



Autumn Lane Advisors, LLC  
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(Item 1)

This brochure provides information about the qualifications and business practices of Autumn Lane Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 713-636-2075. 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.

Additional information about Autumn Lane Advisors, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Material Changes (Item 2)**

Our last annual amendment was completed in March 2016. Since then, there have been no material changes.

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## **ADVISORY BUSINESS (ITEM 4)**

### **Advisory Firm Description**

Autumn Lane Advisors, LLC (“ALA” or the “Firm”) began operations on November 1, 2014. David E. Andrew is the principal owner of the Firm.

### **Types of Advisory Services**

#### ***Individuals and Families***

ALA provides consulting and investment management services on a non-discretionary basis to individuals and families, advising on the following:

- Cash management;
- Portfolio management and implementation;
- Assistance with cash flow budgeting;
- Analysis, selection and monitoring of potential and current investments;
- Pricing and negotiation assistance with investment opportunities.

#### ***The Partnership***

ALA also provides investment management services on a discretionary basis to a private fund, Autumn Lane Partners, LP (the “Partnership”). Investment supervisory services provided to the Partnership include: (1) establishing the Partnership’s investment objectives; (2) buying or selling portfolio securities on behalf of the Partnership; (3) engaging other investment managers for investment services; and (4) periodically reporting to each of the Partnership’s investors in accordance with the limited partnership agreement. This document is not a public offer for investment in the Partnership. Please refer to the Partnership documents for more detailed information.

### **Tailored Advisory Services**

Clients may impose restrictions on investments. There are no material limitations on the markets or instruments in which the Partnership may invest or the strategies which the Firm may employ. However, the Partnership and the separate accounts have defined investment programs which are disclosed in the Partnership documents and agreements with the individual clients and families.

### **Client Assets Under Management**

As of December 31, 2016, the Firm had \$125,570,960 in discretionary assets under management and \$23,975,883 in a non-discretionary assets.

## **FEES AND COMPENSATION (ITEM 5)**

### ***Individuals and Families***

#### **Consulting Fees**

Consulting fees are negotiated at an annual rate and are on a fixed fee basis, payable quarterly in advance and are usually credited against the Partnership's management fee. These fees are usually paid by wire.

#### **Hourly Fees**

Clients that do not elect a fixed fee for consulting are charged pre-negotiated hourly fees of up to \$1000 per hour.

#### **Portfolio Management Fees**

The Firm's fee for investment advisory services is assessed at an annual rate in effect at the time it is engaged as the investment advisor. Fees are negotiable, are charged quarterly in advance and are deducted from the client's account. Clients may receive the same service for different fees.

#### **Other Fees**

Client accounts pay directly for fees assessed by the account custodian, such as transaction, wire, exchange or custodial fees. For more language on the custodian relationship, please refer to the section below "Brokerage Practices" for more details.

#### **Implementation with Mutual Funds**

When ALA recommends a mutual fund for a client's account, three separate fees may be charged to the client, either directly or indirectly. The first fee is ALA's investment management or consulting fee. The second is the set of internal fees charged by the investment company for the fund's investment management, marketing, administration and marketing assistance. These internal expenses are disclosed in each fund's prospectus, which is provided to each client by the custodian. This set of fees also applies to any ETF or money market fund purchased in the client's account. The third fee may be a transaction fee, which is assessed by the custodian for its service of providing access to a universe of mutual fund families through one account. To avoid such fees a client would be required to open a separate account with each individual mutual fund company instead of using the custodian recommended by ALA, which would also negatively affect ALA's ability to deliver its services efficiently. Not all mutual fund trades recommended by ALA incur this transaction fee.

### ***The Partnership***

For its services to the Partnership, ALA is entitled to management fees at an annual rate of 0.50% of each Limited Partner's Capital Account balance, calculated and paid each calendar month in arrears (the "Management Fee"). The Partnership's general partner may reduce or eliminate the Management Fee with respect to any limited partner in its sole discretion. The general partner and its affiliates will not be charged any Management Fee with respect to their interests in the Partnership.

The Partnership is only open to accredited investors, which are partially defined as (i) a natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year or (ii) a natural person who has individual net worth, or joint net worth with the person's spouse, that exceeds \$1 million at the time of the purchase, excluding the value of the primary residence of such person. Each investor will be required to complete the Partnership's subscription documents to enable the Partnership to determine the investor's eligibility.

### ***Other Partnership Fees***

The Partnership bears the expenses of its organization and offering (including legal and accounting fees, "blue sky" filing fees and expenses and out-of-pocket expenses). The Partnership also bears all costs and expenses related to its investment program and administration as further disclosed in the Partnership documents.

### ***Withdrawal of Capital***

Subject to certain withdrawal restrictions, a limited partner may request, with 75 days prior written notice, withdrawals from its capital account, after the initial anniversary of the date on which the limited partner contributed capital to the Partnership and every quarter end thereafter. Any withdrawals before the initial anniversary date of the capital contribution are subject to a 4% fee payable to the Partnership. Withdrawal requests may be subject to reserves for contingencies and suspension restrictions as discussed further in the Private Placement Memorandum ("PPM") for the Partnership. The general partner may, in its sole discretion, waive such notice requirements.

If amounts requested to be withdrawn on any given date exceed 50% of the Partnership's aggregate net assets, the general partner may reduce the requests pro rata in accordance with the amounts requested so that not more than 50% of the Partnership's net assets will be withdrawn.

The Partnership has received a commitment from an initial strategic investor (the "Initial Strategic Investor"). The Investment Manager provides additional services to the Initial Strategic Investor and its affiliates. The Initial Strategic Investor pays additional compensation to the Investment Manager for these services. The Initial Strategic Investor's capital, with some limited exceptions, cannot be withdrawn for five years, but

is subject to management fees and a performance-based profit allocation that are less than those offered to investors in this offering.

## **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT (ITEM 6)**

The general partner is entitled to a performance-based profit allocation at the end of each calendar year equal, generally, to 10% per year of the amount by which, generally, the Partnership's net profits allocated to the limited partner's capital account for the current calendar year exceeds the balance in such limited partner's loss carry forward account. Net profit includes unrealized appreciation or depreciation of both marketable and non-marketable investments.

The Initial Strategic Investor has the right to obtain an economic interest in the general partner and share any performance-based profit allocations derived from the Partnership.

ALA does not manage performance-based accounts side-by-side with other accounts with the same investment objective. ALA has full discretion over the Partnership and its assets, and manages additional assets for clients on a non-discretionary basis, so ALA is not in a position where it might favor the Partnership paying performance-based fees over other accounts.

## **TYPES OF CLIENTS (ITEM 7)**

ALA provides investment advisory services to:

- Individuals with a negotiable minimum relationship of \$25 million
- Family offices with a negotiable minimum relationship of \$25 million
- A pooled investment vehicle with a negotiable minimum capital contribution of \$1 million

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS (ITEM 8)**

### **Methods of Analysis**

ALA uses a combination of information and research from multiple sources (public databases, academic research, investment banking research, and independent third-party research) to create return and risk forecasts for multiple asset classes. These assumptions are then used to create an asset allocation for ALA's clients.

### **Investment Strategies**

#### ***Individuals and Families***

The asset allocations are implemented through a variety of investments, though primarily through other unaffiliated registered investment advisor companies. ALA performs the

necessary due diligence (both quantitative and qualitative) to determine whether the unaffiliated advisors have the operational, technological, and investment ability to be utilized on behalf of ALA's clients.

Prior to making an investment with an unaffiliated advisor, ALA shall confirm:

- The unaffiliated advisor is registered with the SEC or appropriate US state(s) as an investment advisor in accordance with the Investment Advisors Act of 1940.
- No disclosed action, suit or proceeding is pending before or by any court or governmental body, or to the knowledge of the unaffiliated advisor, threatened against which could materially or adversely affect the unaffiliated advisor's business.

The investment opportunities ALA uses to implement investment advice include:

- US Equity
- International Equity
- Global Fixed Income
- International Fixed Income
- US Fixed Income
- Cash and cash equivalents
- Option Overlay Strategies
- Hedge Funds
- Direct purchases of stocks, ETFs, mutual funds, and options.

### ***The Partnership***

The investment objective of the Partnership is to provide the highest after-tax rate of return per unit of risk within the constraints of the Partnership, using thoughtful asset allocation across cash and cash equivalents, hedging assets, global equities and alternatives. Equity dominance, global orientation and diversification by region, sector and source or return comprise the core investment principals of the Partnership. ALA enters into agreements with other private fund managers to manage the majority of the Partnership's assets. Risk is measured as the standard deviation of realized returns. While the pursuit of this objective requires the assumption of investment risk, the intention is to avoid excessive risk through diversification, active risk management, and disciplined rebalancing.

### **Risk of Loss**

ALA does not guarantee the future performance of the account or any specific level of performance, the success of any investment decision or strategy that the Firm may use, or the success of the Firm's overall management of any account. The client or investor understands that investment decisions made for the client's or Partnership's account by the Firm are subject to various market, economic, political and business risks, and that



those investment decisions will not always be profitable. Clients and investors are reminded that investing in any security entails risk of loss which they should be willing to bear.

More specifically, the risks for the Partnership and other accounts include, but are not limited to the following. Please refer to the Partnership documents for more detail regarding the risks of its investment strategy.

#### Illiquidity

The investments made by the Partnership may be illiquid, and consequently the Partnership may not be able to sell such investments at prices that reflect the general partner's assessment of their value or the amount paid for such investments by the Partnership.

#### Short Sales

The Partnership may enter into transactions, known as "short sales," in which it sells a security it does not own in anticipation of a decline in the market value of the security. Short sales by the Partnership that are not made "against the box" theoretically involve unlimited loss potential since the market price of securities sold short may continuously increase.

#### Derivatives

Derivative instruments, or "derivatives," include futures, options, swaps, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, currencies or indices. Because many derivatives are "leveraged," and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose a portfolio to the possibility of a loss exceeding the original amount invested. Derivatives may also expose portfolios to liquidity and counterparty risk.

#### Leverage

The Firm may borrow funds in order to make additional investments and thereby increase both the possibility of gain and risk of loss. Consequently, the effect of fluctuations in the market value of the portfolios would be amplified.

#### Options

Investing in options can provide a greater potential for profit or loss than an equivalent investment in the underlying asset.

*General Private Investment Risks*

The underlying private fund investments may involve highly speculative investment techniques, including extremely high leverage, highly concentrated portfolios, investments in unproven technologies, workouts, less-developed companies, control positions and illiquid investments.

*Limited Liquidity of Investments*

The underlying private funds may purchase restricted securities that are not traded in public markets. Restricted securities generally are difficult or impossible to sell at prices comparable to the market prices of securities of similar companies that are publicly traded.

*Investments in Troubled Assets*

An underlying private fund may make investments in non-performing or other troubled assets that involve a high degree of financial risk

**DISCIPLINARY INFORMATION (ITEM 9)**

There have been no disciplinary actions against ALA or Mr. David E. Andrew.

**OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS (ITEM 10)**

A related entity, Autumn Lane Genpar, LP, is the general partner of the Partnership.

David Andrew, the owner of ALA, is also a limited partner of the Partnership's general partner. This entity receives the performance allocation from the capital accounts, possibly incenting Mr. Andrew to adopt a more risky investment strategy than he might otherwise. This conflict is mitigated by ALA's adherence to the investment strategy as outlined in the Partnership documents.

The general partner, the Firm and the Partnership have entered into an arrangement with the Initial Strategic Investor, which is further described under Items 5 and 6 above.

David Andrew and the Initial Strategic Investor participate in the general partnership of a real estate private placement in which they are also limited partners.

**CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING (ITEM 11)**

**Code of Ethics**

ALA has adopted a Code of Ethics which describes the general standards of conduct that the Firm expects of all Firm personnel (collectively referred to as "employees") and

focuses on three specific areas where employee conduct has the potential to adversely affect the client:

- Misuse of nonpublic information
- Personal securities trading
- Outside business activities

Failure to uphold the Code of Ethics may result in disciplinary sanctions, including termination with the Firm. Any client or prospective client may request a copy of the Firm's Code of Ethics, which will be provided at no cost.

The following basic principles guide all aspects of the Firm's business and represent the minimum requirements to which the Firm expects employees to adhere:

- Clients' interests come before employees' personal interests and before the Firm's interests.
- The Firm must fully disclose all material facts about conflicts of interest of which it is aware between itself and clients as well as between Firm employees and clients.
- Employees must operate on the Firm's behalf and on their own behalf consistently with the Firm's disclosures and to manage the impacts of those conflicts.
- The Firm and its employees must not take inappropriate advantage of their positions of trust with or responsibility to clients.
- The Firm and its employees must always comply with all applicable securities laws.

#### Misuse of Nonpublic Information

The Code of Ethics contains a policy against the use of nonpublic information in conducting business for the Firm. Employees may not convey nonpublic information nor depend upon it in placing personal or recommending clients' securities trades.

#### Personal Securities Trading

ALA or individuals associated with the Firm may buy, sell or hold in their personal accounts the same securities the Firm recommends to its clients. This creates a potential conflict of interest with the possibility of Firm personnel obtaining a better price than clients obtain. To mitigate this conflict, such trades may occur on the same day at the same time receiving average pricing or must be placed at least the trade day after the client. The Firm does not allow front running.

Employees are required to submit reports of personal securities trades on a quarterly basis, and securities holdings annually. These are reviewed by the Chief Compliance Officer to ensure compliance with the Firm's policies.

#### Outside Business Activities

Employees are required to report any outside business activities generating revenue. If any are deemed to be in conflict with clients, such conflicts will be fully disclosed or the employee will be directed to cease this activity.

### **BROKERAGE PRACTICES (ITEM 12)**

#### **Selection of Brokers**

The Firm recognizes its responsibility to attain best execution. The Firm allows the client to determine custodian and brokerage service providers.

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

ALA currently has no formal soft-dollar arrangements, where specific products or services are paid for with soft dollars generated for the Firm by individual trades the Firm places in client accounts.

#### **Brokerage for Client Referrals**

The Firm does not receive referrals from a broker/dealer or third party providing service to ALA.

#### **Directed Brokerage**

**ALA does not place trades on behalf of clients except for occasional trades on behalf of the Partnership. Clients execute trades through the broker of their selection.**  
**Order Aggregation**

ALA does not trade on behalf of client accounts except for an occasional trade on behalf of the Partnership. Trades are not aggregated across client accounts.

### **REVIEW OF ACCOUNTS (ITEM 13)**

David E. Andrew, Manager, analyzes each portfolio on a regular basis for asset allocation, cash positions and securities holdings. Additional reviews may be triggered by events such as unusual market or economic circumstances or other unforeseen events. Such reviews entail looking at each portfolio and its cash flows in light of each account's strategy.

ALA sends quarterly written reports to investors in the Partnership. Investors in the Partnership also receive monthly written reports from the 3<sup>rd</sup> party administrator and the Partnership's annually audited financial statements.

Bank and brokerage custodians send statements directly to clients showing all transactions during the period, valuation, and any deduction of fees. These statements are sent as often as monthly, but are sent at least quarterly.

#### **CLIENT REFERRALS AND OTHER COMPENSATION (ITEM 14)**

The Firm does not pay outside individuals or entities for referring clients or investors.

#### **CUSTODY (ITEM 15)**

Custody is defined as having any access to client funds or securities.

##### ***Individuals and Families***

Fees for consulting services are deducted from the account custodian as directed by each client. The SEC has deemed that this authority is a form of custody.

Separately managed account clients pay the fixed quarterly management fee directly to ALA.

When clients receive their statements from their account custodian, clients should carefully review those statements and take the time to compare them with those they receive from ALA. If the client finds significant discrepancies, the custodian and ALA should be notified.

##### ***The Partnership***

Because an affiliate (Autumn Lane Genpar, LP) of ALA is general partner of the Partnership, ALA is deemed to have custody of the Partnership's assets. This is mitigated through engagement of a PCAOB registered and inspected accounting firm to conduct an annual audit of the Partnership's financial statements. The accounting firm's audit report and audited financials, as well as the annual K-1 statement are provided to each limited partner annually as required.

#### **INVESTMENT DISCRETION (ITEM 16)**

##### ***Individuals and Families***

ALA typically manages accounts for these clients on a nondiscretionary basis, where the client must pre-approve and place any security transaction recommended by ALA. Some ALA clients have assets managed on a discretionary and non-discretionary basis.

***The Partnership***

ALA manages the assets of the Partnership on a discretionary basis, hiring outside managers and occasionally placing securities trades.

**VOTING CLIENT SECURITIES (ITEM 17)**

***Individuals and Families***

ALA does not vote proxies for securities held in clients' accounts. Clients receive proxy material directly from their account custodian by either email or U.S. mail. Clients may address questions concerning a proxy matter to Firm personnel via email or phone.

***The Partnership***

ALA votes proxies for securities held in the Partnership when such proxies are not voted by an outside investment manager. To that end, limited partners may request records of proxies voted and a copy of ALA's proxy voting policy.

**FINANCIAL INFORMATION (ITEM 18)**

There is no financial condition that is reasonably likely to impair the Firm's ability to meet its contractual commitments to its clients.