

**Item 1. Cover Page**

**Bridger Management, LLC**

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Part 2A of Form ADV: Firm Brochure  
June 19, 2018

**This brochure provides information about the qualifications and business practices of Bridger Management, LLC. If you have any questions about the contents of this brochure, please contact us at (212) 984-2114 or via email at [investorrelations@bridgercapital.com](mailto:investorrelations@bridgercapital.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**Additional information about Bridger Management, LLC is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**An investment adviser’s registration with the SEC does not imply a certain level of skill or training.**

## **Item 2. Material Changes**

Our last brochure was dated March 29, 2018. We do not believe that the changes incorporated in this brochure since our last filing are material.

### **Item 3. Table of Contents**

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#### **Item 4. Advisory Business**

Bridger Management, LLC (“Bridger” or the “Adviser”) is an investment adviser organized as a Delaware limited liability company on April 25, 2000. Bridger is managed by Roberto Mignone (the “Manager”), and principally owned by the Manager through Bridger Management II LP.

Bridger provides investment advisory services to pooled investment vehicles (the “Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”), and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”). The Funds’ principal investment objective is to achieve long-term, risk-adjusted capital growth generally through investments in equity securities and equity related instruments. Bridger also manages a pooled investment vehicle primarily for the Manager and members of his family that invests in private investment funds managed by third-parties (the “Auson Fund”).

As the investment adviser of the Funds, Bridger’s services consist of identifying opportunities for acquisition, management, monitoring, and disposition of investments of the Funds. Investment advice is provided directly to the Funds, subject to the discretion and control of the general partner/managing member or the board of directors of the applicable Fund, and not individually to the limited partners or shareholders of the Funds. Services are provided to the Funds in accordance with investment management agreements between Bridger and each Fund and/or the organizational documents of the Funds. Investment restrictions for the Funds, if any, are generally established in the organizational or offering documents of the Funds.

Bridger may in the future organize investment funds or manage investment funds or separately managed accounts that may follow an investment program similar to or different from the Funds’ program (such future funds and managed accounts, collectively with the Funds and the Auson Fund, the “Clients”).

As of March 31, 2018, Bridger managed regulatory assets under management of \$3,098,339,407 on a discretionary basis.

#### **Item 5. Fees and Compensation**

##### **Management Fee**

Bridger receives from each Fund a quarterly management fee (the “Management Fee”), which ranges from 1.5% to 2.0% per annum of the net asset value of a Fund and is paid from the assets of such Fund quarterly in advance, and an allocable portion of the Management Fee is deducted from each relevant investor’s account at the beginning of the relevant accounting period. In the case of an investor admitted to a Fund after the first business day of the relevant calendar quarter, the Management Fee is pro-rated based on the admission date of such investor.

In the sole discretion of Bridger, the Management Fee may be reduced, waived or calculated differently with respect to, or may not be charged in whole or in part to, or may be rebated to, any person or entity or any class of shares or interests, including without limitation, any investors, Bridger, their affiliates, members of the immediate families of such persons or trusts or

other entities for their benefit, including, in particular, during any wind-down of a Fund's business. The Healthcare Funds (as described in Item 8 below) offer a 1.5% Management Fee share class for any existing investor in the Swiftcurrent Funds (as described in Item 8 below) and 2.0% Management Fee to other prospective investors.

Generally, a Fund will pay the Management Fee in advance. If the investment management agreement is terminated before the end of the billing period, Bridger will refund a pro rata portion of the pre-paid fee to the Fund's investors.

The Auson Fund is not subject to any Management Fees.

### **Incentive Allocation**

An affiliate of Bridger is entitled to an incentive allocation (the "Incentive Allocation") from the Funds, equal to 20% of any net profit allocable to each investor for such fiscal year in excess of any loss recovery with respect to such investor's account, adjusted for contributions, withdrawals and distributions.

In the sole discretion of Bridger, the Incentive Allocation may be calculated differently with respect to, or may not be charged, in whole or in part to, or may be rebated to, any person or entity or any class of shares or interests, including without limitation, any investors, Bridger, their affiliates, members of the immediate families of such persons or trusts or other entities for their benefit.

The Incentive Allocation will be allocated as of the close of each fiscal year and on any interim redemption or withdrawal of capital by an investor.

The Auson Fund is not subject to any Incentive Allocation.

### **Other Expenses**

The Funds bear their own costs and expenses, such as administrative expenses, investment expenses (*e.g.*, brokerage commissions and interest expense), fees and expenses of their governing bodies, legal expenses, valuation, accounting (including without limitation the fees and expenses of any administrator retained for the Funds and the fees and expenses related to regulatory filings of the Funds, the general partner/managing member and Bridger that relate to the Funds (including by way of illustration, Form PF)), auditing and tax preparation expenses, taxes, expenses relating to the offer and sale of interests in the Funds, expenses relating to the organization of the Funds and extraordinary expenses. To the extent the Funds invest in exchange traded funds and/or private investment funds, the Funds would be subject to additional fees and expenses payable by such funds. Costs and expenses common to one or more Clients are paid pro rata by each Client based on capital or based on the allocation of related time and services as determined in the discretion of Bridger.

The expenses incurred in connection with a transaction that is consummated will generally be allocated among Funds and any participating third-party investors pro rata in accordance with their respective actual investments or commitments in such investment opportunity, unless Bridger determines that a different allocation methodology would be more equitable. Any

expenses incurred in connection with a transaction that is not consummated will generally be allocated among the expected participants in the investment pro rata in accordance with their respective expected investment or commitment in such unconsummated investment opportunity.

The Clients incur brokerage and other transaction costs when brokers are used in connection with their investments. For additional information regarding brokerage practices, please see Item 12 below.

#### **Item 6. Performance-Based Fees and Side-By-Side Management**

As disclosed above under Item 5, “Fees and Compensation,” an affiliate of Bridger is entitled to receive an Incentive Allocation based on the performance of the Funds. This creates an incentive for Bridger to cause the Funds to make more speculative investments than they would otherwise make in the absence of the Incentive Allocation. The Incentive Allocation is calculated for each Fund at the same rate, subject to waivers or reductions for certain investor accounts.

#### **Item 7. Types of Clients**

The Adviser provides investment advisory services to the Clients. Investment advice is provided directly to the Funds, subject to the discretion and control of the general partner/managing member or the board of directors of the applicable Fund, and not individually to the investors in the Funds.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the 1940 Act and the Securities Act. Investors in the Funds may include high net worth individuals, trusts, estates, charitable organizations, endowments, corporations, limited partnerships, limited liability companies, pension funds, and similar entities.

The minimum initial investment in each Fund is \$1,000,000, subject to waiver. Bridger does not have a minimum size for the Funds. The minimum initial investment in the Auson Fund is \$100,000, subject to waiver.

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

### **Methods of Analysis and Investment Strategies**

The Adviser's principal investment objective is to achieve risk adjusted capital growth primarily through investments in equity securities and equity related instruments. The Adviser primarily focuses the Clients' investment activities on publicly traded securities.

The Adviser's investment strategies include a long/short equity strategy, known as the "Swiftcurrent Funds" and a long/short healthcare sector strategy, known as the "Healthcare Funds". The Auson Fund primarily invests in private investment funds managed by third-parties.

The Adviser's investment strategies rely upon in-depth, fundamental research. The Adviser generally judges each investment position on its own ability to generate profits consistent with its risk profile. The Adviser identifies investment opportunities through careful field research, quantitative screens, and its extensive investment network. Ongoing due diligence of portfolio investments includes rigorous competitive, accounting, and valuation analyses. This work is supplemented, if appropriate, by interviews with company management teams, customers, suppliers, and competitors. The Clients' portfolios typically include both (i) long positions in securities of companies in which the Adviser believes it has identified a fundamental value driver for capital appreciation and (ii) short positions in securities of companies in which the Adviser believes there is fundamental business deterioration.

The Adviser seeks to acquire long positions in companies where it has identified fundamental value drivers that have not been recognized or fully exploited by the broader investment community. Long positions will typically consist of investments in companies whose growth prospects demonstrate significant potential for high incremental returns on investment, with well-defined competitive advantages. Such advantages may include high barriers to entry, large market opportunities, and strong management teams. The Adviser may also seek to acquire long positions in companies whose valuation reflects a disproportionate discount to its private market value or peer group, where the Adviser has identified a catalyst for capital appreciation. These catalysts may include a restructuring, spin-off, or change in management control.

The Adviser believes that short positions not only serve as a hedge against volatile market conditions, but also generate profit opportunities for the Clients. Because of the risks inherent in short selling, the Adviser devotes significant effort to generating short ideas through its field research and proprietary screens. The Adviser may seek to acquire a short position when the Adviser determines that the investment community has a fundamental misperception about a company's business prospects, and the Adviser has identified a timeline and catalyst for a correction in valuation. Such catalysts may include product failures, customer losses, or overestimated market potential. Short positions may also be taken in companies with balance sheets that reflect significant business risk. Such companies may have deteriorating fundamentals, poor cash generation capabilities, and reliance upon debt financing.

The Adviser may seek to acquire securities of non-U.S. issuers and a variety of fixed income and equity or equity related instruments, including swaps, options, futures and forward contracts, as

well as any other instruments (such as private investment funds managed by third party investment managers) and use leveraging and hedging devices deemed appropriate by the Adviser, in order to seek to maximize returns and minimize risk.

The method of analysis and the investment strategies summarized in this Item 8 represent the Adviser's current intentions. Depending on conditions and trends in securities markets and the economy generally, the Adviser may pursue other objectives or employ other techniques it considers appropriate and in the best interests of the Clients.

### **Investment Risks**

Investing in securities involves a substantial degree of risk of loss. Bridger's investment program is speculative and entails investment and market-related risks. The practices of short selling, leverage and other investment techniques which Bridger employs on behalf of the Clients can, in certain circumstances, substantially increase any adverse impact to which the Clients' investment portfolios may be subject. Accordingly, the Clients could experience substantial losses under certain circumstances. Clients and investors in the Funds must be prepared to bear the risk of a complete loss of their investments.

Below is a list of certain risks associated with Bridger's investment strategies and methods of analysis. Additional risks associated with an investment in the Funds are disclosed in the offering documents of the applicable Funds or, in the case of the Auson Fund, in the subscription agreement.

*Investment and Trading Risk.* While investments in companies in certain industries offer the opportunity for significant capital gains, such investments involve a high degree of business, financial, technological and regulatory risk which can result in substantial losses. Moreover, the Clients' investment portfolios may include investments particularly subject to increased risk because they are in companies at an early stage of development, which have been or may go into bankruptcy, acquired as leverage buyouts subject to interest rate fluctuations, or engaged in highly competitive industries dominated by companies with substantially greater resources. The stock market has experienced volatility which affected the securities of companies. As a result, the performance of Clients' accounts may experience substantial volatility and potential for loss.

*Risks of Investing in the Healthcare Sector.* Investments in companies in the healthcare sector involve a high degree of business, financial, technological and regulatory risk which can result in substantial losses. These risks include, but are not limited to, the following: (i) certain of these companies may have limited operating histories; (ii) certain of these companies may not have sufficient management or marketing personnel with appropriate scientific or medical training, which may slow or impede the companies' growth; (iii) obtaining approval for new products from governmental agencies can often be a lengthy and expensive process, the outcome of which can be uncertain; (iv) certain of these companies may become involved in lawsuits related to their patents or products; (v) products produced by certain of these companies may become obsolete; (vi) government policies and regulations applicable to certain of these companies may change in ways that adversely affect them; (vii) investor sentiments and preferences with regard

to healthcare sector investments (some of which are generally perceived as risky) may change, which may have an adverse effect on the price of underlying securities; and (viii) U.S. stock markets may become more volatile, which may affect the prices of healthcare company securities and, in turn, may cause the performance of the Funds to experience substantial volatility.

Clients may invest in the securities of healthcare companies engaged in the development of products or technologies or that are conducting clinical trials on products. The development of products generally is a costly and time-consuming process. There can be no assurance that the research or product development efforts of such companies will be successfully completed, that specific products can be manufactured in adequate quantities at an acceptable cost and with appropriate quality, or that such products can be successfully marketed or achieve customer acceptance.

The research, development, pre-clinical and clinical trials, manufacturing, and marketing of healthcare products are subject to extensive regulation by numerous governmental authorities in the United States and other countries. Obtaining product approval often requires the submission of extensive preclinical and clinical data, information about product manufacturing processes, and inspection of facilities and supporting information for each therapeutic indication to establish a product candidate's safety and efficacy. Varying interpretations of the data obtained from preclinical and clinical testing could delay, limit or prevent regulatory approval of a product. The process of obtaining and maintaining regulatory approvals may vary and involves substantial regulatory discretion, is expensive and often takes many years, if approval is obtained at all. Many highly promising products ultimately fail to prove safe and effective. There can be no assurance that products under development will ever be approved by the appropriate governmental authorities in the United States and other countries.

Healthcare companies generally depend heavily upon intellectual property for their competitive position. Intellectual property rights in the fields of medical devices, diagnostics, pharmaceuticals and biotechnology are highly uncertain and may involve complex legal and scientific questions. There can be no assurance that a healthcare company will be able to obtain patents for key inventions. Moreover, healthcare companies may not be able to obtain additional issued patents relating to their products, methods, processes, services or other technologies. Even if issued, patents may be challenged, narrowed, invalidated or circumvented, or others may obtain patents claiming aspects similar to those covered by such patents and patent applications, which factors could limit a company's ability to stop competitors from marketing similar products or services, limit the length of term of patent protection they may have for their products or services, and expose them to substantial costs and risks in litigation and administrative proceedings and drain resources. Changes in either patent laws or in interpretations of patent laws in the United States and other countries may diminish the value of a company's intellectual property or narrow the scope of its patent protection.

The success of many companies in the healthcare industry depends on governmental and third party reimbursement policies that are under constant review and are subject to

change at any time. Any such change could adversely affect a healthcare company's viability.

The testing and marketing of pharmaceutical, medical products and technologies entail an inherent risk of product liability. Accordingly, companies in the healthcare industry may be exposed to potential liability risks inherent in the testing, manufacturing, marketing and sale of healthcare products and/or the provision of healthcare services. A liability claim or the imposition of liability may have an adverse effect on the market prices of a company's securities.

Healthcare is a very litigious industry. Companies in the healthcare industry may be subject to lawsuits, including without limitation lawsuits brought against them by governmental agencies (e.g., HHS, OIG, DOJ and CMS), competitors, customers, suppliers and former employees. Any such lawsuits could adversely affect these companies, which could have an adverse effect on a Client's portfolio.

*Financial Market Fluctuations.* General fluctuations in the market prices of securities may affect the value of the investments held by the Clients. Instability in the securities markets may also increase the risks inherent in the Clients' investments. Price movements of the instruments in which the Clients' assets may be invested may be influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, developments or trends in any particular industry, the financial condition of the issuers of such assets, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies, financial instruments, futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The Clients are also subject to the risk of the failure of any exchanges on which their positions trade or of their clearinghouses.

Disruptions in global financial markets have resulted in increased volatility and illiquidity in the global credit, debt and equity markets generally. Uncertainty regarding economic markets generally and the continuation of, or any future, economic or market disruptions could affect any or all of the markets with which the Clients invest, which could have a material adverse effect on the Clients and their investments. In addition, any such market disruptions may also result in further changes to regulatory requirements or other government intervention, which could prevent the Clients from successfully meeting their investment objectives or could require the Clients to dispose of investments at a loss while such unfavorable market conditions prevail.

*Equity Risk.* The market price of securities owned by the Clients may go up or down, sometimes rapidly or unpredictably. A risk of investing in the Clients is that the equity securities in its portfolio will decline in value due to factors affecting equity securities markets generally or particular industries represented in those markets. The values of

equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. In addition, securities which Bridger believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame Bridger anticipates. As a result, the Clients may lose all or substantially all of their investments in any particular instance.

*Fixed-Income Securities.* Bridger may seek to acquire bonds or other fixed-income securities on behalf of Clients, including, without limitation, commercial paper and “higher yielding” (and, therefore, higher risk) debt securities. Such securities may be below “investment grade” and may face ongoing uncertainties and exposure to adverse business, financial or economic conditions that could lead to the issuer’s inability to meet timely interest and principal payments. The market values of certain of these lower rated debt securities tend to reflect individual corporate developments to a greater extent than do higher rated securities, which react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions than are higher rated securities. Companies that issue lower rated debt securities often are highly leveraged and may not have access to more traditional methods of financing. Trading in such securities may be limited or disrupted by an economic recession, resulting in an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could affect adversely the ability of the issuers of such securities to repay principal and pay interest thereon and, therefore, increase the incidence of default for such securities.

*Illiquid Portfolio Securities.* The Clients may invest in unregistered securities of publicly held companies and in privately held companies. Such investments will be illiquid and difficult to value and there will generally be no collateral to secure an investment once made. Such investments may require a significant amount of time from the date of initial investment before disposition. Sales of such securities may not be possible and, if possible, may be made at substantial discounts from cost. Also, securities exchanges and the SEC have authority to suspend trading in a particular security without notice. Some portfolio companies may have the need for additional capital to support expansion or to achieve or maintain a competitive position, and there is no assurance that such capital will be available, particularly for private companies.

In addition, Bridger may invest a portion of the Clients’ assets in private investment funds managed by third party investment managers. Certain private investment funds in which the Clients invest may impose greater restrictions on withdrawals than those imposed by the Clients. In addition, certain private investment funds may suspend, gate or otherwise further limit redemptions, side pocket assets, make distributions in-kind in connection with redemption requests, or liquidate their portfolios.

*Directorships on Boards of Portfolio Companies.* Employees of Bridger currently serve as directors of companies the securities of which are purchased or sold on behalf of Clients (“Portfolio Companies”). Employees serving in such capacity are expected to be provided with material non-public information with respect to such Portfolio Company. As a result, Clients will be subject to legal restrictions on the purchase or sale of Portfolio Company securities, and to other trading restrictions, including pursuant to the internal trading policies of such Portfolio Company or Bridger. Bridger and its affiliates and their principals and employees may also receive material non-public information from other sources with respect to public securities and may be restricted in effecting purchases and sales in such public securities for Clients. As a result, Clients will not be permitted to sell their interests in a Portfolio Company or other assets in whole or in part when it otherwise would have, and other investors may be able to sell their interests in such Portfolio Company or Client asset during such period. Any such restrictions could last for a significant period of time and could adversely affect Clients.

*Hedging Strategies.* The use of hedging strategies in no respect should be taken to imply that Bridger’s use of such strategies on behalf of Clients is without risk. Substantial losses may be recognized on “hedge” positions, and illiquidity and default on one side of a position may effectively result in the position being transformed into an outright speculation. Although the contemplated use of hedging instruments is intended to minimize the risk of loss due to a decline in the value of the hedged position, the use of such instruments may limit any potential gain which might result from an increase in the value of such position. Therefore, while the Clients may enter into hedging transactions to seek to reduce their risk, unanticipated changes may result in a poorer overall performance for the Clients than if they had not engaged in any hedging transactions. In addition, hedging transactions cause the Clients to bear additional fees and expenses. The Clients may determine not to conduct hedging transactions in whole or in part for any period of time. There is no guarantee the Clients will use hedging strategies or that such strategies will be successful when used.

*Investment in Small Companies/Limited Operating History.* There is no limitation on the size or operating experience of the companies in which the Clients may invest. The securities of small capitalization and recently organized companies pose greater investment risks. Some small companies in which the Clients may invest may lack management depth or the ability to generate internally or obtain externally the funds necessary for growth. Companies with new products or services could sustain significant losses if projected markets do not materialize. In addition, such companies may have, or may develop, only a regional market for products or services and may be adversely affected by purely local events. Such companies may be small factors in their industries and may face intense competition from larger companies and entail a greater risk than investment in larger companies. Further, there is often less publicly available information concerning such companies than for larger, more established businesses. Investments in companies with limited operating histories are more speculative and entail greater risk than do investments in companies with an established operating record.

*Short-Term Trading Risks.* Bridger may execute transactions on behalf of Clients designed to take advantage of very short-term market trends and the market’s volatility.

Because market trends in general and changes in market trends during a trading day cannot be predicted with any degree of certainty or consistency, the performance of Clients' accounts may fluctuate substantially from period to period, and it is possible that the Clients may sustain substantial and continuing losses. In addition, Bridger may make very short term transactions on behalf of Clients, with the possibility of making several transactions in one security in a single trading day. As a result, the commissions payable by the Clients may be substantially in excess of those normally paid by another investment vehicle or account of comparable size to the Clients.

*Frequency of Trading.* Some of the strategies and techniques employed by Bridger require frequent trades to take place and, as a consequence, portfolio turnover and brokerage commissions (and therefore trading expenses incurred and paid by the Clients) may be greater than for other investment entities of similar size.

*Competitive Market for Investments; Unidentified Investments.* The business of identifying and structuring certain transactions of the nature contemplated by Bridger on behalf of the Clients is competitive (and may become more competitive in the future), and involves a high degree of uncertainty. There can be no assurance that Bridger, on behalf of the Clients, will be able to locate and complete attractive investments, adhere to the investment selection criterion, or that if adhered to and implemented, any such investments will produce superior risk-adjusted rates of return or otherwise achieve their objectives. Furthermore, there can be no assurance that Bridger will be able to invest the entire amounts of the Clients' investments or that suitable investment opportunities will otherwise be identified.

*Concentration of Investments.* Each of the Clients may participate in a limited number of investments and may seek to make several investments in one industry or one industry segment. As a result, the Clients' investment portfolios could become highly concentrated and its aggregate return may be affected substantially by the performance of only a few holdings. For example, the Clients could be subject to significant losses if they hold a relatively large position in a single industry or type of investment that declines in value, and the losses could increase even further if the investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances.

*Non-U.S. Investments.* The Clients may invest in securities of non-U.S. corporations or countries other than the U.S. Investing in the equity securities of non-U.S. companies involves certain considerations not usually associated with investing in securities of U.S. companies, including political and economic considerations, such as greater risks of expropriation and nationalization, the potential difficulty of repatriating funds and general social, political and economic instability; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; imposition of taxes on dividends, interest payments, or capital gains; possible difficulty in obtaining and enforcing judgments against non-U.S. entities; and certain government policies that may restrict the Clients' investment opportunities. In addition, accounting and financial reporting standards that prevail in

foreign countries generally are not equivalent to U.S. standards and, consequently, less information may be available to investors in companies located in foreign countries than is available to investors in companies located in the U.S. There is also less regulation, generally, of the securities markets in non-U.S. countries than there is in the U.S. Furthermore, issuers of non-U.S. securities are subject to different, often less comprehensive accounting, reporting or disclosure requirements than U.S. issuers. Brokerage commissions and other transaction costs on securities exchanges in non-U.S. countries are generally higher than in the U.S. Non-U.S. securities settlements may in some instances be subject to delays and related administrative uncertainties.

*Investment in Emerging Markets.* The Clients may make investments in the securities markets of emerging market countries. The risks of investments in non-U.S. securities described above apply to an even greater extent to investments in emerging markets. The securities markets of emerging market countries are generally smaller, less developed, less liquid, and more volatile than the securities markets of the U.S. and developed non-U.S. markets. Disclosure and regulatory standards in many respects are less stringent than in the U.S. and developed non-U.S. markets. There also may be a lower level of monitoring and regulation of securities markets in emerging market countries and the activities of investors in such markets and enforcement of existing regulations has been extremely limited. Many emerging market countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets of certain emerging market countries. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values, and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of these countries also have been and may continue to be adversely affected by economic conditions in the countries in which they trade. The economies of countries with emerging markets may also be predominantly based on only a few industries or dependent on revenues from particular commodities. In addition, custodial services and other costs relating to investment in non-U.S. markets may be more expensive in emerging markets than in many developed non-U.S. markets, which could reduce the Clients' income from such securities. In addition, certain emerging markets may be characterized by a heightened possibility of expropriation or confiscatory taxation, imposition of withholding taxes on interest payments, or other government action that could affect investments in those countries.

In many cases, governments of emerging market countries continue to exercise significant control over their economies, and government actions relative to the economy, as well as economic developments generally, may affect the capacity of issuers of emerging market country debt instruments to make payments on their debt obligations, regardless of their financial condition. In addition, there is a heightened possibility of expropriation or confiscatory taxation, imposition of withholding taxes on interest payments, or other similar developments that could affect investments in those countries. There can be no assurance that adverse political changes will not cause Clients to suffer a

loss of any or all of their investments or, in the case of fixed income securities, interest thereon.

*Short Selling.* The Clients' investment portfolios may include short positions. Short selling involves selling securities which may or may not be owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from decline in the price of a particular security. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Clients of buying those securities to cover the short position. There can be no assurance that the security necessary to cover a short position will be available for purchase, and the Clients may be exposed to the risk that deliverable securities will not be available in the market, or will be available only at unfavorable prices. The SEC and regulatory authorities in other jurisdictions may adopt (and in certain cases, have adopted) bans on short sales of certain securities in response to market events. Bans on short selling may have an adverse effect on Bridger's ability to execute certain investment strategies on behalf of Clients and generate returns.

*Leverage and Hedging Transactions.* The Clients may utilize a variety of aggressive investment techniques including, but not limited to, purchase of securities on margin, use of options, short term trading, derivatives, options, swaps and forward contracts, both for investment purposes and for risk management purposes. The primary risks associated with the use of such derivatives are (i) failure to predict accurately the direction of the market movements and (ii) market risks, for example, lack of liquidity or lack of correlation between the change in the value of the underlying asset and that of the value of the derivatives held by a Client. In addition, investments by the Clients in over-the-counter derivatives are subject to the risk of counterparty default and the Clients may have to transact with counterparties on standard terms which it may not be able to negotiate. While a Client may enter into such transactions to seek to reduce risk, such transactions may result in a poorer overall performance for such Client than if it had not engaged in any such hedging or leverage transactions. Moreover, it should be noted that the Clients' portfolios will always be exposed to certain risks that cannot be hedged, such as credit risk (relating both to particular securities and counterparties).

In addition, the Dodd-Frank Act established a new regulatory framework for oversight of over-the-counter derivatives transactions by the CFTC and the SEC and heightened the existing regulation of futures markets. There can be no certainty as to the final form of the requirements thereof, including rules and regulations adopted thereunder, and the full extent of the impact such requirements will have on the Clients is unclear. However, the Dodd-Frank Act requires, where appropriate in light of outstanding exposures, trading liquidity and other factors, swaps (broadly defined to include most derivative instruments other than futures contracts) to be cleared through a registered clearing facility and generally traded on a designated exchange or swap execution facility. Pursuant to CFTC regulations adopted thereunder, most interest rate and credit derivatives have become subject to mandatory clearing and trading on such platforms. Uncertainty about the applicability of the Dodd-Frank Act's clearing and trading requirements to various types of derivatives may reduce the availability to the Clients of customized or bespoke over-

the-counter derivatives. Moreover, the Clients' derivatives counterparties have become subject to capital, margin, reporting, recordkeeping, disclosure and business conduct requirements imposed as a result of the Dodd-Frank Act and rules and regulations adopted thereunder, which may increase the Clients' transaction costs or make it more difficult for the Clients to enter into derivatives transactions on favorable terms or at all.

While the use of leverage increases returns if the Clients earn a greater return on the incremental investments purchased with leverage than they pay for such leverage, the use of leverage decreases returns if the Clients fail to earn as much on such incremental investments as they pay for such funds. The effect of leverage may therefore result in a greater decrease in the net asset value of the Clients than if the Clients were not leveraged. Any use by the Clients of short-term margin borrowings will result in certain additional risks to the Clients. For example, the securities pledged to brokers to secure the Clients' margin accounts could be subject to a "margin call," pursuant to which a Client would be required to either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. A sudden, precipitous drop in value of a Client's assets accompanied by corresponding margin calls could force a Client to liquidate assets quickly, and not for fair value, in order to pay off its margin debt.

A Client may pledge assets in order to secure any borrowings. As a condition to any such borrowing, the lender may impose certain restrictions or requirements on the operations of such Client, which may include without limitation investment guidelines, restrictions on permitted investments or redemptions from such Client's account, strategy limits, leverage and borrowing restrictions, liquidity and diversification guidelines, valuation requirements, and reporting, notification and remediation requirements. From time to time, a lender may also require such Client to reduce its leverage ratio. This may occur as a result of the decline in the value of the assets of the Client or for other reasons. If this occurs, such Client may be required to dispose of its investments when it otherwise would not have done so. The rights of any lenders to such Client to receive payments of interest or repayments of principal will be senior to those of the Client, and the terms of any borrowings may contain provisions that limit certain activities of such Client.

*Credit Market Illiquidity.* The credit markets have, and may in the future, experience extended periods of significant lack of liquidity. While this lack of liquidity may create opportunities for the Clients to acquire assets at prices that Bridger believes are attractive, it creates a number of risks. There can be no assurance that the market will, in the future, become more liquid and it may continue to be volatile for the foreseeable future. It is also possible that illiquidity in the market could cause prices to decline further, which may result in the Clients selling assets at a lower price than would be the case under other circumstances.

*Futures and Related Options.* Bridger may buy and sell futures contracts and related options on behalf of Clients. A futures contract is an agreement between two parties to buy and sell a specific quantity of a commodity (including a securities index or an interest-bearing security) for a set price at a future date. Bridger may, on behalf of Clients, also buy and sell call and put options on futures or on securities indexes in

addition to or as an alternative to purchasing or selling futures contracts, or, to the extent permitted by applicable law, to earn additional income.

Futures and options transactions involve costs and may result in losses. Certain risks arise because of the possibility of imperfect correlations between movements in the prices of futures and options and movements in the prices of the underlying securities, securities indices, currencies or other commodities or of the securities or currencies in the Clients' portfolios which are the subject of the hedge (to the extent such Clients use futures and options for hedging purposes). The successful use of futures and options further depends on Bridger's ability to forecast market or interest rate movements correctly. Other risks arise from the Clients' potential inability to close out its futures or options positions, and there can be no assurance that a liquid secondary market will exist for any futures contract or option at a particular time. The use of futures and options for purposes other than hedging is regarded as speculative.

Certain regulatory requirements may also limit the Clients' ability to engage in futures and options transactions. For example, the CFTC, U.S. commodities exchanges and certain non-U.S. commodities exchanges have established limits referred to as "speculative position limits" or "position limits" on the maximum net long or net short (or, for some commodities, the gross) number of positions which any person or group of persons may own, hold or control in various futures or options on futures contracts, and such rules generally require aggregation of the positions owned, held or controlled by certain related entities.

In applying such limits, the CFTC and some commodities exchanges will require aggregation of a Client's positions in futures and options on futures contracts with positions held by other entities and/or accounts managed by Bridger. In addition, under current applicable regulations, if multiple investment advisers trade in commodities on behalf of a Client, such investment advisers could be required to comply with position limits as if the investment advisers collectively were a single trader, absent qualifying for exemptive relief therefrom. To comply with such position limits, Bridger and any such investment advisers may be required to modify their trading strategies or liquidate positions, which could adversely affect the operations and profitability of the Clients' accounts.

In addition, the CFTC has re-proposed rules which would impose a position limits regime for futures and options on futures contracts and swaps with respect to twenty-five agricultural, energy and metal commodities, along with economically equivalent futures, options on futures contracts and swaps, and adopted rules and rule amendments that incorporate more restrictive aggregation criteria in some respects than the prior rules. Any additional rules or rule amendments adopted by the CFTC in the future may hinder the ability to trade such contracts or other instruments and could have an adverse effect on the operations and profitability of the Clients' accounts.

*Currency.* Bridger may invest a portion of a Client's assets in instruments denominated in currencies other than the U.S. dollar, the price of which is determined with reference to currencies other than the U.S. dollar. The securities and other assets in Client accounts

will, however, be valued in U.S. dollars. To the extent unhedged, the value of the Clients' assets will fluctuate with U.S. dollar exchange rates as well as the price changes of the Clients' investments in the various local markets and currencies. As a result, the Clients could realize a net loss on an investment, even if there were a gain on the underlying investment before currency losses were taken into account. Among the factors that may affect the currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Exchange rates can change dramatically over short periods of time, particularly during times of political or economic unrest or as a result of actions taken by central banks, which may be intended directly to affect prevailing exchange rates. To the extent permitted, Bridger may, on behalf of the Clients, also utilize options and forward contracts to hedge against currency fluctuations, but there can be no assurance that such hedging transactions will be effective. Certain types of options and other customized financial instruments may be subject to the risk of non-performance by the other party to the contract as well as the inability of Bridger, on behalf of a Client, to obtain the appropriate currency in time for settlement of the contract. As a result, a default on the instrument may deprive a Client of unrealized profits or may force such Client to cover its commitments for purchase or resale of the underlying currency at the then current market price.

*Counterparty and Settlement Risk.* A Client will be exposed to the credit risk of the counterparties with which, or the brokers, dealers and exchanges through which, it deals, whether it engages in exchange-traded or off-exchange transactions. Bridger may trade, on behalf of a Client, directly or indirectly, futures and securities on exchanges located outside the U.S. Some non-U.S. exchanges, in contrast to domestic exchanges, are "principals' markets" in which performance is solely the individual member's responsibility with whom the trader has entered into a commodity contract and not that of an exchange or its clearinghouse, if any. In the case of trading on non-U.S. exchanges, a Client is subject to the risk of the inability of, or refusal by, the counterparty to perform with respect to contracts.

In the case of the bankruptcy of any of the counterparties with which, or the brokers, dealers and exchanges through which, a Client may deal, or a customer loss as described in the foregoing paragraph, a Client might not be able to recover any of its assets held, or amounts owed, by such person, even property or amounts specifically traceable to the Client. To the extent such assets or amounts are recoverable, a Client might only be able to recover a portion of such amounts, and such recovery could take a significant period of time. Prior to any such recovery, a Client may be unable to trade any positions held by such person, transfer any positions and cash held by such person or have transparency with respect to the positions held by such person on behalf of the Client. As a result, Bridger's ability to manage the remainder of a Client's portfolio and to provide sufficient risk management may be hindered, which, along with other materially adverse effects, could result in significant losses to the Client.

Bridger may, on behalf of a Client, effect transactions on "over-the-counter" or "interdealer" markets. Participants in these markets are typically not subject to credit

evaluation and regulatory oversight as are members of “exchange based” markets. To the extent a Client invests in swaps, derivatives or synthetic instruments, or other over-the-counter transactions in these markets, the Client may take a credit risk with regard to parties with which it trades and also may bear the risk of settlement default. These risks may differ materially from those involved in exchange-traded transactions, which generally are characterized by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from these protections, which, in turn, may subject a Client to the risk that a counterparty will not settle a transaction in accordance with agreed terms and conditions due to, among other things, a dispute over the terms of the contract or a credit or liquidity problem. Such “counterparty risk” is increased for contracts with longer maturities when events may intervene to prevent settlement. The inability of a Client to transact business with any one or any number of counterparties, the lack of any independent evaluation of the counterparties or their financial capabilities, and the absence of a regulated market to facilitate settlement, may increase the potential for losses to the Client.

Any such failure or refusal of a counterparty to perform its obligations, whether due to insolvency, bankruptcy or other causes, could subject a Client to substantial losses. A Client will not be excused from performance on any such transactions due to the default of third parties in respect of other trades in which its trading strategies were to have substantially offset such contracts.

*Custodial Risk.* A Client’s prime brokers will have custody of the Client’s securities, cash, distributions and rights accruing to the Client’s securities accounts. SEC rules require the prime brokers to maintain physical possession and control of fully paid securities held in a Client’s account and to establish certain reserves for the benefit of customers. However, subject to these limitations, the prime brokers generally have the ability to loan, pledge, and rehypothecate the securities in a Client’s account, as is typical market practice, and may have insufficient assets to meet all of its obligations to customers in the event of an insolvency of the prime brokers. In such an event, a Client would typically not have a right to recover its securities held by the prime brokers, but would rather have only an unsecured claim against the prime brokers and participate pro rata with other customers of the prime brokers in the proceeds of the sale of customer securities. Also, even if the prime brokers do have sufficient assets to meet all customer claims, there could be a delay before a Client receives assets to satisfy its claims. In order to manage the risks associated with prime broker insolvency, a Client will establish relationships with multiple prime brokers. However, a Client may not be able to identify potential solvency concerns with respect to its prime brokers or to transfer assets from one prime broker to another prime broker in a timely manner.

The prime brokers may hold a Client’s securities through third parties such as clearing corporations, other brokers or banks. In addition, certain of a Client’s assets may be held by non-U.S. affiliates of the Client’s prime brokers and entities other than the prime brokers. Assets held by such non-U.S. affiliates may be subject to legal regimes that provide fewer or different investment protections than the U.S. For example, a Client

may provide certain of its assets as collateral to counterparties in connection with “over-the-counter” derivatives contracts such as swaps, forwards and certain options. If the Client has over-collateralized contracts, it is likely to be an unsecured creditor of any such counterparty in the event of its insolvency. Also, even if the Client’s prime broker or such other third parties do have sufficient assets to meet all claims, there could be a delay before the Client receives assets to satisfy its claims.

*Options Risk.* Bridger may, on behalf of Clients, buy or sell (write) both call options and put options, and when the Clients write options it may do so on a “covered” or “uncovered” basis. Purchasing or selling put and call options are highly specialized activities and exposes the Clients to significantly greater risk than ordinary investment risk. Although an option buyer’s risk is limited to the amount of the original investment for the purchase of the option, an investment in an option may be subject to greater fluctuation than is an investment in the underlying securities. In theory, an uncovered call writer’s loss is potentially unlimited. The risk for a writer of a put option is that the price of the underlying securities may fall below the exercise price. The ability to trade in or exercise options may be restricted in the event that trading in the underlying securities interest becomes restricted.

*Lack of Liquidity of Certain Investments.* The Clients may invest a portion of their assets in derivatives, securities, financial instruments and other assets that are illiquid and/or not publicly traded. Such investments may not be readily disposable and, in some cases, may be subject to contractual, statutory or regulatory prohibitions on disposition for a specified period of time. The market value of the Clients’ investments may fluctuate with, among other things, changes in prevailing interest rates, general economic conditions, the condition of financial markets, developments or trends in any particular industry and the financial condition of the issuers of the securities in which the Clients invest. During periods of limited liquidity and higher price volatility, the Clients’ ability to acquire or dispose of their investments at a price and time that Bridger deems advantageous may be impaired. As a result, in periods of rising market prices, the Clients may be unable to participate in price increases fully to the extent that they are unable to acquire desired positions quickly; conversely, the inability of the Clients to dispose fully and promptly of positions in declining markets will cause their net asset value to decline as the value of unsold positions is marked to lower prices. These circumstances could also impair the Funds’ ability to make distributions to a redeeming investor in a timely manner.

*Money Market and Other Liquid Instruments.* The Clients may, from time to time and pending investment, hold cash, cash equivalents or other short term securities or investments, including without limitation, money market funds, in order to meet operational needs, to fund anticipated redemptions or expenses, to minimize volatility or for other reasons. Any such temporary or defensive positions could prevent the Clients from achieving their investment objectives.

*Cybersecurity.* Cybersecurity risks and cyber incidents may adversely affect the Funds by causing a disruption to the Fund’s, the general partner’s/managing member’s, or Bridger’s operations, a compromise or corruption of the Fund’s, the general

partner's/managing member's, or Bridger's confidential information and/or damage to their business relationships, all of which could negatively impact the Fund's, the general partner's/managing member's, or Bridger's business and operations and performance. Cyber incidents could also threaten the confidentiality, integrity or availability of a Fund's, the general partner's/managing member's, or Bridger's information resources. These incidents may be an intentional attack or an unintentional event and could involve gaining unauthorized access to the Fund's, the general partner's/managing member's, or Bridger's information systems for purposes of misappropriating assets, stealing confidential information, corrupting data or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, including by making network services unavailable to intended users. The techniques used to carry out cyber attacks change frequently and may be difficult to detect for long periods of time. The result of these incidents may include disrupted operations, misstated or unreliable financial data, liability for stolen assets or information, increased cybersecurity protection and insurance costs, litigation, regulatory action and damage to business relationships. Network breaches may also result in personally identifiable information of investors being lost or improperly accessed, used or disclosed. Bridger has implemented processes, procedures and internal controls to help mitigate cybersecurity risks and cyber intrusions, but these measures, as well as Bridger's increased awareness of the nature and extent of a risk of a cyber incident, do not guarantee that a cyber incident will not occur and/or that a Fund's, the general partner's/managing member's, or Bridger's performance, operations or confidential information will not be negatively impacted by such an incident.

*Other Instruments and Future Developments.* Bridger may, on behalf of a Client, take advantage of opportunities in the area of swaps, options on various underlying instruments and swaptions and certain other customized "synthetic" or derivative investments. In addition, Bridger may, on behalf of a Client, take advantage of opportunities with respect to certain other "synthetic" or derivative instruments which are not presently contemplated for use by the Client or which are currently not available, but which may be developed to the extent such opportunities are both consistent with the Client's investment objective and legally permissible for the Client.

#### **Item 9. Disciplinary Information**

Item 9 is not applicable to Bridger, as it has no reportable material legal or disciplinary events.

#### **Item 10. Other Financial Industry Activities and Affiliations**

An affiliate of Bridger serves as the general partner of one of the Funds and a managing member for another Fund. For a description of material conflicts of interest created by this relationship, as well as a description of how such conflicts are addressed, please see Item 11 below.

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

### **Code of Ethics**

Bridger has adopted a Code of Ethics (the “Code of Ethics”) that generally prohibits persons associated with Bridger from using for their own benefit (or the benefit of anyone other than a client) information about Bridger’s trading or investment recommendations for a client or take advantage of investment opportunities that would otherwise be available for a client. The Code of Ethics covers each of Bridger’s employees and any other natural person who is subject to Bridger’s supervision and control who (i) has access to nonpublic information regarding a Client’s purchase or sale of securities, (ii) who is involved in making securities recommendations to a Client or (iii) who has access to securities recommendations to a Client that are not public (collectively, the “Covered Persons”). The Code of Ethics requires all Covered Persons to comply at all times with applicable U.S. federal and state securities laws, the rules of any exchange, and the rules of any applicable self-regulatory organization.

The Code of Ethics outlines written policies regarding personal trading in any brokerage or trading account in which a Covered Person, or any member of such Covered Person’s immediate family, has any direct or indirect control or beneficial ownership. The personal trading policies adopted by Bridger generally prohibit all personal trading of publicly-traded securities (including trading for accounts in which such Covered Person has any beneficial ownership or control or any accounts of any members of such Covered Person’s family/household) other than registered open-end mutual funds, broad-based exchange-traded funds and exchange-traded funds where the underlying investments are currencies, physical commodities or government obligations, bank certificates of deposit and interests in money market accounts. An employee is required to disclose all of his or her personal account holdings to Bridger upon employment. Covered Persons must provide Bridger with certain quarterly and annual securities holdings reports and, subject to certain exemptions, employees of Bridger must provide Bridger with contemporaneous duplicate copies of all transaction confirmation statements and account statements.

The Code of Ethics, and any supplement, amendment or restatement, is distributed to each Covered Person. Each Covered Person is required to read the Code of Ethics and certify that he or she has read the Code of Ethics and understands the materials contained therein. Adherence to the Code of Ethics, both in letter and in spirit, is fundamental and an absolute condition of affiliation with or employment by Bridger. All Covered Persons are required to promptly report all material violations and any apparent material violations of the Code of Ethics to Bridger’s Chief Compliance Officer (“CCO”). Employees who violate the Code of Ethics may be subject to disciplinary actions, including disgorgement of profits, censure, suspension or termination of employment.

This summary of the Code of Ethics is qualified in its entirety by the Code of Ethics. Clients and prospective clients may request a copy of Bridger’s Code of Ethics by calling (212) 984-2125 or emailing [investorrelations@bridgercapital.com](mailto:investorrelations@bridgercapital.com).

### **Conflicts of Interest**

The material reportable conflicts of interest encountered by the Clients include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by the Clients. Other conflicts may be disclosed throughout this brochure and in the offering documents of the Funds and such materials should be read in their entirety. Bridger has adopted policies and procedures to address and mitigate conflicts of interest, including those described below.

*Conflicts Relating to Bridger's Management of the Clients and Other Activities.* Bridger, its affiliates and its management persons will sometimes give advice or take action with respect to a Client that differs from the advice given with respect to another Client. In addition, Bridger and its employees are not obligated to devote their full time to the Clients, but will devote such time as in Bridger's judgment the conduct of a Client's business reasonably requires.

*Conflicts Relating to Investments by the Clients.* Bridger advises Clients (including Funds in which Bridger and its personnel have an interest) that have similar investment objectives and will make investments or sell investments on behalf of the Clients in the same securities or other instruments, sectors or strategies. This will create potential conflicts particularly where there is limited availability or limited liquidity for those investments. When it is determined that it would be appropriate for one of the Clients to participate in an investment opportunity, Bridger will seek to establish positions for all participating Clients on an equitable basis, taking into account such factors as the relative amounts of capital available for new investments and the investment programs and portfolio positions of the clients for which participation is appropriate. Orders for public securities may be combined for all participating Clients, and if any such order is not filled at the same price, they may be allocated on an average price basis. Similarly, if an order for a public security on behalf of more than one Client cannot be fully executed under prevailing market conditions, securities may be allocated among the participating Clients on a basis which Bridger or its affiliates consider equitable. From the standpoint of a Client, simultaneous identical portfolio transactions for such Client and other accounts managed by Bridger may tend to decrease the prices received, and increase the prices required to be paid, by such Client for its portfolio sales and purchases. Bridger will attempt to allocate investment opportunities in a manner which is in the best interests of each Client. Where Bridger believes an investment opportunity is appropriate for the Funds, Bridger will allocate the investment opportunity on a basis that it believes is fair and equitable to each Fund. However, there can be no assurance that an investment opportunity which comes to the attention of Bridger will be allocated equally among Clients and any particular Client may be unable to participate in such investment opportunity or participate only on a limited basis. For instance, the investment guidelines of a Fund limit the amount the Fund may invest in illiquid, difficult to value or private investments.

There may be circumstances under which Bridger will consider participation by other investors (including the general partner/managing member, Bridger or their respective affiliates and employees) in investment opportunities in which Bridger does not intend to invest, or intends to invest only on a limited basis, on behalf of a particular Client. Conflicts may arise in determining the amount of an investment to be allocated among

the Funds, and the portion to be allocated for its own account or those of its affiliates and employees. Bridger and its affiliates evaluate for each Client a variety of factors which may be relevant in determining whether a particular situation or strategy is appropriate and feasible for the Client at a particular time, including the nature of the investment opportunity taken in the context of the other investments at the time, the liquidity of the investment relative to the needs of the particular entity, the investment or regulatory limitations on such Client or particular entity, the tax considerations of the particular entity and its investors, and the transaction costs involved. These considerations may differ for each Client in the context of any particular investment opportunity. If Bridger determines that an investment opportunity is not appropriate or feasible for the Funds, there may be cases where the general partner/managing member, Bridger or their respective affiliates and employees receive an allocation of an investment opportunity when a Fund does not. To address these types of conflicts, Bridger has adopted policies and procedures under which it will allocate investment opportunities in a manner that it believes is consistent with its obligations as an investment adviser.

Other situations may also occur where a Client could be disadvantaged because of the activities conducted by Bridger for other Clients. Such situations may be based on, among other things: legal restrictions on the combined size of positions which may be taken for all accounts managed by Bridger, thereby limiting the size of a particular Client's position; the difficulty of liquidating an investment for more than one account where the market cannot absorb the sale of the combined positions; and the determination that a particular investment is warranted only if hedged with an option or other instrument and there is a limited availability of such options or other instruments. Instances may also arise where Bridger determines an investment opportunity to be suitable for all Clients but the market is too illiquid to enable each Client to participate to the extent desired.

*Affiliated Investments.* Bridger, the general partner/managing member and their affiliates (or their principals, members and current or former employees, and members of the immediate families of such persons, or trusts or other entities for their benefit) may invest in certain Funds, and may make decisions with respect to such investment (including to liquidate or sell such investment) that could adversely affect a Fund or other investors. In addition, after any Incentive Allocation is allocated to an affiliate of Bridger or its designee(s), such amounts may remain in a Fund and will participate in the performance of the Fund. Such affiliated investments (together with any Incentive Allocation amounts reinvested in a Fund) currently constitute a substantial portion of certain Funds' net asset value and may be withdrawn for any reason without notice to investors. Certain affiliated investments may be withdrawn at month-end without notice to investors or Clients.

*Conflicts Relating to Directorships on Boards of Portfolio Companies.* Bridger and its affiliates and their principals and employees serve as directors with respect to Portfolio Companies. As a result, Bridger may be incentivized to purchase shares of any such Portfolio Company and refrain from selling such shares.

If employees of Bridger or its affiliates serve as directors with respect to a Portfolio Company, such employees are expected to be compensated by the Portfolio Company.

Bridger intends to reduce the amount of any Management Fees to be paid to Bridger by the amount of any cash, stock or other equity compensation paid or awarded to such employees by the Portfolio Company. In certain circumstances, it may be difficult for Bridger to accurately determine the amount of such reduction. In such circumstances, Bridger will estimate the amount of any reduction in the Management Fees in good faith, based upon the information in its possession at the time.

*Conflicts Relating to Transactions with Affiliates.* The Funds have in the past and may in the future participate in transactions in which Bridger, its employees, members and/or principals, or their affiliates are directly or indirectly interested. In connection with such transactions, the Funds, on the one hand, and Bridger and its employees, members and/or principals, on the other hand, may have conflicting interests. Bridger may also face conflicts of interest in connection with purchase or sale transactions (involving an investment by the Funds) with an affiliate of such Funds, including with respect to the consideration offered by, and the obligation of, Bridger and such other affiliate. Although the Funds may pursue investment objectives that are similar, and investments will generally be allocated to such Funds with similar investment objectives or that utilize similar investment strategies on a fair and equitable basis, the portfolios of such Funds may differ as a result of purchases and withdrawals being made at different times and in different amounts, as well as because of different tax and regulatory considerations and other factors described above under “*Conflicts Relating to Investments by the Clients.*” Bridger has in the past and may in the future cause a particular Fund to enter into cross trades with another Fund which has similar investment objectives or that utilize similar strategies, where such cross trades are deemed appropriate by Bridger in light of relevant regulatory, tax and other considerations. Bridger may determine to enter into a cross trade with respect to a Fund for various reasons, including to bring each Fund’s exposure to a commonly held investment into line with the appropriate exposure for each Fund as determined by Bridger. A Fund could be a purchaser or a seller in such transactions. All cross trades: (i) will be effected for cash consideration at the current market price of the particular securities and (ii) will not involve restricted securities or securities for which market quotations are not readily available. In addition, when permitted by applicable law, Bridger, acting on behalf of a Client, may enter into transactions in securities and other instruments with or through Bridger or other accounts or investment vehicles managed by Bridger.

*Conflicts Relating to Valuation.* The general partner/managing member or the board of directors of the Funds exercise supervisory authority over the valuation of their respective Fund’s assets, which authority has, in each case, been delegated to Bridger. The portfolio valuations that the general partner/managing member or the board of directors, as applicable, oversees will affect the Management Fee and the Incentive Allocation. See Item 13 below for more information on the preparation of audited financial statements and the reports that are sent to investors in the Funds.

*Conflicts Relating to Different Information.* Bridger may from time to time provide certain investors with periodic or other reports that contain certain information about the Fund, including, without limitation, estimates of a Fund’s performance, information about the Fund’s investment positions and activities and information about subscriptions

and withdrawals. Neither Bridger nor the Funds are obligated to provide such reports. However, if Bridger chooses to provide such reports, Bridger will endeavor to make the information in such reports available to all requesting investors on equal terms, subject to such policies and conditions as may be established by Bridger. In addition, in the course of performing due diligence or otherwise, investors may request information pertaining to their investments in a Fund and pertaining to Bridger and its affiliates (either verbally or in writing), including information that is not generally made available to all investors in the ordinary course. Bridger will generally respond to such requests without providing the relevant information to non-requesting investors, provided that Bridger will endeavor to provide any requesting investor with equal access to such information, subject to such policies and conditions as may be established by Bridger.

*Conflicts Relating to Arrangements with Other Investment Advisers.* Bridger and the Manager have entered into a contract with a former employee of Bridger and the investment adviser controlled by such former employee, pursuant to which Bridger or an affiliate has a financial interest in the fees and incentive allocations earned by such former employee and the investment adviser controlled by such former employee from the management of the funds that they and their affiliates advise or control. Furthermore, the former employee and the investment adviser controlled by such former employee have a financial interest in the fees and incentive allocations earned by Bridger or its designee(s) from the management of certain Funds. Neither the former employee nor the investment adviser controlled by such former employee has any management obligations pertaining to the Funds, and the Manager and Bridger have no management obligations pertaining to any funds managed by the former employee or the investment adviser controlled by such former employee. Bridger and the Manager may in the future enter into arrangements with other individuals and/or investment advisers similar to those described above.

Bridger, the Manager and certain Funds have on occasion provided seed investments to other investment funds (including investment funds formed and managed by an investment adviser controlled by another former employee of Bridger) on terms that include certain Funds receiving a financial interest in the fees and incentive allocations with respect to such funds. To participate in such revenue sharing arrangements, a Fund typically is required to invest in an investment fund on terms that are more restrictive or less advantageous to the Fund than may be available to other investors, including without limitation, agreeing to lock up a substantial portion or all of its investment in such investment fund for an extended period of time. The Funds may in the future make investments in other investment funds on such, or different, terms as those described above.

Bridger currently leases office space to an investment adviser that is controlled by a former employee of Bridger. Bridger may in the future allow other funds, investment advisers and other individuals to have physical locations in Bridger's leased office space.

*Arrangements with Service Providers.* Bridger and its personnel, including employees of Bridger, may have broad relationships (both involving and not involving the Funds) with various market participants including without limitation brokers, consultants and other

service providers who recommend, or engage in transactions with or for, the Funds, or who provide other services to Bridger, its affiliates or the Funds. Such market participants may receive compensation from Bridger, its affiliates or the Funds in connection with such relationships. These relationships could present potential conflicts of interest for Bridger.

*Diverse Interests.* The various types of investors in the Funds, including the general partner/managing member and its affiliates, may have conflicting investment, tax and other interests with respect to their investment in the Funds. When considering a potential investment, Bridger will generally consider the investment objectives of each Fund, as a whole, not the investment objectives of any investor individually. Bridger may make decisions, including with respect to tax matters, from time to time that may be more beneficial to one type of investor (or former investor) than another, or to the general partner/managing member and its affiliates than to investors unaffiliated with Bridger.

In addition, a Fund may make investments side-by-side with another Fund through an aggregating vehicle or in a manner in which such investments are otherwise linked. In the event a Fund makes such an investment, Bridger will generally not take into account the U.S. tax status of its investors (or a portion of its investors) in making trading decisions on behalf of each Fund through such aggregating vehicle. As a result, such investors may have adverse tax consequences. Further, certain investors may be in different tax positions than other investors. For example, some investors may not benefit from the preferential U.S. federal income tax rate applicable to long-term capital gains. As a result, Bridger may, on behalf of the aggregating vehicle, take actions, or refrain from taking actions, that are beneficial from a tax standpoint to certain investors but which do not benefit (or which, in some cases, harm) other investors.

*Other Conflicts.* Bridger, the Clients, and their respective auditors and legal counsel, together with the Funds' administrator and prime brokers, may from time to time act in a similar capacity to, or otherwise be involved in, other funds or investment schemes, some of which may have similar investment objectives or utilize similar strategies to those of the Funds. Each may be subject to conflicting demands in respect of allocating management time, services and other functions between the activities each has undertaken with respect to the Funds and the activities each has undertaken or will undertake with respect to other investors or other accounts. It is therefore possible that any of them will, in the course of their respective businesses, have potential conflicts of interest with the Funds or an investor in the Funds. Bridger and its affiliates will endeavor to ensure that any conflicts are resolved fairly. Bridger and other affiliates, including those involved in the investment activities and business operations of the Funds, may be engaged in businesses in addition to, or unrelated to, the Funds.

In resolving these and other conflicts, Bridger will consider various factors, including the interests of the applicable Client with respect to the immediate issue and/or with respect to their longer term courses of dealing. In the case of all conflicts involving the Clients, Bridger's determination as to which factors are relevant, and the resolution of such conflicts, will be made in Bridger's sole discretion.

## **Item 12. Brokerage Practices**

### **Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions**

Bridger seeks to obtain best execution for brokerage transactions for the Clients. Bridger considers the following factors in selecting and approving broker-dealers to executed trades for Client accounts:

- Quality of execution, clearance and error/dispute resolution;
- Reputation, financial strength, and stability;
- Block trading and block positioning capabilities;
- Willingness to execute difficult transactions;
- Willingness and ability to commit capital;
- Access to underwritten offerings and secondary markets;
- Ongoing reliability;
- Overall costs of a trade (*i.e.*, net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of Bridger's knowledge of negotiated commission rates currently available and other current transaction costs;
- Nature of the investment opportunities and available market makers;
- Desired timing and volume of trading activity size of trade;
- Confidentiality of trading activity;
- Market intelligence regarding trading activity; and
- The receipt of prime brokerage and related services, including introductions to management and research and industry information.

Bridger has established an operating committee that, among other things, is responsible for reviewing broker-dealers for eligibility to effect transactions and for reviewing broker-dealer trading volumes, prices, commissions, other transaction costs and the overall quality of execution.

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

In selecting brokers to effect portfolio transactions in public securities for the Clients, Bridger seeks best execution and considers the factors listed above. Bridger need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Accordingly, if Bridger determines in good faith that the amount of commissions charged by a broker is

reasonable in relation to the value of the research and brokerage services provided by such broker, the Clients may pay commissions to such broker in an amount greater than the amount another broker might charge.

Section 28(e) of the Securities Exchange Act of 1934, as amended, is a “safe harbor” that permits an adviser to use commissions or “soft dollars” to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. Bridger limits the use of “soft dollars” to obtaining research and brokerage services which constitute research and brokerage within the meaning of Section 28(e). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between Bridger and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations. In the last fiscal year, Bridger used soft dollars to pay for research and brokerage services in most of the foregoing categories within Section 28(e). The costs of these services would have been paid for or reimbursed by the Clients if soft dollars had not been used to pay for such services.

In some instances, Bridger may receive a product or service that may be used only partially for functions within Section 28(e) (e.g., an order management system, trade analytical software or proxy services). In such instances, Bridger will make a good faith effort to determine the relative proportion of the product or service used to assist Bridger in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). The proportion of the product or service attributable to assisting Bridger in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by Bridger from its own resources. In order to mitigate the potential conflicts described above, Bridger requires all requests for payment with soft dollars to be reviewed and approved by Bridger’s Chief Financial and Operating Officer, and CCO.

In addition to using brokers as “agents” and paying commissions, Bridger may cause the Clients to buy or sell securities directly from or to dealers acting as principals at prices that include markups or markdowns, and may buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers.

Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. Actual brokerage business received by any broker may be less than the suggested allocations, but can (and often does) exceed the suggestions, because total brokerage is allocated on the basis of all the considerations described above. Bridger will not make any firm commitments to brokers regarding minimum commissions to be generated by the Clients' trading.

Research and brokerage services obtained by the use of commissions arising from Client transactions may be used by Bridger in its other investment activities and thus, a particular Client may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided. Although Bridger makes a good faith determination that the amount of commissions paid is reasonable in light of the products or services provided by a broker, commission rates are generally negotiable and thus, selecting brokers on the basis of considerations that are not limited to the applicable commission rates may result in higher transaction costs than would otherwise be obtainable. The receipt of such products or services and the determination of the appropriate allocation in the case of "mixed use" products or services create a potential conflict of interest between Bridger and the Clients.

Bridger has engaged soft dollar brokers to aggregate commission credits that arise from Client transactions executed through various brokers. As part of their services, the soft dollar brokers may use soft dollar commissions to pay the entire amount of a "mixed use" product or service and then invoice Bridger for the proportion attributable to administrative or other purposes outside Section 28(e). The soft dollar brokers receive a portion of the commissions for their services rendered.

### **Brokerage for Client Referrals**

Bridger may place transactions with a broker or dealer that (i) provides Bridger (or an affiliate) with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers investors to Clients, if otherwise consistent with seeking best execution; provided Bridger is not selecting the broker-dealer in recognition of the opportunity to participate in such capital introduction events or the referral of investors.

### **Trade Aggregation**

In managing the Clients, Bridger will generally aggregate trades, subject to best execution. Aggregation (or "bunching") describes a procedure whereby an investment adviser combines the orders of two or more funds into a single order for the purpose of obtaining better prices and lower execution costs. Bridger allocates multi-Client trades in a manner Bridger believes to be in each Client's best interests. When the Funds participate in a multi-Client trade, Bridger will allocate the trade, as between the Funds, on a basis that it believes is fair and equitable to each Fund taking into account the best interests and account-specific mandates of each Fund as well as other pertinent factors. Each Client that participates in the allocation of an aggregated order will participate at the average price for all of the participating transactions necessary to fill the trade order, with aggregated transaction costs shared equally based on each Client's participation in the transaction.

These trade allocation and aggregation procedures apply to investments that are made by Bridger through aggregate or block trades for the Clients. In certain situations, regulatory, market, and/or portfolio management considerations may render the participation by a Client in an investment impermissible or inadvisable.

### **Trade and Other Errors**

Bridger may make mistakes with respect to investment management decisions, trading, processing or other functions performed by the Adviser or its affiliates. Bridger seeks to ensure that each trade error is corrected in a prompt and efficient manner to minimize any adverse effect to the Funds. However, not all mistakes are considered trade errors compensable by Bridger. The cost of any trade errors is borne by the Funds unless a trade error is the result of fraud, willful misconduct, gross negligence or breach of the Adviser's fiduciary duty.

### **Item 13. Review of Accounts**

Bridger provides continuous advisory services to the Clients and reviews Client accounts on an ongoing basis. The Manager is the principal portfolio manager of the Swiftcurrent Funds. Blake Goodner is the portfolio manager of the Healthcare Funds.

Bridger provides reports in accordance with the applicable Client's organizational and offering documents. Bridger currently provides monthly, quarterly and annual written reports containing various financial data and information to Fund investors. The annual audited financial statements of the applicable Fund are sent to investors within 120 days after the end of each fiscal year. Certain Fund investors may receive additional information or reports as noted in Item 11 (see *Conflicts Relating to Different Information*), and, therefore, may be able to act on such information before other Fund investors.

### **Item 14. Client Referrals and Other Compensation**

Bridger does not receive any economic benefit from someone who is not a client for providing investment advice or other advisory services to its clients. Bridger does not currently pay compensation for client referrals.

### **Item 15. Custody**

Bridger is generally deemed to have custody over the assets of the Funds. Bridger maintains the Funds' assets with qualified custodians to the extent required by applicable law. The Funds are subject to an annual audit and the financial statements are distributed to each investor within 120 days of the Funds' fiscal year ends. An independent public accountant that is registered with the Public Company Accounting Oversight Board prepares the audited financial statements in accordance with U.S. generally accepted accounting principles.

## **Item 16. Investment Discretion**

Bridger provides investment advice directly to the Funds pursuant to a written investment management agreement with each Fund, subject to the discretion and control of the general partner/managing member or board of directors of the applicable Fund and not directly to the investors in the Funds. Powers of attorney and any restrictions on Bridger's authority are set forth in the organizational documents and subscription documents of the Funds.

## **Item 17. Voting Client Securities**

Bridger has adopted proxy voting policies and procedures that set forth the principles and procedures by which Bridger votes or gives consent with respect to securities owned by the Clients for which Bridger exercises voting authority and discretion. Bridger's proxy voting policies and procedures have been designed to help ensure that Bridger votes proxies in the best interest of the Clients. The Clients generally cannot direct Bridger's vote.

Bridger has determined that the most efficient and effective method in which to vote is through the engagement of an independent third-party proxy voting service (the "Proxy Service"). Generally, Bridger votes in accordance with the recommendations of the Proxy Service, except in certain circumstances. For the avoidance of doubt, Bridger retains the authority to vote, has not delegated such authority to the Proxy Service or any other party, and may vote against any Proxy Service recommendation if the relevant portfolio manager determines that doing so is in the best interests of the relevant Client and otherwise consistent with Bridger's voting policies and procedures. Bridger has designated certain employees to review the Proxy Service's recommendations regarding upcoming votes and notify the portfolio manager or analyst of the upcoming votes. The portfolio manager or analyst will make his vote recommendations and if such recommendations are different from the Proxy Service's recommendations, such portfolio manager or analyst will be required to document his rationale for overriding the Proxy Service's recommendations. The designated employees will inform the portfolio manager of any analyst votes which are inconsistent with the Proxy Service's recommendations and the portfolio manager, or their designee, will resolve any inconsistencies in a way that reflects the relevant Client's best interest.

The CCO has the responsibility to monitor voting decisions for any conflicts of interest, regardless of whether they are actual or perceived. If a conflict of interest were to arise, Bridger will take no action, abstain from voting or vote in the manner recommended by the Proxy Service.

Clients may request a copy of Bridger's proxy voting policies and procedures and information about how Bridger voted their securities by calling (212) 984-2114 or emailing [investorrelations@bridgercapital.com](mailto:investorrelations@bridgercapital.com).

Bridger has retained an independent third-party class action service ("Class Action Service") to evaluate whether the Clients will (i) participate in a recovery achieved through a class action or (ii) opt out of the class action and separately pursue their own remedy. If the Clients participate in a class action law suit and ultimately receive proceeds, the proceeds typically are credited to the Clients for the benefit of their current investors, after a percentage of the proceeds are paid to

the Class Action Service as part of its compensation. Employees must notify the CCO if they are aware of any material conflicts of interest associated with a Client's participation in a class action and the CCO will determine an appropriate course of action.

**Item 18. Financial Information**

Bridger does not require or solicit prepayment of fees six months or more in advance. In addition, Bridger is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to the Clients and Bridger has not been the subject of a bankruptcy petition at any time since its inception.

**Item 19. Requirements for State-Registered Advisers**

Item 19 is not applicable to Bridger because it is not registered with any state securities authority.