

Part 2A of Form ADV: ACR Alpine Capital Research, LLC – *Brochure*

Item 1 – Cover Page

Update October 15, 2024

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This Brochure provides information about the qualifications and business practices of ACR Alpine Capital Research, LLC (“ACR” or the “Firm”). If you have any questions about the contents of this Brochure, please contact us at (314) 932-7600 or info@acr-invest.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about ACR Alpine Capital Research, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure dated October 15, 2024, provides you with a summary of ACR Alpine Capital Research, LLC’s advisory services and fees, professionals, certain business practices and policies, and actual or potential conflicts of interest, among other things. We have made some changes since the last annual update of our brochure (dated March 30, 2024), that may be considered material. Specifically:

Item 5 – Fees and Compensation

- Added that a new ACR affiliate, ASC Credit Administration, LLC, will receive compensation from borrowers of such loans and certain portfolio companies of the Partnerships.

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

- Two additional risks relating to the new ACR affiliate, ASC Credit Administration, LLC, were added.
 - Agency Provisions in Loan Documents
 - Administrative Agent Custody

Item 10 – Other Financial Industry Activities and Affiliations

- Added disclosure of potential conflicts of interest associated with ACR’s new affiliate, ASC Credit Administration, LLC.

Item 12 – Brokerage Practices

- Further clarified that certain clients who do not permit their trades to be executed with full-service brokers will receive the benefit of products and services furnished through other clients’ transactions.
- Added language describing the firm’s trade rotation practices enhancing clarity and understanding.

Item 15 – Custody

- Added custody implications associated with ACR’s new affiliate, ASC Credit Administration, LLC.

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Item 4 – Advisory Business

ACR Alpine Capital Research, LLC is an SEC-registered investment adviser whose principal place of business is located in St. Louis, Missouri. ACR is a fundamental valuation-based asset management firm that provides portfolio management services to institutional investors and intermediaries. ACR began conducting business in 1999 under the name Alpine Investment Management, LLC (“AIM”). ACR is wholly owned by ACR Alpine Capital Research, LP (“ACR LP”), whose general partner is ACR Alpine Capital GP, LLC (“ACR GP”). AIM is the principal shareholder (i.e., controlling 25% or more of the company) of ACR GP. Alpine Holdings Corp is the sole owner of AIM and a trust controlled by Nicholas Tompras is Alpine Holdings Corp’s principal shareholder (i.e., controlling 25% or more of the company). Mr. Tompras also serves as both Chief Executive Officer and Chief Investment Officer for ACR.

Institutional Account Management

ACR offers investment advisory services in the form of discretionary portfolio management to institutional investors (“Institutional Account Management”), either directly, through sub-advisory arrangements or through commingled funds managed by ACR; frequently, institutional investors are advised by an investment consultant. Each institutional investor has the opportunity to select, typically in consultation with its investment consultant, one or more of ACR’s investment strategies: either ACR Equity Quality Return (“EQR”) or ACR Equity Partners (“Equity Partners”), long-only, multi-capitalization equity strategies, and/or one of the commingled funds managed by ACR (either one or more mutual funds or limited partnerships, as described below).

Separately Managed Accounts (SMA)

SMA Advisory and SMA Sub-Advisory

ACR provides investment advisory services in the form of discretionary portfolio management to certain clients, either directly (“SMA Advisory” clients) or through sub-advisory arrangements on behalf of clients (“SMA Sub-Advisory” clients). Each SMA Advisory or SMA Sub-Advisory client has the opportunity to select, typically in consultation with his/her/its investment consultant or financial adviser, one or more of ACR’s investment strategies or products.

For separately managed accounts, ACR offers EQR and Equity Partners strategies. SMA Advisory and SMA Sub-Advisory accounts for both strategies are managed in accordance with each client’s investment objectives and financial situation. In that respect, SMA Advisory and SMA Sub-Advisory clients may impose reasonable restrictions on the management of their accounts.

Wrap Programs

ACR provides investment sub-advisory services in the form of discretionary portfolio management to separately managed account programs sponsored by various broker-dealers or registered investment advisers (each, the “Sponsor”) in both “dual contract” and “single contract” wrap fee programs under which an all-inclusive (or “wrap”) fee is paid by the client to the Sponsor and the

Sponsor in turn pays ACR a portion of the fee collected from the wrap fee client (“Wrap Programs”). Under ACR’s Wrap Program services, clients are provided access to ACR’s EQR and Equity Partners strategies and ACR will generally execute trades on the client’s behalf through the Sponsor. There are instances, however, where executing trades away from the Sponsor are more advantageous to the Wrap Program client. In these instances, the Wrap Program client will pay commissions and other charges for trade execution purposes. See Item 12 – Brokerage Practices for additional details. Custody, tax reporting, client reporting, trading commissions, performance monitoring and other services are typically provided by each Sponsor. ACR contracts directly with each Sponsor’s client in dual contract programs and with the Sponsor in single contract programs. In both the dual contract and single contract Wrap Programs in which ACR participates, the Sponsor typically:

- assists the client in defining the client’s investment objectives based on information provided by the client and provides the client with the opportunity to impose reasonable restrictions on the management of the account;
- determines whether the fee arrangement is suitable for the client;
- aids in the selection of an investment adviser to manage the account (or a portion of its assets);
- periodically contacts the client to ascertain whether there have been any changes in the client’s financial circumstances or objectives that warrant a change in the arrangement or how the client’s assets are managed, whether the client wishes to impose reasonable restrictions (or additional reasonable restrictions) on the management of the account or reasonably modify existing restrictions; and
- ensures that personnel who are knowledgeable about the account are reasonably available to the client for consultation.

Wrap Program clients generally receive all ACR disclosure documents (including Form ADV Parts 2A and 3), as well as any required prospectuses, from their respective Sponsor.

Unified Management Accounts (UMAs)

ACR provides recommendations, typically in the form of a “model portfolio” to several unified managed account (“UMA”) program sponsors (the “UMA Program Sponsors”). For these accounts, ACR does not have discretion and does not report the performance of UMA relationships in its various investment composites. Trades recommended by ACR may or may not be executed by each UMA Program Sponsor, and ACR’s recommendations may or may not be implemented by each UMA Program Sponsor in all of that sponsor’s client portfolios. ACR is not responsible for either trade execution or reconciliation of these accounts but does provide specific trade instructions to each UMA Program Sponsor’s trading desk. As such, ACR has determined that it provides continuous and regular management services as it relates to its services to UMA Program Sponsors.

Privacy and Security

For privacy safeguards and security purposes, ACR has established a Privacy Notice, which is sent to all new clients at the time of account opening. Any material changes to ACR's Privacy Notice will be distributed to existing clients promptly and is available upon request by contacting us any time as described in Item 1. When applicable, a separate supplemental Privacy Notice is distributed to Clients residing in certain states that have enacted additional privacy disclosure obligations. In addition, the Firm has in place a Business Continuity Plan to protect the firm and its clients in the event of a significant business disruption. To cover all aspects of the firm's use of technology, a Written Information Security Plan is in place which includes a detailed cybersecurity plan.

Mutual Fund and Limited Partnership Management

ACR also serves as the investment adviser to various commingled funds. These funds are described below and collectively referred to within this Brochure as "the ACR Funds":

- The "Mutual Funds" (each a series of the Investment Managers Series Trust II, registered under the Investment Company Act of 1940), include the ACR Opportunity Fund and the ACR Equity International Fund.
- ACR also serves as investment adviser to the ACR Opportunity, LP and ACR Strategic Credit, LP ("ASC LP"), private funds that are structured as limited partnerships and may advise other registered investment companies or private funds in the future (the "Partnerships").

ACR continuously manages the assets of the ACR Funds based on the investment goals and objectives as outlined in the Mutual Funds' prospectuses and the Partnerships' private placement memorandum, respectively. The individual needs of the investors in the ACR Funds are not the basis of investment decisions made by ACR; investment advice is provided directly to ACR Funds and not to the individual investors holding shares of the funds.

ANY REFERENCE TO THE ACR FUNDS WITHIN THIS BROCHURE SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY INTERESTS IN THE ACR FUNDS.

Educational Due Diligence

ACR offers current and prospective financial intermediaries educational due diligence visits at its home office. ACR will incur all costs including travel, meals, and lodging.

Amount of Managed Assets

As of December 31, 2023, ACR was actively managing \$3,758,684,382 of clients' assets on a discretionary basis. Additionally, through unified managed accounts (UMAs), the Firm provides advice on \$1,862,655,387 of clients' assets on a non-discretionary basis.

Item 5 – Fees and Compensation

Institutional and SMA Advisory Services Fees

ACR's fee schedule for both Institutional Account Management and SMA Advisory services is charged based on a percentage of assets under management. ACR's Institutional and SMA Advisory fees are typically billed quarterly in arrears or in advance in accordance with each client's agreement and are calculated by multiplying the dollar value of the account at the end of each calendar quarter by the percentage in the schedule below and dividing by four. The quarterly billable fee is debited or invoiced on or shortly after the last business day of the calendar quarter; partial periods are pro-rated.

	First \$25 <u>Million</u>	Next \$25 <u>Million</u>	<u>Remainder</u>
Equity Investment Management	1.00%	0.875%	0.75%

A minimum of \$10,000,000 of assets under management is required for this service, although this account size may be negotiable under certain circumstances. ACR may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee. The minimum fee for this service is \$100,000 and, if the minimum fee is invoked and ACR has agreed to an account size below the minimum, a client's effective fee will actually be greater than 1.00%.

Although ACR has established the aforementioned fee schedule(s), it retains the discretion to negotiate alternative fees on a client-by-client basis. Factors considered in connection with fee negotiations include the complexity of the client's situation; assets to be placed under management; anticipated future additional assets; related accounts; portfolio style; account composition; and reporting requirements, among others. The specific annual fee schedule is identified in the agreement between ACR and the client.

Discounts, not generally available to ACR's advisory clients, may be offered to family members and friends of associated persons of ACR.

SMA Sub-Advisory Services Fees

ACR's annual fees for SMA Sub-Advisory services are generally 0.75% and are charged as a percentage of the assets under management.

In accordance with the terms of each sub-advisory agreement, ACR's SMA Sub-Advisory fees are typically billed quarterly in arrears or in advance and are calculated using the dollar value of the account at the end of each calendar quarter. The specific calculation method is identified in the agreement between ACR and the client. The quarterly billable fee is debited or invoiced on or shortly after the last business day of the calendar quarter; partial periods are pro-rated.

The minimum account size for this service is generally determined by the entity that ACR is sub-advising, although it may be negotiable under certain circumstances. ACR may group certain related client accounts for the purposes of achieving the minimum account size and determining the

annualized fee.

Although ACR has established the aforementioned fee schedule(s), it retains the discretion to negotiate alternative fees on a client-by-client basis. Factors considered in connection with fee negotiations include the complexity of the client's situation; assets to be placed under management; anticipated future additional assets; related accounts; portfolio style; account composition; and reporting requirements, among others. The specific annual fee schedule is identified in the agreement between ACR and the client.

Discounts, not generally available to ACR's advisory clients, may be offered to family members and friends of associated persons of ACR.

Wrap Program Services Fees

ACR's annual fees for Portfolio Management Services to an SMA Wrap Program are generally 0.75% and are charged as a percentage of the assets under management.

ACR's Wrap Program fees are typically billed in arrears at the end of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. The specific calculation method is identified in the agreement between ACR and the client or ACR and the Sponsor depending on the relationship. Fees will be debited from the account in accordance with the client's written authorization.

A minimum of \$100,000 of assets under management is generally required to open an SMA Wrap Program account, although this account size may be negotiable under certain circumstances. ACR may group certain related client accounts to achieve the minimum account size and determine the annualized fee.

Although ACR has established the aforementioned fee schedule(s), it retains the discretion to negotiate alternative fees on a client-by-client, or Sponsor-by-Sponsor basis. Factors considered in connection with fee negotiations include the complexity of the client's situation; assets to be placed under management; anticipated future additional assets; related accounts; portfolio style; account composition; and reporting requirements, among others. The specific annual fee schedule is identified in the agreement between ACR and the Sponsor or each client.

Unified Management Accounts ("UMAs") Fees

ACR's annual fees for UMA Services are based upon a percentage of the assets to which it consults, generally in the amount of 0.75%.

In accordance with the investment management agreement between ACR and each UMA Program Sponsor, ACR's UMA fees are invoiced in arrears or in advance at the end of each calendar quarter or month based upon the value (market value or fair market value in the absence of market value) of the aggregate client accounts at the end of the previous month or quarter.

The minimum account size for this service is determined by the UMA Program Sponsor.

Although ACR has established the aforementioned fee schedule(s), it retains the discretion to negotiate alternative fees on a Sponsor-by-Sponsor basis. Factors considered in connection with fee

negotiations include the complexity of the client's situation; assets to be placed under management; anticipated future additional assets; related accounts; portfolio style; account composition; and reporting requirements, among others. The specific annual fee schedule is identified in the agreement between ACR and the Sponsor.

Partnership Fees

ACR Opportunity LP

Alpine Partners Management, LLC ("APM") is principally owned (i.e., controlling 25% or more of the company) by AIM and serves as the general partner of the ACR Opportunity LP Partnership. APM has also charged ACR with primary responsibility for investment management of ACR Opportunity LP.

The ACR Opportunity LP has an incentive allocation of 20% over a 6% hurdle rate subject to a "high water mark" for its Class A interests. A detailed description of the ACR Opportunity LP's fees and expenses is included in its organizational and offering documents. The incentive fee is reallocated from limited partners' assets to the general partner's account when earned.

ASC LP

ACR CV, LLC is principally owned by AIM II, LLC and serves as the General Partner of the ASC LP Partnership. ACR has been retained by the Partnership to manage and invest the Partnership's capital pursuant to an investment management agreement. Class A Interests do not pay an investment management fee. Class B and Class C Interests in the ASC LP are charged an investment management fee equal to 0.25% of the aggregate net asset value of each investor's capital account, which is calculated and paid quarterly in arrears. ASC LP also charges each investor class (A, B, and C Interests) an incentive allocation of 20% over a 4% hurdle rate plus the then applicable 3-month Secured Overnight Financing Rate ("SOFR"), subject to a 1% minimum SOFR. See Item 6 of this Brochure and the Fund's offering documents for additional disclosure.

The Partnerships will, at times, use an affiliate of ACR, ASC Credit Administration, LLC, to administer and service certain loans held by the Partnerships. In exchange for these services, ASC Credit Administration, LLC will receive compensation from borrowers of such loans, and from certain portfolio companies of the Partnerships as applicable. These fees and expenses are in addition to any investment management fee and/or incentive allocation of the Partnerships. Further information about the affiliated service provider and the fees they charge can be found in the applicable Partnership's offering documents. Please also refer to the "Other Financial Industry Activities and Affiliations" section (Item 10) of this Form ADV brochure for additional information regarding the conflicts of interest that arise when selecting and compensating an affiliated service provider.

Mutual Fund Portfolio Management Fee

Pursuant to an advisory agreement, the Mutual Funds each pay ACR an annual advisory fee of 1.00% of each fund's respective average daily net assets for the services it provides; this fee is payable every month in arrears. Please refer to the ACR Mutual Fund prospectuses and statements of additional information for further details related to such portfolio management fees and any other fees and expenses.

General Information

Termination of the Advisory Relationship

A client agreement may generally be canceled at any time, by either party, pursuant to the terms of each client's investment management agreement. Certain fees may be paid in advance of services provided. To the extent that any management fees have been paid in advance of services provided, any prepaid, unearned fees will be promptly refunded upon termination of any account. In calculating a client's reimbursement of fees, ACR will prorate the reimbursement according to the number of days remaining in the billing period.

Mutual Fund Fees

All fees paid to ACR for investment advisory services are separate and distinct from the fees and expenses charged by unaffiliated mutual funds, exchange traded funds (ETFs) and/or other similar vehicles to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses and/or a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge.

SMA Advisory and SMA Wrap Program Fees

Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by ACR. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services, and clients' portfolio transactions may be executed without commission charges. In evaluating such an arrangement, each client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately.

Additional Fees and Expenses

In addition to ACR's advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers. Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Grandfathering of Minimum Account Requirements

Pre-existing advisory clients are subject to ACR's minimum account requirements and advisory fees that were in effect at the time the client entered into the advisory relationship. Therefore, ACR's minimum account requirements will differ among clients.

ERISA Accounts

ACR is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income Security Act of 1974 ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, ACR is subject to specific duties and obligations under ERISA and the Code that include, among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions and to avoid the appearance of a prohibited transaction, ACR may only charge fees for investment advice regarding products for which ACR and/or its related persons do

not receive any commissions or 12b-1 fees. To the extent that ACR receives an investment management fee from an affiliated mutual fund, this fee will be used to offset the existing equity management fee, if any, at the individual account level.

ACR does not provide rollover advice directly to plan participants or IRA holders. In instances where ERISA clients contract with ACR for investment advisory services, ACR relies on the financial intermediary that maintains direct client contact to ensure adherence to ERISA prohibited transaction rules such as ERISA PTE 2020-02.

Advisory Fees in General

Clients should note that similar advisory services may (or may not) be available from other investment advisers for similar or lower fees.

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

Performance-Based Fees

As disclosed in Item 5 of this Brochure, ACR (through its affiliates APM and ACR CV, LLC) may receive performance-based fees from the ACR Opportunity or ASC LPs. These performance-based fees are calculated based on a share of capital gains on or capital appreciation of the assets of the client. The ACR Opportunity LP's incentive allocation is currently 20% over a 6% hurdle rate subject to a "high water mark". ASC LP's incentive allocation is currently 20% over a 4% hurdle rate plus the then applicable 3-month SOFR, subject to a one percent (1%) minimum such that if the applicable 3-month SOFR rate is less than one percent (1%), then the SOFR rate shall be deemed to be one percent (1%).

Clients should be aware that performance-based fee arrangements create an incentive for ACR to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee arrangement. In addition, ACR recognizes that the management of assets for clients with differing terms related to performance-based fees creates potential conflicts of interest, including the risk that an adviser may favor one account over another. ACR addresses these potential conflicts through regular monitoring for consistency with client objectives, strategies, and target capacity, as well as with its brokerage and trading policies.

Item 7 – Types of Clients

ACR provides advisory services either directly or through other investment advisers to the following types of clients:

- charitable organizations
- pension and profit-sharing plans (other than plan participants)
- other pooled investment vehicles (e.g., hedge funds, mutual funds, etc.)
- individuals (other than high net worth individuals)
- high net worth individuals
- corporations or other businesses not listed above.

ACR has established general initial minimum account requirements, based on the nature of the service(s) being provided. For Institutional and SMA Advisory clients, ACR's minimum account requirement is generally \$10,000,000. For SMA Wrap Program clients, ACR's minimum account requirement is generally \$100,000.

In certain circumstances, as referenced in Item 5 above, account minimums may be negotiable.

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

Methods of Analysis

ACR uses various forms of analysis in formulating its investment advice and/or managing client assets, including primarily fundamental analysis.

In all of its vehicles and strategies, ACR attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions and the financial condition and management of the company itself) to determine if the company and its related securities are underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

ACR'S SECURITIES ANALYSIS METHODS RELY ON THE ASSUMPTION THAT THE COMPANIES WHOSE SECURITIES THE FIRM PURCHASES AND SELLS, THE RATING AGENCIES THAT REVIEW THESE SECURITIES AND OTHER PUBLICLY-AVAILABLE SOURCES OF INFORMATION ABOUT THESE SECURITIES ARE PROVIDING ACCURATE AND UNBIASED DATA. WHILE THE FIRM IS ALERT TO INDICATIONS THAT DATA MAY BE INCORRECT, THERE IS ALWAYS A RISK THAT ACR'S ANALYSIS MAY BE COMPROMISED BY INACCURATE OR MISLEADING INFORMATION.

Investment Strategies

ACR uses the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance and time horizons, among other considerations:

Equity Quality Return (EQR Strategy)

EQR employs bottom-up fundamental analysis to identify undervalued stocks. The basic elements of the EQR investment process are as follows: (a) assess past corporate performance, (b) identify the economic factors responsible for this performance, (c) assess the durability of these factors and (d) estimate future corporate performance and business value.

EQR generally invests in equity securities with the idea of holding them in the client's account for a year or longer. Typically, ACR employs this strategy when the Firm believes the securities to be currently undervalued and/or ACR wants exposure to a particular asset class over time, regardless of the current projection for this class.

EQR generally invests in publicly-traded marketable common stocks registered with authorized national regulatory bodies and listed on major national stock exchanges such as the New York Stock Exchange, NASDAQ and comparable exchanges in other countries. Occasionally, EQR invests in common stocks that are traded in the US OTC markets.

EQR invests primarily in common stocks with corporate headquarters in the U.S. and Canada. Common stocks with corporate headquarters outside the U.S. and Canada may comprise up to 20% of the market value of the portfolio. EQR invests primarily in common stocks denominated in U.S. dollars. Common stocks denominated in other currencies may comprise up to 20% of the market value of the portfolio.

EQR invests in companies of any size including large, mid and small capitalization stocks. Larger companies are more likely to be purchased because of the relative stability and competitive advantage that size sometimes confers. Nevertheless, quality and valuation remain primary selection determinants.

EQR's investment objective is to remain fully invested the majority of the time; however, significant amounts of cash are often held (generally in a vehicle offered through the client's custodian or in a treasury ETF) if ACR is unable to find ideas at an attractive valuation level. EQR's strategy is to own a select group of businesses with the orientation of a private investor; therefore, when a new account is established, businesses are selected one at a time. The EQR strategy also involves holding cash when there are no attractive opportunities and prices exceed values in the selection universe. In some instances, ACR may elect to invest a portion of the cash in high-grade fixed income securities due in less than one year or in shares of ETFs, mutual funds or other similar vehicles that so invest, as deemed appropriate by ACR.

ACR Opportunity Fund and ACR Opportunity LP Strategies

The ACR Opportunity Fund and ACR Opportunity LP invest in a range of securities including public and private securities. Under normal circumstances, the ACR Opportunity Fund and ACR Opportunity LP pursue their investment objectives by investing their assets in equity securities, debt securities, derivative instruments, cash and cash equivalents. The Fund and LP are not limited by security type, issuer size or geographic location (excluding regulatory prohibitions detailed in the ACR Opportunity Fund prospectus and SAI) and may invest in securities of issuers in emerging markets as well as developed markets. ACR seeks to identify companies and securities which are undervalued by the securities markets. The ACR Opportunity Fund and ACR Opportunity LP estimate the intrinsic value of companies and invest in securities across the capital structure, including related derivative instruments, which the ACR Opportunity Fund and ACR Opportunity LP believe provide an optimal combination of return and risk. In selecting securities, ACR engages in an extensive search process across global markets for companies with desirable investment characteristics. ACR also researches the financial and business characteristics of potential and current investments. The ACR Opportunity Fund and ACR Opportunity LP may hold a significant portion of their assets in cash during periods when ACR believes there are no sufficient investment opportunities that meet the funds' investment criteria.

Equity securities in which the ACR Opportunity Fund and ACR Opportunity LP may invest include common stocks, convertible securities, rights and warrants. Both may invest in debt securities of any maturity and credit quality and may purchase high-yield securities, commonly referred to as "junk bonds", that are rated below investment grade by at least one of the following: Moody's Investors Service, Inc.; Standard & Poor's; or Fitch Ratings Ltd. (or if unrated, are determined by ACR to be of comparable credit quality). The ACR Opportunity Fund and ACR Opportunity LP may invest in bank loans and loan participations. ACR may also invest in

derivative investments which include but are not limited to, futures, options, swaps (including total return swaps) and forward contracts. ACR may utilize derivatives to profit from expected price appreciation or depreciation of an underlying security, to generate a desired return stream, to generate incremental income, or to create a desired excess return spread over a market average yield or estimated fair return.

The ACR Opportunity Fund and ACR Opportunity LP may also invest in other types of financing instruments such as convertible bonds and preferred stocks, American depositary receipts (ADRs), European depositary receipts (EDRs) and real estate investment trusts (REITs). In addition, ACR may use a short-selling strategy for a portion of the ACR Opportunity Fund and ACR Opportunity LP. The ACR Opportunity Fund and ACR Opportunity LP will engage in two general types of short positions: directional and arbitrage. Directional short selling refers to selling short securities or groups of securities based on ACR's assessment that the prices of the securities are significantly higher than their intrinsic values. Arbitrage short selling refers to selling short securities ACR considers to be overpriced in combination with related long positions in securities ACR considers to be underpriced, seeking to profit when the prices of the two securities converge. ACR may also invest in arbitrage or event-related securities, using fundamental analysis of the intrinsic values of companies to seek to profit from securities it deems to be relatively mispriced due to the market under- or over-estimating the successful completion of corporate events, including mergers, takeovers, tender offers, leveraged buyouts, spin-offs, liquidations and other corporate reorganizations.

ACR Equity International Fund Strategy

The ACR Equity International Fund primarily invests in equity securities of companies located outside of the U.S. Such securities include common stock, preferred stock, ADRs, EDRs and global depositary receipts (GDRs). The fund may also invest in shares of other registered investment companies and ETFs that invest substantially all of their assets in equity securities of companies located outside the U.S. ACR considers a company to be located outside of the U.S. if: (i) it is organized under the laws of a foreign country or maintains its principal offices or headquarters in a foreign country; (ii) its securities are principally traded in a foreign country; or (iii) it derives at least 50% of its revenues or profits from goods produced or sold, investments made or services performed in a foreign country, or has at least 50% of its assets in a foreign country. The fund will allocate its assets among various regions and countries and will normally invest its assets in issuers representing at least three different countries. ACR does not expect, under normal circumstances, to invest more than 35% of the fund's net assets in securities of companies located in emerging markets; however, the fund's investments in emerging markets may exceed this amount from time to time depending on market opportunities. The fund's investments may be denominated in foreign currencies.

Equity Partners Strategy

Equity Partners is a highly concentrated, actively managed, strategy with an objective to generate capital appreciation utilizing a value-oriented strategy focusing on the securities of companies headquartered or domiciled in the United States or Canada. Equity Partners' objective is to build a portfolio of the securities of 15-25 quality, publicly-traded companies with solid valuation and operating characteristics, applying a bottom-up approach and a long-term investment horizon. The strategy is managed with broad latitude to invest throughout the corporate capital structure in both

equity and debt instruments.

Equity Partners generally invests in publicly-traded marketable common stocks registered with authorized national regulatory bodies and listed on major national stock exchanges such as the New York Stock Exchange, NASDAQ and comparable exchanges in other countries. Occasionally, the strategy invests in common stocks that are traded in the US OTC markets.

Equity Partners' investment objective is to remain fully invested the majority of the time; however, significant amounts of cash are often held (generally in a vehicle offered through the client's custodian or in a treasury ETF) if ACR is unable to find ideas at an attractive valuation level. Equity Partners' strategy is to own a select group of businesses with the orientation of a private investor; therefore, when a new account is established, businesses are selected one at a time. The strategy also involves holding cash when there are no attractive opportunities and prices exceed values in the selection universe. In some instances, ACR may elect to invest a portion of the cash in high-grade fixed income securities due in less than one year or in shares of ETFs, mutual funds or other similar vehicles that so invest, as deemed appropriate by ACR.

ASC LP Strategy

ASC LP's investment objective is to invest across the capital structure in corporate and corporate-related structured credit that focuses on both capital appreciation and current income. ASC LP primarily invests at least 70% of its assets in liquid credit and credit-related instruments. While there are no limitations on the types of investments this fund may make, it is expected to primarily invest across a range of public and private corporate credit instruments, including without limitation: leveraged loans; private credit; investment grade and high yield bonds; trade, liquidation and litigation claims; distressed securities; mezzanine loans and securities; preferred stock; equity; options; warrants; credit default swaps and other derivatives; non-performing loans; structured investment products including asset-backed securities and collateralized loan obligations; and short positions in debt or equity.

ACR may determine that all or a portion of an investment will be made or maintained, directly or indirectly, through an alternative investment structure for ease of investing or as otherwise advisable for legal, tax or regulatory reasons as determined by ACR. The LP may, either directly or indirectly through alternative investment vehicles or trading subsidiaries, act as a lender to distressed companies through syndicated or bilateral credit facilities, including "rescue financings" and debtor-in-possession loans extended in the context of a Chapter 11 reorganization. The LP may enter into joint venture arrangements such as syndicates or "club" deals or otherwise participate in pooled investment vehicles with others, if ACR retains investment discretion and such an arrangement represents the best way available to the LP to access a particular investment opportunity or otherwise expand the investment expertise available to the LP. The LP may make any investment either directly or indirectly through AIVs or trading subsidiaries.

ASC LP is expected to focus its investment activity on companies and assets domiciled in the U.S., although it may invest in areas outside of the U.S., particularly Canada, Europe, or any other market where stakeholder rights are legally recognized and enforceable. The LP is not expected to use leverage but may do so opportunistically at the discretion of the Investment Manager to

further its investment objective. ASC LP may also purchase illiquid securities and other securities that may be difficult to value or liquidate over time.

Risk of Loss

Investing in securities involves a risk of loss that you should be prepared to bear, including loss of your original principal. You should be aware that the past performance of any security is not necessarily indicative of future results. Therefore, you should not assume that the future performance of any specific investment or investment strategy will be profitable. ACR does not provide any representation or guarantee that your goals will be achieved. Depending on the different types of investments, there may be varying degrees of risk.

All of ACR's investment strategies are subject to the following risks:

- *Market risk.* The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally.
- *Equity risk.* The value of the equity securities held may fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held participate or factors relating to specific companies in which ACR invests.
- *Value-oriented investment strategies risk.* Value stocks are those that are believed to be undervalued in comparison to their peers due to adverse business developments or other factors. Value investing is subject to the risk that the market will not recognize a security's inherent value for a long time or at all, or that a stock judged to be undervalued may actually be appropriately priced or overvalued. In addition, during some periods (which may be extensive) value stocks generally may be out of favor in the markets. Therefore, strategies managed by ACR are most suitable for long-term investors who are willing to hold their shares for extended periods of time through market fluctuations and the accompanying changes in share prices.
- *Large-cap company risk.* Larger, more established companies may be unable to attain the high growth rates of successful, smaller companies during periods of economic expansion.
- *Small-cap and mid-cap company risk.* The securities of small-capitalization and mid-capitalization companies may be subject to more abrupt or erratic market movements and may have lower trading volumes or more erratic trading than securities of larger, more established companies or market averages in general.

ETF risk. Investing in an ETF will provide ACR's strategies with exposure to the securities comprising the index on which the ETF is based and will expose these strategies to risks similar to those of investing directly in those securities. Shares of ETFs typically trade on securities exchanges and may at times trade at a premium or discount to their net asset values. In addition, an ETF may not replicate exactly the performance of the benchmark index it seeks to track for several reasons, including transaction costs incurred by the ETF, the temporary unavailability of certain index securities in the secondary market or

discrepancies between the ETF and the index with respect to the weighting of securities or the number of securities held. Investing in ETFs, which are investment companies, may involve duplication of advisory fees and certain other expenses. The respective investment account will be responsible for the payment of brokerage commissions in connection with the purchase and sale of shares of ETFs.

- *Fixed income risk.* The prices of fixed-income securities respond to economic developments, particularly interest rate changes, as well as to changes in an issuer's credit rating or market perceptions about the creditworthiness of an issuer. Generally, fixed-income securities decrease in value if interest rates rise and increase in value if interest rates fall, and longer-term and lower-rated securities are more volatile than shorter-term and higher-rated securities.
- *Foreign investment risk.* The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments and changes in the regulatory environments of foreign countries.
- *Emerging market risk.* Many of the risks with respect to foreign investments are more pronounced for investments in issuers in developing or emerging market countries. Emerging market countries tend to have less government exchange controls, more volatile interest and currency exchange rates, less market regulation and less developed economic, political and legal systems than those of more developed countries.

The ACR Funds are also subject to additional risks detailed in their respective prospectus and private placement memorandum.

ASC Credit Administration LLC

An affiliate of ACR, ASC Credit Administration LLC, intends to serve as an administrative agent for certain loans in which the Partnerships and other investors are expected to invest from time to time. Acting as an administrative agent administering loans may have the following risks:

- *Agency Provisions in Loan Documents*
The Partnership's investments may include agented loans or loans subject to agency provisions. Agency provisions in the loan agreements governing the loans acquired by the Partnership may undermine enforcement actions against the collateral and expose the Partnership to losses on the loans. Under the underlying credit agreement with respect to agented loans, the loan originator or another financial institution, including an affiliate of the General Partner and the Investment Manager, may be designated as the administrative agent and/or collateral agent. Under these arrangements, the borrower grants a lien to such agent on behalf of the lenders and directs payments to such agent, which, in turn, will distribute payments to the lenders, including the Partnership. The agent responsible for administering and enforcing the loan may generally take actions only in accordance with the instructions from lenders holding a specified percentage in commitments or the principal amount of the loan. In the case of loans that are part of a capital structure that includes both senior and subordinated loans, the agent may take such action in accordance with the instructions of one or more senior lenders without consultation with, or any right to vote (except in certain limited circumstances) by, the subordinated lenders. The loans held by the Partnership may represent less than the amount sufficient to compel such actions or may

represent subordinated debt which is precluded from acting and, under such circumstances, the Partnership would only be able to direct such actions if instructions from the Partnership were made in conjunction with other lenders that together comprise the requisite percentage of lenders then entitled to take or direct the agent to take action. Conversely, if the required percentage of lenders other than the Partnership desire to take or direct the agent to take certain actions, such actions may be taken even if the Partnership does not support such actions. Furthermore, if a loan held by the Partnership is subordinated to one or more senior loans made to the borrower, the ability of the Partnership to exercise such rights may be subordinated to the exercise of such rights by the senior lenders. However, certain actions, such as amendments to the material payment terms of the loans, typically may not be taken without the consent of all lenders, including the Partnership. If the loan is a syndicated revolving loan or delayed draw term loan, other lenders may fail to satisfy their full contractual funding commitments for such loan, which could create a breach of contract resulting in a lawsuit by the borrower against the lenders (including the Partnership even if it did not default) and adversely affect the fair market value of such loan.

There is a risk that an agent may become subject to insolvency proceedings. Such an event could delay, and possibly impair, the ability of the lenders for such an agent loan to take any enforcement action against the related borrower or the collateral securing a loan and may require the lenders to take action in the agent's insolvency proceeding to realize on proceeds or payments made by borrowers that are in the possession or control of the agent. In addition, it is expected that agent loans will allow for the agent to resign. Agent loans may or may not contain provisions for lenders to remove the agent. If an agent resigns or is removed, the lenders may be required to find, and the required percentage thereof agree to appoint, a successor agent that may be difficult to find or cost more than the predecessor agent.

- *Administrative Agent Custody*

As a result of ACR Credit Administration LLC's role as administrative agent and its affiliation with ACR, the ASC Credit Administration LLC, and ACR may be deemed to have "custody" of the Partnership's cash and securities under Rule 206(4)-2 under the Advisers Act (the "Custody Rule"). The Investment Manager intends to rely on the SEC staff's guidance in its Madison Capital No-Action letter concerning Custody Rule compliance. Although the Investment Manager believes reliance on the applicable guidance is justified, there can be no assurance that a regulator would agree. Changes in applicable laws, regulations, or interpretations could cause the Investment Manager to need to reassess its legal positions regarding the Custody Rule. Also, changes in applicable laws, regulations, or interpretations or the inability of the Investment Manager to continue to meet the conditions of the relevant guidance could have a material impact on the Partnership or the ability of the Investment Manager to properly manage the Partnership and its investments and/or could lower the performance of the Partnership or its investments.

Cybersecurity Risk

In addition to the risks described above that primarily relate to the value of investments, there are various operational, systems, information security and related risks involved in investing, including

but not limited to ‘cybersecurity’ risk. Cybersecurity attacks include electronic and non-electronic attempts that include but are not limited to seeking to gain unauthorized access to digital systems to obtain client and financial information, aiming to compromise the integrity of systems and client data (e.g., misappropriation of assets or sensitive information) or intending to cause operational disruption through taking systems off-line (e.g., denial of service attacks). As the use of technology has become more prevalent, we and the client accounts we manage, have become potentially more susceptible to operational risks through cybersecurity attacks. These attacks in turn may cause us and client accounts (including funds) we manage to incur regulatory penalties, reputational damage, and additional compliance costs associated with corrective measures and/or financial loss. Similar adverse consequences could result from cybersecurity incidents affecting issuers of securities in which we invest, counterparties with which we engage in transactions, third-party service providers (e.g., a client account’s custodian), governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers and other financial institutions and other parties. While cybersecurity risk management systems and business continuity plans have been developed and are designed to reduce the risks associated with these attacks, there are inherent limitations in any cybersecurity risk management system or business continuity plan, including the possibility that certain risks have not been identified. Accordingly, there is no guarantee that such efforts will succeed, especially since we do not directly control the cybersecurity systems of issuers or third-party service providers.

Natural and Unavoidable Events

Global markets are interconnected, and events like hurricanes, floods, earthquakes, forest fires and similar natural disturbances, war, terrorism or threats of terrorism, civil disorder, public health crises, and similar “Act of God” events have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term and wide-spread effects on the world economies and markets generally. Clients may have exposure to countries and markets impacted by such events, which could result in material losses.

Public Health Risk.

The business operations of companies and economic activity in general could be adversely affected by viruses, epidemics, or disease outbreaks. Any prolonged recurrence of adverse public health developments in any country, region or globally could have a material adverse effect on the business operations of companies in which ACR may invest or with respect to which the strategies have exposure.

Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. Furthermore, such confidence may be adversely affected by local, regional or global health crises, including, but not limited to, the rapid and pandemic spread of novel viruses commonly known as SARS, MERS, and COVID-19 (Coronavirus). Such health crises and other unrest could exacerbate political, social, and economic risks previously mentioned, and result in significant breakdowns, delays, shutdowns, supply chain disruptions, travel restrictions, work stoppages, quarantines, and social isolation, and other disruptions to important global, local and regional supply chains affected, in each case, with potential corresponding results on the operating performance of the Fund and the Investments.

Furthermore, any such health crises and resulting illness may mean that key personnel may be unavailable for a period of time. A climate of uncertainty and panic, including the contagion of infectious viruses or diseases, may adversely affect global, regional, and local economies and reduce the availability and sourcing of potential investment opportunities, reduce the value of investments and the ability to sell investments at attractive prices or at all, and increase the difficulty of performing due diligence and modeling market conditions, potentially reducing the accuracy of financial projections.

Item 9 – Disciplinary Information

ACR is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of ACR's advisory business or the integrity of its management.

Neither ACR nor its employees have any reportable disciplinary events to disclose.

Item 10 – Other Financial Industry Activities and Affiliations

Registered Representatives

Certain individuals of ACR are also registered representatives with IMST Distributors, LLC, a limited purpose FINRA member broker-dealer and distributor of the Mutual Funds, for the purpose of marketing the ACR Funds to broker-dealers, other companies, and individuals. No ACR client is obligated to purchase these funds. These individuals cannot receive separate compensation in the form of commissions or 12b-1 fees from affiliated mutual funds they recommend to clients, but they do receive compensation for recommending or advising on the ACR Funds offered by the Firm. The Firm mitigates this conflict of interest by disclosing this relationship to ACR's clients.

Affiliated Investment Adviser

ACR and its affiliated adviser, Alpine Private Capital, LLC ("APC"), which also operates under the DBA name of Alpine Private Wealth, are under common control. Both ACR and APC are principally owned by AIM. APC is an SEC-registered investment adviser that manages the legacy private clients of AIM using the investment strategies of ACR and other sub-advisers, in addition to new private clients that have engaged APC since APC's inception as a stand-alone legal entity in December 2016. ACR provides investment advisory services to APC pursuant to an intercompany and investment sub-advisory agreement for an annual fee of up to 0.65% for sub-advised equity assets.

ACR has also entered into a co-advisory arrangement with its affiliate, APC, in connection with assets invested by APC clients in the ACR Funds. In this arrangement, APC receives compensation in the form of a co-advisory payment from ACR. ACR pays a portion of the fees (up to 0.25%) it receives from the ACR Funds to APC for providing certain ongoing advisory services to its clients who invest in those products. All fees shall be paid solely from ACR's advisory fee and shall not result in any additional charge to the investor.

To mitigate against any potential conflicts of interest that may be presented with respect to the two firms, all employees of both entities are subject to the Firm's Code of Ethics, which is described in more detail below.

Outsourced Chief Compliance Officer

Joseph F. Stowell III serves as Chief Compliance Officer of ACR and APC. Mr. Stowell is a Managing Member of Ally Compliance Partners LLC, which provides outsourced CCO services to other registered advisers. He has over 25 years of compliance experience in the investment management industry, previously serving as Chief Compliance Officer since 2005. There is a potential for a conflict of interest with Mr. Stowell providing CCO services to numerous advisers at the same time. It is important to note Mr. Stowell is supported by a team of compliance professionals and as such will not serve as CCO for more relationships than they can reasonably manage. Additionally, Mr. Stowell reports all of his outside business to his clients and is bound by each adviser's Code of Ethics.

Affiliated Administrative Agent

An affiliate of ASC LP's General Partner and ACR, ASC Credit Administration LLC, intends to serve as an administrative agent to certain loans in which the Partnership will invest from time to time. ASC Credit Administration LLC is expected to receive compensation from

borrowers of such loans and certain portfolio companies of the Partnership for providing loan administration services.

A conflict of interest exists to the extent that an affiliate of the Partnership and ACR is used to service loans instead of a third-party administrative agent. The use of ASC Credit Administration LLC to service loans, as opposed to a third-party service provider, results in greater compensation to an affiliate of the Partnership and ACR. There can be no guarantee that fees charged by ASC Credit Administration, LLC will be lower than those charged by a third-party administrative agent. To the extent an affiliated administrative agent receives compensation for administering and servicing loans in which the Partnership invests, it is ACR's policy that such compensation should be provided at rates that ACR believes, based on its market experience and market analysis, are aligned with rates that would customarily be charged by a third-party administrative agent.

Other Pooled Investment Vehicle(s)

As discussed in Item 4 – Advisory Business, ACR serves as the investment adviser to the ACR Private Funds whose General Partners are affiliates. In this capacity, ACR is in a position to derive compensation from the Partnerships. In addition to investment management, ACR also has primary responsibility for administrative matters pertaining to the Partnerships, such as accounting, tax, and periodic reporting. To assist ACR in performing such administrative matters, the firm has engaged UMB Alternative Fund Services as the Partnerships' independent Administrator. ACR and its members, officers, and employees will devote to the Partnerships as much time as deemed necessary and appropriate to manage its business. Advisory clients of ACR and APW are solicited to invest in these funds; however, because investments in these types of entities are subject to qualification and may involve certain additional degrees of risk, they will only be recommended when appropriate. Clients are under no obligation to invest in any of the above-described entities or to implement any advisory recommendations.

The ACR Opportunity LP has a minority investment in a privately-held corporation, Benjamin F. Edwards, Inc., whose primary business, through its wholly-owned subsidiary, Benjamin F. Edwards & Co. ("BFEC"), is a broker-dealer providing financial services primarily to individuals. ACR participates in one or more managed account programs with BFEC in which ACR provides investment advisory services to mutual clients of ACR and BFEC. ACR is aware of a potential conflict of interest due to ACR Opportunity LP's investment in Benjamin Edwards, Inc. and ACR's business relationship with BFEC. ACR takes very seriously its fiduciary responsibility to treat all advisory clients and ACR Opportunity LP limited partners fairly, irrespective of ACR's interest in any other business relationship, and it has policies and procedures in place, as described in this document, to assure integrity with its fiduciary responsibilities to all clients and limited partners.

ACR and its affiliates are not restricted from forming additional investment funds, entering into other investment advisory relationships or engaging in other business activities, even though such activities may be in competition with the Partnerships and/or may involve substantial time and resources of ACR and its affiliates. Potentially, such activities could be viewed as creating a conflict of interest in that the time and effort of ACR's management personnel and employees will not be devoted exclusively to the business of the Partnerships but could be allocated between the business of the Partnerships and other of ACR's business activities and those of its affiliates. Related persons of ACR may spend as much as 50% of

their time managing pooled investment vehicles. A list of these affiliated entities is specifically disclosed in Section 7.B(1) of Schedule D of ACR's Form ADV which may be accessed by following the directions provided on the cover page of this Brochure.

Investments in the Partnerships may be recommended to advisory clients for whom a Partnership investment may be more suitable than a separate advisory account managed by ACR. Clients who invest in certain classes of the Partnerships are charged additional advisory fees, but both indirectly pay performance-based fees to ACR through their respective General Partners.

Clients should be aware that the receipt of additional compensation by ACR and its management persons or employees creates a conflict of interest that may impair the objectivity of ACR and these individuals when making investment recommendations. ACR endeavors, at all times, to put the interest of its clients first as part of its fiduciary duty as a registered investment adviser; ACR takes the following steps to address this conflict:

- ACR discloses to clients the existence of all material conflicts of interest, including the potential for ACR and its employees to earn compensation from advisory clients, directly and indirectly, in addition to ACR's advisory fees;
- ACR discloses to clients that they are not obligated to purchase recommended investment products from its employees or affiliated companies;
- ACR collects, maintains and documents accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance. For wrap accounts and separately managed accounts offered through other advisers, this practice is completed by the clients' direct adviser;
- ACR's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances. For wrap accounts and separately managed accounts offered through other advisers, this practice is completed in conjunction with the clients' direct adviser;
- ACR requires that its employees seek prior approval of any outside employment activity so that it may ensure that any conflicts of interest in such activities are properly addressed;
- ACR periodically monitors these outside employment activities to verify that any conflicts of interest continue to be properly addressed by the Firm; and
- ACR educates its employees regarding the responsibilities of a fiduciary, including the need to have a reasonable and independent basis for the investment advice provided to clients.

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

Our Firm has adopted a code of ethics (the “Code of Ethics”), which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. ACR and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and we have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code of Ethics. Any individual who violates the Code of Ethics may be subject to disciplinary actions, including termination.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the Firm’s access persons. These reports also include employee reports on political contributions and the presence of any outside business activities. In addition to the required pre-clearance of trades of marketable securities, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our Code of Ethics further provides for oversight, enforcement and recordkeeping provisions. All supervised persons must acknowledge the terms of the Code of Ethics initially upon hire as well as annually or as amended. ACR’s Code of Ethics further includes the Firm’s policy prohibiting the use of material non-public information.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to info@acr-invest.com or by calling us at (314) 932-7600.

Our Firm and the access persons of our Firm may buy or sell for their personal accounts securities that are identical to or different from those recommended to our clients. In addition, any access person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. As these situations may represent potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our Firm’s Code of Ethics, to ensure our Firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest.

No principal or access person of our Firm may put his or her own interest above the interest of an advisory client. ACR permits trading in personal accounts subject to certain restrictions. In order to avoid a potential conflict with client accounts, employees are not permitted to trade in any securities held by clients without prior approval from the Chief Compliance Officer or his designee. Employee account statements are reviewed continually to verify compliance with the policy.

It is ACR’s policy that the Firm will not affect any principal or agency cross securities transactions for client accounts.

Item 12 – Brokerage Practices

Freely Traded Accounts

For discretionary clients, ACR typically requires them to grant it the authority to select the broker-dealer and negotiate the commission costs for these transactions.

Clients must include any limitations on this discretionary authority in a written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided in writing.

ACR seeks to obtain the best execution in placing orders for securities investments for discretionary clients. ACR defines best execution as the regular and rigorous process of evaluating execution strategies that provide the highest likelihood of achieving the investment objective of its clients' accounts. Best execution includes but is not limited to, an evaluation of the best available price and most favorable execution, quantified and captured by "order-level" and "fill-level" results. Order-level results are used to measure aggregated, high-level trade metrics, which can be used to compare trade execution results across numerous brokers and trading strategies over longer time periods. The order-level results are comprised of and driven by fill-level results. Fill-level results dive into the order routing detail by analyzing specific venues and broker routing characteristics. ACR believes a combination of both order-level and fill-level metrics allows for a comprehensive quantitative analysis of trade execution. Furthermore, ACR seeks to execute transactions at the price and commission that provides the most favorable total cost or proceeds reasonably obtainable under the circumstances. ACR places orders for the execution of transactions for client accounts in accordance with its best execution policies, except as otherwise directed by clients. Selection of a broker-dealer by ACR in any instance is consequently based upon a variety of quantitative and qualitative factors, which may include commission rates; execution capability; electronic trading tools; order routing methodology and strategies; responsiveness and support; capital opportunities and financial stability; clearance and settlement capabilities; and the provision of research and other brokerage services to ACR.

ACR also has relationships with particular brokers who provide research and other related services through soft dollar arrangements with ACR and may select broker-dealers on the basis of providing valuable research services that can reasonably be expected to benefit client portfolios if such broker-dealers also can provide quality execution and custodial services. When broker-dealers are selected on this basis, ACR may negotiate commissions that are higher than commissions for "execution only" services but are deemed reasonable in light of the value of such services. Although ACR receives unsolicited research from some of the brokers with whom trades are placed on behalf of clients, there are no arrangements or understandings with these brokers regarding the receipt of research in return for commissions. ACR believes any unsolicited research received would fall under the Section 28(e) safe harbor. The research ACR primarily receives consists of, but is not limited to, economic forecasts, investment strategy advice, fundamental advice, market analysis, statistical services and analyses of particular securities and investment situations. Additionally, one broker-dealer acts as the prime broker for the ACR Funds. In addition to ongoing investment and economic research, this broker-dealer provides a platform of services at below-published rates for the benefit of clients. Research received through trading client

accounts through full-service broker-dealers by some accounts may be of value to and used for other accounts managed by ACR. Brokerage services or research products and services may be used in servicing any or all of the clients of ACR.

With respect to clients that do not permit their executions to be traded through full-service brokers or permit the use of commissions to pay for research, such clients will receive the benefit of products and services furnished through other client's commissions as transactions for these accounts are generally executed by brokers that do not provide products and services to us.

When ACR utilizes client brokerage commissions (or markups or markdowns) to obtain research or other products or services, it receives a benefit because it does not have to pay for the research, products, or services. As a result, ACR may have an incentive to select or recommend a broker-dealer based on its interest in receiving these products or services, rather than on its clients' interest in receiving most favorable execution. ACR will only choose such broker/dealers when the execution complies with the principles of best execution.

Transactions may not always be executed at the lowest available price or commission, no assurance may be given that best execution can or will be achieved for each client transaction, and perceptions of what constitutes best execution in any given instance may vary. ACR does not consider when selecting or recommending brokers, whether the broker refers clients to ACR.

Errors

ACR defines errors as either trader errors or compliance violations (collectively referred to as "Error(s)"). A trade error is defined as a human-error mistake, processing error, or handling error that occurs in the process of creating, placing, or executing an order. ACR defines a compliance violation as orders executed that are not appropriate for a client account because of investment restrictions, or that result in the violation of a regulatory limitation. ACR will use its best efforts to enter correct orders for clients, however, to the extent that an Error occurs, ACR will use its best efforts to correct it in a timely fashion. It is ACR's policy to reimburse clients for reimbursable errors at its discretion. ACR generally considers an Error to be reimbursable if ACR committed capital in the trade and the trade resulted in costing the client account a loss of value. However, ACR generally does not consider errors that result in omitted or delayed execution to be reimbursable errors.

Directed Brokerage Accounts

ACR permits clients to direct transactions to a certain broker (a practice referred to as "Directed Brokerage"). If a client requires ACR to direct transactions to a certain broker, ACR may be unable to achieve best execution due to the lack of the ability to shop around for price and more favorable execution. When not aggregated, trades for an account will be executed after aggregated orders for other clients, which could result in different prices with different trading costs. Among other things, client-directed brokerage may result in (a) ACR being unable to seek best price and execution by placing transactions with other brokers and (b) the client foregoing benefits from savings on execution costs that might otherwise be obtained from aggregation of brokerage orders for clients. As a result, client-directed accounts may have performance that is different from that of comparable, non-directed client accounts.

Generally, ACR will execute all securities transactions for wrap fee accounts through the broker-

dealer sponsoring the wrap fee program because the commission charge is included as part of the fee paid by the client. Accordingly, trades effected through the broker-dealer sponsoring the program avoid additional transaction costs to the client. Similar to directed brokerage transactions discussed above, trades for wrap fee accounts are executed after aggregated orders for other freely traded clients. ACR has adopted procedures reasonably designed to ensure that clients are treated fairly and equitably in the execution of orders for wrap fee accounts.

ACR may “step-out” trades from existing custodians and consolidate those trades with one broker-dealer in order to attempt to achieve the best execution of trading clients’ securities in client accounts. A “step-out” means that shares are traded away from the clients’ custodian and aggregated in an order with a broker-dealer. This action will typically occur in instances where ACR has determined that trading a specific security may be adversely impacted by allowing the trade to be spread across a large number of different custodians.

ACR believes that, in general, and over time, executing certain foreign securities transactions in local shares and local markets will result in more timely and more effective execution than executing transactions with the client’s custodian (s) in the U.S. market, although this will not necessarily be the case with respect to any single transaction considered individually. If the client account does not permit the delivery of local shares, upon execution the local shares purchased for client accounts are converted into an American Depositary Receipt (ADR) by the executing broker for delivery to the client account. Trading in the local foreign market and instructing the broker to deliver the ADR will result in charges to the client account that would not be incurred if the orders were traded through the client’s custodial trading desk in the ADR market. The additional charges will include, but are not necessarily limited to, broker commissions, ADR conversion fees, taxes, ticket charges, broker mark-ups, odd-lot differentials and foreign currency conversion fees. These costs are typically netted into the purchase or sales price of the security. ACR believes, however, that these costs may be offset, in whole or in part, in general and over time, by the advantages to the wrap clients of the more timely and more effective execution that may often be available in the local markets than in the ADR markets (for reasons relating to, among other things, time zone differences in trading hours, and the greater trading volumes and liquidity [and lower trading spreads or dealer mark-ups] that may exist in local markets). These advantages may be difficult to quantify in any particular instance and will not necessarily be realized in any particular transaction considered individually.

In a model portfolio arrangement with a sponsor of a UMA/managed account program, ACR is not ultimately responsible for determining which securities to buy or sell and is not responsible for executing such trades for the UMA Program Sponsor’s client accounts. ACR does provide specific trade instructions to each UMA Program Sponsor’s trading desk, however, each UMA Program Sponsor is responsible for exercising investment discretion, executing trades and seeking best execution.

Trade Rotation

To assure that clients, including model portfolio clients, are treated fairly and equitably, ACR utilizes a rotation and sub-rotation process within a paramount fixed grouping sequence when placing trades for clients. ACR has adopted policies and procedures reasonably designed to minimize the impact of such simultaneous trading.

When placing orders to buy or sell a security or update model portfolio weightings for all accounts

pursuing a specific strategy, ACR typically groups all impacted clients into one of four major categories that follow the sequence order below:

- accounts that grant ACR discretion in selecting how to execute trades. This would also include accounts that permit step-out trading (defined above) when advantageous to the client (“Freely Traded Accounts”).
- accounts that have directed ACR to use specified broker-dealers, including wrap accounts where trades are normally placed through the sponsoring broker and utilize FIX trading connections (“Directed Accounts FIX”).
- accounts that have directed ACR to use specified broker-dealers, including wrap accounts where trades are normally placed through the sponsoring broker and not utilizing FIX trading connections (“Directed Accounts Non-FIX”).
- UMA Program Sponsors.

In the absence of unique circumstances, trades will follow the categories above in the sequence listed, with each category generally having a rotation.

In the absence of unique circumstances, trades for all Freely Traded Accounts are aggregated and executed simultaneously on a best execution basis, prior to the execution of trades for any Directed Accounts. Trades for each of the broker-dealers with Directed Accounts are executed on a rotational basis with a priority generally to the clients with FIX trading connections.

In the absence of unique circumstances, UMA Program Sponsors will be sent model portfolio information following the completion of the corresponding account trades for both the Freely Traded Accounts and all Directed Accounts. At ACR’s sole discretion, model portfolio information may be communicated to UMA Program Sponsors in a reasonable and orderly rotation with Directed Accounts under certain circumstances, including if volume permits and the UMA Program Sponsor is available to accept model information at the time of its position in the trade rotation.

Investment Allocation and Aggregation

ACR will, when appropriate, aggregate purchases or sales of securities and allocate such trades among two or more clients (“block trading”). By so doing, ACR reasonably believes that over time it may be able to decrease brokerage and transaction costs to its clients through volume discounts, reduce brokerage commissions through negotiations not available to purchasers or sellers of smaller volumes of securities and/or obtain better pricing than is possible for smaller trades. In general, an aggregated purchase or sale order that is only partially filled will be allocated on a pro rata basis among the clients participating in the order. Generally, clients participating in aggregated trades will receive the same average execution price on any given aggregated order on a given business day and transaction costs will be shared pro rata based on each client’s participation in the transaction. Block trading may allow ACR to execute equity trades in a timelier and/or equitable manner. ACR will typically aggregate trades among clients whose accounts are required to be traded with a given broker and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day. ACR’s block trading policy and procedures are as

follows:

- Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with ACR, the Firm's order allocation policy or due to an account type.
- The trading desk, in concert with the respective investment team, must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- The respective investment team must reasonably believe that the order aggregation will benefit and enable ACR to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution.
- Before entry of an aggregated order, an electronic order ticket must be completed in the trading system which identifies each client account participating in the order and the proposed allocation of the order to those clients upon completion.
- If an order is partially executed and a pro-rata allocation across all accounts is not possible or trading deems the share allocation to be de minimis, client accounts will be allocated shares on a random basis. A random allocation may be made to avoid having odd amounts of shares held in any client account or to avoid excessive ticket charges in smaller accounts, as well as for other reasons.
- If the order will be allocated in a manner other than that as described herein, a written explanation of the exception will be provided to the Chief Compliance Officer.
- ACR's client account records will separately reflect, for each account in which the aggregated transaction occurred, the securities that are held by, and bought and sold for, that account.
- Funds and securities for aggregated orders are clearly identified on ACR's records and to the broker-dealers or other intermediaries handling the transactions by the appropriate account numbers for each participating client.

Item 13 – Review of Accounts

Individual Account Management

Institutional and SMA Advisory Accounts

Reviews: While the underlying securities within separately managed accounts are continually monitored, these accounts are reviewed periodically. Accounts are reviewed in the context of the investment objectives and guidelines of each model portfolio as well as any investment restrictions provided by the client. Portfolios are reviewed more often, if deemed necessary (due to deposits, withdrawals, model changes, etc.). More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. These accounts are reviewed by members of ACR's client relations and operations teams.

Reports: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, ACR may provide quarterly reports summarizing account performance, balances and holdings to some clients, but not all clients. These reports will also remind the client to notify the Firm if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.

SMA Wrap Programs

Reviews: While the underlying securities within SMA Wrap Program accounts are continually monitored, a random sample of these accounts are reviewed periodically. Accounts are reviewed in the context of the investment objectives and guidelines of each model portfolio as well as any investment restrictions provided by the client or Sponsor. Portfolios are reviewed more often if deemed necessary (due to deposits, withdrawals, model changes, etc.). Reports are not provided to Sponsors unless specifically contracted by the Sponsor.

Reports: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer/custodian, on a limited basis, ACR may provide quarterly reports summarizing account performance, balances and holdings to some, but not all clients.

Unified Managed Accounts (UMAs)

The models provided to UMA Program Sponsors are reviewed on a regular basis by the trading personnel and investment review committee members. For these accounts, ACR provides continuous and regular supervisory services but does not have trading discretion. ACR does not report the performance of UMA relationships in its various investment composites and no reports are provided to the clients in this particular program.

ACR Funds Management

Generally, the ACR Funds investment teams (which are a subset of the investment review committee) are responsible for: (i) the initial evaluation of whether an investment is suitable for each Fund, (ii) the continuous monitoring of the investments held by each Fund and (iii) any material changes to investments.

The investment review committee meets on a regular basis (via phone or in person) to discuss investments, any required reporting and to assess and modify (as necessary) the asset management strategy for the ACR Funds' investments.

Item 14 – Client Referrals and Other Compensation

Compensation for Client Referrals

It is ACR's general policy to not engage third-party solicitors or to pay non-related persons for referring potential clients to the Firm.

From time to time employees of ACR's affiliates may refer potential clients to ACR and the affiliate may receive compensation for making such a referral. Any related person making a referral shall disclose the nature of his/her relationship to the prospective client at the time of the solicitation.

ACR has relationships with other parties which may include service providers, accountants, lawyers, and data providers whose compensation is solely for the services for which they are engaged and may from time to time refer clients to ACR.

Economic Benefits

It is ACR's policy not to accept or allow its related persons to accept any material form of compensation, including cash, sales awards, or other prizes, from a non-client in conjunction with the advisory services it provides to its clients.

As disclosed above in Item 10, six employees are registered representatives of a limited-purpose broker-dealer, IMST Distributors, LLC. Those employees will promote the sale of the affiliated Mutual Funds to broker-dealers, other companies, and individuals. IMST Distributors, LLC, a FINRA Member and broker-dealer, is the distributor of the Mutual Funds. These individuals may receive compensation for recommending or advising on investment products and services offered by the Firm. IMST Distributors, LLC does not provide incentives in the form of cash compensation, sales awards, or other prizes to ACR's registered representatives.

As discussed more fully under Item 12, ACR may enter into "soft dollar" arrangements whereby brokerage transactions are directed to certain broker-dealers in return for investment research products and/or services that assist ACR in its investment decision-making process. The receipt of such services is deemed to be the receipt of an economic benefit by ACR, and although customary, these arrangements give rise to potential conflicts of interest, including the incentive to allocate securities transactional business to broker-dealers based on the receipt of such benefits rather than on a client's interest in receiving most favorable execution. Please refer to Item 12 for detailed information regarding how ACR addresses the conflicts of interest pertaining to soft dollar arrangements.

Item 15 – Custody

Pursuant to Rule 206(4)-2 of the Investment Advisers Act of 1940 (the “Advisers Act”), ACR is deemed to have custody of client funds for the following reasons:

- We have the authority and ability to debit our fees directly from certain client accounts. To mitigate any potential conflicts of interest due to this arrangement, all our client account assets are maintained with an independent non-affiliated qualified custodian. In such cases, the client’s custodian is advised of the amount of the fee to be deducted from that client’s account. At least quarterly, the custodian is required to send the client a statement showing all transactions within the account during the reporting period. Because the custodian generally does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact ACR directly if they believe that there may be an error in their statement.
- Our private funds are affiliates as are APM and ACR CV, LLC, who serve as the general partners of the Partnerships. In addition, ACR is the investment adviser to each private fund. Consistent with the requirements under the Advisers Act, the assets of the Partnerships are held in an account maintained with a qualified custodian within the meaning of the Advisers Act. The custodian holds the Partnerships assets in separate accounts (or in a separate customer account with records identifying the assets of the Partnerships). The financial statements of the Partnerships are audited annually (in accordance with GAAP) by an independent public accounting firm that is registered with, and subject to regular inspection by, the PCAOB (the Public Company Accounting Oversight Board). Copies of the audited financial statements are independently distributed to each of the investors in the Partnerships within 120 days of such Partnerships’ fiscal year-end. Each investor should carefully review these statements upon receipt. Should the Partnerships liquidate their pooled assets, we will ensure the financial statements of the liquidated Partnership are audited at that time and distributed to investors.
- We could also be deemed to have custody of client funds or securities when our affiliate, ASC Credit Administration, LLC acts as administrative agent to certain loan syndicates in which the Partnerships participate (“Loan Syndicates”), generally alongside third-party bank and non-bank lenders (collectively, “Loan Syndicate Participants”). In connection with all Loan Syndicates, ASC Credit Administration, LLC intends to establish a single account, maintained by a qualified custodian, to facilitate the movement of cash to and from the lenders and the borrowers, as applicable (an “Agency Account”). ASC Credit Administration, LLC is expected to hold title to the Agency Account as agent for the applicable Loan Syndicate Participants (i.e., the funds related to the Loan Syndicates are not held in separate accounts or sub-accounts for each Loan Syndicate Participant under the Loan Syndicate Participant’s name but are commingled in the Agency Account). The qualified custodian of the Agency Account does not send Agency Account statements to the Loan Syndicate Participants.

Item 16 – Investment Discretion

Clients hire ACR to provide discretionary asset management services in which the Firm places trades in a client's account without contacting the client before each trade to obtain the client's permission.

ACR's discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell, and/or
- determine the amount of the security to buy or sell.

Clients give the Firm discretionary authority when they sign a discretionary agreement with the Firm and may limit this authority by giving ACR written instructions. Clients may also change/amend such limitations by providing ACR with written instructions.

Item 17 – Voting Client Securities

ACR votes proxies for all client accounts, including the Mutual Funds and Partnerships; however, clients always have the right to vote proxies themselves. Clients may exercise this right by instructing ACR in writing to not vote proxies in their account.

ACR will vote proxies in the best interests of its clients and in accordance with its established policies and procedures. The Firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by ACR that was material to making a decision how to vote proxies and a copy of each written client request for information on how ACR voted proxies. If the Firm has a conflict of interest in voting for a particular action, it will notify the client of the conflict and retain an independent third party to cast a vote. With respect to ERISA accounts, ACR will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies.

Clients may obtain a copy of ACR's complete proxy voting policies and procedures by contacting the Firm by telephone, email, or in writing at the contact information provided on the cover page of this Brochure. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of ACR's complete proxy policies and procedures or how the Firm voted proxies for his/her account(s), ACR will promptly provide such information to the client.

ACR has engaged a third-party service provider, Proxy Edge, to assist in voting proxies on behalf of clients and Funds. Proxy Edge facilitates the proxy voting process and provides ACR with recordkeeping services. Compliance monitors the performance of Proxy Edge periodically to ensure records are being maintained and votes are cast in accordance with ACR's voting instructions.

Item 18 – Financial Information

As an advisory firm that maintains discretionary authority for client accounts, ACR is also required to disclose any financial condition that is reasonably likely to impair its ability to meet its contractual obligations. ACR has no such financial circumstances to report.

Under no circumstances does ACR require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, the Firm is not required to include a financial statement. ACR has not been the subject of a bankruptcy petition at any time during the past ten years.