

SYSTEMATIC PORTFOLIOS LLC
(“*Systematic Portfolios*”)

FORM ADV, PART 2A
(the “*Brochure*”)

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This Brochure provides information about the qualifications and business practices of Systematic Portfolios. If you have any questions about the contents of this brochure, please contact us at 929.523.6857. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“*SEC*”) or by any state securities authority. Additional information about Systematic Portfolios is also available on the SEC’s website at www.adviserinfo.sec.gov.

This Brochure does not constitute an offer, solicitation or recommendation to sell or an offer to buy any securities, investment products or investment advisory services. Such an offer may only be made to eligible persons by means of delivery of offering documents that contain a description of the material terms relating to such investments, products or services.

Important Note About This Brochure

This Brochure is not:

- an offer or agreement to provide advisory services to any person;
- an offer to sell interests or a solicitation of an offer to purchase interests in any investment product or vehicle advised by Systematic Portfolios;
- a complete discussion of the features, risks or conflicts associated with any account advised by Systematic Portfolios; or
- to be relied on in determining whether to invest in a private fund advised by Systematic Portfolios or establish an advisory relationship with Systematic Portfolios.

As required by the Investment Advisers Act of 1940, as amended (the “*Advisers Act*”), Systematic Portfolios provides this Brochure to current and prospective clients and may also, in its discretion, provide this Brochure to current or prospective investors in a private fund to which it provides investment advice, together with other relevant offering materials, prior to, or in connection with, those persons’ establishment or consideration of a client relationship or an investment in a private fund to which it provides investment advice.

Persons who receive this Brochure should be aware that it is designed solely to provide information about Systematic Portfolios as necessary to respond to certain disclosure obligations under the Advisers Act. Therefore, the information in this Brochure may differ from information provided in the materials that govern an account or investor relationship such as an advisory contract or a private fund’s governing documents.

More complete information about each private fund advised by Systematic Portfolios, as well as Systematic Portfolios’ investment management services in general, is included in relevant governing documents, certain of which may be provided to current and eligible prospective clients or Investors (as defined below) only by Systematic Portfolios or another designated party. To the extent that there is any conflict between discussions herein and similar or related discussions in any governing documents, the relevant governing documents shall govern and control.

In no event should this Brochure be considered to be an offer of, or agreement to provide, advisory services directly to any recipient.

ITEM 2: MATERIAL CHANGES

Since the initial version of this brochure, dated June 30, 2023, this Brochure has been updated to include references to a separately managed account client and to remove references to a private fund client. Regulatory assets under management in Item 4, Advisory Business, have also been updated. Disclosure regarding epidemics, pandemics, and public health issues was updated in Item 8, Methods of Analysis, Investment Strategies and Risk of Loss.

The information set forth in this Brochure is qualified in its entirety by the governing and offering documents. In the event of a conflict between the information set forth in this Brochure and the information in the offering or governing documents, those governing documents will control. We encourage all clients and investors in our clients to review this Brochure in its entirety.

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ITEM 4: ADVISORY BUSINESS

Firm Overview

Systematic Portfolios, a Delaware limited liability company, is an investment manager that develops and deploys fully-automated, periodically-rebalanced, market-neutral portfolios designed to harvest pure signal alpha. Systematic Portfolios focuses on portfolios of highly-liquid, blue-chip U.S. equities. Systematic Portfolios' investment strategy is further described under Item 8, Methods of Analysis, Investment Strategies and Risk of Loss. Systematic Portfolios may also make other types of investments or pursue various other strategies. Systematic Portfolios was formed in March 2022. As of the date of this Brochure, Systematic Portfolios provides investment advisory services with respect to a private pooled investment vehicle, Fundamental Signal Absolute Alpha L/S LP, and a separately managed account. Fundamental Signal Absolute Alpha L/S LP is referred to in this Brochure as the “**Systematic Fund**” or “**Fund**”. Systematic Portfolios Capital Partners LLC (the “**general partner**”) serves as general partner to the Fund. Systematic Portfolios and Systematic Portfolios Capital Partners LLC are ultimately owned and controlled by Anusar Farooqui (the “**Principal**”). Interests in the Systematic Fund are offered to eligible investors on a private placement basis. In addition to the Fund and separately managed account, Systematic Portfolios, Systematic Portfolios Capital Partners LLC, and/or certain of their affiliates may sponsor and/or provide investment advisory, management and related services to other clients (including other pooled investment vehicles and/or separately managed accounts). These clients, including the Systematic Fund, are referred to in this Brochure as “**Clients**”. Systematic Portfolios has full discretionary authority with respect to the investment decisions of its Client portfolios. Systematic Portfolios' investment advisory services are provided in accordance with the investment objectives and guidelines set forth in each Fund's offering and governing documents and, for other Clients, their investment management agreements. The information set forth in this Brochure is qualified in its entirety by the Fund's offering and governing documents and, for other Clients, their investment management agreements.

As of December 31, 2023, Systematic Portfolios had approximately \$102 million in regulatory assets under management all of which was managed on a discretionary basis.

Nature of Clients and Investors

Systematic Portfolios currently provides investment management services to the Systematic Fund and separately managed account. Systematic Portfolios does not have a separate client relationship with investors in the Systematic Fund, which are referred to throughout this Brochure as “**Investors**”. The Systematic Fund is a U.S. limited partnerships that is not registered or required to be registered under the U.S. Investment Company Act of 1940, as amended (the “**Investment Company Act**”), or the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and is privately placed only to qualified investors. See also Item 7 below. Investors in the Systematic Fund generally include high net worth individuals, family offices, endowments, and foundations that are “accredited investors” and “qualified clients” (if required pursuant to the Fund's exemption), within the meaning of the Securities Act and the Advisers Act, respectively.

Investment Mandates

The Fund is managed in accordance with the investment objectives, strategies and guidelines as set forth in the relevant Client's confidential offering memorandum, organizational documents, investment management agreements and other related documents (collectively, “**Governing Documents**”). The separately managed account is managed in accordance with investment objectives, strategies and guidelines as set forth in the investment management agreement with the Client. In all cases, investments are selected on the basis of the Client's investment strategy and objectives.

The Systematic Fund is not tailored to the individualized needs of any particular Investor, though the Systematic Fund may take into consideration the general characteristics (e.g., tax status) of its target Investors when structuring its operations. An investment in a Systematic Fund does not, in and of itself, create an advisory relationship between the Investor and Systematic Portfolios, and Systematic Portfolios typically does not enter into separate advisory arrangements with any Investor. Therefore, each Investor must consider for itself whether the Fund meets the Investor's investment objectives and risk tolerance before investing in the Fund. Information about the Systematic Fund is set forth in its Governing Documents, which are available to current and eligible prospective investors only through Systematic Portfolios.

ITEM 5: FEES AND COMPENSATION

Management Fees & Performance Allocations

Fundamental Signal Absolute Alpha L/S LP generally pays to Systematic Portfolios, as of the first business day of each calendar quarter (or the first business day after the applicable closing, with respect to a capital account established for a new Investor or an additional capital contribution from an existing Investor on a day other than the first business day of a calendar quarter) in advance, a management fee (the “Management Fee”) equal to 0.4375% (1.75% per annum) of the balance of capital account as of such date, which fee is debited against that capital account. The Management Fee is calculated and paid in advance but will be amortized monthly over the quarter for which the Management Fee is paid. The Management Fee will be prorated with respect to any capital contribution effective other than as of the first business day of a calendar quarter. In the event of a withdrawal by an Investor other than as of the last day of a calendar quarter, a pro rata portion of the Management Fee, based upon the actual number of days remaining in such quarter, will be repaid by Systematic Portfolios to the Fund for credit to the applicable capital account(s). The Management Fee may be waived or reduced by the Systematic Portfolios with respect to any Investor or capital account, and Systematic Portfolios may assign its right to receive the Management Fee, in whole or in part, to any person, including an affiliate of Systematic Portfolios.

Subject to the terms, limitations and conditions set forth in the Fundamental Signal Absolute Alpha L/S LP limited partnership agreement (including application of a “high water mark,” as summarized in that agreement), at the end of each fiscal year (and at such other times set forth in the partnership agreement), a performance-based profit allocation (collectively, the “Performance Allocations”) equal to 20% of the net profits allocated to each Investor capital account for each fiscal year (or other applicable period) is reallocated from each capital account to the capital account of the Fund’s general partner.

Certain Investors have negotiated or may negotiate fee reductions or other provisions as part of side letter terms and provisions such as lower Management Fees and/or Performance Allocations, information/transparency rights not afforded to other Investors, most favored nations status and/or other preferential rights or terms. Except as otherwise agreed, Systematic Portfolios is not obligated to waive or reduce Management Fees for any other Investor when offering waivers or reductions to a particular Investor. Systematic Portfolios generally is not required to notify any or all of the Investors of any side letter or any of the rights and/or terms or provisions thereof, nor is it generally required to offer those additional and/or different rights and/or terms to any or all of the other Investors.

Systematic Portfolios does not have a specified fee schedule for separate Client accounts. The Management Fee and Performance Allocation for other Client accounts have been or will be separately negotiated.

Fund Expenses

Generally, the Systematic Fund will pay or otherwise bear all of the direct and indirect fees, costs, expenses and other liabilities or obligations resulting from or arising in connection with the Fund’s operations (collectively, “**Fund Expenses**”). To the extent that the general partner, the Systematic Portfolios, the Principal and/or any of their respective affiliates pay or otherwise bear any Fund Expenses, they will be entitled to reimbursement by the Fund (provided that any such party may voluntarily elect to bear and not be reimbursed for any Fund Expenses in its discretion). The general partner generally expects to allocate Fund Expenses among Investors in proportion to their Capital Account balances. Notwithstanding the foregoing, if the general partner determines that it is equitable to specially allocate any Fund Expenses to an Investor or group of Investors, the general partner will have the authority to make that allocation.

Fund Expenses include, among other items, the following:

- all organizational expenses;
- all expenses related to the operation or activity of the Fund such as tax preparation fees (including, without limitation, any such fees related to the preparation of tax returns and Schedules K-1), governmental fees and taxes (or any other governmental charges levied against the Fund), administrative, custodial and prime brokerage fees and expenses, communications with Investors and ongoing legal, accounting, auditing,

administration, appraisal, bookkeeping, consulting and other professional fees and expenses, including for litigation, and preparation of the Fund's financial statements and reports;

- all Fund costs, expenses and charges incurred in connection with the investment and trading activities of the Fund, including, without limitation, brokerage commissions, mark-ups, placement agent fees, custodial fees, clearing and settlement charges and other transaction costs to brokers and breakup fees in connection with any Fund investments and fees and expenses related to unconsummated co-investments;
- professional and other advisory and consulting expenses incurred in connection with investment due diligence, monitoring or the assertion of rights or pursuit of remedies (including, without limitation, pursuant to bankruptcy or other legal proceedings, or participation in informal committees of creditors or other security holders of an issuer);
- travel expenses and other costs incurred in connection with the business and investment activities of the Fund and the investment due diligence process (including, without limitation, transportation, meals, lodging, international data and roaming, entertainment and incidentals);
- all fees and other expenses incurred in connection with the investigation, prosecution or defense of any claims by or against the Fund;
- expenses of any meetings of the Investors;
- the costs of any litigation and indemnification relating to the affairs of the Fund (including indemnified expenses incurred pursuant to and as defined in the limited partnership agreement);
- fees and expenses related to third-party research, publications, data and data services (including pricing services) (such as Bloomberg and Reuters services), including research provided by banks, brokerage firms, and other vendors (regardless of the mechanism used to pay for such research), expert matching services, news services, business and political analysis services, due diligence and other investigative services, pricing feeds (including real-time pricing and historical pricing and a wide range of other data), including data about markets, financial instruments, issuers and other inputs into models or systems;
- costs of compliance with applicable laws and regulations of governmental and self-regulatory bodies, including costs incurred by the general partner, Systematic Portfolios and/or their respective affiliates in complying with laws and regulations that apply to any such entities as a result of their services to the Fund;
- the Fund's expenses associated with forming and maintaining the legal existence of the Fund, including directors' fees, administrators' fees, occupancy costs and other operating costs of entities that maintain their own offices in certain jurisdictions;
- investment, operations, portfolio and trading-relating software, including trade order management software (*i.e.*, software used to route trade orders) and related connectivity costs;
- all expenses and costs (including legal fees and expenses) incurred with respect to any applicable legal and/or regulatory compliance-related matters (including costs and expenses incurred by the general partner, Systematic Portfolios and/or any of their respective affiliates in complying with laws and regulations that apply to any of those entity or entities as a result of its or their services to or the activities or operations of the Fund) and regulatory filings with U.S. federal, state, local, non-U.S. or other law and regulation (including, without limitation, costs and expenses relating to (a) the preparation and filing of Form PF, Form ADV and/or other regulatory filings or reports of the general partner, Systematic Portfolios and/or their any of their respective affiliates relating to the Fund's activities, (b) any other similar fees or expenses including the Fund's applicable portion of compliance consultant fees and/or legal consultant fees or expenses as determined in the general partner's sole discretion, as such fees relate to the review of documents and other materials, the investment of the Fund's assets and similar compliance matters, (c) obtaining exemptions, maintaining qualifications and satisfying any regulatory or other jurisdictional fees, such as filing, notice and registration fees, and (d) the Fund's share of compliance, legal and consultant fees and costs as determined in the general partner's sole discretion, as such fees relate to the review of marketing materials or other activities or operations of the Fund);
- expenses attributable to compliance with the Alternative Investment Fund Managers Directive and compliance with anti-money laundering laws and know-your-customer requirements;
- all fees and expenses incurred in connection with obtaining and maintaining an insurance policy or policies for the Fund, the general partner, the Principal and, as applicable, their respective affiliates, partners, members, officers, directors and managers;
- any taxes, fees and other equivalent government charges levied against the Fund, any of its investments or the income thereon; and
- all other reasonable expenses related to the management and operation of the Fund and/or the purchase, sale or disposition of Interests (including any fees and expenses incurred by the Fund in connection with any

transition to a “master-feeder” structure), including, in the case of any expenses directly related to the Fund’s and one or more related entities’ investments, any portion of any such joint expenses that the general partner determines are properly and ratably allocable to the Fund.

In the event that any expenses or costs are incurred jointly for or on behalf of the Fund(s) and one or more other Clients or accounts sponsored or managed by Systematic Portfolios or its affiliates (as determined by Systematic Portfolios in its discretion), those expenses may be allocated between or among the Fund(s) and the other Clients and/or accounts in proportion to the amount of capital invested by each Client or account in any applicable investment or in such other manner determined by the general partner or Systematic Portfolios to be fair and equitable under the circumstances.

General overhead and administrative expenses incurred by the general partner and Systematic Portfolios in the operation of its or their businesses, including, but not limited to, rent, utilities, salary and benefits costs, generally are borne by the general partner or Systematic Portfolios, as applicable.

Each Client is generally responsible for and pays all brokerage commissions and other transaction costs. While Systematic Portfolios does not have any formal soft dollar arrangements, it receives research and brokerage services in connection with its overall economic relationship with broker-dealers, including non-trading and execution services. **See “Item 12: Brokerage Practices”** below for a discussion of Systematic Portfolios soft dollar practices and a description of the factors that Systematic Portfolios considers in selecting counterparties for the execution of transactions.

Compensation for the Sale of Securities or Other Investment Products

Neither Systematic Portfolios nor any of its supervised persons accept compensation for the sale of securities or other investment products.

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

Systematic Portfolios receives performance-based compensation for each Client account. Systematic Portfolios’ receipt of performance-based compensation raises certain conflicts of interest, which are described below.

Investment Selection

Performance-based compensation and other arrangements where the incentive to achieve gains may exceed the disincentive to suffer losses may cause Systematic Portfolios to choose investments that are riskier or more speculative than might otherwise have been chosen. To mitigate these conflicts, the Principal has invested substantial personal funds in the Systematic Fund, and Systematic Portfolios’ policies and procedures seek to provide that investment decisions are made in accordance with the fiduciary duties owed to each Client and without consideration of Systematic Portfolios’ (or its personnel’s) pecuniary, investment or other financial interests. Systematic Portfolios addresses these conflicts through full and fair disclosure in the Governing Documents and/or this Brochure.

Side-by-Side Management

Systematic Portfolios currently does not manage accounts for which it is entitled to receive performance-based compensation alongside accounts for which it is not entitled to receive any performance-based compensation. The potential that differences in terms of performance-based compensation could incentivize Systematic Portfolios to favor one Client over another in its investment allocations is mitigated by the fact that Client portfolios generally invest and trade on a parallel basis with each other subject to different guidelines. As noted in “Item 5: Fees and Compensation” above, Systematic Portfolios has and may enter into side letters that provide for lower Management Fees, offset by a higher or lower performance-based compensation. Such side letters could provide a heightened financial incentive for Systematic Portfolios to take more risk than it would otherwise in order to maximize its performance-based revenue to offset foregone Management Fees. To mitigate conflicts of interest with respect to those side letter provisions, Systematic Portfolios has established policies and procedures that provide for the following: (i) fair and equitable allocation of trades to the respective portfolios subject to each Client’s investment guidelines and other Client or investment-specific factors considered by Systematic Portfolios, (ii) Systematic Portfolios generally allocates profits and losses to each Investor pro-rata based on the Investor’s capital account balance, and (iii) the Fund’s independent public accounting firm reviews the adequacy of valuations and valuation procedures.

ITEM 7: TYPES OF CLIENTS

Systematic Portfolios provides discretionary investment management services to the Systematic Fund identified in Item 4, which is exempt from registration under the Investment Company Act and Securities Act, and does and may provide investment management services to institutional separate account Clients, including private funds whose primary investment adviser is another firm. Investors in the Systematic Portfolios Fund are generally high net worth investors, family offices, foundations and endowments that are “accredited investors” and “qualified clients” (if required pursuant to the Fund’s exemption), within the meaning of the Securities Act and the Advisers Act, respectively.

The Systematic Fund generally has a specified minimum investment of \$500,000 as set forth in its Governing Documents and Form D filings. This minimum investment is subject to discretion, and Systematic Portfolios or its affiliates may permit investments of a smaller amount generally or with respect to any Investor. Systematic Portfolios does not have a specified minimum account size for separate Client account portfolios, though it will generally consider separate accounts of at least \$10 million in investable assets.

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

Following is a summary of the investment strategies and risks involved in Systematic Portfolios’ investment activities. These risk factors are not a complete description of the risks associated with the Systematic Portfolios’ investment programs. Investors and potential investors should review the Governing Documents for the Systematic Fund for a more comprehensive discussion of the investment strategy and process as well as the relevant risks associated with investing in that Fund.

Methods of Analysis and Investment Strategies

Systematic Portfolios’ investment objective is to achieve superior capital appreciation over a multi-year time horizon. It intends to achieve this objective primarily by developing and deploying a fully-automated, periodically-rebalanced, market-neutral portfolio designed to harvest pure signal alpha. Systematic Portfolios focuses on portfolios of highly-liquid, blue-chip U.S. equities, but it may also make other types of investments or pursue various other strategies.

Systematic Portfolios believes that one can consistently beat the overall market only by harvesting a robust alpha signal and thinks of signals as persistent patterns in asset price fluctuations that are generated by constrained intermediary behavior or market microstructure. Systematic Portfolios believes the key to alpha generation is this signal identification. Systematic Portfolios identifies a robust mispricing signal using point-in-time fundamental and price data on blue chip U.S. equities. Systematic Portfolios then harvests this mispricing signal using the cross-section of blue chip U.S. equities. Systematic Portfolio does not expect to engage in any blackbox trading or make any investments where Systematic Portfolios does not understand the signal. Systematic Portfolios does not expect to engage in high-frequency trading or in trading complex derivatives, crypto-currencies, or other frontier risk assets.

Investment Risks

There can be no assurance that Client portfolios will achieve their investment objectives or that investments will be successful. Systematic Portfolios’ investment strategies involve a substantial degree of risk. Nothing in this Brochure is intended to imply, and no one is or will be authorized to represent, that an investment in the Fund or through Systematic Portfolios will be low risk or risk free. The investment strategies and programs of Systematic Portfolios are appropriate only for sophisticated persons who fully understand and will be capable of bearing the risks of investment. Prospective Clients and Investors should consider the following risks, among others, before making any investment decisions. The various risks outlined below are not the only risks associated with the Fund or with Client portfolios. Investors are urged to consult with their own independent financial, legal and tax advisors. The following risks are qualified in their entirety by the risks set forth in Governing Documents. Investing in securities involves risk of loss that Clients and Investors should be prepared to bear.

General Economic and Regulatory Risks

General Economic and Market Conditions. The success of a Client portfolio's activities will be affected by general economic and market conditions, such as changes in interest rates, availability of credit and debt-related issues, inflation rates, economic uncertainty, market volatility, changes in laws (including laws relating to taxation investments), trade barriers, unemployment rates, release of economic data, currency exchange controls and national and international political circumstances (including wars, terrorist acts, natural disasters or security operations). These factors may affect the level and volatility of securities prices and the liquidity of portfolio investments. Volatility and/or illiquidity could impair profitability or result in losses. Portfolios could incur material losses even if Systematic Portfolios reacts quickly to difficult market and economic conditions, and there can be no assurance that portfolios will not suffer material losses and other adverse effects from broad and rapid changes in economic and market conditions in the future. Investors should realize that markets for the financial instruments in which portfolios seek to invest can correlate strongly with each other at times or in ways that are difficult for Systematic Portfolios to predict. Even a well-analyzed approach may not protect portfolios from significant losses under certain market conditions.

Business and Regulatory Risks of Private Funds; Recent Developments. The financial services industry generally, and the activities of private funds and their managers in particular, have been subject to intense and increasing regulatory scrutiny. Such scrutiny may increase the portfolios' and Systematic Portfolios' exposure to potential liabilities and to legal, compliance and other related costs. Increased regulatory oversight may also impose additional administrative burdens on Systematic Portfolios, including, without limitation, responding to investigations and implementing new policies and procedures. These burdens may divert Systematic Portfolios' time, attention and resources from portfolio management activities.

Potential for Fraud. In spite of Systematic Portfolios' efforts to invest in reputable and trustworthy companies, there is a risk that a Fund may invest in issuers that engage in fraud. Instances of fraud can be particularly difficult to detect and prevent. To the extent that a Fund invests in a company that engages in fraud, the Fund could lose all or a substantial portion of its investment in such company and it could have a material adverse effect on the Fund's financial condition and results of operations.

Epidemics, Pandemics, and Public Health Issues. The operations and investments of Systematic Portfolios and its client portfolio could be materially adversely affected or impacted in the future by pandemics, epidemics, other outbreaks of disease and public health issues. The COVID-19 global pandemic severely and materially affected the global economy, global equity markets and supply. The impact of a health crisis, including epidemics, pandemics and outbreaks of disease that may arise in the future, depends on the duration and spread of the outbreak, the severity, the actions to contain, slow down or halt the spread of the virus or treat its impact, and how quickly and to what extent normal or semi-normal economic and operating conditions can resume, which could affect the global economy in ways that cannot necessarily be foreseen at the present time. A health crisis may exacerbate other pre-existing political, social and economic risks.

Terrorist Attacks, War, Natural Disasters and Global Pandemics. Terrorist activities (including cyber-attacks on governmental and commercial entities), anti-terrorist efforts, armed conflicts involving the United States or its interests abroad, natural disasters and global pandemics may adversely affect the United States, its financial markets and global economies and markets and could prevent Systematic Portfolios and its Client portfolios from meeting their respective investment objectives and other obligations. The potential for future terrorist attacks, the national and international response to terrorist attacks, acts of war or hostility, natural disasters and global pandemics have created many economic and political uncertainties in the past and may do so in the future, which may adversely affect the United States and world financial markets and the Fund for the short or long-term in ways that cannot presently be predicted.

Portfolio Risks

Investment and Trading Risks Generally. All investments risk the loss of capital. No guarantee or representation is made that the investment program will be successful. The investment program may involve, without limitation, risks associated with limited diversification, equity risks, distressed issuers, volatility, credit deterioration or default risks, systems risks and other risks inherent in the portfolios' activities. Certain investment techniques may, in certain circumstances, substantially increase the impact of adverse market movements to which Client portfolios may be subject. In addition, portfolio investments may be materially affected by conditions in the financial markets

and overall economic conditions occurring globally and in particular countries or markets where portfolios invest their assets. Systematic Portfolios' methods of minimizing such risks may not accurately predict future risk exposures. Risk management techniques are based in part on the observation of historical market behavior, which may not predict market divergences that are larger than historical indicators. Also, information used to manage risks may not be accurate, complete or current, and such information may be misinterpreted.

Limited Diversification and Risk Management Failures. At any given time, portfolios may not be diversified to any material extent and, as a result, they could experience significant losses if general economic conditions, and, in particular, those relevant to the issuers whose securities are owned by the portfolios, decline. In addition, portfolio are or may become significantly concentrated in a limited number of issuers, types of financial instruments, industries, strategies or geographic regions, and such concentration of risk may increase losses suffered by the portfolios. This limited diversity could cause losses disproportionate to market movements in general. Although Systematic Portfolios attempts to identify, monitor and manage certain significant risks related to specific investments, these efforts do not and will not take all risks into account, including systematic market risk, and there can be no assurance that these efforts will be effective. Any inadequacy or failure in Systematic Portfolios' risk management efforts could result in material losses for a Fund.

Investment in Small- and Medium-Capitalization Companies. Client portfolios may invest domestically across all market capitalizations, including on small- and mid-cap issuers. Smaller capitalization stocks involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of small-capitalization and even medium-capitalization stocks are often more volatile than prices of large-capitalization stocks, and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) is higher than for larger, "blue-chip" companies. In addition, due to thin trading in some small-capitalization stocks, an investment in those stocks may be highly illiquid. Some small companies have limited distribution channels and financial and managerial resources. Such companies may also be dependent on personnel (including key personnel) with limited experience.

Investments in Undervalued Equity and Equity-Related Securities. Client portfolios may invest in what Systematic Portfolios believes to be undervalued equity and equity-related securities. The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that these opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from portfolio investments may not adequately compensate for the business and financial risks assumed. Portfolios may make certain speculative investments in securities which Systematic Portfolios believes to be undervalued; however, there are no assurances that the securities purchased will in fact be undervalued. In addition, portfolios may be required to hold such securities for a substantial period of time before realizing their anticipated value. During this period, a portion of portfolio assets may be committed to the securities purchased, thus possibly preventing portfolios from investing in other opportunities.

Fundamental Analysis. Fundamental analysis is premised on the assumption that markets are not perfectly efficient, that informational advantages and mispricings do occur and that econometric analysis can identify trading opportunities. Fundamental analysis may incur substantial losses if such economic factors are not correctly analyzed, not all relevant factors are identified and/or market forces cause mispricings to continue despite the traders having correctly identified such mispricings. Fundamental analysis may also be more subject to human error and emotional factors than technical analysis.

Equity Risks. The market price of securities owned by Client portfolios may go up or down, sometimes rapidly or unpredictably. A risk of investing is that the equity securities in portfolios will decline in value due to factors affecting equity securities markets generally or the sectors in which portfolios invest. The values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Other risks of investing globally in equity securities may include changes in currency exchange rates, exchange control regulations, expropriation of assets or nationalization, imposition of withholding taxes on dividend or interest payments, and difficulty in obtaining and enforcing judgments against non-U.S. entities. In addition, securities which Systematic Portfolios believes are fundamentally undervalued or incorrectly valued may not

ultimately be valued in the capital markets at prices and/or within the time frame Systematic Portfolios anticipates. As a result, portfolios may lose all or a substantial part of their investment in any particular instance.

Relative Value and Directional Investments. Portfolio investment strategies depend on Systematic Portfolios' ability to accurately predict future price movements or the convergence of market prices toward the theoretical values expected by Systematic Portfolios. Any attempt to predict future price movements is inherently risky and inaccurate. Often, price movements are determined by unanticipated factors, and Systematic Portfolios' analysis of known factors may prove incorrect, in each case potentially leading to substantial losses to Client portfolios.

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

Highly Volatile Markets. The prices of the securities and other financial instruments in which Client portfolios may invest may be volatile. Price movements of securities or other financial instruments may be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments and national and international political and economic events and policies. Client portfolios are subject to the risk of failure of any of the exchanges on which their positions trade or of its clearinghouses. In addition, governments from time to time intervene in certain markets, directly, by regulation and otherwise. Such intervention is often intended to directly influence prices and may, together with other factors, cause some or all of these markets to move rapidly in the same direction. The effect of this intervention is often heightened by a group of governments acting in concert.

Competition. The markets in which Client portfolios expect to participate are extremely competitive. There is the risk that competitors will be able to replicate the innovations of Systematic Portfolios and that any particular signal may decay over the medium-term as more and more capital gets allocated to harvest the risk arbitrage. There can be no assurance that Systematic Portfolios will be able to identify or successfully pursue attractive investment opportunities in this environment. Investors should expect that portfolio investments will involve substantially more company-specific and market risk and associated volatility in the future than the risks involved in these investments in the past. Systematic Portfolios competes with many firms, some of which may have substantially greater financial resources, more favorable financing arrangements, larger research staffs and more securities traders than are available to Systematic Portfolios and its portfolios.

Leverage and Liquidity Risks. Systematic Portfolios generally has the power to borrow funds (and otherwise incur leverage) on behalf of its Client portfolios and does so when it deems appropriate, which may result in significant and/or high levels of leverage. Client portfolios may borrow funds from brokers, banks and other lenders to finance its investing and trading operations, which borrowings may be secured by assets of the Client. The use of leverage can, in certain circumstances, maximize the losses to which portfolios may be subject. Any event that adversely affects the value of an investment would be magnified to the extent that a particular asset or portfolio as a whole are leveraged. The cumulative effect of the use of leverage in a market that moves adversely to portfolio investments could result in a substantial loss to a portfolio, which would be greater than if the portfolio were not leveraged. Leverage may be achieved through, among other methods, direct borrowing and purchases of securities on margin and the use of derivatives.

The use of margin, derivatives and short-term borrowings may result in substantial interest and financing costs to portfolios and may create other or additional risks. Specifically, portfolios may use a significant portion of capital for margin and collateral deposits. If the value of portfolio securities or derivatives positions falls below the margin or collateral levels required by a prime broker, custodian or other counterparty, additional margin or collateral deposits would be required. If a portfolio is unable to satisfy any margin or collateral call by a prime broker, custodian

or other counterparty, then such custodian or other counterparty could terminate transactions, liquidate portfolio positions in some or all of the financial instruments that are in the portfolio's margin or collateral accounts at the custodian or other counterparty and otherwise cause portfolios to incur significant losses. Furthermore, secured counterparties and lenders may have the right to sell, pledge, rehypothecate, assign, use or otherwise dispose of collateral posted by portfolios. This could increase exposure to the risk of a counterparty default since, under these circumstances, portfolios may be unable to recover the posted collateral promptly or may be unable to recover all of the posted collateral. The occurrence of defaults may trigger cross-defaults under the portfolio's agreements with other brokers, lenders, clearing firms or other counterparties, creating or increasing a material adverse effect on the performance of the portfolio.

Counterparty Risks. Systematic Portfolios establishes relationships to obtain prime brokerage services, all of which permit portfolios to trade in any variety of markets or asset classes over time; however, there can be no assurance that Systematic Portfolios will be able to maintain such relationships or establish new or additional relationships in the future. An inability to establish or maintain these relationships would limit portfolio trading activities and could create losses, preclude portfolios from engaging in certain transactions, derivative intermediation, financing, derivative and prime brokerage services and prevent portfolios from trading at optimal rates and terms. Moreover, a disruption in the financing and prime brokerage services provided by any of these relationships before Systematic Portfolios establishes additional relationships could have a significant impact on portfolios due to their reliance on such counterparties.

Some of the markets in which portfolios effect or may effect their transactions are "over-the-counter" or "inter-dealer" markets. The participants in these markets may not be subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. This exposes portfolios to the risk that a counterparty will not settle a transaction due to a credit or liquidity problem, thus causing portfolios to suffer a loss. In addition, in the case of a default, portfolios could become subject to adverse market movements while replacement transactions are executed. This "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement or where portfolios have concentrated their transactions with a single counterparty or small group of counterparties. Furthermore, there is a risk that any counterparties could become insolvent and/or the subject of insolvency proceedings. If one or more counterparties were to become insolvent or the subject of insolvency proceedings, there exists the risk that the recovery of portfolio securities and other assets from prime brokers or broker-dealers will be delayed or be of a value less than the value of the securities or assets originally entrusted to that prime broker or broker-dealer.

Portfolios may use counterparties located in jurisdictions outside the United States. These counterparties are subject to the laws and regulations in non-U.S. jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to portfolio assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize about the effect of their insolvency on portfolios and their assets.

Client portfolios not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. Moreover, Systematic Portfolios' internal process for evaluating the creditworthiness of its counterparties may prove insufficient. The ability of Systematic Portfolios to transact business with any one or more counterparties, the lack of complete and "foolproof" evaluation of the financial capabilities of counterparties and the absence of a regulated market to facilitate settlement may increase the potential for losses by Client portfolios.

Operational and Regulatory Risks

General Operational Risks. The volume and complexity of portfolio transactions may place substantial burdens on Systematic Portfolios operational systems and resources, including those related to trade entry and execution, position reconciliation, corporate actions, marking procedures, finance, accounting, profit and loss reporting, internal management and risk reporting and funds transfers. Human error (including, without limitation, trading errors), system failure or other problems with any of these processes could result in material losses or costs, which will generally be borne (directly or indirectly) by Client portfolios.

Execution Risks. Systematic Portfolios' trading strategy depends on its ability to establish and maintain an overall market position in a combination of financial. Should portfolio trading orders and investment decisions not be executed in a timely and efficient manner, portfolios might be able to acquire only some, but not all, of the components of such position, or if the overall position were to need adjustment, Systematic Portfolios might not be able to make the adjustment. In this type of an event, Client portfolios would not be able to achieve the market position selected by Systematic Portfolios and might incur a loss in liquidating their position.

Systems and Facilities Risks. Systematic Portfolios relies extensively on computer programs and systems to trade, clear and settle securities transactions, to evaluate certain securities based on real-time trading information, to monitor its portfolio and net capital, and to generate risk management and other reports that are critical to oversight of its activities. In addition, certain of Systematic Portfolios' operations may interface with or depend on systems operated by third parties, including its brokers, custodians and market counterparties. Although Systematic Portfolios has attempted to develop appropriate contingency plans, there can be no assurance that these plans will be effective. For example, a natural catastrophe or terrorist incident could temporarily or permanently interfere with the availability or efficient functioning of resources. Given the potential for extremely rapid price movements in the markets in which portfolios invest, any defect or failure in Systematic Portfolios' computer programs or systems or any interruption in Systematic Portfolios' or Fund administrator's access to its facilities, however brief, could have a material adverse effect on portfolios.

Valuation Risks. Although Systematic Portfolios attempts to mark portfolios to fair value, to the extent Systematic Portfolios is responsible for such valuation, substantial uncertainty and subjectivity will often exist, particularly for illiquid investments, and even Systematic Portfolios' best judgment as to fair value may not accurately reflect the prices at which Systematic Portfolios could actually purchase or sell these assets. Systematic Portfolios will determine the fair value of many investments based on a variety of valuation methodologies, which depend on a variety of inherently unreliable estimates and assumptions. The methodologies applied to particular assets or types of assets may vary from case to case and over time depending on a range of factors. A failure to properly value portfolio assets could have a material adverse effect on the returns earned by Clients and Investors. Many assets are subject to rapid changes in value caused by sudden company-specific or industry-wide developments. For certain illiquid investments, long periods of time may pass during which Systematic Portfolios will have no basis upon which to change the reported value of the investment, with the result that large price movements could occur suddenly when information does become available or an investment is liquidated. Performance Allocations will be calculated based on unrealized gains, on the basis of an estimate of fair value, which could be inaccurate. All values assigned to assets and liabilities generally will be conclusive and binding on Client portfolios and all Investors.

Restrictions on Trading and Position Limits. In connection with Systematic Portfolios' and its affiliates' activities, including their activities on behalf of other Clients, Systematic Portfolios and/or an affiliate may acquire confidential information or otherwise become restricted in its investment activities. For example, this occurs in connection with evaluating new investments, serving on the board of directors of issuers or serving on creditors' committees. In this event, Systematic Portfolios may not be free to act upon such confidential information in the course of performing its duties for the Fund, and Systematic Portfolios may not be able to initiate a transaction for its Client portfolios that it otherwise might have initiated, with the result being that the portfolio is unable to purchase or dispose of a position. These restrictions would apply even if portfolios were not involved in, and could not have benefited from, the receipt of such information or the imposition of another restriction.

Position limits and ownership thresholds imposed by various regulations may also limit Systematic Portfolios ability to effect desired trades. Position limits include maximum amounts of net long or net short positions that any one person or entity may own or control in a particular financial instrument. Other ownership thresholds include reporting requirements, volume limitations, short-swing profit rules, mandatory tender offer requirements, poison pill provisions and other regulatory or contractual requirements that make it illegal or undesirable to exceed a certain threshold of ownership in a particular issuer. In general, all positions owned or controlled by the same person or entity, even if in different accounts, will be aggregated for purposes of determining whether the applicable position limits or ownership thresholds have been exceeded. Thus, even if Systematic Portfolios itself does not intend to exceed the applicable limits, it is possible that different accounts managed by Systematic Portfolios and its affiliates may be aggregated. If at any time positions managed by Systematic Portfolios and its affiliates were to exceed the applicable limits, Systematic Portfolios and its affiliates could be required to liquidate positions to the

extent necessary to come within those limits. Further, to avoid exceeding the applicable limits, Client portfolios may have to forego or modify certain of their contemplated trades.

Cybersecurity Breaches and Identity Theft. Systematic Portfolios, its affiliates and its Client portfolios and their respective service providers will depend on information technology systems and, notwithstanding the diligence Systematic Portfolios may perform on its or its Clients' service providers, it may not be in a position to verify the risks or reliability of such information technology systems. Systematic Portfolios, its affiliates and its Client portfolios and their respective service providers are subject to risks associated with a breach in cybersecurity. "Cybersecurity" is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users as well as unintentional damage or interruption that, in either case, can result in damage and disruption to hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. Information and technology systems utilized by Systematic Portfolios, its affiliates and its portfolios will be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although Systematic Portfolios, its affiliates and its Client portfolios and its affiliates have implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, Systematic Portfolios, its affiliates and its Client portfolios may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in portfolio operations of Systematic Portfolios, its affiliates and Client portfolios and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to Clients and Investors (and the beneficial owners of Clients and Investors). Such a failure could harm the reputation of Systematic Portfolios, its affiliates and its Clients, subject any of those entities and their respective affiliates to legal claims and otherwise affect its business and financial performance. This damage or interruptions to information technology systems may cause losses to Client portfolios or individual Investors by interfering with the operations of Systematic Portfolios, its affiliates and its Client portfolios. The Fund may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, adverse investor reaction, the dissemination of confidential and proprietary information and reputational damage. Any breach could expose Systematic Portfolios, its affiliates and its Fund to civil, legal or regulatory liability as well as regulatory inquiry and/or action, and the Fund may be required to indemnify Systematic Portfolios and its affiliates against any losses incurred in connection therewith. Cybersecurity issues and risks are currently a major focus area of the SEC and other regulatory authorities.

Risks Relating to Fund Terms and Structure

Lack of Operating History. The Fund is a recently-formed entity that has limited operating or performance history which prospective investors can review in connection with an investment in a Fund. Systematic Portfolios is also a recently-formed entity with limited operational and performance history. Past performance of Systematic Portfolios, the Principal and their respective affiliates is not necessarily indicative of the future performance or profitability of the Fund, other Client portfolios or an investment therein. Systematic Portfolios' investment program should be evaluated on the basis that there can be no assurance that its assessment of the short-term or long-term prospects of investments will prove accurate or that portfolios will achieve their investment objectives.

Other Risks

In addition to these and other risks, there are other risks and potential conflicts related to the structure and terms of the Systematic Fund. These risk factors and potential conflicts of interest are discussed in detail in the Fund's Governing Documents, which should be read carefully before investing in the Systematic Fund.

Potential Conflicts of Interest

In the ordinary course of their businesses, Systematic Portfolios and its affiliates may engage in activities in which our interests may conflict with the interests of the Fund or Investors. Systematic Portfolios or its affiliates, in its ordinary course of business, may possess, or come into possession of, information relevant to the Fund's investment activities that it may be prohibited from disclosing to the Fund or Investors. Additionally, conflicts of interest may

occur between the Fund and other Client accounts. Systematic Portfolios and its affiliates generally attempt to handle these and other conflicts of interest in a manner that they deem to be fair and equitable under the circumstances, but there can be no assurance that they will be successful in this attempt, and the result in any particular case may be materially disadvantageous to Client portfolios or Investors relative to other interests. In any event, prospective Investors should be aware of the conflicting interests and incentives faced by Systematic Portfolios and its affiliates and personnel and the possibility that such interests and incentives could affect behavior, consciously or unconsciously.

Systematic Portfolios and its affiliates may face other actual or potential conflicts of interest in addition to those set forth below. With respect to the Systematic Fund, the general partner may (but will not be required to) establish and/or seek the consent and approval of a Limited Partner Advisory Committee, a majority in interest of the Investors or an independent third party with respect to any principal transactions, cross transactions, any other matters or transactions involving actual or potential conflicts of interest or any matters requiring client consent under Section 206(3) of the Advisers Act (or any other applicable laws or regulations), and the approval and/or consent of any of these persons will be conclusive and binding on the Fund and each of the Investors.

THE PRECEDING DISCLOSURE REGARDING RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE DESCRIPTION OR EXPLANATION OF THE RISKS ASSOCIATED WITH AN INVESTMENT IN THE FUND OR THROUGH SYSTEMATIC PORTFOLIOS. SUBSTANTIAL ADDITIONAL RISKS MAY BE PRESENT IN CONNECTION WITH AN INVESTMENT IN THE FUND OR THROUGH SYSTEMATIC PORTFOLIOS. AN INVESTMENT IN THE FUND OR THROUGH SYSTEMATIC PORTFOLIOS COULD RESULT IN A COMPLETE AND TOTAL LOSS.

ITEM 9: DISCIPLINARY INFORMATION

There are no legal or disciplinary events to report regarding Systematic Portfolios or any of its directors, executive officers, or principals regarding any criminal or civil actions in a domestic, foreign, or military court.

Neither Systematic Portfolios nor any of its directors, executive officers, or principals has been involved in any administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.

Neither Systematic Portfolios nor any of its directors, executive officers, or principals has been involved in any self-regulatory organization proceedings.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Systematic Portfolios Affiliated Entities

Systematic Portfolios will devote the time to its Clients' affairs as is consistent with achieving their investment objectives. However, except as otherwise provided in the Clients' operating and/or Governing Documents, Systematic Portfolios and any of its affiliates may engage in any activity permitted by applicable law.

Other Activities

Systematic Portfolios employees are generally expected to devote their full professional time and efforts to the business of Systematic Portfolios and its affiliates and avoid activities that could present actual or perceived conflicts of interest. Systematic Portfolios' employees may from time-to-time serve on boards or committees or have other outside activities that are unrelated to Systematic Portfolios' business activities. The Principal and Systematic Portfolios' employees must generally disclose all pre-existing outside activities and obtain prior approval from the Chief Compliance Officer for new outside activities. Please refer to Item 11 - Code of Ethics for a further discussion on potential conflicts of interest.

Other Registrations

Neither Systematic Portfolios nor any of its affiliates or related persons is registered, or has an application pending to register, as a securities broker-dealer, a registered representative of a broker-dealer, a futures commission merchant,

commodity pool operator or commodity trading advisor.

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

In performing its advisory services, Systematic Portfolios may give advice and take action with respect to any of its Client accounts that may differ from actions taken by Systematic Portfolios on behalf of other Clients accounts. Systematic Portfolios and its affiliates, along with their respective personnel, may invest or otherwise have an interest, either directly or indirectly, in the Fund. Client accounts may invest in the same investments as other Client accounts consistent with the terms of each Client's Governing Documents. Systematic Portfolios has implemented policies and procedures relating to personal securities transactions and insider trading that are designed to identify potential conflicts of interest, to prevent or mitigate actual conflicts of interest and to resolve conflicts appropriately, if they do occur.

Principal & Affiliate Transactions

Neither Systematic Portfolios nor any Systematic Portfolios affiliate may engage in any principal transaction with a Systematic Fund unless it complies with applicable law and relevant policies and procedures. Systematic Portfolios generally does not currently engage in principal transactions with the Systematic Fund and does not expect to engage in any principal transactions with the Systematic Fund in the future.

Pursuant to the Systematic Fund's Governing Documents, except as otherwise contemplated by specific provisions of those Governing Documents, Systematic Portfolios will not enter into any material contract, transaction, or investment with or for any Systematic Fund, which involves potential conflicts of interest with Systematic Portfolios, an affiliate or related person, unless such affiliate transaction is on terms and conditions which are no less favorable to the Fund than the terms and conditions of a similar arms-length agreement with a third party, and is consistent with provisions set forth in those Governing Documents, including consent by a majority interest or the relevant Limited Partner Advisory Committee, if required.

Code of Ethics

Systematic Portfolios has adopted a Code of Ethics to govern personal transactions by supervised persons and to assure that their interests do not conflict with the interests of the Systematic Fund or their Investors. As such, Systematic Portfolios' Code of Ethics includes: (i) standards of business conduct, requiring that supervised persons comply with relevant provisions of the federal securities laws and the fiduciary duties an investment adviser owes to its clients; (ii) personal securities transaction policies governing the personal investment activities of relevant personnel and requiring the submission by access persons of reports regarding their personal trading accounts and activities; and (iii) an insider trading policy. Personnel who fail to observe the Code of Ethics and related compliance policies risk serious sanctions, including dismissal and personal liability.

Personal Securities Transactions Policy

Systematic Portfolios' Code of Ethics includes a personal securities transactions policy, which imposes certain requirements and restrictions with respect to personal trading and investment activity by its access persons. In particular, the Code requires access persons to obtain the approval of Systematic Portfolios' Chief Compliance Officer prior to investing in initial public offerings, initial coin offerings or any private placements. Systematic Portfolios maintains and periodically updates a Restricted List, to reflect actual or potential investment activities of Client portfolios or other receipt of potential material non-public information. Access persons are also prohibited from investing in securities listed on the firm's Restricted List without prior approval by the Chief Compliance Officer. In appropriate circumstances the Chief Compliance Officer may grant waivers to Code of Ethics restrictions.

Insider Trading Policy

Systematic Portfolios and its related persons may, from time to time, come into possession of material nonpublic and other confidential information, which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Systematic Portfolios is prohibited from improperly disclosing or using such information for its personal benefit or for the benefit of any other person, regardless of whether that other person is a Client. Accordingly,

should Systematic Portfolios come into possession of material nonpublic or other confidential information with respect to any company, it is prohibited from communicating that information to, or using that information for the benefit of, its Clients, and has no obligation or responsibility to disclose such information to, nor responsibility to use that information for the benefit of, its Clients when following policies and procedures designed to comply with law. Accordingly, Systematic Portfolios' Code of Ethics establishes procedures to prevent the misuse of material nonpublic information by Systematic Portfolios' supervised persons.

Reporting Requirements Under the Code

To assist Systematic Portfolios in monitoring personal trading activities in order to detect potential conflicts of interest or violations of the Code of Ethics, fiduciary duty or applicable law, Systematic Portfolios' access persons must provide periodic reports with respect to personal securities transactions, holdings and accounts, including annual reports of holdings in reportable securities and quarterly reports of their personal transactions in reportable securities. These reports are submitted to and reviewed by the Chief Compliance Officer.

Gifts and Entertainment

Systematic Portfolios employees may on occasion accept gifts or invitations to entertainment but must always act in the best interest of Systematic Portfolios and its Clients and avoid any activity that might create an actual or perceived conflict of interest or impropriety in the course of the firm's business relationships. Systematic Portfolios' gifts and entertainment policy implements internal controls to monitor such activity, which include reporting or seeking pre-approval before giving or accepting gifts and entertainment of significant value and prohibiting or limiting the provision or receipt of cash gifts, as well as gifts or entertainment to government employees, foreign officials and certain other categories of recipients.

Political Contributions

Systematic Portfolios employees may from time-to-time make political or charitable contributions. Employees are required to report and/or seek pre-approval for contributions made to any political official, candidate for political office, political party or political action committee. Political contributions are generally permitted except where contributions may raise issues under the pay-to-play rule.

ITEM 12: BROKERAGE PRACTICES

Selecting Brokerage Firms

Systematic Portfolios is authorized to determine the broker or dealer to be used for each securities transaction for its Client portfolios. In selecting brokers or dealers to execute transactions, Systematic Portfolios need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not Systematic Portfolios' practice to negotiate "execution only" commission rates, thus the Client portfolios may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate.

In selecting brokers and negotiating commission rates, Systematic Portfolios will take into account, among other factors, the broker's financial stability and reputation, research, brokerage or other services provided. Systematic Portfolios does and may place transactions with a broker or dealer that (i) provides Systematic Portfolios (or an affiliate) with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers investors to the Fund or other products advised by Systematic Portfolios (or an affiliate), if otherwise consistent with seeking best execution; provided Systematic Portfolios is not selecting the broker-dealer in recognition of the opportunity to participate in such capital introduction events or the referral of investors.

Although Systematic Portfolios will make a good faith determination that the amount of commissions paid is reasonable in light of the products or services provided by a broker, commission rates are generally negotiable and thus, selecting brokers on the basis of considerations that are not limited to the applicable commission rates may result in higher transaction costs than would otherwise be obtainable. The receipt of these products or services and the determination of the appropriate allocation in the case of "mixed use" products or services create a potential conflict of interest between Systematic Portfolios and Investors.

Best Execution

In placing orders for the purchase and sale of securities, Systematic Portfolios seeks best execution, which includes both commissions and execution prices. Orders are placed with brokers or dealers which Systematic Portfolios believes to be reasonable and provide effective execution of portfolio orders under conditions most favorable to the portfolios. The portfolios generally invest and trade on a parallel basis with each other subject to different guidelines.

Soft Dollar Practices

Section 28(e) of the Exchange Act is a “safe harbor” that permits an adviser to use commissions or “soft dollars” to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (*i.e.*, connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics, trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

Systematic Portfolios does not have any formal soft dollar arrangements or agreements with broker-dealers. Systematic Portfolios receives research and brokerage services in connection with its overall economic relationship with broker-dealers, including non-trading and execution services, rather than in connection with specific commissions generated. Systematic Portfolios’ broker-dealers do not accrue soft dollar credits according to Systematic Portfolios’ brokerage transactions with the broker-dealers. Further, Systematic Portfolios does not receive any mixed-use soft dollar items as it does not receive any items from broker-dealers that are used for any purpose other than Systematic Portfolios’ investment management decision-making process. Accordingly, Systematic Portfolios’ receipt of research and services from broker-dealers is consistent with the Section 28(e) safe harbor. While Systematic Portfolios has not received any mixed-use services to date, Systematic Portfolios’ Best Execution Procedures require that in the event Systematic Portfolios receives any mixed-use services in the future, it should take reasonable steps to allocate the cost of such mixed-use service between itself and its Clients.

Systematic Portfolios has adopted and implemented a Best Execution and Soft Dollar Policy which includes, among other things, procedures for selecting brokers consistent with Systematic Portfolios’ duty of best execution as well as guidance regarding the research and other services that are permitted under the Section 28(e) safe harbor (“***Best Execution Procedures***”). Pursuant to the Best Execution Procedures, Systematic Portfolios monitors the execution quality and services received from prime brokers and other broker-dealers and evaluates best execution through ongoing broker evaluations and a formal annual broker vote.

Although Systematic Portfolios does not have any formal soft dollar arrangements or agreements with broker-dealers, Systematic Portfolios’ practice of receiving research and brokerage services in connection with its overall economic relationship with broker-dealers, including non-trading and execution services, creates conflicts of interest. The products or services acquired may not be exclusively for the benefit of Client portfolios that traded with the broker-dealer and that may primarily or exclusively benefit Systematic Portfolios. If Systematic Portfolios can acquire these products and services without expensing its own resources (including management fees paid by Clients), it would tend to increase Systematic Portfolios’ profitability.

Furthermore, Systematic Portfolios may have an incentive to select or recommend brokers based on its interest in receiving research or other products or services, rather than on Client portfolios’ interest in receiving most favorable execution. Systematic Portfolios may cause Client portfolios to pay commissions (or markups or markdowns) higher than those charged by other brokers in return for those benefits. During the last fiscal year, did not receive any soft dollar benefits.

Brokerage For Client Referrals

From time to time, brokers do and may provide opportunities for Systematic Portfolios to be introduced to potential investors. Systematic Portfolios' prime brokers or their affiliates may provide capital introduction or other placement services to the Fund and Systematic Portfolios (with or without separate charges for such other services). These "capital introduction" opportunities may influence Systematic Portfolios' decision to use (or continue to use) the services of these brokers, rather than selecting brokers solely based on the Client portfolios' interest in receiving most favorable execution. Systematic Portfolios may select broker-dealers that provide capital introduction opportunities, provided Systematic Portfolios is not selecting the broker-dealer in recognition of the opportunity to participate in these capital introduction events or the referral of investors.

Directed Brokerage

Systematic Portfolios does not recommend, request or require Clients to direct it to execute transactions through a specified broker-dealer. Systematic Portfolios also does not permit Clients to direct brokerage for order execution purposes.

Order Aggregation and Allocation of Investment Opportunities

Systematic Portfolios generally seeks to execute orders for Client portfolios on an equitable basis. While not required, Systematic Portfolios typically aggregates Client orders to achieve more efficient execution or to provide for equitable treatment among Client portfolios. Client portfolios participating in aggregated trades will be allocated securities based on the average price achieved for these trades. Similarly, if an order on behalf of a Client portfolio cannot be fully executed under prevailing market conditions, Systematic Portfolios allocates the trade among the portfolios on a basis that it considers equitable.

Trade Errors

Systematic Portfolios adopted policies and procedures regarding handling and resolution of trade errors in its compliance manual. Consistent with its fiduciary duties, Systematic Portfolios' policy is to use the utmost care in making and implementing investment decisions with respect to Client accounts. To the extent trade errors occur, Systematic Portfolios seeks to ensure that Clients' best interests are served. Consistent with provisions in Governing Documents, Client portfolios generally will be responsible for trade errors (except for errors caused by the bad faith, willful misconduct or gross negligence of Systematic Portfolios, any of its employees or affiliates).

ITEM 13: REVIEW OF ACCOUNTS

Reviews

Systematic Portfolios invests capital of its Client portfolios in securities and other financial instruments. The Principal continually conducts reviews of portfolios and their investments. In monitoring the performance of the investments, Systematic Portfolios performs various levels of review. Among other items, it considers short and long-term rates of return, investment diversification and risk allocations and prepares and reviews risk reports on an ongoing basis to ascertain portfolio risks.

Reports

Investors receive annual audited financial statements of the Fund in which they are invested; monthly account statements; monthly performance reports; and tax information regarding the Fund necessary for the completion of each Investor's individual tax return. Other Clients receive monthly account statements and performance reports. Systematic Portfolios may provide additional reporting or information rights such as interim capital account balances to certain Investors pursuant to specific requests or side letter terms and provisions. The Principal is available for discussions with Clients and Investors on a periodic or agreed upon basis. Fund books and records are available for inspection by Investors at reasonable times during business hours.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Systematic Portfolios currently does not receive any economic benefit from any person (other than the Fund) for providing investment advisory services to the Fund. Systematic Portfolios currently does not compensate any third

party for client or investor referrals.

ITEM 15: CUSTODY

The general partner for the Systematic Fund is generally deemed to have custody of Client funds and securities for purposes of Rule 206(4)-2 under the Advisers Act. Systematic Portfolios does not have custody of its other Client accounts. In order to comply with Rule 206(4)-2, Systematic Portfolios utilizes the services of qualified custodians (as defined under Rule 206(4)-2) to hold the Systematic Fund's assets, to the extent required by the that rule. Systematic Portfolios also ensures that each qualified custodian maintains these assets in an account that contains only Client assets, under the Client's name. Cash for the Systematic Fund is maintained at a bank.

In accordance with Rule 206(4)-2, Systematic Portfolios (i) engages an independent auditor, registered with and subject to inspection by the Public Company Accounting Oversight Board to audit the Systematic Fund at the end of each fiscal year and (ii) distributes the results of the audit in audited financial statements that are prepared in accordance with generally accepted accounting principles to all Investors in the Systematic Fund within 120 days after the end of the fiscal year for each Systematic Fund. The independent auditor is disclosed in Item 23 of Section 7.B.(1) of Form ADV Part 1A with respect to the Systematic Fund.

ITEM 16: INVESTMENT DISCRETION

Systematic Portfolios provides investment advisory services to the Systematic Fund and its other Client accounts on a discretionary basis subject to, in the case of the Systematic Fund, the overall supervision of the general partner. This discretion includes authority over the types of financial instruments to be bought or sold as well as the amount to be bought or sold on behalf of Client accounts; authority to determine the broker-dealer or other counterparty to be used for portfolio transactions; and the negotiation of commission rates and other consideration to be paid by Client portfolios.

Each Investor in the Systematic Fund generally grants us a limited power of attorney to enable Systematic Portfolios or one of its affiliates to execute the applicable partnership agreement and to take certain other limited actions with respect to the Fund on behalf of Investors. Investors in the Systematic Fund do not have authority to impose any restrictions upon Systematic Portfolios' discretionary authority. However, Systematic Portfolios may, under certain circumstances, enter agreements or side letters with certain Investors that limit certain investments to address specific legal, regulatory, tax or policy restrictions of the investor.

ITEM 17: VOTING CLIENT SECURITIES

Systematic Portfolios has the authority to vote proxies on behalf of its Client portfolios. Systematic Portfolios has adopted proxy voting policies and procedures designed to further the best interests of its Clients, its fiduciary duties, and Rule 206(4)-6 under the Advisers Act.

In general, Systematic Portfolios' policy is to vote proxy proposals, amendments, consents or resolutions in a manner that serves the best interests of its Clients, as determined in its discretion, and avoid any conflicts of interest in voting proxies. Systematic Portfolios may consider multiple factors when determining whether or how to vote a proxy, including the size of the position and whether its vote will make a difference in the vote, the perceived significance of the issues addressed in such proxy vote, and other factors as deemed relevant by Systematic Portfolios. Systematic Portfolios may also elect to take no action with respect to a proxy if it is in the best interest of its Clients not to vote a proxy. Investors may not direct or otherwise influence Systematic Portfolios' vote with respect to any particular proxy solicitation.

Systematic Portfolios will review proxy materials to identify potential conflicts of interest. A conflict of interest will be considered material to the extent that the conflict has the potential to influence Systematic Portfolios' decision-making in voting a proxy. If a material conflict of interest is identified, Systematic Portfolios may abstain from voting or use other methods to resolve or otherwise mitigate the conflict, which may include disclosing the conflict and obtaining consent from Clients or Investors before voting; engaging a third party to recommend a vote on the proxy based on its proxy voting guidelines; suggesting to the Client that it engage another party to vote the proxy on its behalf; or any other method as is deemed appropriate under the circumstances given the nature of the conflict. Systematic Portfolios will maintain a written record of the method used to resolve or otherwise mitigate any material

conflict of interest.

Investors may obtain copies of the Adviser's Proxy Voting Policy, together with information regarding how Systematic Portfolios voted past proxies, by contacting Systematic Portfolios.

ITEM 18: FINANCIAL INFORMATION

Systematic Portfolios does not have any financial commitment that impairs its ability to meet contractual and fiduciary commitments to its Clients. Systematic Portfolios has not been the subject of any bankruptcy proceeding.