

FORM ADV 2A and 2B  
FIRM BROCHURE and BROCHURE SUPPLEMENTS

COVER PAGE

25 Capital Partners, LLC

&

25 Capital Ventures LLC

13024 Ballantyne Corporate Place, Suite 425, Charlotte NC 28277

704-426-8849

[www.25capital.com](http://www.25capital.com)

March 27, 2017

This brochure provides information about the qualifications and business practices of 25 Capital Partners, LLC ("25 Capital") and 25 Capital Ventures LLC ("Ventures"). If you have any questions about the contents of this brochure, please contact us at 704.426.8849. 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 25 Capital and Ventures is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Please note that registration with the SEC does not imply a certain level or skill or training for either 25 Capital or Ventures.

Please note that this brochure contains no material changes from the brochure prepared on March 22, 2016.

## TABLE OF CONTENTS

Advisory Business.....	2
Fees and Compensation.....	3
Performance-Based Fees and Side-By-Side Management.....	4
Types of Clients.....	5
Methods of Analysis, Investment Strategies and Risk of Loss.....	5
Disciplinary History.....	7
Other Financial Industry Affiliations.....	7
Code of Ethics, Participation or interest in Client Transactions and Personal Trading.....	8
Brokerage Practices.....	9
Review of Accounts.....	10
Client Referrals and Other Compensation.....	10
Custody.....	11
Investment Discretion.....	11
Voting Client Securities.....	11
Financial Information.....	11
Brochure Supplements.....	12

## ADVISORY BUSINESS

25 Capital Partners, LLC ("25 Capital") was formed in April, 2011. We specialize in valuing, acquiring and managing performing and non-performing U.S. residential mortgage loans. Throughout our history we have been affiliated with the Tavistock Group of companies and its affiliates. Tavistock is an international private investment organization founded by Mr. Joseph C. Lewis.

In September 2012, RoundPoint Financial Group, Inc. sold all ownership interests in 25 Capital's then-parent company, 25 Capital Holdings, LLC, to 25 Capital's newly-created parent company, 25 Capital Holdings, Inc. 25 Capital Holdings, Inc. is owned wholly by Sadler Holdings, Inc. Sadler Holdings, Inc.'s shares are owned by GTC Nominee Limited as nominee for the Sadler Trust, an irrevocable trust. The Sadler Trust's trustee is Autumn Bay Ltd., and the trust's beneficial owners are Mr. Joseph C. Lewis and his lineal descendants.

25 Capital provides investment advisory services primarily to separately managed accounts ("Separately Managed Accounts") and private investment funds ("Private Funds," and, together with Separately Managed Accounts, "Investment Vehicles") that we seek to form with one or more investors in response to periodic opportunities to purchase mortgage loan portfolios or similar assets.

25 Capital Ventures ("Ventures") was formed in August 2012 as a joint venture between: 25 Capital; Atlantic Asset Management L.L.C. ("Atlantic"), an investment adviser registered with the Securities and Exchange Commission ("SEC") and otherwise unconnected to 25 Capital; and 25 Capital ACV, LLC ("ACV"), a company established to receive 25 Capital's portion of the carried interest distributions (see Performance-Based Compensation Fees and Side-by-Side Management section below) from private funds for which Ventures is the investment manager. 25 Capital ACV, LLC is owned and controlled by 25 Capital and its affiliates. 25 Capital is the majority owner and manager of Ventures and controls the business and operations of Ventures and all investment decisions made by Ventures on behalf of its clients. In March 2015, Hughes Capital Management, LLC ("Hughes"), a company unrelated to Atlantic and 25 Capital, purchased Atlantic, merged it with Hughes, and named the resulting company Atlantic Asset Management, LLC ("New Atlantic"). However, New Atlantic did not purchase any of Atlantic's rights to receive any carried interest distributions from Ventures, and these rights were transferred to a new entity, AAM Partners Holdings, LLC ("AAM Holdings"), which is owned by certain former employees of Atlantic. AAM Holdings was admitted to Ventures as a member of Ventures at that time. 25 Capital purchased all of New Atlantic's interests in Ventures effective December 31, 2015, leaving 25 Capital, ACV and AAM Holdings as Ventures' members. From December 31, 2015, neither Atlantic nor New Atlantic has any right to receive any portion of Ventures' management fees.

Ventures is the investment manager for one Private Fund focused primarily on buying and managing U.S. residential mortgages, and which has been closed to new investors since December 2013.

Typically each Investment Vehicle includes a special purpose general partner, managing member or similar entity controlled directly or indirectly by 25 Capital (each a "General Partner").

Investments in the Investment Vehicles are not registered under the Securities Act of 1933, as amended (the "Securities Act"), and the Investment Vehicles are not registered under the Investment Company Act of 1940, as amended (the "Investment Company Act"). Accordingly, interests in the Investment Vehicles are offered and sold exclusively to investors satisfying the applicable eligibility and suitability requirements, either in private transactions within the United States or in offshore transactions.

Before accepting an investment in an Investment Vehicle, 25 Capital will provide each potential investor with a copy of the Investment Vehicle's Private Placement Memorandum ("PPM") and related advisory or management agreements, limited partnership agreement and other governing documents, each to the extent applicable to such Investment Vehicle ("Governing Documents"). Investors may not restrict investments by the Investment Vehicles in any capacity. Investment restrictions are described in the Governing Documents. Potential investors should review the Governing Documents carefully for additional information before investing in an Investment Vehicle. If there is any inconsistency between the Governing Documents and this brochure, the Governing Documents' terms will control.

We do not provide legal, tax or accounting advice or services, and you should not assume we are providing you such services at any time.

As of December 31, 2016 we managed on a discretionary basis \$251,265,829 in regulatory assets under management, as calculated using the methodology prescribed by the SEC for completing Form ADV Part 1.

### **FEES AND COMPENSATION**

We typically receive compensation from fees based on a percentage of capital under management, carried interest distributions and certain other fees or expenses related to transactions, all in accordance with the Governing Documents. Investors should review the relevant Governing Documents to fully understand the total amount of fees to be paid by an Investment Vehicle and, indirectly, by its investors. The General Partner of a particular Investment Vehicle will either call capital for management fees and other expenses or pay such fees and expenses out of current income and disposition proceeds of the Investment Vehicle. The ability of investors in the Investment Vehicle to withdraw is limited by the terms of the applicable Governing Document. The ability of such investors to terminate the obligation to pay applicable management fees or carried interest distributions or to terminate their investment in the Investment Vehicle is consequently limited. For more specific information regarding fees, investors should review the Governing Documents for the Investment Vehicle in which they propose to invest. See Performance-Based Fees and Side-by-Side Management section below for a further discussion of fees and the potential conflicts of interest they can create.

## *25 Capital Partners*

For managing an Investment Vehicle, 25 Capital Partners typically charges a management fee based on the Investment Vehicle's assets under management. These fees may be billed to investors or deducted from investors' accounts, depending on the Investment Vehicle's particular circumstances. We may negotiate your fee depending upon circumstances including, but not limited to, account composition and complexity, as well as other investor, employee or family relationships, etc. These negotiations may result in us charging different fees to different investors. We may charge our employees, and those of our affiliates, and their family-related accounts a reduced fee, or no fee, for our services.

In addition to the management fee discussed above, 25 Capital typically receives a performance-based fee, to the extent allowed by law, and usually subject to us meeting certain goals for the Investment Vehicle. We typically calculate this fee based on a share of capital gains or capital appreciation of the Investment Vehicle's assets. More information will be set forth in the Governing Documents for the applicable Investment Vehicle. See Performance-Based Fees and Side-by-Side Management section below for a further discussion of fees and the potential conflicts of interest they can create.

## *25 Capital Ventures*

Ventures received a 2.0% per year Management Fee based on the applicable Private Fund's total capital commitments during the investment period. Thereafter, the management fee is 2.0% per year of capital used for investments, and expenses allocable to investments, that have not been disposed of or written off prior to the first day of the applicable quarter.

The management fee is payable quarterly and in advance and is pro-rated for partial quarters. Ventures deducts management fees from the applicable Private Fund and does not bill investors for management fees.

In addition to the management fee discussed above, under certain circumstances Ventures will receive a 20.0% profit distribution, called a carried interest distribution, from the applicable Private Fund at least quarterly. The applicable Private Fund pays the carried interest distribution only if certain criteria, such as a return of client capital plus a preferred rate of return, are met. The applicable Private Fund's Governing Documents contain a full description of the criteria that must be satisfied before Ventures receives a carried interest distribution. Ventures chose to reduce the management fee and the carried interest distribution for certain investors, and waived such fees entirely for other investors employed by Ventures' members and their affiliates. See Performance-Based Fees and Side-by-Side Management section below for a further discussion of fees and the potential conflicts of interest they can create.

From December 31, 2015, neither Atlantic nor New Atlantic has any right to receive any portion of Ventures' management fees. As discussed in the Advisory Business section above, certain former employees of Atlantic, through AAM Holdings, retain Atlantic's rights to receive any carried interest distributions from Ventures. See Other Financial Industry

Activities and Affiliations and Client Referrals and Other Compensation sections below for further information regarding Atlantic and New Atlantic.

### **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

As described above under the Fees and Compensation section, we receive performance-based fees and carried interest distributions based on the profit distributions to investors from certain Investment Vehicles. The fact that a significant portion of our compensation (and our investment professionals' compensation) is directly tied to profit distributions generated by certain Investment Vehicles may create an incentive for us and our professionals to make investments on behalf of the Investment Vehicles that are riskier or more speculative than would be the case in the absence of such compensation. To the extent any Investment Vehicle is not charged a performance fee, we may have an incentive to favor Investment Vehicles for which we receive a performance fee.

We take the following steps to address any potential conflicts caused by our fee arrangements:

- We disclose our compensation structure for a specific Investment Vehicle to all potential investors before they invest; and
- We provide appropriate training for our employees regarding our duties to our clients, including treating all clients equitably, regardless of fee arrangement.

### **TYPES OF CLIENTS**

We provide management and discretionary investment advisory services directly to the Investment Vehicles as described in the Advisory Business section above. We do not provide advisory services individually to the investors in the Investment Vehicles. Investment Vehicle investors may include, but are not limited to, financial institutions, trusts, pension plans and other entities, as well as individuals. We do not accept investments from all client types, and many of our Investment Vehicles are subject to restrictions such as minimum investment size. The minimum commitment for an investor in Private Funds is generally \$1,000,000, however, we have discretion to accept less than the minimum investment amount as set forth in the applicable Governing Documents. In addition, we may reduce or raise the minimum commitment for future Private Funds. In addition, the Investment Vehicles may enter into separate agreements, commonly known as "side letters," with certain investors, including our affiliates, to provide such investors with additional or different terms than those specifically described in the Governing Documents. Under certain circumstances, these side letters could create preferences or priorities for such investors with respect to other investors.

Investors are typically required to meet certain suitability qualifications as described in the Governing Documents, such as being an "accredited investor" within the meaning set forth in Rule 501(a) of Regulation D under the Securities Act. Also, investors will be required to make certain representations when investing in an Investment Vehicle, including but not limited to, that: (i) they are acquiring an interest for their own account, (ii) they received, or had access to, all information they deem relevant to evaluate the merits and risks of the prospective

investment; and (iii) they have the ability to bear the economic risk of an investment in the Investment Vehicle. Details concerning applicable investor suitability criteria are set forth in the respective Investment Vehicle's Governing Documents.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### *25 Capital Partners and 25 Capital Ventures*

When acquiring and managing assets for Investment Vehicles, 25 Capital uses an analytical investment and portfolio management approach. Our investment strategy begins by identifying potentially high-yielding opportunities, followed by an asset-level due diligence process. Our Investment Committee must approve all purchases and sales. We manage the assets using proprietary analytics and net present value models.

You should understand that no analytic method or investment strategy is riskless. Participation in an Investment Vehicle is speculative in nature. There is a high degree of risk and there is the possibility that you could lose your invested capital. There is also no guarantee that our investment strategy will succeed and be profitable for you.

Investors should understand that 25 Capital's business depends significantly on our personnel's skill and expertise. In particular, if Shaun Ahmad (President) or Scott Shultz (Managing Director) were to leave 25 Capital, your investment performance may be affected negatively. Ownership changes may also cause personnel changes. The Tavistock Group and its affiliates may decide that it is more profitable to sell any of their portfolio companies, including 25 Capital. If 25 Capital's ownership structure, described in the Advisory Business section above, changes, then there is a risk that some 25 Capital personnel may leave the company.

You should also understand the particular risks associated with investments in mortgages and other real estate-related strategies. Examples of risks in these strategies include, but are not limited to:

- house price fluctuations;
- mortgage borrower default;
- the mortgage could be invalid or unenforceable to pre-existing legal errors or other, more senior, liens;
- mortgage borrower bankruptcy; and
- changes in regulations by federal, state and local governments

Though the specific terms may vary depending on the Investment Vehicle, clients typically cannot withdraw their capital from an Investment Vehicle, nor are clients allowed to sell their Investment Vehicle interests without 25 Capital's consent. Once you commit capital to an Investment Vehicle, that capital remains committed throughout the Investment Vehicle's life, which may be multiple years, and there is no guarantee that any capital will be returned to you before the Investment Vehicle is dissolved.

The success of Investment Vehicles might depend partially on 25 Capital's ability to find suitable investments. 25 Capital faces competition from other purchasers such as banks, other investment advisors and institutional investors. This competition might result in increased purchase prices, which might in turn reduce the Investment Vehicle's returns to clients.

This section contains only a brief overview of some of the unique risks associated with our investment strategies. This section is not intended to serve as an exhaustive list or a comprehensive description of all risks and conflicts that may arise in connection with the management and operations of the Investment Vehicles. If you are considering an investment in an Investment Vehicle, you should carefully consider the risks described in the relevant Governing Documents. Potential investors should carefully review the applicable Governing Documents, as applicable, before deciding to make an investment in an Investment Vehicle. Potential investors should also consult their own advisors, including financial, legal and tax advisors, as they deem necessary before investing in any Investment Vehicle.

#### **DISCIPLINARY HISTORY**

Neither 25 Capital nor Ventures nor any of their management persons have been involved in any legal or disciplinary events in the past 10 years that it believes would be material to an Investment Vehicle's or an investor's evaluation of 25 Capital, Ventures or their personnel.

#### **OTHER FINANCIAL INDUSTRY AFFILIATIONS**

##### *25 Capital Partners only*

25 Capital uses RoundPoint Mortgage Servicing Corporation ("RoundPoint"), to service mortgage loans owned by Investment Vehicles managed by 25 Capital and Ventures. 25 Capital and RoundPoint are separate portfolio companies of the Tavistock Group and its affiliates. Due to the affiliation between 25 Capital and RoundPoint, there is a risk that the decision to use RoundPoint's services may not be made solely in clients' best interests due to influence caused by the affiliation. Though 25 Capital will always attempt to engage RoundPoint on terms and conditions at least as favorable as those available from other mortgage servicers, our affiliated status means negotiations are not at arms-length and may not be as favorable to the Investment Vehicles or investors as a servicing arrangement with an unaffiliated company. We will disclose this affiliated relationship in the Governing Documents for any Investment Vehicle for which RoundPoint will provide services. Unless disclosed otherwise in the applicable Governing Documents, no RoundPoint or Tavistock Group representative will make, or participate in making, investment advisory decisions regarding an Investment Vehicle. No RoundPoint or Tavistock Group employee or representative serves on 25 Capital's Investment Committee or Asset Management Committee.

Prospective investors can find additional information relating to this potential conflict of interest in the Governing Documents for the applicable Investment Vehicle. Prospective



investors should carefully review the applicable Governing Documents before deciding to make an investment in an Investment Vehicle.

### *25 Capital Ventures only*

As noted in the Advisory Business section above, Ventures was formed in August 2012 as a joint venture between: 25 Capital; Atlantic Asset Management L.L.C. ("Atlantic"), an investment adviser registered with the Securities and Exchange Commission ("SEC") and otherwise unconnected to 25 Capital; and 25 Capital ACV, LLC ("ACV"), a company established to receive 25 Capital's portion of the carried interest distributions (see Performance-Based Compensation Fees and Side-by-Side Management section above) from the one Private Fund for which Ventures is the investment manager. ACV is owned and controlled by 25 Capital and its affiliates. 25 Capital is the majority owner and manager of Ventures and controls the business and operations of Ventures and all investment decisions made by Ventures on behalf of its clients. In March 2015, Hughes Capital Management, LLC ("Hughes"), a company unrelated to Atlantic and 25 Capital, purchased Atlantic, merged it with Hughes, and named the resulting company Atlantic Asset Management, LLC ("New Atlantic"). However, New Atlantic did not purchase any of Atlantic's rights to receive any carried interest distributions from Ventures, and these rights were transferred to a new entity, AAM Partners Holdings, LLC ("AAM Holdings"), which is owned by certain former employees of Atlantic. AAM Holdings was admitted to Ventures as a member of Ventures at that time. 25 Capital purchased all of New Atlantic's interests in Ventures effective December 31, 2015, leaving 25 Capital, ACV and AAM Holdings as Ventures' members. From December 31, 2015, neither Atlantic nor New Atlantic has any right to receive any portion of Ventures' management fees.

Ventures' Private Fund uses RoundPoint's services for mortgage loans. Because of the common ownership of 25 Capital and RoundPoint, the servicing agreement for a Private Fund's loans was not negotiated at arms-length and may not be as favorable to a Private Fund as a servicing arrangement with a mortgage servicer unaffiliated with 25 Capital. RoundPoint's fees are disclosed in the Private Fund's Governing Documents. Ventures appointed certain Private Fund investor representatives to an Advisory Committee. The Private Fund's Advisory Committee must approve any changes to the RoundPoint fees listed in the Private Fund's Governing Documents.

No RoundPoint or Tavistock Group representative makes, or participates in making, investment advisory decisions regarding Ventures' Private Fund. No RoundPoint or Tavistock Group employee or representative serves on 25 Capital's Investment Committee or Asset Management Committee or the Advisory Committee of Ventures' Private Fund.

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

25 Capital Partners has a written Code of Ethics that includes monitoring employees' personal securities transactions in order to seek to avoid conflicts of interest with our transactions on clients' behalf. Employees must submit quarterly duplicate statements of their personal

securities transactions and an annual acknowledgement confirming that they have submitted all required duplicate statements during the previous year. Our Code of Ethics also contains policies and procedures intended to prevent misuse of material non-public information. A copy of our Code of Ethics is available to you upon request by contacting us through the contact information provided on this brochure's cover page.

Certain inherent conflicts of interest will arise from the fact that 25 Capital and its affiliates may provide investment management services and conduct investment activities for multiple Investment Vehicles, their own accounts or family members, friends and other accounts in which a particular Investment Vehicle has no interest. One Investment Vehicle may be subject to fees or terms that are more favorable to 25 Capital and its affiliates than those of any other Investment Vehicle.

25 Capital and its affiliates may give advice and recommend investments to one Investment Vehicle, which advice or investments may be identical to, or differ from, advice given to, or investments recommended or bought or sold for, any other Investment Vehicle, even though their investment objectives may be the same or similar. 25 Capital and its affiliates will determine how investment opportunities are allocated among the Investment Vehicles they manage, even though they may face potential conflicts of interest in making such allocations. 25 Capital and its affiliates are not obligated to disclose or refer to an Investment Vehicle any particular investment opportunity, and 25 Capital may choose not to allocate a particular investment opportunity to an Investment Vehicle for a wide variety of reasons.

The portfolio strategies employed by 25 Capital, Ventures or their affiliates for one Investment Vehicle could conflict with the transactions and strategies employed for any other Investment Vehicle. Conversely, participation in specific investment opportunities may be appropriate, at times, for multiple Investment Vehicles. In particular, one Investment Vehicle may make investments alongside one or more other Investment Vehicles. In such cases, the opportunities will be allocated in a fair and equitable manner among the Investment Vehicles. 25 Capital may at times allocate certain asset types on a preferential basis to certain investment funds managed or advised by 25 Capital or an affiliate that are in the process of being organized or were recently organized.

To the extent that Investment Vehicles participate in the same investment opportunity, or use or benefit from a shared service, 25 Capital will allocate expenses in connection therewith among the Investment Vehicles, and may have a conflict of interest in making such expense allocations.

Except as set forth in an Investment Vehicle's Governing Documents, 25 Capital and its affiliates will not be restricted from forming additional Investment Vehicles, entering into other investment management relationships or engaging in other business activities, even though such activities may be in competition with an Investment Vehicle and/or may involve substantial time and resources of 25 Capital and its affiliates. These activities could be viewed as creating a conflict of interest in that the time and effort of 25 Capital, and its employees will not be devoted exclusively to an Investment Vehicle's business, but will be

allocated between the Investment Vehicle's business and other business activities of 25 Capital and its affiliates. An Investment Vehicles' Governing Documents may restrict 25 Capital temporarily from creating or sponsoring an Investment Vehicle with a strategy similar to that used by an existing Investment Vehicle. For example, the Governing Documents may restrict 25 Capital from pursuing a strategy similar to the Investment Vehicle's strategy unless the Investment Vehicle's investment period ends, unless the Investment Vehicle has deployed a specified percentage of committed capital, or unless a certain percentage of the Investment Vehicle's investors agree to waive the restriction. Investors should review the applicable Governing Documents for further information regarding conflicts of interest.

### **BROKERAGE PRACTICES**

25 Capital does not ordinarily deal with any financial intermediary such as a broker-dealer, and commissions are not ordinarily payable in connection with investments made by the Investment Vehicle because of the nature of the Investment Vehicles' investments. To the extent 25 Capital engages an intermediary, we will consider the following factors in selecting or recommending brokers for transactions and in determining the reasonableness of the compensation or other payment to the brokerage firms:

- quality of support services and technology provided;
- trade implementation costs;
- value of research and related information provided;
- market liquidity provided;
- confidentiality of trading intentions;
- investment styles (compatibility between us and the broker);
- financial stability;
- ability to execute difficult trades; and
- other factors we may identify periodically.

As deemed appropriate, we will evaluate our brokerage practices periodically and the reasonableness of compensation or other payment paid to brokerage firms and monitor our efforts to seek best execution of transactions for the Investment Vehicles.

25 Capital does not have any soft dollar arrangements in connection with brokerage transactions and does not engage in directed brokerage transactions.

### **REVIEW OF ACCOUNTS**

25 Capital's Investment Committee reviews all investment acquisition decisions. The Investment Committee consists of our: President; Managing Director of Capital Markets; and a Director of Capital Markets. 25 Capital's Portfolio Management Committee reviews clients' accounts periodically. Our Portfolio Management Committee consists of our: President; Managing Director of Capital Markets; two Directors of Capital Markets; and Vice President of Capital Markets.

25 Capital may provide monthly, quarterly or annual reports to investors in accordance with the terms of the applicable Investment Vehicle's Governing Documents.

Investment Vehicle investors may receive written reports from a fund administrator directly, as described in the Custody section below.

## **CLIENT REFERRALS AND OTHER COMPENSATION**

### *25 Capital Partners*

We may enter into written agreements occasionally with other persons or companies who refer potential investors or investors to us in exchange for a referral or solicitor fee. That referral or solicitor fee will likely be a percentage of the fee we receive from the referred investor for our services, including services we provide to Investment Vehicles in which the investor invests. This means the persons, who may be licensed investment adviser representatives or broker-dealer registered representatives, or the companies who refer potential clients to us, will have a financial interest in your selecting us to provide you services. If you are referred to us through an arrangement such as this, you will receive a written document disclosing: our arrangement with the solicitor; any affiliation between the solicitor and us; and a description of the compensation we will pay the solicitor if you establish an account with us. These referral arrangements will not increase the fee we charge you for our services.

Please refer to the Brokerage Practices section for information on other economic benefits we may receive for providing services to you.

### *25 Capital Ventures*

As noted in the Advisory Business, Performance-Based Fees and Side-by-Side Management, and Other Financial Industry Affiliations sections above, certain former Atlantic employees are eligible to receive carried interest distributions from Ventures' Private Fund. From December 31, 2015, neither Atlantic nor New Atlantic has any right to receive any portion of Ventures' management fees.

## **CUSTODY**

25 Capital or Ventures may be deemed to have custody over the cash and securities held by an Investment Vehicle because 25 Capital, Ventures or the General Partners serve as manager, adviser and general partner or managing member (or similar capacity) to such Investment Vehicle. As required by Rule 206(4)-2 under the Advisers Act (the "Custody Rule"), 25 Capital maintains cash and securities with an independent qualified custodian. Any existing or fund Private Fund managed by 25 Capital, directly or indirectly, is, or will be, subject to an annual independent audit, and audited financial statements prepared in accordance with generally accepted accounting principles are, or will be, distributed to the Private Funds' investors in accordance with the Custody Rule.

Depending on an Investment Vehicle's circumstances and investor requests, we may send account information as described above in the Review of Accounts section. Unless noted otherwise in the applicable Governing Documents, investors in the Private Funds will receive account statements from the Private Fund's administrator directly on at least a quarterly basis. You should review these statements carefully and compare them to statements you may receive from us for any discrepancies. In addition, we may provide investors with additional reports in accordance with the applicable Governing Documents or at an investor's request.

### **INVESTMENT DISCRETION**

25 Capital generally has discretionary authority to determine the investments in which the Investment Vehicles invest and to perform the day-to-day investment operations of the Investment Vehicles, in each case, according to Governing Documents' terms and conditions. The Governing Documents may place restrictions on this authority or describe limitations to it. You should review the applicable Governing Documents in order to understand the discretion that 25 Capital may exercise with respect to a particular Investment Vehicle.

### **VOTING CLIENT SECURITIES**

25 Capital does not typically invest in the types of investments involving proxy voting.

### **FINANCIAL INFORMATION**

Neither 25 Capital nor Ventures has ever filed for bankruptcy and neither is aware of any financial conditions that could impair its ability to manage the Investment Vehicles.

**BROCHURE SUPPLEMENT (Form ADV Part 2B)**

Shaun Ahmad

25 Capital Partners, LLC

13024 Ballantyne Corporate Place, Suite 425, Charlotte NC 28277

704.426.8849

March 27, 2017

This brochure supplement provides information about Shaun Ahmad that supplements the 25 Capital Partners, LLC ("25 Capital Partners") firm brochure. You should have received a copy of that brochure. Please contact 25 Capital at 704.426.8849 if you did not receive the 25 Capital Partners firm brochure or if you have any questions about the contents of this supplement.

**EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE**

Shaun Ahmad

Year of Birth: 1977

The Johns Hopkins University, BA in Economics, 2000

25 Capital Partners, LLC, President, April 2011 to Present

RoundPoint Capital Group, LLC, President, January 2008 to April 2011

Banc of America Securities, Vice President, June 2000 to November 2007

**DISCIPLINARY INFORMATION**

This section does not apply to Shaun Ahmad

**OTHER BUSINESS ACTIVITIES**

This section does not apply to Shaun Ahmad

**ADDITIONAL COMPENSATION**

This section does not apply to Shaun Ahmad

## **SUPERVISION**

25 Capital Partners has written procedures in place to supervise the activities of Shaun Ahmad. Mr. Ahmad is one of the three members of 25 Capital's Investment Committee, which operates via majority consent. In addition, 25 Capital Partners monitors the services and advice provided by Shaun Ahmad through the use of a Portfolio Management Committee, which reviews the firm's client accounts on at least a quarterly basis.

Shaun Ahmad is President of 25 Capital Partners. As such, he is not subject to direct supervision by another employee of the firm, although Mr. Ahmad does report to the Board of Directors of 25 Capital Holdings, Inc., which can be contacted through Adam Cyrus, fellow Board of Directors member at 407.909.9000.

**BROCHURE SUPPLEMENT (Form ADV Part 2B)**

Michael Scott Shultz

25 Capital Partners, LLC

13024 Ballantyne Corporate Place, Suite 425, Charlotte NC 28277

704.426.8849

March 27, 2017

This brochure supplement provides information about Michael Scott Shultz that supplements the 25 Capital Partners, LLC ("25 Capital Partners") firm brochure. You should have received a copy of that brochure. Please contact 25 Capital at 704.426.8849 if you did not receive the 25 Capital Partners firm brochure or if you have any questions about the contents of this supplement.

**EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE**

Michael Scott Shultz

Year of Birth: 1974

The University of South Carolina, BS in Finance, 1997

25 Capital Partners, LLC, Vice President, April 2011 to Present

RoundPoint Capital Group, LLC, Vice President, October 2008 to April 2011

Banc of America Securities, Principal, September 2000 to August 2008

**DISCIPLINARY INFORMATION**

This section does not apply to Michael Scott Shultz

**OTHER BUSINESS ACTIVITIES**

This section does not apply to Michael Scott Shultz

**ADDITIONAL COMPENSATION**

This section does not apply to Michael Scott Shultz



## **SUPERVISION**

25 Capital Partners has written procedures in place to supervise the activities of Michael Scott Shultz. Mr. Shultz is one of the three members of 25 Capital's Investment Committee, which operates via majority consent. In addition, 25 Capital Partners monitors the services and advice provided by Michael Scott Shultz through the use of a Portfolio Management Committee, which reviews the firm's client accounts on at least a quarterly basis.

Mr. Shultz's supervisor is Shaun Ahmad who can be reached at 704.426.8849.