corporate actions are expected to be frequent, given the expected size and volume of transactions in a Client investment portfolio.)

LCA's authority to vote proxies for its Clients is not a material component of any of LCA's investments or strategies. LCA typically follows a systematic, research-driven approach, applying quantitative tools to process fundamental information and manage risk, significantly reducing the importance and usefulness of the proxies LCA receives and votes, or causes to be voted, on behalf of its Clients. Additionally, from time to time, LCA may not or may not be able to cast a vote prior to the cutoff date for reasons including, but not limited to, timing of transferring proxy information or account setup. LCA does not view non-voted proxy ballots to be a material issue for either the Clients or LCA's investment strategies.

As a systematic investment manager mainly trading on a short-term basis, and through a study of price and volume behavior of securities, the Adviser's main goal is to enhance performance returns for its Clients through quantitative methods, and as such, the Adviser is not in a position to express an opinion on company management or its policies. Accordingly, the Adviser believes that it is in the Clients' best interest that the Adviser not vote or advise on corporate governance matters (e.g., the election of directors, passing on shareholder proposals, or any other similar matter put to a general shareholder vote), and the Adviser's general policy is to decline to vote all proxies on behalf of Clients. Investors cannot request that the Adviser vote in a particular way on any specific proxy proposal.

**ITEM 18: FINANCIAL INFORMATION**

LCA does not require or solicit prepayment of Client fees. LCA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has not been the subject of a bankruptcy proceeding.

**ITEM 19:      REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

This item is not applicable.