

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

Item 1 Cover Page

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April 18, 2019

This brochure (“Brochure”) provides information about the qualifications and business practices of Mark Asset Management LP, 667 Madison Avenue, New York, NY 10065, (212) 372-2500. If you have any questions about the contents of this Brochure, please contact us at (212) 372-2500. You should note that the mere fact that Mark Asset Management LP is registered as an investment adviser with the United States Securities and Exchange Commission (“SEC”) does not imply any level of skill or training.

The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about Mark Asset Management LP also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 Material Changes

This Brochure, dated April 18, 2019, contains no material changes from the previous Brochure, which was filed on March 26, 2019.

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#### Item 4 Advisory Business

Mark Asset Management LP (“MAM LP” or the “Firm”) has been registered as an investment adviser with the SEC since February 20, 1987 and is 100% family-owned by Morris Mark, who is President and a limited partner of the Firm and the managing member of its general partner, Mark Asset Management GP LLC.

MAM LP provides investment advisory services on a discretionary basis to its domestic and foreign private funds that are not registered under the Investment Company Act of 1940, as amended (the “Funds”), consistent with the Funds’ investment strategies objectives and/or parameters set forth in their respective governing documents and confidential private placement memoranda. MAM LP also provides investment advisory services to separately managed domestic and foreign accounts for institutions and high net worth individuals (“Separately Managed Accounts,” together with the Funds the “Clients”). The Separately Managed Accounts, which are managed on a discretionary basis subject to any investor-imposed investment restrictions, generally employ one of MAM LP’s four core investment strategies, as further described in Item 8 of this Brochure, that investors can choose among based on their individual needs and/or investment preferences.

MAM LP’s investment approach is generally equity oriented and reflects MAM LP’s belief that equity securities offer an opportunity for significant long-term returns. MAM LP incorporates that belief by utilizing an intensive, fundamental, company-specific and industry-specific research process with an acute awareness of macroeconomic trends. MAM LP’s bottom-up, fundamentals-based approach to investing is flexible, and MAM LP may consider any factor it believes relevant, including whether it believes a company has substantially undervalued assets or undervalued earnings growth potential when making an investment decision. Please see Item 8, Methods of Analysis, Investment Strategies and Risk of Loss for further details on MAM LP’s investment methods.

MAM LP is a party to an agreement (the “Agreement”) with a financial services company (the “Financial Services Company”) under which MAM LP provides investment advisory services in the form of model portfolios, as part of a wrap fee program sponsored by the Financial Services Company (the “Program”). All transactions made on behalf of wrap accounts that utilize MAM LP’s model portfolios are executed by the Financial Services Company. As part of the Agreement, MAM LP receives fees from the Financial Services Company based on the amount of assets managed by the Program that use MAM LP’s model portfolios. MAM LP does not, itself, serve as the sponsor of any wrap fee program.

MAM LP provides investment advisory services on a non-discretionary basis to clients of the Financial Services Company that are invested in one of MAM LP’s model portfolios as part of the Program (collectively, the “Wrap Fee Participants”), pursuant to the Agreement outlined above.

As of December 31, 2018, MAM LP managed \$456,302,297 on a discretionary basis and \$13,310,000 on a non-discretionary basis.

## Item 5 Fees and Compensation

MAM LP generally charges its Clients a management fee, payable on a quarterly basis, in advance, based on the value of assets under its management. The management fee generally is calculated at an annual rate of 0.75% to 1.5% of the value of an account's assets, but may be lower or higher depending on various factors, including, among others, the type of services provided, the amount of assets under management and whether the Client's assets are subject to a lock-up provision.

MAM LP may also receive performance-based compensation from its Clients. Performance-based compensation is structured to comply with Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act") and other applicable provisions of federal and state laws, and generally is equal to 20% of an account's profits above a high-water mark or an index. Performance-based compensation is typically calculated and payable to MAM LP as a fee or allocated to a General Partner (as defined in Item 10) at the end of each fiscal year or calendar year as specified in the relevant Client agreement.

Different Funds and different classes of interests in a Fund may be subject to different fees, and all investors and prospective investors should review the governing documents of each Fund in conjunction with this brochure for complete information on the fees and expenses related to a particular Fund. Fees and expenses related to Separately Managed Accounts may vary and are detailed in each Separately Managed Account's investment management agreement. MAM LP and/or the General Partners or directors of the Funds may, in their sole discretion, waive all or any portion of the management fee and/or performance-based compensation with respect to certain investments, including third-party or related private funds, and for certain investors, including employees, directors, officers, and affiliates of MAM LP, or family members of any such persons.

Each Client may, and certain Clients will, pay expenses as described in the Client's management agreement or related disclosure. The Funds may and, in certain circumstances, will bear custodial, distribution, administrative, accounting and/or auditing, legal and certain other expenses pursuant to agreements with their service providers and as disclosed in their offering materials. The Separately Managed Accounts bear custodial and administrative and other expenses pursuant to agreements with service providers and according to requirements set out in the investment management agreements between each Client and MAM LP. All Clients incur brokerage and other transaction costs. Please see Item 12, Brokerage Practices for further details.

For Separately Managed Accounts, MAM LP bills the Clients for fees payable and the custodian deducts the fees from the accounts upon authorization from the Client. For Funds, the Firm deducts fees directly from the Fund's account. MAM LP's Client agreements generally provide that investment management services are terminable without penalty upon thirty days' prior written notice and that, if such agreement is terminated prior to the end of a calendar quarter, any unearned portion of prepaid fees will be refunded by MAM LP to the Client. In certain instances, less than thirty days' prior written notice may be given.

MAM LP also provides management services through the Program. The services provided and the fees that MAM LP receives under the Program are described in the contract executed between MAM LP and the Financial Services Company. MAM LP does not charge Wrap Fee Participants any fees directly. Instead, the Financial Services Company charges each Wrap Fee Participant fees and then shares a portion of that compensation with MAM LP. The compensation MAM LP receives from the Financial Services Company is based on the amount of assets in the Program that invest according to MAM LP's model portfolios.

Neither MAM LP nor any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

As discussed in Item 5, MAM LP or a General Partner may receive a performance-based compensation with respect to Clients. MAM LP faces a conflict of interest to the extent that it manages an account for which it receives a performance-based compensation at the same time as it manages one or more accounts for which it either does not receive a performance-based compensation or receives a different level of performance-based compensation. A performance-based compensation arrangement generally entitles an investment adviser to additional compensation if the performance of an account bearing the performance-based compensation exceeds an established high-water mark or benchmark. MAM LP has the potential to receive higher compensation from an account for which it is paid a performance-based compensation than for an account that is not charged a performance-based compensation or is charged a lower performance-based compensation. MAM LP may have an incentive to favor accounts or take increased investment risk on behalf of accounts for which it receives a performance-based compensation or a larger performance-based compensation because it could receive greater compensation from such accounts. For example, MAM LP may have an incentive to trade in non-performance-compensation-based accounts to benefit performance-fee-based accounts. MAM LP has put into place policies and procedures to address these conflicts of interest, including policies designed to ensure allocation of trades and securities to Client accounts on a fair and equitable basis and policies regarding brokerage commission as well as monitoring of trading positions that are held in both performance and non-performance-fee-based accounts. These policies are designed to ensure that MAM LP will not unfairly favor certain accounts (such as accounts paying performance fees) over others when allocating investment opportunities. Please see Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading for further details.

## Item 7 Types of Clients

Currently, MAM LP's advisory clients include (i) domestic and foreign private funds that are exempt from registration under the Investment Company Act of 1940, as amended, (ii) separately managed domestic and foreign accounts for institutions and high net worth individuals and (iii) clients of the Financial Services Company that are invested in one of MAM LP's model portfolios as part of the Program, pursuant to the Agreement outlined in Item 4. Interests in the Funds and Separately Managed Accounts are only offered to qualified individuals and entities that, at a minimum, meet the criteria of "accredited investors."

MAM LP generally requires that a Client invest a minimum of \$10,000,000 to open a Separately Managed Account. Investors in the Funds are also generally subject to a minimum investment requirement of \$2,000,000. However, it is at the discretion of the management of MAM LP or the General Partner or directors of the Funds to waive such minimum amounts.

### **A. Investment Strategies**

As described in Item 4, above, MAM LP offers its Clients a range of investment strategies. The following is a brief description of MAM LP's four core investment strategies' investment objectives and the general investment strategies that are typically used in managing assets within each investment strategy. These strategies are generally equity-oriented and reflect MAM LP's belief that equity securities offer an opportunity for significant long-term returns. MAM LP can give no assurance that it will achieve its investment objective. Investing in securities involves a risk of loss that Clients should be prepared to bear.

*Long-Biased Strategy:* The investment objective for the Mark Long-Biased strategy is to build value and generate capital appreciation. This strategy typically invests in companies that MAM LP believes have substantially undervalued assets or undervalued earnings growth potential or, preferably, both. The strategy will primarily focus on investing in common stocks and other equity securities, including convertible debentures, convertible preferred stocks and warrants for, or rights to purchase, equity securities. The strategy will invest from time to time in bonds and other fixed income securities and restricted securities, including investments through third-party or related private funds. MAM LP may attempt to enhance Client account performance by purchasing and selling options and by using leverage and short sales, and may also hedge its portfolio by the use of option strategies. Accounts employing this strategy will generally hold a maximum of 40 investment positions "long" and 20 investment positions "short". The Mark Long-Biased strategy is offered to Fund and Separately Managed Account Clients. The performance track record of the private fund that employs the Mark Long-Biased strategy has been verified to be compliant with the Global Investment Performance Standards ("GIPS").

*Long-Only Strategy:* The investment objective for the Mark Long-Only strategy is to build value and generate capital appreciation. This strategy focuses on growth and value fundamentals and company management and will typically invests in companies that MAM LP believes are well-managed companies with attractive fundamental characteristics and strong business franchises. The strategy typically invests in liquid, U.S., and other major listed market, equity opportunities. Equity investments may include preferred stock (including convertible preferred stock), warrants and similar instruments. Accounts employing this strategy will generally hold 25-35 investment positions. The Mark Long-Only strategy is offered to Fund and Separately Managed Account Clients. The performance track record of the Separately Managed Account Clients composite that employs the Mark Long-Only strategy has been verified to be GIPS compliant.

*Focus Strategy:* The investment objective for the Mark Focus strategy is to build value and generate capital appreciation. This strategy is a sub-strategy of the Mark Long-Only strategy, and the Mark Focus strategy will generally target the highest conviction investment opportunities of the Mark Long-Only strategy. The strategy typically invests in liquid, U.S., and other major listed market, equity opportunities. Accounts employing this strategy will typically hold around 15 investment positions. The Mark Focus strategy is currently offered only to Separately Managed Account Clients and the performance track record of such Clients has been verified to be GIPS compliant.

*Growth & Income Strategy:* The investment objective for the Mark Growth & Income strategy is to seek significant long-term capital appreciation and dividend income. Under normal market conditions, this strategy will generally invest in dividend-paying companies or companies that MAM LP believes will be in position to pay dividends in the near- to mid-term. The strategy invests primarily in common stocks and other equity securities, including preferred stock and convertible securities, of companies. Accounts employing this strategy will generally hold 15-20 investment positions. Currently, the Mark Growth & Income strategy is offered only to Separately Managed Account Clients.

### **B. Method of Analysis**

MAM LP's methods of analysis vary depending on the investment strategy but generally involve several basic principles. MAM LP's working philosophy contemplates disciplined, fundamental, research oriented investing and reflects MAM LP's belief that equity securities offer the opportunity for significant long-term returns. As



part of the investment process, MAM LP employees may visit companies, interview management and attend industry conferences and seminars, as applicable. MAM LP also searches for major trends in the economy and in the structures of various industries. MAM LP also reviews publicly available information to assess the potential effects on particular companies of significant corporate transactions, such as liquidations, reorganizations, recapitalizations and mergers, or new management or management policies. In addition, MAM LP analyzes demographic changes, business cycles, new products, new data and any information that might cause it to update, change or even reverse its basic outlook in investing on behalf of its Clients.

MAM LP's bottom-up, fundamentals-based approach to investing is flexible, however, MAM LP will consider any factors it believes relevant, including whether it believes a company has substantially undervalued assets or undervalued earnings growth potential. MAM LP also supplements its fundamental analysis of potential portfolio companies with an evaluation of key political and financial market variables, nationally and internationally, in attempting to assess the level and future direction of the financial markets, generally. In analyzing and identifying particular investment opportunities and the markets generally, MAM LP relies on the talent and experience of its portfolio managers and team of professionals, as well as its relationships with market professionals, such as analysts, brokers, economists and industry specialists.

Morris Mark, MAM LP's President and Chief Investment Officer, is responsible for making the investment decisions for the Clients, as well as overseeing MAM LP's team of investment professionals. MAM LP believes that this dual-manager approach, guided by Mr. Mark's expertise managing MAM LP's core four strategies since inception, benefits the Clients in achieving their stated investment objectives.

For the Mark Long-Biased, Long-Only, and Focus strategies, MAM LP typically invests for Clients in companies that it believes have substantially undervalued assets or undervalued earnings growth potential or, preferably, both. In determining whether a company's assets are undervalued, MAM LP calculates the value at which it believes the company's individual businesses and other assets could be sold in the private market place; MAM LP generally seeks to invest in companies whose securities can be purchased at a substantial discount to underlying value. In determining whether a company has substantial unrealized growth potential, MAM LP attempts to measure the company's long-term cash flow and earnings outlook by analyzing the quality of the company's management, business franchise and operating and financial characteristics.

For the Mark Growth & Income strategy, MAM LP typically invests for Clients in companies with growth and/or income characteristics by placing a significant emphasis on a company's ability to pay dividends. In determining a company's ability to pay dividends, MAM LP will review a prospective portfolio company's publicly available filings and other public information and closely analyze its history of declaring dividends. If a company does not have a history of declaring dividends, MAM LP will consider whether the company can reasonably be expected to be in position to declare dividends in the near- to mid-term based on, for example, a high level of free cash flow.

### **C. Material Risks**

Listed below are some of the risks associated with MAM LP's four core investment strategies. The following explanation of certain risks is not exhaustive, but rather highlights some of the more significant risks involved in MAM LP's investment strategies. Some risks may not be applicable to all Clients or strategies. For a complete explanation of the Funds' relevant investment strategies and their associated risks, including limited transferability and increased regulatory oversight, investors should review the relevant offering documents, which contain additional explanations of strategies, risks and other related details not discussed below.

**Risk of Investment in Securities.** MAM LP invests primarily in securities. All investments in securities risk the loss of capital. Certain investment techniques can, in certain circumstances, magnify the effects of adverse market moves to which Clients may be subject. MAM LP's investment in securities may be materially affected by conditions in the financial markets and overall economic conditions occurring globally and in particular countries where MAM LP may invest Clients' assets. MAM LP's methods in seeking to reduce the risks described above may not accurately predict future risk exposures. Risk management techniques are based, in

part, on the observation of historical market behavior, which may not predict market divergences that are larger than historical indicators.

Equity Risks. MAM LP invests primarily in equity securities. The value of these securities generally will vary with the performance of the issuer and movements in the equity markets. As a result, Clients may suffer losses if it invests in equity securities of issuers whose performance diverges from MAM LP's expectations or if equity markets generally move in a single direction and the Client has not hedged against such a general move.

General Economic and Market Conditions. The success of a Client's investment account will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Client's investments), and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of securities prices and the liquidity of the Client's investments. Volatility or illiquidity could impair the Client's profitability or result in losses. The Client may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets; the larger the positions, the greater the potential for loss.

Concentration Risk. A Client's investment account may invest in a limited number of issuers. As a result, the Client may be significantly affected by the performance of a relatively small number of issuers. For example, the Client will be more vulnerable to under-performance of a particular issuer than an investor investing in a larger number of issuers.

Preferred Stocks. Preferred stock generally has a preference as to dividends and upon liquidation over an issuer's common stock, but ranks junior to debt securities in an issuer's capital structure. Preferred stock generally pays dividends in cash (or additional shares of preferred stock) at a defined rate, but unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer's board of directors. Dividends on preferred stock may be cumulative, meaning that, in the event the issuer fails to make one or more dividend payments on the preferred stock, no dividends may be paid on the issuer's common stock until all unpaid preferred stock dividends have been paid. Preferred stock also may be subject to optional or mandatory redemption provisions.

Company Dividend Risk. It is possible that companies in which a Client invests may cut or fail to declare dividends as anticipated due to market downturns or other reasons.

Convertible Securities. Convertible securities in which the Clients may invest include both convertible debt and convertible preferred stock. Such securities will generally provide higher yields than the underlying equity securities, but will offer lower yields than similarly-rated securities which are not convertible. The value of convertible securities may be adversely affected by changes in interest rates or in an underlying equity security. Such securities may cease to be rated or suffer a rating reduction subsequent to purchase by the Client, which would have an adverse effect on price.

Over-the-Counter Trading. MAM LP may purchase or sell instruments for a Client not traded on an exchange. Over-the-counter instruments, unlike exchange traded instruments, are two-party contracts with price and other terms negotiated by the buyer and seller. The risk of nonperformance by the obligor on such an instrument is greater and the ease with which the Client can dispose of or enter into closing transactions with respect to such an instrument may be less than in the case of an exchange-traded instrument. In addition, significant disparities may exist between the bid and asked prices for such instruments. Over-the-counter instruments are also not subject to the same type of government regulation as exchange-traded instruments, and many of the protections afforded to participants in a regulated environment may not be available in connection with such transactions.

Leverage. Borrowing money to purchase securities provides a Client's account with the opportunity for greater capital appreciation, but, at the same time, increases the Client's exposure to capital risk and higher current expenses. Moreover, if the Client's account revenues were not sufficient to pay the principal of and interest on the account's debt when due, the Client could sustain a total loss of their investment.

Short Sales. The possible losses to a Client from a short sale of a security differ from losses that could be incurred from a cash investment in the security; the former may be unlimited, whereas the latter can only equal

the total amount of the cash investment. Short selling activities are subject to restrictions imposed by the Federal securities laws and the various securities exchanges.

Options. Both the purchasing and selling of call and put options entail risks. Although an option buyer's risk is limited to the amount of the purchase price of the option, an investment in an option may be subject to greater fluctuation than an investment in the underlying securities. In theory, an uncovered call writer's loss is potentially unlimited, but in practice the loss is limited by the term of existence of the call. The risk for a writer of a put option is that the price of the underlying security may fall below the exercise price.

The effectiveness of purchasing or selling stock index options as a hedging technique depends upon the extent to which price movements in the portion of the Client's portfolio hedged correlate with price movements of the stock index selected. Because the value of an index option depends upon movements in the level of the index rather than the price of a particular stock, whether the Client's account realizes a gain or loss will depend upon movements in the level of stock prices in the stock market generally, rather than movements in the price of a particular stock. Successful use by the Client's account of options on stock indexes depends upon the ability of MAM LP to predict correctly movements in the direction of the stock market generally. This ability requires skills and techniques different from those used in predicting changes in the price of individual stocks.

Derivatives and Hedging Generally. Although MAM LP expects generally to use options for hedging, there is generally no limitation on the types of derivatives in which MAM LP may invest for hedging purposes, including options, futures, forward contracts and swaps. Derivatives may be volatile and certain positions may be subject to wide and sudden fluctuations in market value. Derivatives, especially over-the-counter derivatives engaged as a privately negotiated contract against a principal counterparty, may be subject to adverse valuations reflecting the counterparty's marks (or valuations), which might not correspond to the valuations of other market or exchange-traded instruments. Derivative instruments may not be liquid in all circumstances, so that in volatile markets a Client may not be able to close out a position without incurring a loss. Trading in derivative instruments may permit a Client to incur additional leverage, which may magnify the gains and losses experienced by a Client and could cause a Client's account to be subject to wider fluctuations than would otherwise be the case. As noted below under "Counterparty Risks", the use of certain instruments, including derivatives, makes a Client subject to the risk that the other party to the transaction will not be able to perform.

Derivatives used for hedging purposes may not correlate perfectly with the underlying investment sought to be hedged. While derivatives used for hedging purposes can reduce or eliminate losses, such use can also reduce or eliminate gains.

Investing in Foreign Securities. Investing in foreign securities involves considerations for the Client's account that are not applicable to investing in domestic securities, including unfavorable changes in currency rates and exchange control regulations, the potential imposition of restrictions on the repatriation of currency, reduced and less reliable information about issuers and markets, less stringent accounting standards, illiquidity of securities and markets, higher brokerage commissions and custody fees, local economic or political instability and greater market risk in general.

Emerging Markets. A Client's account may invest in markets outside of the United States. Investment in emerging market securities involves a greater degree of risk than an investment in securities of issuers based in developed countries. Among other things, emerging market securities investments may be subject to the following risks: less publicly available information; more volatile markets; less liquidity or available credit; political or economic instability; less strict securities market regulation; less favorable tax or legal provisions; price controls and other restrictive governmental actions; a greater likelihood of severe inflation; unstable currency; and war and expropriation of personal property.

New Issues. A Client's account may invest in "new issue" securities. The risk of loss associated with securities purchased in initial public offerings is greater than those in connection with general securities trading. While MAM LP believes that "new issues" offer significant potential for gain, the prices of newly issued securities may not increase as expected, and in fact may decline to a significant extent. MAM LP generally will have access to new issue markets only if it is able to generate relationships with broker-dealers.

Restricted Securities. A Client's account may invest in restricted securities, including investments in third-party or related private funds. MAM LP, however, will invest in third-party or related private funds only where the

investment is consistent with the Client's investment strategies and restrictions and only where MAM LP has determined that the expected return for the Client in the investment outweighs the lack of available liquidity, fees (if any) to be charged and the expected duration of the investment. Restricted securities may be less liquid, more difficult to value than publicly traded securities and have less available information.

**Systemic Risk.** Credit risk may also arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which the Client's account will interact on a daily basis.

**Counterparty Risks.** The Client's account may enter into many transactions, including over-the-counter transactions, with or through third parties in which the failure of the third party to perform its obligations under a contract with the Client could have a material adverse effect on the Client's account.

The Client's assets may be held in accounts maintained for the Client by one or more custodians and/or brokers. Such brokers or custodians, as brokerage firms or commercial banks, are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Client's assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a broker or custodian or any of their sub-custodians, agents or affiliates, it is impossible to generalize about the effect of their insolvency on the Client and its assets. Clients should assume that the insolvency of any of the Client's brokers, custodians or other service providers could result in the loss of all or a substantial portion of the Client's assets held by or through such entity.

**Competition; Availability of Investments.** Certain markets in which the Client's account may invest are extremely competitive for attractive investment opportunities and, as a result, there may be reduced expected investment returns. There can be no assurance that the Client will be able to identify or successfully pursue attractive investment opportunities in such environments.

**Cybersecurity Risk.** With the increased use of technologies, such as the Internet, to conduct business, MAM LP, its Clients, and companies the Clients' invest in are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting MAM LP and other service providers (including, but not limited to, accountants, custodians, transfer agents and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the ability to calculate a Client's new asset value, impediments to trading, the inability of investors to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting companies the Clients invest in, counterparties with which MAM LP engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for investors) and other parties. In addition, substantial costs may be incurred by the companies the Clients invest in or the Client itself in order to prevent any cyber incidents in the future. While the Client's service providers, including MAM LP, have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, MAM LP and the Clients cannot control the cyber security plans and systems put in place by its service providers or any other third parties whose operations may affect the Clients. The Clients and its investors could be negatively impacted as a result.

Performance Compensation. The payment of performance compensation may create an incentive for MAM LP to cause its Clients to make investments that are riskier or more speculative than would be the case in the absence of such allocation. Please see Item 6, Performance-Based Fees and Side-By-Side Management for further details.

Transactions by Wrap Fee Participants. Pursuant to the Agreement and the model-based portfolio nature of the Program, MAM LP does not execute any transactions recommended by the model portfolios used by the Wrap Fee Participants. Upon executing transactions for its Funds and Separately Managed Accounts, MAM LP provides model portfolios to the Financial Services Company, who, in its sole discretion, chooses whether to execute the model portfolio transactions for the Wrap Fee Participants. MAM LP may, but is not required to, recommend, through the model portfolios, the same investments that MAM LP recommends and executes on behalf of the Funds and Separately Managed Accounts. Accordingly, the Wrap Fee Participants are at risk of not participating in the same investment opportunities as the Funds and Separately Managed Accounts. Moreover, to the extent that MAM LP recommends, through the model portfolios, the same investments that MAM LP recommends on behalf of the Funds and Separately Managed Accounts, and executes transactions in such investments on behalf of the Funds and Separately Managed Accounts prior to providing the model portfolios to the Financial Services Company, any Wrap Fee Participant for which an investment recommended by the model portfolios is implemented may receive a less favorable price, compared to the Funds and Separately Managed Accounts.

Item 9 Disciplinary Information

MAM LP does not have any legal or disciplinary events that are material to a Client or prospective Client's evaluation of MAM LP's advisory business or integrity of MAM LP.

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

As disclosed in Part 1A, Item 6 of Form ADV, MAM LP does not engage in other business activities. Neither MAM LP nor any of its management persons are registered or have an application pending to register as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor or an associated person of the foregoing entities.

As reported in Part 1A, Item 7A of Form ADV, related persons of MAM LP are general partners of the Funds (the “General Partners”) in which MAM LP’s advisory clients and other investors are solicited to invest. Mr. Mark is President of MAM LP, a limited partner of MAM LP, and is the managing member of Morris Mark LLC, which is the general partner of: (i) Mark Partners, L.P. a limited partnership organized under the laws of the State of New York; (ii) Mark Equity Opportunities Fund, L.P. a limited partnership organized under the laws of the State of Delaware; (iii) Mark Equity Opportunities Holdings, L.P., a limited partnership organized under the laws of the Cayman Islands; and (iv) Mark Equity Opportunities (Cayman) Fund, L.P., a limited partnership organized under the laws of the Cayman Islands,.

Jet Capital Investors, LLC (“Jet Capital”) is an investment adviser registered with the SEC, co-founded by Mr. Mark’s son, Matthew. To gain exposure to Jet Capital’s expertise in event-driven investing, MAM LP may invest in private funds managed by Jet Capital. However, MAM LP will invest in Jet Capital only where the investment is consistent with the Client’s investment strategies and restrictions and only where MAM LP has determined that the expected return for the Client in the investment outweighs the lack of available liquidity, fees (if any) to be charged and the expected duration of the investment. As with any investment in a third-party private fund, Clients will be subject to management and performance fees at the level of the private fund. MAM LP, however, will waive the entire management fee that MAM LP is entitled to with respect to a Client’s investment in a private fund managed by Jet Capital to mitigate any actual or potential conflict of interest that arises based on Mr. Mark’s relationship with Jet Capital.

MAM LP does not recommend or select other investment advisers for its Clients.

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

MAM LP has adopted a Code of Ethics (the “Code”) designed to ensure compliance with Rule 204A-1 under the Advisers Act. The Code provides that its adoption is predicated upon the following principles: (i) at all times the interests of MAM LP’s Clients must be placed ahead of the interests of MAM LP and MAM LP’s personnel and (ii) all personal securities transactions by MAM LP’s personnel must be conducted consistent with applicable laws and regulations and the general principles set forth in the Code and in such a manner as to avoid any actual or potential conflict of interest or any abuse of an individual’s position of trust and responsibility. The Code also provides that every partner, officer, director or employee of MAM LP (other than certain administrative employees unrelated to MAM LP’s business), or other person who provides investment advice on behalf of MAM LP and is subject to the supervision and control of MAM LP (each, a “Covered Person”) owes a fiduciary duty to the Clients of MAM LP and is required to comply with applicable Federal Securities Laws (as defined in Rule 204A-1 under the Advisers Act).

The Code provides that, subject to certain limited exceptions, no Covered Person may purchase or sell a security for an account in which the Covered Person has any direct or indirect beneficial ownership without the prior approval of the CCO. The Code requires employees to report all “reportable securities” transactions, and provide a summary of securities holdings initially upon hire, and on an annual basis thereafter. In addition, each Covered Person is required to report to the CCO, on a quarterly basis, all transactions during such calendar quarter in a covered security in which such Covered Person has a beneficial interest and must direct his or her broker to send duplicate brokerage statements involving a covered security to the CCO; provided, however, a Covered Person need not submit a quarterly report with respect to transactions to the extent that such information is included in the statements sent by the broker. As an alternative to sending duplicate brokerage statements to the CCO, MAM LP’s Covered Persons may link their brokerage accounts directly to Morningstar Inc’s ByAllAccounts (“BAA”), which will capture all quarterly transactions and annual holdings in those accounts, pursuant to MAM LP’s personal trading policy. The Code requires the CCO or a designee of the CCO to review promptly all reports referenced above.

The Code also addresses outside business activities, conflicts of interest, policies and procedures concerning the prevention of insider trading, restrictions on the acceptance of significant gifts and the reporting of gifts and business entertainment items, and political contributions, which must be pre-approved.

The Code requires MAM LP to provide a copy of the Code (and any amendments) to all Covered Persons. MAM LP will provide a copy of the Code to any client or prospective client upon such client’s request. Please call the Firm’s COO at (212) 372-2500 for a copy of our Code of Ethics.

Certain actual or potential conflicts may arise based on MAM LP’s participation in Client Transactions:

MAM LP or a related person, including the directors, officers, employees and affiliates of MAM LP, has in the past and may in the future buy or sell for Client accounts, securities in which MAM LP or a related person has a material financial interest.

MAM LP or a related person, including the directors, officers, employees and affiliates of MAM LP, has in the past and may in the future invest in the same securities that MAM LP or a related person recommends to the Clients.

MAM LP or a related person, including the directors, officers, employees and affiliates of MAM LP, have in the past and may in the future buy or sell securities or other investments for the Clients at or about the same time that MAM LP or a related person buys or sells securities for their own account. Specifically, MAM LP may recommend to Clients, or buy or sell securities for Client accounts, at or about the same time that MAM LP buys or sells the same securities for Mr. Mark’s personal accounts. As a result of differing trading and investment strategies or constraints, positions may be taken by such entities or persons that are the same, different or made at different times than positions taken for another advisory client.



MAM LP mitigates the actual or potential conflicts of interest that arise based on the Firm's involvement in Client transactions and attempts to resolve any conflict of interest in a manner that they believe is fair to each party involved:

MAM LP ensures that all persons that subscribe for limited partnership or other interests in the Funds are made aware of these conflicts by providing all such persons with a private placement memorandum and a limited partnership or limited liability company agreement, which must be completed, and requires that all such persons execute a subscription agreement. Each private placement memorandum discloses, among other things, certain of the conflicts of interest that may arise out of the relationship between the relevant partnership or limited liability company, MAM LP and MAM LP's affiliates.

MAM LP will not aggregate orders unless aggregation is consistent with its duty to obtain best execution and the terms of the investment guidelines and restrictions of each Client for which trades are being aggregated.

Generally, allocations of trades are done pro rata across similar accounts. Non-pro rata allocations are infrequent and are reviewed by the CCO prior to settlement. The Firm may decide, in its discretion, that *de minimis* allocations are not appropriate. Each Client that participates in a given aggregated order will participate at the same price. Transaction costs associated with aggregated trades are allocated pro rata based on each applicable Client's participation in the transaction. If the order is partially filled, it will be allocated to the Clients pro rata based on the initial desired allocation. Certain employee personal accounts will only receive an allocation of a partially filled order once the Clients have received their entire allocations.

Notwithstanding the foregoing, an aggregated order may be allocated on a basis different from that specified above if all relevant Clients receive fair and equitable treatment. Reasons for allocating on a basis different from that specified above include but are not limited to: a Client's investment guidelines and restrictions, available cash, liquidity requirements, tax or legal reasons and to avoid odd-lots or in cases when a pro rata allocation would result in a *de minimis* allocation to one or more Clients. Deviations from the aforementioned allocation procedures are infrequent and are reviewed by the CCO prior to settlement.

MAM LP has adopted policies and procedures regarding the allocation of initial public offerings ("IPOs") by MAM LP. Unlike in most secondary market transactions, in many cases the number of shares received in an IPO is significantly less than MAM LP's indication of interest. MAM LP seeks to allocate IPOs over the accounts for which it serves as an investment adviser in a manner that is fair and equitable. MAM LP will not allocate IPOs to those accounts that are not eligible to receive distributions under FINRA Rule 5130 and 5131, as such eligibility details are provided by a client to MAM LP.

## Item 12 Brokerage Practices

In executing transactions on behalf of advisory clients, MAM LP seeks to obtain best price and execution taking into account factors such as price, size of order, difficulty of execution and operational facilities of a brokerage firm and the firm's risk in positioning a block of securities.

Although MAM LP generally seeks reasonably competitive commission rates, its Clients will not necessarily pay the lowest commission available on each transaction, because the Firm may obtain brokerage or research services which could benefit MAM LP or Clients of MAM LP. MAM LP may have a conflict of interest in allocating a particular Client's brokerage business. MAM LP only receives brokerage or research services in connection with securities transactions that it believes are consistent with the "safe harbor" provisions of Section 28(e) of the Securities Exchange Act of 1934 when paying such higher commissions.

Following the principle of seeking best price and execution, MAM LP may direct brokerage business on behalf of its Clients with brokers that provide MAM LP and its affiliates with supplemental research, market and statistical information. These products and services may be used by MAM LP and its affiliates in providing services to less than all of its Clients. These arrangements may benefit certain of MAM LP's Clients and affiliated advisers and not necessarily only, if at all, the accounts in which the particular investment transactions occur. Nonetheless, MAM LP believes that such investment information provides all of its Clients with benefits by supplementing the research otherwise available to MAM LP. When MAM LP uses Client brokerage commissions to obtain research or other services, the Firm also receives a benefit because it does not have to produce or pay for research or other services. This practice may create an incentive for MAM LP to select or recommend a broker-dealer based on the Firm's interest in receiving the research or services rather than the Clients' interest in receiving the most favorable execution.

Supplemental market research and statistical information provided by brokers includes advice on the value of securities, the advisability of investing in, purchasing or selling securities, and the availability of securities or purchasers or sellers of securities, and furnishing analyses and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy and the performance of accounts. The products and services received from broker-dealers will generally be used in servicing all of MAM LP's accounts. MAM LP's use of these products and services will not be limited to the accounts that paid the commissions to the broker-dealer for such products and services. In addition, MAM LP may not allocate soft dollar benefits to Client accounts proportionately to the soft dollar credits the accounts generate. MAM LP's expenses are not necessarily reduced as a result of the receipt of this supplemental information. MAM LP does not expect to cause its Clients to pay more than the lowest available commission as, generally, MAM LP adheres to the same standard pricing schedule for commissions paid when using both hard dollars and soft dollars.

Where the brokerage or research services assist MAM LP in performing functions that are not related to its investment decision-making process (such as accounting, recordkeeping or administrative services), MAM LP will make a reasonable allocation of the cost of the service according to its use and only use brokerage commissions to pay for the research and execution-related components. Services that assist MAM LP solely in its performance of administrative and other non-research-related functions are paid exclusively from MAM LP's own funds, and are not be paid by the Clients.

MAM LP tracks commissions paid to all broker-dealers during the fiscal year. The Partners, in conjunction with the operations team, and traders are responsible for developing, evaluating and changing, when necessary, MAM LP's order execution practices, including monitoring the quality of research and execution price. Soft dollar volume per broker-dealer is based on maximizing the soft dollars available per commission dollar versus the total commissions paid, as well as the quality of the execution price. The Firm generally receives research services, data services and execution software in exchange for soft dollars.

Please see Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading for additional information regarding allocation and aggregation of trades and personal trading.

Client referrals are not relevant to MAM LP's selection or recommendation of broker-dealers.

MAM LP does not engage in directed brokerage arrangements.

### Item 13 Review of Accounts

Morris Mark, MAM LP's President and controlling owner, generally reviews the investment positions of MAM LP's Client accounts on a daily basis. The review process includes ongoing consideration of major market and economic developments and their effect on the securities held in Client accounts. In addition, the review process generally involves a comparison of the performance of market indices to (i) the performance of the individual securities held in an account and (ii) the performance of the entire portfolio of securities held in the account. In general, the thrust of Mr. Mark's review is based on an analysis of the fundamental values of individual securities and the relationship of these values to the fundamental operating environment.

In addition, MAM LP undertakes a review of each of its Client accounts to assess and properly indicate whether these accounts are eligible to receive IPOs. The allocation of investments to Client accounts generally is reviewed on a periodic basis to ensure that the policies and procedures regarding allocations are being followed and appropriate documentation is maintained.

MAM LP generally furnishes written reports to Clients on their accounts on a quarterly basis or more often as deemed appropriate.

#### Item 14 Client Referrals and Other Compensation

MAM LP does not receive an economic benefit from anyone, other than the Clients (as described in Item 5 and 6 of this Brochure) for providing investment advice or other advisory services to the Clients.

The Firm has historically provided compensation to third parties for Client referrals and referrals of Client investors. The Firm compensates for referrals based upon the assets under management on a quarterly basis. A prospective client and/or investor solicited by a third party will be advised of any such arrangement, including the receipt of fees.

## Item 15 Custody

MAM LP is deemed to have custody of the assets of the Funds, because it or one of its affiliates (a General Partner) either (i) acts as a general partner of the Funds, with the authority to dispose of funds and securities in the Fund's account or (ii) is deemed to have custody because of its ability to withdraw its fees directly from the Fund. Therefore, MAM LP is subject to Rule 206(4)-2 of the Advisers Act (the "Custody Rule") with respect to the custody of Fund assets.

MAM LP adheres to the applicable requirements of the Custody Rule. All Fund assets are custodied with a "qualified custodian" as required under the Custody Rule. MAM LP arranges for each Fund's financial statements to be prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and audited at least annually by an independent public accountant that is registered with, and subject to regular inspection as of the commencement of the professional engagement period, and as of each calendar year-end, by, the Public Company Accounting Oversight Board in accordance with its rules. MAM LP makes those audited financial statements available to all investors in the Funds within 120 days of the end of the Fund's fiscal year. Investors should carefully review those financial statements. Upon liquidation of a Fund, MAM LP will distribute its audited financial statements prepared in accordance with GAAP to all investors in the Funds promptly after the completion of such audit.

MAM LP is not deemed to have custody of the Separately Managed Accounts. Separately Managed Accounts will receive quarterly account statements prepared by MAM LP for their accounts as well as from the qualified custodians holding the assets. Clients should carefully review such account statements. When Clients receive account statements from MAM LP, Clients should compare those statements with the statements received from the qualified custodians.

#### Item 16 Investment Discretion

MAM LP accepts authority to manage accounts on a discretionary basis. Certain Separately Managed Accounts may limit the Firm's authority to trade or restrict certain types of securities in such account as outlined in such Separately Managed Account's investment management agreement. MAM LP's investment management agreement will provide for a limited power of attorney describing the discretionary authority, and limits that MAM LP will have over the account.

As part of MAM LP's Agreement, the Firm provides investment advisory services to the Financial Services Company in the form of model portfolios. All transactions made in MAM LP's model portfolios, as part of the Program, are executed by the Financial Services Company.

## Item 17 Voting Client Securities

MAM LP has implemented policies and procedures regarding the voting of proxies as required under Rule 206(4)-6 under the Advisers Act. The Rule requires MAM LP to (i) adopt written policies and procedures reasonably designed to ensure that proxies with respect to securities in Client accounts where MAM LP exercises voting discretion are voted in the best interests of MAM LP's Clients, (ii) to disclose how information may be obtained on how MAM LP votes proxies, and (iii) to maintain records relating to MAM LP's proxy voting. Typically, MAM LP will not seek direction from Clients as to voting for any particular solicitation, but MAM LP will consider requests of Clients. MAM LP intends to, where practical and possible, vote Client proxies solely in a manner that it believes serves the best interests of its Clients and is consistent with its fiduciary responsibilities. MAM LP has determined that it is in the best interests of its Clients to delegate, and as a result, has delegated, to Institutional Shareholder Services ("ISS"), MAM LP's discretionary authority to exercise voting rights with respect to the securities in which Clients have invested and for which MAM LP has been provided discretionary authority to exercise voting rights. ISS has provided MAM LP with general guidelines that ISS will use in connection with its consideration of Client proxies and ISS will document both its recommendations and the basis for its recommendations.

Unless directed by MAM LP not to do so, ISS will automatically vote proxies concerning Client securities in a manner that is consistent with its recommendations. If MAM LP disagrees with ISS' recommendations or believes that its Clients' interests are better served by an alternative position on the proxies, it may deviate from ISS' recommendations as a matter of general policy or on specific proxy proposals. In instances in which MAM LP deviates from ISS' recommendations, MAM LP will follow the procedures set out in MAM LP's Proxy Voting Policies and Procedures. Please call the Firm's CCO at (212) 372-2500 for a copy of our Proxy Voting Policies and Procedures and information regarding how MAM LP has voted proxies in the past.



Item 18 Financial Information

MAM LP does not require or solicit prepayment of Client fees more than six months in advance.

MAM LP does not have any financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients.

MAM LP has never been the subject of a bankruptcy petition.