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This brochure provides information about the qualifications and business practices of Validus Growth Investors, LLC. If you have any questions about the contents of this brochure, please contact us at (858) 410-1410 or celia.murphey@validusgrowth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") nor by any state securities authority.

Additional information about Validus Growth Investors, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. You may view our information on this website by searching for "Validus Growth Investors, LLC." You may also search using the Firm's CRD number, 166575.

*Registration as an investment adviser does not imply a certain level of skill or training.

Item 2. Material Changes

The following material changes were made to the brochure since our last annual filing on March 8, 2023:

Item 5 Fees & Compensation - The firm has added a fee structure for institutional investors ranging from 40 bps to 60 bps based on assets under management. The fee schedule is outlined in Item 5.

Item 8. Methods of Analysis, Investment Strategies, and Risk of Loss - The firm has added three new investment strategies that seek to generate higher risk-adjusted returns by using a proprietary research process to find emergent points of inflection via alternatives to traditional asset allocation. The strategies include the use of concentrated positions, hedging and structured notes. The strategies are further described in Item 8.

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Item 4. Advisory Business

Introduction

In November 2012, Validus Growth Investors, LLC, doing business as Validus Investment Advisors, (“Validus”) with headquarters in San Diego, CA was established by Mark C. Scalzo, Managing Partner and Chief Investment Officer, to provide investment advisory services to a broad range of clients by implementing fundamental, bottom-up growth equity strategies with active market risk mitigation. Mr. Scalzo currently owns 76.1% of the voting rights of Validus.

Principal Members

Mark C. Scalzo

As Managing Partner and Chief Investment Officer, Mark Scalzo is responsible for design, implementation, and enhancement of Validus’ investment philosophy and process, managing all of Validus’ investment strategies and overseeing day-to-day operations and research efforts.

Advisory Services Offered

Validus manages several model strategies which are used to manage portfolios across several types of relationships as described below. The Validus model strategies are composed of equities or a combination of equities and ETFs.

Separate Account Management (“SAM”)

Validus offers separate account investment management services to retail clients, institutional clients, including public and private pension plans, endowments and foundations, independent RIAs, and high net worth individuals. All separately managed client accounts are invested according to a specific Validus model strategy, consistent with each client’s risk profile. The client accounts using a particular model strategy are similarly managed, rebalanced to the dynamic model portfolio on a periodic basis, and subject to Validus’ trade allocation policy. All separate account clients can place reasonable client-specific restrictions regarding their accounts as agreed with Validus.

Asset Allocation Services

On a limited basis, Validus provides asset allocation portfolios to existing high net worth clients whose changing risk profiles require more conservative portfolios or income over capital appreciation. These portfolios are constructed utilizing portfolio optimization at the asset class level and implemented with individually scored mutual funds and/or ETFs. To the extent mutual funds are utilized, Validus does not charge a commission and seeks the lowest cost advisory share class available on its custody platform.

Model Portfolio Advisory Services

Institutional Portfolio Advisor to Third Party Investment Advisers

Validus also provides its model equity strategies to certain investment advisory firms and investment programs, including Unified Managed Account (UMA). For these relationships, Validus does not interact directly with the individual end-client, but interfaces with the third-party investment adviser. For most of these relationships, Validus provides regular management and maintenance of these model portfolio strategies, including continuous monitoring, and provides re-balancing trade instructions to the third-party investment adviser. The model equity strategies provided to third party investment advisers are the same strategies used by Validus in managing portfolios for SAM clients and for the Destra Multi-Alternative Fund for which Validus serves as sub-adviser, as described in more detail below.

Sub-Adviser to Investment Company

Validus is engaged as the investment sub-adviser to the Destra Multi-Alternative Fund (the "Fund"), a closed-end registered investment company traded on the New York Stock Exchange under the symbol DMA. As a sub-adviser, we provide investment advice, and the Fund is an available investment option for our SAM clients. Therefore, investors in the Fund may also be SAM clients; however, the Fund will be open to any investor meeting the Fund's minimum investment levels.

Since Validus is the sub-adviser to the Fund and receives a management fee for its services, Validus has an incentive and inherent conflict of interest to favor the Fund when selecting investments for SAM clients. Increases in the value of the Fund will result in increases in the fund management fee paid to Validus. However, if a SAM client portfolio managed by Validus holds a position in the Fund, the Fund assets will be excluded from the investment advisory fee charged to the client. Please refer to Item 5 of this Brochure for a description of our fees.

Validus may determine that the Fund is a suitable alternative investment vehicle for the separate account clients. When Validus utilizes the Fund on behalf of clients, Validus does not receive a commission and will seek to utilize the institutional share class for clients, with permission from the Fund.

We maintain limited power of attorney to act on a discretionary basis when managing the Fund. We are responsible for investment selection, asset allocation, and asset management decisions regarding the Fund, which generally mirror those of the Validus equity strategies provided to third party investment advisers and SAM clients as noted above.

When managing the Fund, we will select the following general types of investments:

- Public and Private Real Estate Investment Trusts (REITs)
- Public and Private Business Development Companies (BDCs)
- Limited Partnerships

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- Private Investment Funds
- Common Stocks
- Debt Securities
- Exchange Traded Funds (ETFs), mutual funds, and closed-end funds
- Master Limited Partnerships (MLPs)

Research Services

Validus provides investment research services such as security analysis and asset association to clients, which include investment advisers, broker dealers, and financial institutions. Validus does not directly manage the assets under these relationships.

Assets Under Management / Advisement

As of December 31, 2023, Validus Growth Investors has \$123,717,341 in discretionary assets under management and \$124,935,425 in non-discretionary assets under management. Total assets under management are \$248,652,766. Additionally, Validus has another \$356,188,875 under advisement.

Item 5. Fees and Compensation

Separate Account Management

Fee Rates – Direct Retail Clients

The fee rates direct retail clients for separate account management by strategy are as follows:

		<u>Fees</u>	<u>Optional Performance-Based Fee</u>
Separate Account Management	Less than \$1m in AUM	1.25%	<u>or</u> 0.70% Base Fee <u>plus</u> 20% of gains in excess of an annual hurdle
	\$1m in AUM or greater	Negotiated	
Asset Allocation Portfolios	Less than \$1m in AUM	1.00%	
	\$1m in AUM or greater	Negotiated	
Research Services		Negotiated	

Fee Rates – Institutional Investors

The fee rates for institutional investors for separate account management by strategy are as follows, subject to a minimum annual fee of \$100,000:

	Global Growth	International Growth	Rising Dividend	All-Cap Growth	Small Cap Growth
1 st \$25 million AUM	65 bps	70 bps	45 bps	40 bps	60 bps
Next \$25 million AUM	55 bps	60 bps	40 bps	35 bps	50 bps
Next \$50 million AUM	45 bps	50 bps	35 bps	30 bps	40 bps
Above \$100 million AUM	Negotiable	Negotiable	Negotiable	Negotiable	Negotiable

AUM = assets under management bps = basis points

Billing

Validus generally deducts fees from separately managed client accounts in arrears on a quarterly basis based upon the average daily balance of the account assets during the period. If an eligible Client elects a performance-based fee, it is calculated on an annual basis as a share of gains in excess of an annual hurdle as agreed with the Client. Clients may also elect to be billed directly. When Validus allocates a SAM client's portfolio into the Fund, Validus will receive compensation as sub-adviser to the Fund but will exclude those assets from the investment advisory fee charged to the client.

For Model Portfolio Advisory Services, fees are received subject to a separate advisory agreement with timing consistent with client's billing policies.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30-day written notice. In the event of a new account opening or termination intra-period, fees will be calculated on a pro rata basis using the average daily value of assets under management during the shortened period.

Other Expenses and Additional Costs

Other services providers are compensated for providing services for your account. The Custodian and Broker-Dealer, among others, will charge fees for providing account services such as custody, margin interest, taxes, transactions, and trading. Clients are billed separately for all custody and transaction costs. In addition, Validus utilizes ETFs and/or mutual funds to implement its portfolios, especially with respect to asset allocation strategies. These ETFs and mutual funds have their own

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internal management fees and trading costs.

Model Portfolio, Portfolio Advisory

We provide model portfolio management and portfolio services according to a negotiated fee schedule with program sponsors based on assets under management or based upon a negotiated fixed fee.

Research Services

Research services are provided typically on a fixed fee basis.

Sub-Adviser to an Investment Company

Validus is paid an annual fee of 0.675% based on the amount of assets held in the Fund. The annual fee is paid monthly in arrears based on the daily net assets of the Fund. Validus believes that its fees are competitive with those fees charged by other investment advisers for comparable services. However, Validus' fees may be higher or lower than fees charged by other investment advisers. In addition to Validus' management fee, shareholders will pay other annual fund operating expenses such as shareholder servicing fees, acquired fund fees and expenses, and certain other fees ("Net Annual Fund Operating Expenses").

When Validus allocates an SAM client's portfolio into the Fund, Validus will receive compensation as sub-adviser to the Fund but will exclude those assets from the investment advisory fee charged to the client.

As we have selected Interactive Brokers to serve as broker of the Fund, they are responsible for executing securities transactions. As broker, Interactive Brokers receives commissions for its services. We do not lower or offset our management fee by the amount of compensation received by Interactive Brokers.

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

For certain separate accounts, Validus has entered into performance fee (that is, fees based on a share of capital gains on or capital appreciation of the assets of a client) arrangements as described above. Performance fees are charged only to "qualified" clients in accordance with Rule 205-3 of the Investment Advisers Act of 1940. These performance fees are individually negotiated and therefore will generally vary from client to client.

Item 7. Types of Clients

Validus offers separate account investment management services for institutional clients, including

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public and private pension plans, endowments and foundations, independent RIAs, and high net worth individuals. Validus' minimum account size for separate account management is \$1,000,000; however, Validus reserves the right to accept smaller accounts at its discretion.

Validus also offers model portfolio advisory services to certain investment advisory firms, investment companies and investment programs, including Unified Managed Accounts (UMA). Minimum investment amounts are established in the model portfolio advisor agreement between us and the program sponsor.

Validus also acts as the sub-adviser to the Fund, a closed-end management investment company registered under the Investment Company Act of 1940.

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

Investment Philosophy

Validus is predominantly a research-focused, bottom-up, fundamentally driven growth equity manager. Validus will consider the growth prospects of any company in the investable universe independent of its "label" by evaluating specific characteristics and prospects to determine whether a growth trajectory exists.

All of Validus' equity strategies employ the same philosophy and process. We identify positive buying behaviors — and we seek company-specific growth wherever it leads and no matter how it is defined by the market.

Our Investment Philosophy is driven by the following key concepts:

- An active growth strategy with an appropriate investment horizon, stock-specific focus and market risk mitigation deserves a place in every portfolio;
- Consistent excess returns result from a benchmark agnostic process;
- Fundamentals determine stock performance over time, sentiment matters in the short-term; and
- Evidence validated through experience drives decisions.

Buy Discipline

Validus' method utilizes an iterative process to uncover key characteristics of individual portfolio candidates:

- We construct individual investment mosaics for companies that possess certain key attributes (investment "Pillars") including Buying Behaviors, an identifiable Growth Thesis, sufficient Financial Capacity, and reasonable Valuation while accounting for Specific Risks.
- We evaluate using the S.C.O.R.E. Proprietary Ranking (Systematic, Customized Oppportunity

and Risk Evaluation).

Risk Management

Employing a portfolio and risk management approach is an important part of Validus' investment process. After proprietary research efforts lead to a S.C.O.R.E. ranking of growth opportunities, we use several tools seeking to reduce risk and enhance diversification across a range of portfolio perspectives. This would include risk budgeting, portfolio guidelines, market exposure and exit/entry awareness.

Sell Discipline

Validus believes that a well-defined sell discipline is crucial to a repeatable investment process. Validus' sell discipline seeks to identify fundamental breakdowns before they are reflected in a company's stock price. This requires us to be pro-active in identifying material changes in the growth thesis, financial strength, or knowledgeable investor commitment on a company-by-company basis.

Specifically, a sale is triggered when there is a material fall in a portfolio holdings' S.C.O.R.E. ranking caused by any of the following circumstances (usually a combination of circumstances):

- Significant selling behavior;
- Growth thesis does not materialize within investment horizon, or substantially breaks down along the way;
- Achievement of earnings goal with no new growth thesis;
- Significant and prolonged P/E compression that suggests earnings are being materially revalued;
- Technical analysis that suggests material negative headwinds that can overwhelm positive long-term fundamentals; and/or
- Identification of a previously unknown and/or unidentified material risk.

Investment Strategies

Validus is predominantly an equity manager that invests in growth companies while actively seeking to control risk.

Fundamental Strategies employ proprietary fundamental research and utilize a combination of qualitative and quantitative analysis to evaluate the strength and quality of each investment opportunity.

Global Growth

Validus' Global Growth strategy seeks growth and capital appreciation by investing in 35 global equities with compelling growth stories, convincing positive buying behaviors, sound balance

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sheets and attractive valuations while implementing stock-specific and portfolio risk management tools.

International Growth

Validus' Classic International Growth strategy seeks growth and capital appreciation by investing in 35 international equities with compelling growth stories, convincing positive buying behaviors, sound balance sheets and attractive valuations combined with stock-specific and portfolio risk management tools.

Rising Dividend

Validus' Rising Dividend strategy seeks growth and income by investing in 30 U.S. equities with compelling growth stories, convincing positive buying behaviors, sound balance sheets, attractive valuations, larger market capitalizations (\$20 billion or greater at time of original investment), and sustainable, growing dividends while implementing stock-specific and portfolio risk management tools.

Systematic Strategies employ a factor-based quantitative framework to evaluate the strength and quality of each investment opportunity.

U.S. All Cap

Validus' Systematic US All Capitalization strategy seeks growth and capital appreciation by investing in 35 U.S. equities with market capitalizations ranging from \$2 billion and up, compelling growth stories, convincing positive buying behaviors, and stock-specific risk management tools.

Mid Cap Growth

Validus' Mid Cap Growth strategy seeks growth and capital appreciation by investing in 20 U.S. equities with compelling growth stories, convincing positive buying behaviors, sound balance sheets, attractive valuations, and medium-sized market capitalizations (between \$2-10 billion at time of original investment) while implementing stock-specific risk management tools.

Small Cap Growth

Validus' Systematic Small Cap Growth strategy seeks growth and capital appreciation by investing in 20 U.S. equities with compelling growth stories, convincing positive buying behaviors, sound balance sheets, attractive valuations, and smaller market capitalizations (between \$1-2 billion at time of original investment) while implementing stock-specific risk management tools.

Micro Cap Growth

Validus' Systematic Micro Cap Growth strategy seeks growth and capital appreciation by investing in 20 U.S. equities with compelling growth stories, convincing positive buying behaviors, sound balance sheets, attractive valuations, and very small market capitalizations, (less than \$1 billion at time of original investment) while implementing stock-specific riskmanagement tools.

Alpha Strategies

Alpha strategies seek to generate higher risk-adjusted returns by using a proprietary research process to find emergent points of inflection via alternatives to traditional asset allocation.

Hedged Alpha - The Hedged Alpha strategy seeks to enhance capital appreciation and preserve principle by reinvesting the income from a concentrated portfolio of dividend paying companies in a combination of different options.

Buffered Alpha - The Buffered Alpha strategy seeks to achieve risk-managed income and growth by the selection of a basket of stocks identified by Validus as growth stocks as the underlier within a structured note format.

Concentrated Alpha - The Concentrated Alpha strategy seeks capital appreciation by investing in a portfolio of 10 or less stocks identified by Validus as growth stocks.

Alternative Investment Strategy

As the sub-adviser to the Fund, Validus focuses on finding, analyzing, and selecting investments from the investment universe of publicly listed, public non-listed, private non-listed, and institutional alternative strategies, with a concentration on institutional alternative strategies. Generally, opportunities are sourced through the relationships and networks of the portfolio managers. Validus' publicly traded investments are typically covered by analysts; non-publicly traded/private ("illiquid securities" or "illiquid products") strategies utilized by us generally are not. In such cases, Validus supplements its own research with that of third-party due diligence providers. The research process includes the gathering of financial and non-financial information, initial management interviews, and discussions with third parties including due diligence providers and other industry and non-industry relationships, to determine if the product potentially meets the Validus investment strategy.

Validus maintains a pipeline of products in its investment universe. Each investment is compared against other available investment options on a risk-return basis. This process is completed using a proprietary 15-factor scoring methodology. Once investment products have passed the initial research component and have been initially scored ("Phase 1"), the portfolio management team prioritizes investments that they believe are best suited to complement the existing portfolio, based on various factors. Next, the portfolio management team begins analyzing the investment opportunity in "Phase 2" and "Phase 3" of the process, during which the opportunities are re-scored. During the analysis, the portfolio management team will gather more detailed information on the

sponsor, management or advisory team, product, investment portfolio, structure, sector, competition, intangibles, and other areas. Validus dissects an array of relevant quantitative and qualitative information about the product and manager, including track record, current financials, financial projections, and information about investment processes. Portfolio Managers hold management interviews where they gather specific answers to questions, discuss risks of the investment, and talk about the competitive landscape, among many other pertinent items. Often, the portfolio management team will make site visits to the company's headquarters office to meet their team and perform additional interviews. The 3-Phase approach can range anywhere from several weeks to several months or even years to complete.

Investments that pass the analysis phases are then proposed to the investment committee of Validus for a vote. If approved, the portfolio managers determine the target allocation percentage and update the model(s) accordingly. Investments are executed at the discretion of the portfolio managers as cash is raised, with the use of a credit facility to enhance cash management techniques. Execution for most non-listed products includes completing subscription documents, trade blotters, wiring funds, and coordinating the parties accordingly. We perform ongoing analysis of each non-listed investment by reviewing SEC filings, reviewing ongoing third-party due diligence reports, conducting regular interviews with management teams and their representatives, and conducting fair valuation reviews monthly with the fair valuation committee, amongst other processes. As "legacy" non-listed products experience liquidity, often via events such as public listings, we will evaluate and determine whether that security should be held, rebalanced, or sold. Validus may also redeem shares of legacy assets as redemption programs open in order to reduce issuer risk and/or further diversify the overall portfolio. The investment team has relationships throughout the industry across varying levels of this space, which they believe can benefit the investors. The team seeks to find what they believe to be best-in-class investments and focus on investments for the Fund that will add value to the investors.

Other Information Regarding Alternative Investment Strategy

Many of our recommendations and decisions, as well as those of the Fund's portfolio manager, are subjective. We may sometimes take defensive positions inconsistent with the Fund's principal investment strategy in trying to respond to adverse market, economic, political, or other conditions. During such times, we may determine that the Fund should invest up to 100% of its liquid assets in cash or cash equivalents including money market instruments; prime commercial paper; repurchase agreements; Treasury bills; and other short-term obligations of the U. S. Government, its agencies, or instrumentalities. In this and in other cases, the Fund may not achieve its investment objective. We may invest the Fund's cash balances in any investments we deem appropriate. We expect that such investments will be made, without limitation and as permitted under the 1940 Act, in money market funds, repurchase agreements, U.S. Treasury and U.S. agency securities, municipal bonds, and bank accounts. Any income earned from such investments is ordinarily reinvested by the Fund in accordance with its investment program.

We may enter into hedging transactions through the purchase of securities or through other mediums to mitigate certain risks such as an increase in interest rates or a decrease in commodity prices. We may also use leveraging strategies through lines of credit to efficiently manage cash and increase investment exposure.

The frequency and amount of portfolio purchases and sales (known as the "portfolio turnover rate") will vary from year to year. It is anticipated that the Fund's liquid sleeve portfolio turnover rate will ordinarily be between 25% and 75%. The portfolio turnover rate is not expected to exceed 100% but may vary greatly from year to year and will not be a limiting factor when we deem portfolio changes appropriate. Although the Fund generally does not intend to trade for short-term profits, the Fund may engage in short-term trading strategies, and securities may be sold without regard to the length of time held when investment considerations warrant such action. These policies may increase the annual rate of portfolio turnover of the Fund. Higher rates of portfolio turnover would likely result in higher brokerage commissions and may generate short-term capital gains taxable as ordinary income. If securities are not held for the applicable holding periods, dividends paid on them will not qualify for the advantageous federal tax rates.

Risk of Loss

Past performance is not indicative of future results. Therefore, investors should never assume that the future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, ETFs, and bonds) involves risk of loss. Further, depending on the different types of investments, there are varying degrees of risk. Investors should always be prepared to bear investment losses including the loss of the original principal.

Because of the inherent risk of loss associated with investing, we are unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate investors from losses due to market corrections or declines.

Client performance varies with the success and failure of our investment strategies, research, analysis, and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

The material risks associated with the investment strategies discussed above will include, but are not limited to, one or more of the following:

Return on Capital

There can be no assurance that clients will be able to achieve their investment objectives or that investors will receive a return of their capital. Validus may not be able to execute a client's investment objectives or generate returns to investors commensurate with the risk of investing in the types of transactions described herein. Through human error, oversight or operational weaknesses, mistakes could occur in executing a client's investment strategies which could lead to

significant trading losses. A client may be required to bear losses resulting from trading errors and similar human error.

Equity Securities

Investments may include common stock and equity securities. Market prices of equity securities generally, and of certain companies' equity securities in particular, frequently are subject to greater volatility than prices of fixed-income securities. In addition, actual or perceived accounting irregularities may cause dramatic price declines in the equity securities of companies reporting such irregularities or that are rumored to be experiencing irregularities. Common stock and similar equity securities generally represent the most junior position in an issuer's capital structure and, as such, generally entitle holders to an interest in the assets of the issuer, if any, remaining after all more senior claims to such assets have been satisfied. Holders of common stock generally are entitled to dividends only if and to the extent declared by the governing body of the issuer out of income or other assets after making interest, dividend, and any other required payments on more senior securities of the issuer.

Debt instruments and Fixed-Income Securities

Investments may include debt instruments and fixed-income securities. The value of such instruments and securities changes in response to fluctuations in interest rates and in the perceived credit risk associated with a particular instrument/security and its issuer.

REIT Risks

The performance of REITs is generally dependent upon the quality of internal management, most REITs are not diversified and may be concentrated by region and/or property type. REITs are also subject to heavy cash flow dependency, defaults by borrowers and self-liquidation. In addition, REITs could possibly fail to qualify for pass-through of income under applicable tax law if they are not managed correctly. Other factors may also adversely affect a borrower's or a lessee's ability to meet its obligations to the REIT. In the event of a default by a borrower or lessee, the REIT may experience delays in enforcing its rights as a mortgagee or lessor and may incur substantial costs associated with protecting its investments which may have a negative impact on the share price of the security.

Risks Related to Investments in ETFs, Open-End and Closed-End Funds

Certain Validus investment strategies may invest in shares of ETFs, open-end funds and closed-end funds or similar products ("Underlying Funds"). ETFs and closed-end funds may trade at prices that vary from their net asset value, sometimes significantly. Performance of an ETF pursuing a passive index-based strategy may diverge from the performance of the index. Investments in Underlying Funds are subject to the risks of such Underlying Fund's investments, and investors will bear not only the management fees and operating expenses charged by Validus but also their

proportional share of the management fees and operating expenses of the Underlying Funds. Clients can invest directly in Underlying Funds without incurring additional fees by investing through Validus.

Master Limited Partnership (MLP) Risk

An investment in MLPs involves risks that differ from a similar investment in other equity securities, such as common stock of a corporation. Holders of equity securities issued by MLPs have the rights typically afforded to limited partners in a limited partnership. As compared to common shareholders of a corporation, holders of such equity securities have more limited control and limited rights to vote on matters affecting the partnership. There are certain tax risks associated with an investment in equity MLP units. MLPs are subject to interest rate risk. Rising interest rates could increase the costs of capital thereby increasing operating costs and reducing the ability of MLPs to carry out acquisitions or expansions in a cost-effective manner which could negatively affect the financial performance of MLPs.

Business Development Company (BDC) Risk

BDCs invest primarily in debt and equity securities of smaller and developing companies, as well as financially troubled companies, most of which are privately held and lack publicly available information. As a result, investments in BDCs tend to be risky and speculative. Such risks include but are not limited to portfolio company credit and investment risk, leverage risk, market and valuation risk, price volatility risk, liquidity risk, capital markets risk, interest rate risk, dependence on key personnel, and structural and regulatory risk.

Concentrated Positions Risk

A concentrated stock position exposes the investor to significant risk exposure and additional volatility based on the performance of a single or limited number of companies. In addition, a concentrated position and lack of diversification may create liquidity issues and potential tax issues.

Derivatives, Leverage and Hedging Risk

The Advisor may use leverage in its investment program, including the use of borrowed funds and investments in certain types of options, such as puts, calls and warrants. Leverage strategies increase the risk of loss. To the extent the Advisor purchases securities with borrowed funds, net assets will tend to increase or decrease at a greater rate than if borrowed funds are not used. The interest costs associated with such borrowing will reduce the Advisor's profits. If the interest expense on borrowings were to exceed the return on the investments made with borrowed funds, the use of leverage would result in a lower rate of return than if leverage was not used.

Hedging may fail to mitigate risk, may limit profits and may increase losses. Hedging strategies are intended to limit or reduce investment risk, but can also be expected to limit or reduce the

potential for profit. The Advisor may utilize financial instruments for clients--such as forward contracts, options, interest rate swaps, caps and floors--to hedge against fluctuations in the value of its investments caused by such things as changes in exchange rates, changes in interest rates, changes in commodity prices and fluctuations in the equity markets in general. Hedging does not eliminate fluctuations in the investment's value or prevent losses, but establishes other positions designed to gain from the underlying causes of such fluctuations or losses. Hedging also limits the opportunity for gain if the value of an investment increases. Moreover, an attempt to hedge against a risk may simply fail, or cost more than the protection it provides. For example, the cost of options is related, in part, to the degree of volatility of the underlying securities. Accordingly, options on highly volatile securities may be more expensive than losses caused by the related fluctuations in those securities.

Structured Note Risk

Structured notes are hybrid securities that combine debt securities (generally bonds) and derivatives to create the payout structure. Structured notes are generally considered to be illiquid investments since there is not a market to resell a structured note and they include a debt or bond component with a future maturity date. Prior to investing, investors should carefully consider if they will be able to hold the structured note until maturity. The return on a structured note is linked to the performance of an underlying asset, group of assets, or index. This derivative component is created based on the movement of one or more "factors." These factors may include, but are not limited to, currency exchange rates, interest rates, referenced bonds, and stock indices. Some of these factors may or may not correlate to the total rate of return on one or more underlying instruments referenced in such notes. In some cases, the impact of the movements of these factors may increase or decrease through the use of multipliers or deflators. Investments in structured notes involve risks including interest rate risk, credit risk, liquidity risk and market risk. Where investments in structured notes are based upon the movement of one or more factors, depending on the factor used and the use of multipliers or deflators, changes in interest rates and movement of the factor may cause significant price fluctuations. Additionally, changes in the reference instrument or security may cause the interest rate on the structured note to be reduced to zero, and any further changes in the reference instrument may then reduce the principal amount payable on maturity. See above risks for details of specific factors.

Cybersecurity Risk

Investment advisers and their service providers may be prone to operational and information security risks resulting from cyber-attacks. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally (including, for example, through cyber-attacks known as "phishing" and "spear-phishing"), denial-of-service attacks on websites, the unauthorized release of confidential information and causing operational disruption. Cyber-attacks may interfere with the processing of transactions, cause the release of private information or confidential information of Validus, cause reputational damage, and subject Validus to regulatory fines, penalties or financial losses, reimbursement, or other compensation costs, and/or additional compliance costs.

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While Validus has established business continuity plans and systems designed to prevent such cyber-attacks, there are limitations in such plans including the possibility that certain risks have not been identified.

Coronavirus or Pandemic Risk

The global outbreak of the 2019 novel coronavirus ("COVID-19"), together with resulting voluntary and U.S. federal and state and non-U.S. governmental actions, including, without limitation, mandatory business closures, public gathering limitations, restrictions on travel and quarantines, has meaningfully disrupted the global economy and markets. Although the long-term economic fallout of COVID-19 is difficult to predict, it has and is expected to continue to have ongoing material adverse effects across many, if not all, aspects of the regional, national, and global economy. A pandemic such as COVID-19 may impact the ability of the firm to operate effectively, including the ability of its personnel or its service providers and other contractors to function, communicate and travel to the extent necessary. The spread of COVID-19 among the firm's personnel and its service providers may also affect the firm's ability to properly perform our duties.

Item 9. Disciplinary Information

There have been no disciplinary proceedings or actions against Validus Growth Investors, LLC, or any of its related persons.

Item 10. Other Financial Industry Activities and Affiliations

Validus has a written agreement with a third party, who also holds minority non-control, non-voting ownership in the Firm, to provide business-related services such as IT, human resources and accounting support to Validus. This entity is not a client of Validus but is affiliated with a client of Validus.

A Related Person of Validus is involved in and receives compensation from an outside business activity to provide growth and management consulting services to small and start-up businesses. In addition to compensation, the Related Person also receives an equity / ownership interest in the underlying business. While not anticipated, this relationship presents a potential conflict of interest if Validus decides to invest client assets in one of the underlying business entities paying compensation to the Validus Related Person.

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

Underlying all of our services and processes is an understanding that we are functioning as a

fiduciary, a trusted agent, for our clients' assets. Our goal is not only to provide exceptional investment returns, but also to provide these services with the highest standards of ethical conduct. In addition, we place a high value on educating our clients within our sphere of expertise.

With this mission as our foundation, Validus has adopted a Code of Ethics pursuant to SEC Rule 204A-1 of the Investment Advisers Act of 1940 that states that all its partners and employees must adhere to the highest standards of ethical conduct, including acting in the best interest of our clients at all times.

Our supervised persons are permitted to buy or sell securities or have an interest or position in a security for their personal account which we also hold for our clients, including funds that we sub-advise. This presents a conflict of interest between our client's investment interests and the interests of our personnel. Therefore, we have formed the following procedures to help monitor for and control conflicts of interest arising from our personal trading policies:

- Validus is and shall continue to comply with The Insider Trading and Securities Fraud Enforcement Act of 1988.
- No associated person shall prefer his or her own interest to that of a client.
- No person employed by Validus may purchase or sell the same security prior to a transaction or transactions being implemented for a client.
- Our personnel must obtain written approval from our Chief Compliance Officer prior to placing trades in their own account.
- Associated persons shall not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of his/her employment unless the information is also available to the investing public upon reasonable inquiry.
- As part of the Code of Ethics (summarized above), supervised persons must provide personal transaction reports on a quarterly basis which are reviewed on a regular basis by a principal of the firm.

Protection of Material, Non-Public Information

Validus has controls in place to ensure that client information is protected electronically and accessed only by authorized individuals or organizations. Employees are required to safeguard clients' information as a condition of employment. Employees are under obligation to refrain from discussing client matters in any way with family, friends, or acquaintances. Client matters include, but are not limited to, business names, identity, and facts that are unique to the client's business.

Privacy Policy

Our role as a fiduciary requires that we hold in strictest confidence the nonpublic information we obtain from and about our clients. Our privacy policy applies to both current and former clients. We, as a firm, safeguard the information as follows:

- We do not and will not sell any client or personal information to any other entity for any reason; and
- We require authorization from the client to share information with third parties outside of the firm.

Validus retains the right to make disclosures where it is required or permitted under law, to cooperate with regulatory or law enforcement authorities, actual or threatened litigation actions, or ethics/disciplinary related claims or proceedings.

Our Code of Ethics is available to any client or prospective client upon request at celia.murphey@validusgrowth.com.

Item 12. Brokerage Practices

Individual Separate Account Clients

In placing trades for our separately managed client accounts, we have the discretion to determine the amount and type of securities to be bought and sold. We effect portfolio transactions in a fair and reasonable manner based on our duties of best execution and fiduciary responsibilities. Validus seeks the best execution for its separately managed account clients within the constraints imposed by the amount of our total discretionary assets under management, which may result in higher transaction costs.

When providing model portfolio advisory services, trades are executed according to the policies and procedures of the investment adviser who contracts with us for these services.

Sub-Adviser for Fund

We are given authority by the Fund's Board to select the broker/dealer arrangements for the Fund. Currently, we use Interactive Brokers to execute investment transactions made by Validus on behalf of the Fund. All Fund securities and assets are held with a third-party qualified custodian.

There are some investment advisors that use multiple broker/dealers. Validus has considered the positive factors to this approach which include the ability to better negotiate brokerage costs such as transaction fees, the ability to better analyze speed of execution, and the ability to compare and negotiate services. However, Validus has determined that the use of one brokerage platform (Interactive Brokers) allows Validus to provide more streamlined operational and trading services. Validus considers the fact that allowing multiple brokerage arrangements would increase the need for additional internal staff and technology which may increase the overall fees charged by Validus. By selecting one brokerage platform, Validus is able to avoid additional compliance, recordkeeping, staffing, and technological costs associated with implementing procedures designed to work with

Validus Growth Investors, LLC

multiple brokerage platforms.

Accordingly, while Validus will consider competitive rates, it may not necessarily obtain the lowest possible commission and brokerage rates for Fund transactions. Therefore, the overall services provided by Interactive Brokers are evaluated to determine the level of best execution provided to clients. However, Validus may be unable to achieve the *most* favorable execution of Fund transactions and therefore Validus' practice of using Interactive Brokers may cost the Fund more money compared to other arrangements.

Soft Dollars / Client Referrals

We do not engage in soft dollar practices, nor do we use client brokerage to compensate brokers for client referrals.

Directed Brokerage

In certain cases, we permit a separately managed account client to direct brokerage; however, in doing so, the client must recognize that we may be unable to achieve the best execution of a client's transaction, which may result in additional costs from higher brokerage commissions or prices.

Trade Aggregation / Rotation

We do not currently engage in trade aggregation. Our trade allocation policy utilizes a rotation queue to ensure that all client trades are executed in a fair and equitable manner over time, without preferential treatment for any account.

When providing model portfolio advisor services, trades are executed according to the policies and procedures of the investment adviser who contracts with us for these services. In the case where Validus contracts with multiple investment advisers or platforms, model allocations are sent based on a rotation queue to ensure that all trades are executed in a fair and equitable manner without preferential treatment for any investment adviser or platform.

For Institutional Model Portfolio Advisory clients, Validus provides trade instructions, but is not responsible for timing or execution of trades.

Item 13. Review of Accounts

The Chief Investment Officer will periodically review separately managed client accounts to ensure that investment guidelines are met and investment restrictions, if any, have been adequately implemented. In addition, these client accounts will be rebalanced periodically to the dynamic model for each strategy to ensure that individual positions reflect the latest research and investment considerations. In all cases, Validus will consider overall transaction costs in determining the

appropriate adjustments to individual positions.

Validus periodically provides written investment commentary to clients and individual client returns for separately managed client accounts.

In addition, and upon request, clients may have access to account information through a password protected client portal maintained by Validus' executing broker/dealer or custodian.

When providing model portfolio adviser services and sub-advisory services, strategies are reviewed no less than quarterly. We will adjust our strategies based upon our outlook with respect to the market as a whole and the individual securities held in each strategy.

The Fund's allocation is managed and reviewed on an ongoing basis (at least weekly) by the portfolio managers and the research team. The calendar is the main triggering factor for all reviews, although other triggering factors may include, but are not limited to, the following: changes in the Fund's objectives, major market changes, and major political or economic events.

On a quarterly basis, we will provide written reports regarding the performance of the Fund to the Fund's Board and will also have meetings with the Board regarding Fund performance.

Item 14. Client Referrals and Other Compensation

If an unaffiliated person introduces a client to Validus, we may compensate that promoter through direct or indirect compensation in accordance with the requirements of Rule 206(4)-1 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Validus pays any such referral fee to the promoter from our standard investment advisory fee. Advisory fees paid by any referred client are neither increased nor reduced due to the referral fee paid to the promoter by Validus.

The promoter will disclose at the time of the solicitation whether they are or are not a current client of the firm; whether they will receive any cash or non-cash compensation for the referral; and a statement that the receipt of compensation for a referral creates a conflict of interest. In addition, the promoter will provide each prospective client with a copy of a written statement disclosing the terms and conditions of the arrangement between Validus and the promoter, including the compensation the promoter will receive from Validus and any material conflicts of interest on the part of the promoter given the referral arrangement.

Item 15. Custody

Client assets are housed in nationally recognized banks or brokerage firms, otherwise known as custodians. ~~Validus does not take possession of client funds or securities.~~

Account Statements

On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Validus urges the client to compare the statement the client receives from the qualified custodian with the statement the client receives from Validus to verify accuracy and consistency. Clients should contact us directly if they believe there may be an error in their statement.

Item 16. Investment Discretion

Validus exercises discretion in managing separately managed account portfolios on behalf of clients, subject to the terms of their investment management agreement, any reasonable restrictions that the client has placed upon their account by agreement with Validus, and the requirements under the Investment Advisor's Act of 1940.

When providing model portfolio sub-advisory services, Validus does not have discretion over client assets, and does not execute any trades for client accounts.

With respect to the Fund, as provided in the Fund's offering documents and our sub-advisory agreement with the Fund, Validus maintains discretionary trading authorization over Fund assets. Discretionary authority allows us to determine the type of securities and the amount of securities that can be bought or sold for the Fund without obtaining consent from the Fund's Board prior to each transaction.

Although we manage Fund assets on a discretionary basis, our investment decisions are made in accordance with the Fund's objectives and any restrictions on the types of investments that may be purchased in Fund.

Item 17. Proxy Voting Client Securities

For separately managed accounts, we do not accept authority to vote client securities unless such authority is expressly granted in the Investment Advisory Agreement. Clients will receive their proxies or other solicitations directly from their custodian, or a transfer agent. Clients may contact us with questions about a particular solicitation.

For the Fund, Validus has adopted Proxy Voting Policies and Procedures ("Proxy Voting Policies") which provide that proxies on securities will be voted for the exclusive benefit of and in the best economic interest of the Fund, as determined by Validus in good faith. Such voting responsibilities will be exercised in a manner that is consistent with the general anti-fraud provisions of the Investment Advisers Act of 1940, as amended, as well as Validus' fiduciary duties under federal and state law to act in the best interest of the Fund.

On certain routine proposals (for example, those which do not change the structures, bylaws, or operations of a company), Validus will generally vote in the manner recommended by management. Non-routine proposals (such as those affecting corporate governance, compensation, and other corporate events) and shareholder proposals will generally be reviewed on a case-by-case basis. Validus will generally vote such proxies based upon the recommendations of an independent third-party proxy voting service, such as Glass Lewis.

Investors may obtain a copy of Validus' complete proxy voting policies and procedures upon request. Investors may also obtain information from Validus about how Validus voted any proxies on behalf of the Fund through the Fund's regulatory filings.

Validus does not instruct clients on whether to participate as a member of class action lawsuits and will not automatically file claims on their behalf.

Item 18. Financial Information

Prepayment of Fees

Validus does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Financial Condition

Validus does not have any financial condition that would impair its ability to meet its contractual commitments to clients.

Bankruptcy

Validus has never been the subject of a bankruptcy petition.