

**Item 1 – Cover Page**

# **Syntax Advisors, LLC**

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**Part 2A of Form ADV: Firm Brochure**

**Dated: April 6, 2017**

**This brochure provides information about the qualifications and business practices of Syntax Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (646) 719-1150 ext. 229 or by email at [carison@syntax.co](mailto:carison@syntax.co). 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.**

**Being a “registered investment adviser” or describing ourselves as being “registered” does not imply a certain level of skill or training.**

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

**THIS BROCHURE DOES NOT CONSTITUTE AN OFFER TO SELL OR SOLICITATION OF AN OFFER TO BUY ANY SECURITY.**

## **Item 2 – Material Changes**

This is Syntax Advisors, LLC initial registration with the SEC, and it does not currently have any material changes to report. In the future, this Item will discuss material changes, if any, made to this Brochure as part of our annual update.

A summary of any material changes to this and subsequent Brochures will be provided to you within 120 days of the close of our business' fiscal year. We may also provide you with additional updates or other disclosure information at other times during the year in the event of any material changes to our business.

You may request the most recent version of this brochure by contacting us at (646) 719-1150 ext. 229 or [carison@syntax.co](mailto:carison@syntax.co). You may also obtain a copy by going to the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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#### **Item 4 – Advisory**

Syntax Advisors, LLC (the “**Registrant**”) (“**the company**,” “**us**,” or “**we**,” or “**Syntax**,” or “**Syntax Advisors**”) is a SEC-registered investment adviser with its principal place of business in New York, New York. Syntax Advisors, LLC and its predecessors began conducting business currently conducted by Syntax in 2009. Rory B. Riggs serves as the firm’s CEO and Manager. Syntax, LLC is the sole member of Syntax Advisors, LLC. Syntax, LLC is also the sole member of the general partner of each of the limited partnership funds that are managed by Syntax.

Syntax Advisors, LLC offers the following advisory services to its clients:

1. **Investment Management of Private Limited Partnership Funds:**

Syntax Advisors, LLC is the investment manager of two private series limited partnership funds (Syntax Index Series LP and Syntax Global Index Series LP) (the “Partnership Funds”). Each of the Partnership Funds has separate series, each corresponding to a separate portfolio of securities (each a “Series”). Each Series tracks a Syntax Stratified Index which is constructed by Syntax, LLC, the parent company of the Syntax Advisors. Syntax funds are managed in accordance with their respective limited partnership agreements (“Governing Documents”) and invest in long-only equity securities and American Depositary Receipts (ADRs). Both of the Partnership Funds are organized as Delaware limited partnerships.

As of March 31, 2017, Syntax Advisors, LLC had \$25,453,643 discretionary assets under management.

The Partnership Funds are available for investment by institutional investors and other sophisticated, high-net-worth investors, who meet the eligibility requirements of the applicable fund set forth in its Governing Documents. Each such fund is exempt from registration as an investment company under the U.S. Investment Company Act, as amended (the “Investment Company Act”), under Section 3(c)(1) or 3(c)(7) thereof.

Syntax utilizes a third party sub-adviser (Vantage Consulting Group) for portfolio management, including instructing brokers for securities trading, and accounting services for the Partnership Funds. Vantage Consulting Group (“Vantage”) has been the sole sub-adviser since Syntax began conducting business. On an ongoing basis, Syntax monitors the financial statements and performance of each of the Series to confirm that the portfolio manager is meeting the investment objectives set forth in the Partnership Funds’ Governing Documents. Syntax is responsible for selecting and monitoring the sub-adviser and for communicating performance and other pertinent information to investors and for processing all subscription and redemption requests from investors.

The advisor does not participate in wrap fee programs.

## **Item 5 – Fees and Compensation**

### **1. Partnership Funds:**

The general partner of Syntax Index Series LP is entitled to a management fee paid quarterly in arrears equal, on an annual basis, to 0.30% of the net asset value of each limited partner's capital account. The General Partner of Syntax Global Index Series LP is entitled to a management fee paid quarterly in arrears equal on an annual basis to 0.35% of the capital accounts relating to the Syntax Europe and Asia Developed Markets Series and 0.20% of the Syntax Stratified LargeCap Series. The general partners have respectively agreed to bear the ordinary operating expenses of the Partnership Funds other than certain withholding taxes and legal expenses. To the extent that expenses to be borne by each general partner are less than certain amounts set forth in the Governing Documents, the general partner pays the difference to the Partnership Fund. The general partners have further agreed that, the management fee and expenses borne by limited partners in the Partnership Funds, other than withholding taxes and certain legal expenses, will not exceed the amounts below. Management fees are not negotiable, and they are deducted from client assets on a monthly basis.

#### **Syntax Index Series LP – Expense Cap for Each Series:**

Syntax Stratified LargeCap Series	0.25%
Syntax Stratified MidCap Series	0.30%
Syntax Stratified Core Series	0.30%
Syntax Stratified Financials Series	0.30%
Syntax Stratified Energy Series	0.30%
Syntax Stratified Industrials Series	0.30%
Syntax Stratified Information Tools Series	0.30%
Syntax Stratified Information Series	0.30%
Syntax Stratified Consumer Series	0.30%
Syntax Stratified Food Series	0.30%
Syntax Stratified Healthcare Series	0.30%

#### **Syntax Global Index Series LP – Expense Cap for Each Series:**

Syntax Stratified LargeCap Series	0.20%
Syntax Europe & Asia Developed Markets Series	0.35%

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

Because Syntax does not charge performance-based fees, we believe that Syntax does not face conflicts related to the side-by-side management of accounts which do pay performance-based fees along with accounts. However, we recognize that conflicts related to side-by-side management may exist for other reasons.

## **Item 7 – Types of Clients**

As noted in Item 4, Syntax manages the Partnership Funds which are its only clients. The investors in the Partnership Funds are institutional investors and other sophisticated, high-net-worth, or otherwise qualified investors.

Investors in the Partnership Funds are generally required to be accredited investors, as defined in Regulation D under the Securities Act of 1933, as amended. Investors are also generally required to be either natural persons whose net worth (together, with assets held jointly with that person's spouse), at the time of subscription exceeds \$2,000,000 excluding the value of the investor's primary residence, or entities that have a net worth at the time of subscription in excess of \$2,000,000.

The minimum dollar value for establishing an investment in a Partnership Fund is generally \$250,000, although the general partner may accept lesser amounts in its discretion.

Investors may redeem their investment on the last trading day of the quarter-ending month, although redemptions may be permitted by the general partner on other days in its discretion.

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

Syntax is currently a passive manager that offers passive index-based products to its clients. The objective of all Syntax investment products is to track a Syntax Stratified Index.

Syntax manages two series limited partnerships funds: the Syntax Index Series I, LP and the Syntax Global Index Series I, LP (collectively referred to as the "Partnership Funds"). Below lists each the investment objective of each series within each Partnership Fund.

### **Syntax Index Series I, LP**

1. **Syntax 500 Series** seeks to track the performance of the Syntax Stratified LargeCap Index. The Index is the stratified-weight version of the widely-used S&P 500® Index. The Index holds the same constituents as the S&P 500, but the weight of each company in the Syntax Stratified LargeCap Index is based on a patented methodology which seeks to control exposure to related business risks.
2. **Syntax 400 Series** seeks to track the performance of the Syntax Stratified MidCap Index. The Index is the stratified-weight version of the widely-used S&P MidCap 400® Index. The index holds the same constituents as the S&P MidCap 400, but the weight of each company in the Syntax Stratified MidCap Index is based on a patented methodology which seeks to control exposure to related business risks
3. **Syntax 900 Series** seeks to track the performance of the Syntax Stratified Core Index. The Index is the stratified-weight version of the S&P 900® Index, which combines the S&P 500® Index and S&P 400® Index. The Index holds the same constituents as the S&P 900, but the weight of each company in the Syntax 900 Index is based on a patented methodology which seeks to control exposure to related business risks.
4. **Syntax US Financial Products and Services Series** seeks to track the performance of

the Syntax Stratified Financials Index. The Index is a stratified-weight index consisting of companies from the S&P 900® Index that operate in the financial sector. Combined, all Syntax sector indices hold the constituents of the S&P 900, but the weighting is based on a patented methodology which seeks to control exposure to related business risks. The index is reconstituted on a quarterly basis to measure the performance of the securities that share related business risks in the financial sector including banking, insurance, and real estate companies. All of these companies play a central role in directing and structuring flows of capital resources in the US and global economy.

5. **Syntax US Energy Products and Services Series** seeks to track the performance of the Syntax Stratified Energy Index. The Index is a stratified-weight index consisting of companies from the S&P 900® Index that operate in the energy sector. Combined, all Syntax sector indices hold the constituents of the S&P 900, but the weighting is based on a patented methodology which seeks to control exposure to related business risks. The Index is reconstituted on a quarterly basis to measure the performance of the securities that share related business risks in the energy sector, including extraction, refined oil and utilities. All of these companies play a central role in creating and distributing energy resources in the US and global economy.
6. **Syntax US Industrial Products and Services Series** seeks to track the performance of the Syntax Stratified Industrials Index. The Index is a stratified-weight index consisting of companies from the S&P 900® Index that operate in the industrials sector. Combined, all Syntax sector indices hold the constituents of the S&P 900, but the weighting is based on a patented methodology which seeks to control exposure to related business risks. The Index is reconstituted on a quarterly basis to measure the performance of the securities that share related business risks in the industrial sector, including industrial raw materials, components, finished equipment, and industrial services. All of these companies play a central role in creating and maintaining industrial equipment, which is used to produce the tangible goods that are essential to economic systems, including real estate, consumer goods, healthcare products, computer hardware and food.
7. **Syntax US Information Tools Services Series** seeks to track the performance of the Syntax Stratified Information Tools Index. The Index is a stratified-weight index consisting of companies from the S&P 900® Index that operate in the information tools sector. Combined, all Syntax sector indices hold the constituents of the S&P 900, but the weighting is based on a patented methodology which seeks to control exposure to related business risks. The Index is reconstituted on a quarterly basis to measure the performance of the securities that share related business risks in the information tools sector, including components for electronic systems and computing systems for businesses and consumers. These companies play a central role in designing, producing, and maintaining the information tools that enable information systems underlying virtually every part of the developed economy.
8. **Syntax US Information Products and Services Series** seeks to track the performance of the Syntax Stratified Information Index. The Index is a stratified-weight index

consisting of companies from the S&P 900® Index that operate in the information sector. Combined, all Syntax sector indices hold the constituents of the S&P 900, but the weighting is based on a patented methodology which seeks to control exposure to related business risks. The index is reconstituted on a quarterly basis to measure the performance of the securities that share related business risks in the information sector, including commercial and consumer transaction, investment, media and other similar services information. These companies play a central role in designing, developing, implementing, and distributing the information systems underlying virtually every part of the developed economy.

9. **Syntax US Consumer Products and Services Series** seeks to track the performance of the Syntax Stratified Consumer Index. The Index is a stratified-weight index consisting of companies from the S&P 900® Index that operate in the consumer products and services sector. Combined, all Syntax sector indices hold the constituents of the S&P 900, but the weighting is based on a patented methodology which seeks to control exposure to related business risks. The Index is reconstituted on a quarterly basis to measure the performance of the securities that share related business risks in the consumer products and services sector, including transportation, apparel, and household and personal care goods. These companies play a central role in directly providing the resources and services used by domestic and global consumers in everyday work and leisure.
10. **Syntax US Food Products and Services Series** seeks to track the performance of the Syntax Stratified Food Index. The Index is a stratified-weight index consisting of companies from the S&P 900® Index that operate in the food sector. Combined, all Syntax sector indices hold the constituents of the S&P 900, but the weighting is based on a patented methodology which seeks to control exposure to related business risks. The Index is reconstituted on a quarterly basis to measure the performance of the securities that share related business risks in the food sector, including agriculture, food and beverage processing, and restaurant, retail, and wholesale food distribution. These companies play a major role in producing and providing the food and beverages that sustain consumers in the US and around the world.
11. **Syntax US Healthcare Products and Services Series** seeks to track the performance of the Syntax Stratified Healthcare Index. The Index is a stratified-weight index consisting of companies from the S&P 900® Index that operate in the healthcare sector. Combined, all Syntax sector indices hold the constituents of the S&P 900, but the weighting is based on a patented methodology which seeks to control exposure to related business risks. The index is reconstituted on a quarterly basis to measure the performance of the securities that share related business risks in the healthcare sector, including healthcare systems, devices, drugs and biotech products. These companies design, manufacture, and provide medical services to treat disease and promote human health.

#### Syntax Global Index Series I, LP

1. **Syntax 500 Series** seeks to track the performance of the Syntax Stratified LargeCap



Index. The Index is the stratified-weight version of the widely-used S&P 500® Index. The Index holds the same constituents as the S&P 500, but the weight of each company in the Syntax Stratified LargeCap Index is based on a patented methodology which seeks to control exposure to related business risks.

2. **Syntax Europe and Asia Developed Markets Series** seeks to track the performance of the Syntax Stratified Europe & Asia Developed Markets Index. The Index is the stratified-weight version of the widely-used MSCI EAFE® Index. The Index holds the same constituents as the MSCI EAFE, but the weight of each company in the Syntax Stratified Europe & Asia Developed Markets Index is based on a patented methodology which seeks to control exposure to related business risks.

## Risks

### **Risks Associated with an Investment in the Partnership**

Prospective investors should carefully consider the following factors relating to investment risks and potential conflicts of interest. As a result of these factors, as well as other risks inherent in any investment, an investment in the Partnership is not appropriate for all investors and there can be no assurance that the Partnership will meet its investment objectives or otherwise be able to successfully carry out its investment program.

### **Risk Factors**

*General Investment Risk.* All investments in securities, including through the Partnership Funds, risk the loss of capital. The Manager believes that the Partnership Funds' more diversified investment portfolios moderate this risk. However, there can be no assurance that the Partnership Funds' programs will be successful.

*Developments in Financial Markets.* Developments in the global financial markets over the last decade illustrate that the securities markets can exhibit extraordinary uncertainty. In light of such uncertainty the potential accompanying weakening of the financial services industry, the Partnership Funds, Syntax, the Partnership Funds' brokers (and their respective affiliates) and other financial institutions' financial condition may be adversely affected and they may become subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on the Partnership Fund's business and operations.

*Regulatory Risks of Private Funds.* The regulatory environment for private funds, such as the Partnership Funds, is evolving and changes therein may adversely affect the ability of the Partnership Funds to pursue their investment strategy. The effect of any future regulatory or tax change on the Partnership Funds is impossible to predict. Further, the Dodd-Frank Act will impact the Partnership Funds. However, while many of the requirements of the Dodd-Frank Act have been adopted, it is difficult to predict the final overall impact of the Dodd-Frank Act on the Partnership Funds, and the markets in which they invest. The Dodd-Frank Act and regulations adopted

pursuant to the act could have a material adverse impact on the profit potential of the Partnership.

*Index Benchmark.* The Partnership Fund's investment objective is for each Series to track its corresponding Syntax Stratified Index. The Syntax Stratified Index corresponding to each Series is as set forth in the Governing Documents. A Series may have tracking error relative to its applicable Syntax Stratified Index.

*Limited Operating History.* The Partnership Funds have a six-year track record with a relatively small capitalization. The Partnership Fund's investment program should be evaluated on the basis that there can be no assurance that the Partnership Funds' investment methodology will prove successful or that the Partnership Funds will achieve their investment objective.

*Failure to Recognize Series Partnerships.* Under Delaware law, the debts and obligations relating to a particular Series of the Partnership Funds may be enforceable by creditors only against the assets of that particular Series and not against the assets of the Partnership Fund generally or the assets of any other Series. However, not all jurisdictions legally recognize series partnerships in which a series can hold title to assets or incur debts solely in the name of that series, and it is possible that a jurisdiction may permit a creditor of one Series to enforce a claim against the assets of the Partnership Fund generally or against the assets of another Series. Furthermore, to the extent the Series enter into common contracts or the assets and liabilities of each Series are commingled in common brokerage accounts for the Partnership, a creditor of one Series may enforce a claim against the assets of another Series. There can be no assurance that the assets of a particular Series, including, without limitation, investments owned by such Series, will not be used to satisfy obligations incurred by another Series.

*Negative Impact of Multiple Series.* Depending on the timing and size of investments by different Series, situations may arise where the Manager's strategy of tracking a Syntax Stratified Index for one Series could potentially negatively affect another Series or the Partnership overall.

*Dependence on Key Personnel.* The Partnership Funds' investment activities depend upon the construction of the Syntax Stratified Indices and the monitoring of the trading and other activities of Vantage. The experience and expertise of Rory Riggs is material to all these activities. The loss of the services of Mr. Riggs or the loss of Mr. Riggs' continuing financial support for Syntax Advisors could have a material adverse effect on the Partnership Funds' operations.

*Trading Methodology.* The investments of the Partnership Funds are based on tracking the Syntax Stratified Indices. The Syntax Stratified Indices are the stratified-weight versions of various widely-used securities indices. The Syntax Stratified Indices hold the same constituents as the popular indices, but the weight of each company in the Syntax Stratified Indices is based on a patented methodology which

seeks to control exposure to related business risks of the constituent companies. While Syntax has tested this methodology based on the past behavior of the constituent companies in the popular indices, the future behavior of a index's securities may be materially different from the past. There can be no assurance that the Index has successfully identified the related business risks of the constituent companies or that the Syntax Stratified Indices effectively control exposure to such risks. A Series may underperform a corresponding popular index during periods when markets or securities correlated with that Series behave substantially differently from the period in which the index models are derived. In addition, the approach used may be similar to that used by other traders in the future.

*Illiquidity of Interests.* Interests in the Partnership Funds are not transferable without the approval of the relevant general partner and there is no secondary market for such interests.

*Necessity for Trading Relationships.* The Partnership Funds have established a relationship with Vantage pursuant to a sub-advisory agreement, pursuant to which Vantage provides certain back-office and trading-desk functions for the Partnership. A disruption in this relationship, such as the bankruptcy or insolvency of Vantage, could have a material adverse impact on the profit potential and/or the viability of the Partnership Funds.

*Execution Risks and Trading Errors.* Syntax has delegated trading activities for the various Series to Vantage. Vantage utilizes brokers for securities transactions that are selected by Vantage, although the activities of Vantage are subject to monitoring by Syntax. Vantage seeks best execution and has trained execution and operational staff devoted to executing, settling and clearing such trades. However, in light of the complexity and diversity involved, some slippage, errors and miscommunications with brokers and counterparties may occur and may result in losses to the Partnership Funds. Syntax and Vantage will evaluate the merits of potential claims for damage against brokers and counterparties who are at fault and, to the extent practicable, will seek to recover losses from those parties. Syntax and Vantage may, in certain circumstances, choose to forego pursuing claims against brokers and counterparties on behalf of the Partnership Funds for any reason including, but not limited to, the cost of pursuing claims relative to the likely amount of any recovery and the maintenance of its business relationships with brokers and counterparties. In addition, Vantage may be solely or partly responsible for errors in placing, processing, and settling trades that result in losses to the Partnership Funds. Vantage will reimburse the Partnership for the net amount of any losses caused by the Manager's own gross negligence in placing, processing or settling trades. Neither Syntax nor Vantage, however are liable to the Partnership Funds for losses caused by brokers, counterparties or other third parties. Interests are only available for subscription by investors who understand that they and the Partnership Funds are waiving potential claims for damages arising from the operation of the Partnership, including, in some cases, damages resulting from Syntax or Vantage's negligence or contributory

negligence (except for gross negligence of Vantage in placing, processing or settling trades as provided above).

*Bankruptcy of Broker-Dealers.* Any cash and securities maintained by the Partnership Funds at accounts at U.S. broker-dealers registered with the SEC and the Financial Industry Regulatory Authority are protected to a limited degree by the U.S. Securities Investor Protection Corporation (the “SIPC”). In the event of the bankruptcy of a broker-dealer, if sufficient funds are not available in the broker-dealer’s customer accounts to satisfy claims, the reserve funds of the SIPC will be used to supplement the distribution, up to a ceiling of \$500,000 per customer, including a maximum of \$100,000 for cash claims. Therefore, the Partnership Funds could be at risk of loss for any amounts in excess of the SIPC limit to the extent that the broker-dealer does not maintain insurance sufficient to cover any amounts owed.

*Broker Risk.* The Partnership Funds and their agents will rank as unsecured creditors to each of its securities brokers. In the event of the insolvency of a broker, the Partnership Funds might not be able to recover equivalent assets in full. The recovery process may take a long time during which the Partnership Funds may not have any access to the assets held by such insolvent broker, and if such assets represent a significant portion of a Partnership Fund’s portfolio, the Partnership Fund may be forced to suspend its operations and calculation of net asset value. In addition, if applicable law permits, cash that a prime broker or a lending counterparty holds or receives on the Partnership’s behalf may not be treated by such party as client money, may not be segregated from its own cash and may be used by it in the course of its investment business.

*Distributions.* Since the Partnership Funds will not ordinarily make distributions to its limited partners, all earnings of the Partnership Funds are expected to be retained for reinvestment. Therefore, an investment in the Partnership Funds will not be suitable for investors seeking current income.

*Possible Effect of Substantial Withdrawals.* Substantial withdrawals of interests in the Partnership Funds could require the Partnership Funds to liquidate their positions more rapidly than otherwise desired in order to raise the cash necessary to fund the withdrawals.

*Tax Considerations.* The Partnership Funds may take positions with respect to certain tax issues which depend on legal conclusions not yet addressed by the courts. Should any such positions be successfully challenged by the Internal Revenue Service, there could be a materially adverse effect on the Partnership Funds. The taxation of investment funds and investors is complex.

*Political, Economic and Other Conditions.* The Partnership Funds’ investments may be adversely affected by changes in economic conditions or political events that are beyond their control. For example, a stock market break, continued threats of terrorism, the outbreak of hostilities involving the U.S. or other countries, or the death

of a major political figure may have significant adverse effects on general economic conditions, market conditions, market liquidity and the Partnership Funds' investment results. Additionally, a serious pandemic, such as avian or swine influenza, or a natural disaster, such as a hurricane, could severely disrupt the global, national and/or regional economies and/or markets. Other factors, such as changes in U.S. federal or state tax laws, U.S. federal or state securities laws, bank regulatory policies or accounting standards, may make investments or dispositions less desirable. Similarly, legislative acts, rulemaking, adjudicatory or other activities of the SEC, the U.S. Federal Reserve Board, the New York Stock Exchange, FINRA or other governmental or quasi-governmental bodies, agencies and regulatory organizations may make the business of the Partnership Funds less attractive. A negative impact on economic fundamentals and consumer confidence may negatively impact market value, increase market volatility and cause credit spreads to widen, each of which could have an adverse effect on the investment performance of the Partnership Funds.

*Cybersecurity Risks.* Syntax' and Vantage's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although Syntax and Vantage have implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, Syntax or Vantage may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of Syntax, Vantage and the Partnership Funds and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the reputation of Syntax, Vantage or the Partnership Funds, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance.

*Disclosure of Information.* The limited partners of the Partnership Funds may include entities that are subject to state public records or similar laws that may compel public disclosure of confidential information regarding the Partnership Funds, their investments, and their investors. There can be no assurance that such information will not be disclosed either publicly or to regulators, law enforcement or otherwise, including to comply with regulations or policies to which the Partnership Funds, Syntax, portfolio companies or service providers to any of them may be or become subject.

The foregoing risks do not purport to be a complete explanation of all the risks involved in acquiring interests in the Partnership Funds.

## **Item 9 – Disciplinary Information**

Form ADV Part 2 requires investment advisers such as Syntax to disclose legal or disciplinary events involving the firm or our partners, officers, or principals that are material to your evaluation of our advisory business or the integrity of our management. At this time, Syntax has no information to report that is applicable to this item.

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

### **A. Financial Industry Affiliations**

Neither Syntax Advisors, LLC nor any of its management persons have any relationship or arrangement with a related person in the financial industry that is material to its clients or to its advisory business.

Syntax Advisors, LLC does not recommend or select other investment advisers for its clients, that directly or indirectly compensate Syntax, and it does not have other business relationships with those advisers that create a material conflict of interest.

Rory Riggs, CEO of Syntax Advisors LLC, is a Managing Member of BV Partners LLC, which is a Delaware limited liability company and a special purpose vehicle formed to serve as the Managing Member of New Ventures I, LLC ("NVI"), a Delaware limited liability company (formerly known as BV Partners Fund LLC) that is a pooled investment fund excluded from the definition of "investment company" in reliance on Section 3(c)(7) of the Investment Company Act. NVI typically invests in private companies and, in certain circumstances, public companies the equity of which is not widely held and thus possess certain characteristics of private companies. Such investments are generally in biotech companies and in the healthcare technology sector. Mr. Riggs serves on the Cibus Global Board, an underlying holding of the NVI LLC. NVI does not charge members a management fee, but may charge a performance fee if a pre-established hurdle rate is met as detailed in the Funds' Offering Memorandum. Mr. Riggs may receive customary board compensation as outlined in the Offering Memorandum and travel reimbursement to attend Committee meetings.

BV Partners LLC, also serves as the Managing Member of New Ventures III, LLC ("NVIII"), a Delaware limited liability company that is a pooled investment fund excluded from the definition of "investment company" in reliance on Section 3(c)(7) of the Investment Company Act. NVIII typically invests in private companies and, in certain circumstances, public companies the equity of which is not widely held and thus possess certain characteristics of private companies. Such investments are generally in biotech companies and in the healthcare technology sector. New Ventures III charges members a management fee and a performance fee if a pre-established hurdle rate is met as detailed in the Fund's Offering Memorandum documents.

Rory Riggs is a Managing Member of New Ventures Select Partners, LLC. New Ventures Select Partners, LLC, a Delaware limited liability company, is a special purpose vehicle formed to serve as the managing member of New Ventures Select LLC ("NVS"), a Delaware limited liability company that is a pooled investment fund excluded from the definition of "investment company" in reliance on Section 3(c)(1) of the investment Company Act. NVS focuses primarily

on identifying and making direct and indirect investments in pharmaceutical royalty rights and/or in assets secured by royalty rights. New Ventures Select charges members a management fee and a performance fee if a pre-established hurdle rate is met as detailed in the Fund's Offering Memorandum documents.

Because these companies focus on royalty investments and early stage investment in the life sciences, pharmaceutical royalty rights, biotech and healthcare, these activities create no material conflicts of interest with Syntax Advisors LLC.

## **B. Other Affiliations**

Mr. Riggs is the Founder and CEO of Syntax LLC, which is the parent company of Syntax Advisors LLC. Syntax LLC also houses the Syntax Indices division, which creates and maintains Syntax Indices. Mr. Riggs is also the Founder and CEO of Locus Analytics LLC, which is Syntax LLC's sister company that creates and owns the data that underlies Syntax Indices.

Mr. Riggs is the Co-Founder and Chairman of the Investment Committee at Royalty Pharma, which invests in biopharmaceutical royalty interests and holds interest in approved and marketed biopharmaceutical products as well as products that are in clinical trials or are under review with the FDA and EMA. For his services, Mr. Riggs is currently receiving or may at some future date receive customary board compensation and reimbursement for travel expenses to attend meetings.

Mr. Riggs is on the board of several biotechnology companies in the capacities as follows: Co-Founder and Non-Employee Director at FibroGen, Inc., which is a research-based biotechnology company listed on the NASDAQ exchange that uses its expertise in connective tissue growth factor (CTGF) and hypoxia-inducible factor (HIF) biology to discover, develop, and commercialize novel therapeutics for serious unmet medical needs; Co-Founder and Chairman of the Board of Directors at Cibus Global, which has developed plant and microbial platforms enabling it to become a world leader in advanced breeding technologies and advanced non-transgenic breeding; Co-Founder and Chairman of the Board of Directors at eReceivables, Inc., which is a specialty servicer that handles problem claims in the health care industry for hospitals, large provider groups, and DME companies; Director at Intra-Cellular Therapies, a NASDAQ listed biopharmaceutical company focused on the discovery and clinical development of innovative, small molecule drugs that address underserved medical needs in neuropsychiatric and neurological disorders; Director at GeneNews, a Toronto Stock Exchange listed cancer diagnostics company focused on the development, licensing and commercialization of genomic-based clinical laboratory tests; and Board Member at Nuredis, Inc., a biotech/pharma company that is focused on drug discovery and development. All of these positions are not related to equity investments and do not create material conflicts of interest with Syntax Advisors LLC. For his services, Mr. Riggs is currently receiving or may at some future date receive customary board compensation and reimbursement for travel expenses to attend meetings.

## **Other Related Conflicts:**

Please see Items 4 (Advisory Business), 5 (Fees and Compensation), 8 (Methods of Analysis, Investment Strategies and Risk of Loss), and 11 (Code of Ethics, Participation in Client Transactions and Personal Trading)

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

We strive to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust, and we have adopted a Code of Ethics (the “**Code**”) to help us meet these standards. The Code incorporates the following principles:

- Syntax and its personnel must at all times place the interest of our clients first. All personal securities transactions must be conducted in a manner consistent with the Code and avoid any actual or potential conflicts of interest or any abuse of an employee’s position of trust and responsibility.
- Employees must not take any inappropriate advantage of their positions at Syntax. Independence in the process of making investment recommendations must be maintained at all times.
- Employees are prohibited from utilizing material non-public information in a personal or professional capacity.

More specifically, the Code of Ethics provides that covered persons must:

1. Comply with all applicable laws and regulations;
2. On an annual and quarterly basis, disclose to our Chief Compliance Officer all holdings in “covered securities,” including:
  - a. Debt and equity securities;
  - b. Options on securities, on indices, and on currencies;
  - c. All forms of limited partnership and limited liability company interests, including interests in private investment funds (such as hedge funds), and interests in investment clubs; and
  - d. ETFs.
3. Receive pre-clearance from our Chief Compliance Officer (or his designee) for transactions in covered securities (with limited exceptions).

A copy of Syntax's Code of Ethics is available to current and prospective clients. You may request a copy by emailing [carison@syntax.co](mailto:carison@syntax.co), or by calling (646) 719-1150 ext. 229.



## **Participation or Interest in Client Transactions.**

Subject to Syntax' Code of Ethics, Syntax or employees of Syntax may invest in the same securities that are held in the portfolios of the Partnership Funds; provided, however, that neither Syntax nor its employees will make any investment which would prevent an advisory client from investing in all or a portion of the investment opportunity. Any such investments by Syntax or its employees would be effected in separate, ordinary way securities transactions on public markets and not as part of any co-investment with the Partnership Funds or through combined orders with the Partnership Funds.

## **Other Related Conflicts and Practices:**

Gifts and Entertainment. Certain counterparties, service providers and other third parties with whom we do business occasionally provide gifts and entertainment to our principals and employees. We and our affiliates may enter into business transactions and relationships on behalf of a client with the donors of such gifts and entertainment. Such gifts and entertainment create a conflict of interest in our selection and retention of these donors as service providers for clients.

To address this conflict, we have adopted policies and procedures to:

1. Monitor gifts and entertainment given and received by our principals and employees; and
2. Limit the value of gifts and entertainment given and received.

We also have policies and procedures in place to help us monitor, and limit, the political contributions that our principals and employees make to public officials and candidates for elected office in accordance with the requirements of Rule 206(4)-5 under the Investment Advisers Act of 1940.

## **Item 12 – Brokerage Practices**

### **General Brokerage Practices:**

Subject to the overall supervision of Syntax, Vantage selects brokers and dealers to execute transactions for the purchase or sale of securities based upon a judgment of their professional capability to provide the service. The primary consideration is to have brokers or dealers provide "best execution." A determination of "best execution" encompasses many factors, including but not necessarily limited to, the price paid or receive for a security, the commission charged, the promptness, and reliability of execution, the confidentiality and placement accorded the order and other factors affecting the overall benefit obtained by the account in the transaction.

Lower commissions may be paid when a transaction presents little difficulty in execution, is smaller in size, or is transacted through an automated crossing mechanism.

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

Syntax does not engage in any "soft dollar" practices.

### Directed Brokerage

Syntax does not engage in directed brokerage.

### Trade Aggregation

It is the policy of Syntax and Vantage to allocate investment opportunities among Syntax clients fairly and equitably, so that no client for whom Syntax has investment discretion receives preferential treatment over any other client. The allocation of investment opportunities never favors any client over another. In addition, Syntax shall always put the clients' interest ahead of its own and therefore shall never favor Syntax ahead of its clients. On occasion, Vantage may not aggregate client orders as particular circumstances warrant but will seek best execution practices. Vantage may place a combined order for two or more clients engaged in the purchase or sale of the same security if it is believed that joint execution is in the best interest of each participant and will result in best execution. Transactions involving clients participating in an aggregated order will participate at the same average share price per share for all transactions in that security on a given business day or such shorter period, as applicable or as otherwise specified and transaction costs will be shared pro rata based on each client's participation in the transaction. If the aggregated order is only partially filled, the portfolio manager will allocate among participating clients on a pro rata basis.

### **Item 13 – Review of Accounts**

Under the direction of Vantage, cash and position reconciliations occur between Vantage and the relevant brokers. The sub-adviser produces a monthly unaudited statement that includes some Fund performance data. Investors in limited partnership funds receive this unaudited statement no less than quarterly. This unaudited statement includes the value of their investment, as well as the monthly, year-to-date, and original investment to date total returns. Syntax conducts a review of the unaudited statements. On a periodic basis, Syntax conducts an in-depth review of the sub-adviser, which includes a review of the cash and position reconciliations and the reconciliation of investor accounts.

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

Currently, Syntax' only clients are the Partnership Funds. In the future, if Syntax manages separate accounts, Syntax may hire solicitors to refer prospective clients to Syntax and may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act. Any such referral fees will be paid from the fees Syntax earns, and these fees will not result in any additional charge to referred clients.

### **Item 15 – Custody**

Syntax is deemed to have custody of client assets by virtue of the fact that its affiliated entities serve as general partners of the Partnership Funds and have the ability to access and control the assets of the Partnership Funds and directly deduct fees. Syntax does not take physical custody of any client assets. Each of the Partnership Funds custody their assets at commercial banks and those banks serve as qualified custodians and have physical custody of assets. Pursuant to Rule 206(4)-2 under the Advisers Act, Syntax satisfies its custody obligations by ensuring that the

Partnership Funds are audited as required by the rule and that investors in the Partnership Funds receive audited financial statements resulting from such audits within 120 days of the fund's fiscal year end.

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

Syntax Advisors, LLC has discretionary authority to manage investments of the Partnership Funds as per the investment strategy, guidelines and restrictions outlined in the limited partnership agreements signed by each investor in the Partnership Funds.

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

As required by Rule 206(4)-6, Syntax has adopted written proxy voting policies and procedures that are reasonable designed to ensure that the proxies are voted in the best interest of clients. Syntax has delegated to Vantage, Syntax's sub adviser, the authority to execute proxies on behalf of Syntax's clients (as required). Neither clients of Syntax nor investors in clients of Syntax are permitted to direct votes of securities held by Syntax clients. Syntax conducts a review of Vantage at least annually for compliance with Syntax's proxy voting policies and procedures.

You may request a copy of our proxy voting policy and the proxy voting record relating to the Partnership Funds' holdings by contacting us at the address or telephone number listed on the first page of this document.

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

Form ADV Part 2 requires investment advisers such as Syntax to disclose any financial condition reasonably likely to impair our ability to meet contractual commitments to clients. At this time, Syntax has no information to report that is applicable to this item.

In addition, we do not require or solicit payment of fees in excess of \$1,200 per client more than six months in advance for services rendered. Therefore, we are not required to include a financial statement in this brochure.