

Item 1 – Cover Page

Abdiel Capital Advisors, LP  
Part 2A of Form ADV  
The Brochure

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June 25, 2015

This Brochure provides information about the qualifications and business practices of Abdiel Capital Advisors, LP (the “Adviser”). If you have any questions about the contents of this Brochure, or if you would like to request a copy of the Brochure free of charge, please contact the Adviser’s Chief Compliance Officer (“CCO”) at 646-496-9203 or [peter@abdielcap.com](mailto:peter@abdielcap.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

The Adviser is a registered investment adviser. Registration of an investment adviser does not imply any certain level of skill or training. Additional information about the Adviser is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

The Adviser is required to identify and discuss any material changes made to its Brochure since the most recent annual update. Since this is the Adviser's first registration, there are no material changes to report at this time.

### Item 3 – Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes.....	ii
Item 3 – Table of Contents.....	iii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation .....	2
Item 6 – Performance-Based Fees and Side-By-Side Management .....	3
Item 7 – Types of Clients.....	4
Item 8 – Methods of Analysis, Investment Strategy, and Risk of Loss .....	4
Item 9 – Disciplinary Information .....	7
Item 10 – Other Financial Industry Activities and Affiliations .....	7
Item 11 – Code of Ethics, Participation in Client Transactions, and Personal Trading.....	7
Item 12 – Brokerage Practices .....	8
Item 13 – Review of Accounts.....	9
Item 14 – Client Referrals and Other Compensation .....	9
Item 15 – Custody.....	9
Item 16 – Investment Discretion.....	10
Item 17 – Voting Client Securities.....	10
Item 18 – Financial Information .....	10

#### **Item 4 – Advisory Business**

Abdiel Capital Advisors, LP (“Adviser” or “Abdiel”) was launched in March of 2006 and is owned by Colin T. Moran and Geoffrey M. Gentile. Immediately prior to founding the Adviser, Colin T. Moran worked as a partner at Chieftain Capital Management. Geoffrey M. Gentile was an associate director at Barclays Capital before leaving to join Abdiel in 2006.

The Adviser’s clients are private funds, commonly referred to as hedge funds. The Adviser’s clients consist of two feeder funds, a master fund, and a parallel fund, all of which share the same strategy. Abdiel Qualified Onshore Partners, LP (the “Onshore Feeder”) and Abdiel Qualified Offshore Partners, Ltd (the “Offshore Feeder”) (each a “Feeder Fund” and collectively the “Feeder Funds”) invest substantially all their capital in Abdiel Qualified Master Fund, LP (the “Master Fund”). Abdiel Capital, LP (the “Parallel Fund”) is a partnership managed by the Adviser that invests in a parallel fashion to the Master Fund. These funds are collectively referred to as “the Funds.” The Feeder Funds participate solely in the Master Fund and not in any other investment activities. As a result, the Adviser’s single strategy is implemented pro-rata for the Master Fund and the Parallel Fund. The pro-rata implementation of the single strategy across the Funds helps to mitigate conflicts of interest arising from the allocation of investments. To this end, and with certain exceptions, the Adviser aggregates trades and allocates paripassu on an average price basis, causing the Master Fund and Parallel Fund to approach a pro-rata allocation. Exceptions generally relate to the method of hedging currency exposure given, among other reasons, the interchangeability of certain currency hedging techniques.

Regarding the single strategy mentioned above, the Adviser seeks over a three- to five-year time horizon to deliver attractive absolute returns and to outperform the U.S. equity markets while minimizing the likelihood of permanent impairment of the Funds’ capital. The preferred method for doing so will be to invest capital for the long-term in a concentrated portfolio of good businesses. The portfolio typically comprises 10 to 20 common stocks issued in global, developed-market countries. The Adviser may have other investments but they will usually remain a relatively small percentage of the portfolio.

The Adviser assesses a business’s quality by reference to the durability of its earnings power and extent of competitive advantage. The Adviser defines competitive advantage to mean that it is difficult for a competitor to win business at the company’s expense and difficult for customers and suppliers to dictate unfavorable terms to the company. The Adviser also favors businesses that can increase their market share over time, have recurring revenue, and are controlled by people with a large portion of their net worth invested in the business. Notwithstanding the foregoing strategy summary, the Adviser does not restrict itself to particular geographies, industries, or asset classes.

As of March 31, 2015, the Adviser managed \$285,780,237 on a discretionary basis. This figure represents the net asset value of the Funds. As of March 31, 2015, the Adviser does not manage any assets on a non-discretionary basis.

## Item 5 – Fees and Compensation

The Adviser will generally deduct its management fees on a quarterly basis, payable in advance, at the rate of 0.375% of the aggregate beginning values of the assets under management for the applicable calendar quarter (i.e. 1.5% annually, the “Management Fee”). Management Fees are prorated for each capital contribution and withdrawal made during the applicable calendar quarter. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. Pursuant to the offering memoranda, the General Partner of the Funds (“GP”) may, from time to time, reduce, increase, waive, or calculate differently the Management Fee with respect to any investor; provided, however, that after giving effect to any such increase, decrease, waiver, or calculation, the Management Fee will not exceed 0.375% per quarter for any investor. Capital accounts established for investors who are members, partners, affiliates, or employees of the GP or the Adviser, or members of the immediate families of such persons and trusts or other entities for their benefit do not pay their portion of the Management Fee for any of the Funds.

In consideration for the portion of the Management Fee paid to the Adviser by the Funds, the Adviser will render certain administrative and investment management services to the Funds and the Adviser will bear certain administrative expenses and not seek reimbursement for these expenses. For example, the Adviser will provide to the Funds office space and utilities, and secretarial, clerical, and other personnel. The portion of the Management Fee paid to the Adviser by the Funds may exceed the expenses borne by the Adviser on behalf of the Funds. To the extent that expenses to be borne by the Funds, as summarized below and detailed in the offering memoranda, are paid by the Adviser or its affiliates, the Funds will reimburse the Adviser or its affiliates directly for such expenses.

In addition to the Management Fee paid to the Adviser, the Funds will incur other fees and expenses. These include, for example, investment-related expenses (e.g. brokerage commissions, interest on margin accounts and other indebtedness, borrowing charges on securities sold short, custodial fees, clearing and settlement charges, and interest expense); research-related expenses, including, without limitation, news and quotation equipment and services; fees of the fund administrator; legal expenses; professional fees (including, without limitation, expenses of consultants and experts); research-related travel and lodging expenses; premiums and fees for insurance to benefit, directly or indirectly, the Funds, the GP, the Adviser, and other indemnified persons and for directors’ and officers’ liability insurance or other similar insurance policies; audit and tax preparation expenses; accounting expenses; costs of portfolio management and accounting systems; costs of printing and mailing reports and notices; organizational expenses; corporate licensing fees and other professional fees; bank service fees; withholding and transfer fees; entity-level taxes; other expenses related to the purchase, sale, or transmittal of Fund assets; and extraordinary expenses and other similar expenses related to the Funds.

Please see Item 12, which further describes the factors that the Adviser considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g. commissions).

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

At the end of each fiscal year, from each Fund, the GP is entitled to an Incentive Allocation equal to 20% of the aggregate net capital appreciation above a 10% hurdle rate (taking into account both realized and unrealized gains and losses); provided that the aggregate net capital appreciation upon which the Incentive Allocation is based will be reduced by the amount of the Management Fee debited to such capital for such fiscal year. The GP's entitlement to the Incentive Allocation is subject to a given capital account's high water mark.

In the event that an investor redeems all or a portion of the investor's capital account, other than at the end of a fiscal year, net capital appreciation or net capital depreciation, as the case may be, will be determined through the date of termination or the redemption date as if such date were the end of the fiscal year, and a pro-rata Incentive Allocation, if any, from all the capital accounts (in the case of a termination), or such capital accounts with respect to the redemption amount (in the case of a redemption), will be reallocated to the GP's capital account.

The GP, in its sole discretion, and subject to agreement, may reduce, waive, or calculate differently the Incentive Allocation with respect to certain of the capital accounts. Presently, capital accounts established for investors who are members, partners, affiliates, or employees of the GP or the Adviser, or members of the immediate families of such persons and trusts or other entities for their benefit are not subject to an Incentive Allocation. Separate from the aforementioned GP- and Adviser-related parties, and pursuant to a side letter, one investor is subject to a reduced incentive allocation.

The Adviser structures any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisers Act of 1940 (the "Advisers Act") in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3.

The GP's Incentive Allocation may create an incentive for the GP and the Adviser to cause the Funds to make investments that are riskier or more speculative than would be the case in the absence of such allocation. In addition, because the Incentive Allocation is calculated on a basis that includes unrealized appreciation of the Funds' assets, it may be greater than if the Incentive Allocation were based solely on realized gains.

The computations required to be made for purposes of computing the Incentive Allocation may be made separately with respect to separate contributions to or redemptions from the Funds by a particular investor, to reflect appropriately the different times at which investors may have contributed capital to the Funds or redeemed from the Funds, and the net asset values of the Funds at such times. As a result, an Incentive Allocation may be charged with respect to a specific investment in the Funds made by an investor even if no Incentive Allocation would have been charged had all of such investors' investments been aggregated for purposes of calculating the Incentive Allocation.

## Item 7 – Types of Clients

The Adviser provides advice to the Funds. Investors in the Funds include foundations, endowments, funds of funds, family offices, and high-net-worth individuals.

The Adviser generally requires a minimum account of \$1,000,000 to invest in the Funds. The GP, in its sole discretion, may make exceptions to the required minimum.

## Item 8 – Methods of Analysis, Investment Strategy, and Risk of Loss

Regarding the single strategy mentioned above, the Adviser seeks over a three- to five-year time horizon to deliver attractive absolute returns and to outperform the U.S. equity markets while minimizing the likelihood of permanent impairment of the Funds' capital. The preferred method for doing so will be to invest capital for the long term in a concentrated portfolio of good businesses. The portfolio typically comprises 10 to 20 common stocks issued in global, developed-market countries. The Adviser may have other investments but they will usually remain a relatively small percentage of the portfolio.

The Adviser assesses a business's quality by reference to the durability of its earnings power and extent of competitive advantage. The Adviser defines competitive advantage to mean that it is difficult for a competitor to win business at the company's expense and difficult for customers and suppliers to dictate unfavorable terms to the company. The Adviser also favors businesses that can increase their market share over time, have recurring revenue, and are controlled by people with a large portion of their net worth invested in the business. Notwithstanding the foregoing strategy summary, the Adviser does not restrict itself to particular geographies, industries, or asset classes.

In limited circumstances, the Adviser may make investments other than in equity securities and other than in good businesses held for the long term. The Adviser's propensity to do so will depend on the attractiveness of specific opportunities in other asset classes. Examples of such asset classes include options, fixed income securities, and special situations such as merger arbitrage, spinoffs, recapitalizations, and liquidations. The Adviser may also sell securities short.

**The following risk factors do not purport to be a complete description of the risks involved in investing in the Funds. Please refer to the offering memoranda for a more complete description of the risks involved in investing in the Funds. Investing in securities involves risk of loss, including to principal, that clients and investors must be prepared to bear.**

Nature of Investments. The Funds' investment program is speculative and entails substantial risks. There can be no assurance that the investment objectives of the Funds will be achieved. In fact, the practices of short selling, employing leverage, and other investment techniques that the Adviser may employ can increase the adverse impact to which the Funds' investment portfolios may be subject. The Adviser's risk management approach seeks to isolate and mitigate, not eliminate, risk, and there are certain risks that the Adviser determines should not be or cannot be hedged against. Accordingly, the Adviser's activities could result in substantial losses.

Concentration of Investments. The Funds' assets may not be as diversified, which means that they hold a relatively greater proportion of assets in the securities of certain issuers when compared with other funds. Any such non-diversification would increase the risk of loss to the Funds if there were a decline in the market value of any security or sector in which the Funds had invested a large percentage of its assets. Investment in a non-diversified fund will generally entail greater risks than investments in a diversified fund.

Custodial Risk. The Funds' prime brokers will have custody of the Funds' securities, cash, distributions, and rights accruing to the Funds' securities accounts. Securities and Exchange Commission rules require the prime brokers to maintain physical possession and control of fully paid securities held in the Funds' accounts 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 the Funds' account, as is typical market practice, and may have insufficient assets to meet all of their obligations to customers in the event of an insolvency of the prime brokers. In order to manage the risks associated with prime broker insolvency, the Funds have established relationships with multiple prime brokers. However, the Funds may not be able to identify potential solvency concerns with respect to the Funds' prime brokers or to transfer assets from one prime broker to another prime broker in a timely manner. The prime brokers may hold the Funds' securities through third parties such as clearing corporations, other brokers, or banks. As a result, the Funds may be subject to credit risk with respect to such third parties as well as with respect to the prime brokers. In addition, certain of the Funds' assets may be held by non-U.S. affiliates of the Funds' 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. If the Funds have over-collateralized derivative contracts, they are likely to be unsecured creditors of any such counterparty in the event of its insolvency. Also, even if the Funds' prime broker or such other third parties do have sufficient assets to meet all claims, there could be a delay before the Funds receive assets to satisfy claims.

Financial Market Fluctuations. General fluctuations in the market prices of securities may affect the value of the investments held by the Funds. Instability in the securities markets will also likely increase the risks inherent in the Funds' investments. There is no guarantee that ordinary and prudent precautions for natural and other disasters will provide an effective connection between the Adviser and markets in the event of large-scale disruptions in the United States or other countries where the Adviser executes trades.

Lack of Liquidity in Markets. The markets for many securities and other investments are thinly traded from time to time. This lack of liquidity and market depth could disadvantage the Funds, both in the realization of the prices which are quoted and in the execution of orders at desired prices or in desired quantities. Also, domestic and international securities exchanges and the SEC and other regulatory authorities have authority to suspend trading in a particular security without notice.

Liquidity Risk. The Funds may invest in assets and derivatives which they may not be able to readily sell, including securities whose disposition is restricted by securities laws. The Funds' ability to sell assets or derivatives may be adversely affected by various factors, including limited trading volume, lack of a market maker, or legal restrictions. Other instruments, and in particular, caps, floors, collars, and



certain other derivatives, may also have varying liquidity and/or pricing availability. Short sales are particularly subject to liquidity risk because the Fund's purchase of securities or currencies to close out a short position can itself cause the price of the securities or currencies to rise further, thereby exacerbating the loss. It is also possible that an exchange or governmental authority may suspend or restrict trading on an exchange or in particular securities or other instruments traded on the exchange. It may not always be possible to execute a buy or sell order at the desired price or to liquidate an open position, either due to market conditions on exchanges or due to the operation of daily price fluctuation.

Equity Risk. The market price of securities owned by the Funds may go up or down, sometimes rapidly or unpredictably. The values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Other risks of investing globally in equity securities may include changes in currency exchange rates, exchange control regulations, expropriation of assets or nationalization, imposition of withholding taxes on dividend or interest payments, and difficulty in obtaining and enforcing judgments against non-U.S. entities. In addition, securities which the Adviser believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame the Adviser anticipates. As a result, the Funds may lose all or substantially all of their investment in any particular instance.

Investment in Small Companies. There is no limitation on the size or operating experience of the companies in which the Funds may invest. Some small companies in which the Funds 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. Further, 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.

Business and Regulatory Risks of Hedge Funds. The regulatory environment for hedge funds is evolving and changes in the regulation of hedge funds may, for example, adversely affect the value of investments held by the Funds and the ability of the Funds to obtain the leverage they might otherwise obtain or to pursue the Adviser's trading strategy. Increased regulatory oversight can also impose increased administrative burdens. Such burdens may divert the Adviser and GP's time, attention, and resources from portfolio management activities. The financial services industry generally, and the activities of alternative investment funds and their managers in particular, have been subject to intense and increasing regulatory scrutiny. Such scrutiny may increase the Funds', the Adviser's, and/or the GP's exposure to legal, compliance, and other related costs.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of the Adviser or the integrity of the Adviser's management. The Adviser has no information applicable to this Item.

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

The Adviser and its management persons do not have relationships or arrangements with other financial services companies or businesses that create a material conflict of interest. The Adviser and its management persons do not recommend or select other investment advisers for the Funds and therefore do not receive compensation directly or indirectly from such advisers.

Abdiel Capital Management, LLC serves as the GP of the Parallel Fund, the Onshore Feeder, and the Master Fund. Colin T. Moran and Geoffrey M. Gentile serve as the directors of the Offshore Feeder. The Adviser (Abdiel Capital Advisors, LP) provides investment management services to the Funds. Abdiel Capital Partners, LLC is the general partner of the Adviser (the "Adviser GP"). Colin T. Moran and Geoffrey M. Gentile are the sole owners and members of the Adviser, the GP, and the Adviser GP. Colin T. Moran is the managing member of the Adviser, the GP, and the Adviser GP. The Adviser and GP are both exempt from Commodity Pool Operator registration under CFTC 4.13(a)(3), the "de minimis" exemption. The Adviser is also exempt from Commodity Trading Advisor registration under CFTC 4.14(a)(8).

## **Item 11 – Code of Ethics, Participation in Client Transactions, and Personal Trading**

The Adviser has adopted a Code of Ethics (the "Code") for all supervised persons pursuant to Rule 204A-1 of the Advisers Act (the "Code of Ethics Rule"). The Code describes the Adviser's high standard of business conduct, its fiduciary duty to its clients, and its obligations to investors of those clients. The Code includes provisions relating to the confidentiality of client and investor information, a prohibition on insider trading, a prohibition of spreading false rumors, restrictions on the acceptance of excessive gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at the Adviser must acknowledge the terms of the Code of Ethics annually or as materially amended.

The Adviser and its management persons do not engage in principal transactions with the clients (they do not buy securities from or sell securities to the Funds). Non-management supervised persons may invest in the Funds, following written pre-approval from the Adviser's CCO. The Adviser's management does not require approval to invest in the Funds.

There are additional restrictions on trading, including pre-clearance requirements. Each supervised person must seek written approval from the CCO immediately prior to purchasing or selling for his or her own account any equity securities, commodities, corporate fixed income securities, or any derivatives on

such instruments, including but not limited to the contexts of initial public offerings and limited offerings. Supervised persons are prohibited from trading securities held by the Funds.

There are also transaction and holding reporting requirements. Within 10 days of hire, all supervised persons must submit to the CCO account statements for accounts in which they have a Beneficial Interest in covered securities, per definitions within the Code. Additionally, upon executing a trade, supervised persons must send trade confirmations to the CCO within three business days of their receipt. All supervised persons must submit within 30 days after a quarter's close such statements of account holdings, or appropriate reports and attestations. Supervised persons also have annual reporting responsibilities to the Adviser.

The CCO will monitor such statements and reports to ensure compliance with the Firm's personal trading policy and procedures and Code of Ethics Rule. The CCO will promptly report any unusual trading activity to the Ethics Committee, which comprises the CCO and Chief Operating Officer, who will be responsible for determining what, if any, action should be taken.

A copy of the Code will be provided upon request to any existing or prospective client or investor. Please see the Cover Page of this Brochure for contact information.

## **Item 12 – Brokerage Practices**

The Adviser is authorized to and does determine the broker-dealers that will effect transactions and clear securities for the Funds. Clients do not direct brokerage. The Adviser limits the number of brokers with whom it deals in order to remain a meaningful customer to each broker. When selecting and approving brokers, the Adviser is primarily focused on obtaining the best service, most timely information flow, and best execution. In addition, the value of products or services that a broker may provide to the Adviser, which support the Adviser's investment decision-making process, may influence broker selection. Excellent trade execution capability and outstanding service may be given greater emphasis than obtaining the lowest commission on transactions. The Adviser's Investment Committee, which comprises the CCO and at least one of the Adviser's management, will meet no less than annually to evaluate the performance of its brokers. The evaluation of performance will include various factors, such as: accurate and timely execution; clearance and error/dispute resolution; reputation; financial strength; access to liquidity and block trading capabilities; average commission rate charged; services, if any, provided by the broker other than execution and clearing; and potential conflicts of interest. The Adviser may consider other factors as it deems necessary in order for the Adviser to make a reasonable decision about the quality of broker performance.

With certain exceptions, the Adviser aggregates trades and allocates pari-passu on an average price basis, causing the Master Fund and Parallel Fund to approach a pro-rata allocation. Exceptions generally relate to the method of hedging currency exposure given, among other reasons, the interchangeability of certain currency hedging techniques.

The Adviser does not currently have any soft dollar arrangements and does not consider client referrals from a broker-dealer. Although the Adviser does not have soft dollar arrangements with brokers, it does

receive from them research regarding securities, industries, and economic trends along with other ancillary services (e.g. conference access).

### **Item 13 – Review of Accounts**

The Adviser's management persons review the portfolios of securities in which its clients are invested on a regular basis. Trade executions are verified the day after each purchase or sale. The Adviser will review client accounts upon investor capital contributions or withdrawals to determine an appropriate course of action.

Investors receive monthly unaudited statements produced by the fund administrator, as well as the following from the Adviser: written monthly performance estimates; quarterly data on certain Fund exposures; and semi-annual partnership letters. Investors also receive annual audited financial statements (please see Item 15 below).

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

The Adviser does not directly or indirectly compensate any person for client referrals. As referenced in the Adviser's Form ADV 1A, Schedule D number 28, the Adviser subscribes to a database at its own expense through which it accesses contact information for prospective investors. The cost of subscribing to the database is a flat quarterly fee. The Adviser's compensation is derived from management fees charged to clients for providing investment management services. The GP receives an incentive allocation per the terms discussed above.

### **Item 15 – Custody**

The Adviser has custody of client funds and securities because the Adviser has the authority to obtain client funds or securities. Custody includes any capacity, such as general partner or managing member or comparable position for a pooled investment vehicle, that gives an adviser or a supervised person legal ownership of or access to client funds or securities. The Adviser deducts its Management Fees from a client's account.

Account statements related to the clients are sent by qualified custodians to the Adviser. Fund assets are held in custody by unaffiliated broker-dealers or banks acting in the capacity of "qualified custodians" pursuant to the Advisers Act.

The Adviser is subject to Rule 206(4)-2 under the Advisers Act (the "Custody Rule"). The Adviser complies with the provisions of the so-called "Pooled Vehicle Annual Audit Exception," which, among other things, requires that each Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Fund distribute its audited financial statements to all investors

within 120 days of the end of its fiscal year. The Funds' investors will receive these audited financial statements.

As stated above in Item 13, investors also receive additional statements from the fund administrator and information relating to Fund results from the Adviser. Investors are urged to review statements carefully and check them for consistency with information received from the Adviser. The Adviser's information may vary from fund administrator statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

#### **Item 16 – Investment Discretion**

Pursuant to written agreement, the Funds give sole investment discretion to the Adviser. The Funds' investment strategy permits the Adviser on behalf of the Funds to make investments in a broad range of issuers, securities, financial instruments, and transactions. Within these broad parameters, the Adviser will make investment decisions for the Funds as it deems appropriate in its sole discretion. In addition, pursuant to the Fund agreements, the Adviser will have sole and exclusive authority to designate from time to time the broker or brokers through which the Funds' transactions will be executed and cleared and to issue to such brokers instructions to purchase, sell, and otherwise trade in or deal with any security for the account, at the risk of, and in the name of, the Funds.

#### **Item 17 – Voting Client Securities**

In accordance with SEC requirements, the Adviser has adopted a Proxy Voting Policy (the "Proxy Policy"). Given the concentration of Fund capital in a limited number of businesses, the Proxy Policy stipulates that the Adviser decides how to vote client proxies and does not use a third party vendor. The Adviser seeks to make proxy voting decisions in the manner the Adviser reasonably believes is most likely to protect and promote the economic value of its investments. Bearing this in mind, the Adviser generally votes in favor of board recommendations but in some cases may not. In limited circumstances, the Adviser may refrain from voting proxies where the Adviser reasonably believes the anticipated cost of voting the proxy would exceed the anticipated benefit. To the extent a material conflict arises within the context of proxy voting, the Adviser will determine whether voting in accordance with the Proxy Policy is in the best interests of the clients.

Clients may obtain a copy of the Adviser's complete proxy voting policy upon request. Clients may also obtain information from the Adviser about how the Adviser voted any proxies on behalf of their account(s).

#### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about the Adviser's financial condition. The Adviser has no financial commitment that

impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.