

**Brochure**

(Part 2A of Form ADV)

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**[www.abrfunds.com](http://www.abrfunds.com)**

This brochure provides information about the qualifications and business practices of ABR Dynamic Funds, LLC ("ABR"). If you have any questions about the contents of this brochure, please contact Stephen Sivillo at 212.918.4664 or [ssivillo@abrfunds.com](mailto:ssivillo@abrfunds.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration as an investment advisor does not imply any certain skill or training.

Additional information about ABR is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

August 17, 2020

**ITEM 2 – Material Changes**

ABR's most recent update to Part 2 of Form ADV was made in March 2020. The following changes have been made in this update:

- inclusion of an additional strategy in Items 4 and 8
- regulatory assets under management has been updated in Item 4.

**ITEM 3 – Table of Contents****Cover Page**

<b>ITEM 2 – Material Changes.....</b>	<b>2</b>
<b>ITEM 3 – Table of Contents.....</b>	<b>3</b>
<b>ITEM 4 – Advisory Business.....</b>	<b>4</b>
<b>ITEM 5 – Fees and Compensation.....</b>	<b>6</b>
<b>ITEM 6 – Performance-Based Fees and Side-by-Side Management.....</b>	<b>7</b>
<b>ITEM 7 – Types of Clients.....</b>	<b>8</b>
<b>ITEM 8 – Method of Analysis, Investment Strategies and Risk of Loss.....</b>	<b>9</b>
<b>ITEM 9 – Disciplinary Information.....</b>	<b>16</b>
<b>ITEM 10 – Other Financial Industry Activities and Affiliations.....</b>	<b>17</b>
<b>ITEM 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading....</b>	<b>18</b>
<b>ITEM 12 – Brokerage Practices.....</b>	<b>19</b>
<b>ITEM 13 – Review of Accounts.....</b>	<b>20</b>
<b>ITEM 14 – Client Referrals.....</b>	<b>21</b>
<b>ITEM 15 – Custody.....</b>	<b>22</b>
<b>ITEM 16 – Investment Discretion.....</b>	<b>23</b>
<b>ITEM 17 – Voting Client Securities.....</b>	<b>24</b>
<b>ITEM 18 – Financial Information .....</b>	<b>25</b>

**ITEM 4 – Advisory Business**

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**A: Firm Description**

ABR Dynamic Funds LLC (“ABR”, “Investment Adviser” or “Investment Manager”), a Delaware limited liability company formed on March 2, 2015, currently provides discretionary investment advisory services to the following registered investment companies (“RICs”) which are registered under the Investment Company Act of 1940 (“the Act”), as amended:

ABR Dynamic Blend Equity & Volatility Fund

ABR Dynamic Short Volatility Fund

ABR 75/25 Volatility Fund

ABR also provides investment management services to the following non-U.S. pooled investment vehicles registered as sub-funds of DMS UCITS Corrib Platform ICAV with the Central Bank of Ireland:

ABR Dynamic Blend Equity & Volatility Fund

ABR Enhanced Short Volatility Fund

In this brochure we may refer to the RICs and non-U.S. pooled vehicles as “Funds” or “Clients”. ABR Management LLC and Taylor Lukof are the founders and principal owners of ABR.

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**B: Types of Advisory Services****Blend Equity & Volatility Strategy**

The strategy seeks investment results that correspond generally to the performance of a benchmark index that measures the investment returns of a dynamic ratio of large-capitalization stocks and the volatility of large-capitalization stocks.

**Short Volatility Strategy**

The strategy seeks to capitalize on the long-term historical downward trend of the price of CBOE Volatility Index (the “VIX Index”) futures, while mitigating the effect of sudden price appreciation in VIX Index futures. Employing a proprietary investment model ABR invests the strategy’s assets primarily in securities and derivative instruments that, to varying degrees, provide short exposure to VIX Index futures and exchange traded products (“ETPs”), long exposure to long-term U.S. Treasury securities, and cash.

**75/25 Volatility Strategy**

The strategy seeks to generate favorable long-term risk-adjusted returns, in part, by profiting from price changes involving instruments that track volatility levels. Employing a proprietary investment model ABR invests the strategy’s assets primarily in securities and derivative instruments that, to varying degrees, provide (i) long exposure to CBOE Volatility Index (“VIX Index”) futures and exchange-traded products (“ETPs”); (ii) short exposure to VIX Index futures and ETPs; (iii) long exposure to S&P 500 Index futures and ETPs; (iv) long exposure to long-term U.S. Treasury securities; and (v) cash.

**File No. 801-80044**

**C: Tailored Services**

The primary clients of ABR are RICs and non-U.S. pooled vehicles and therefore managed in accordance with each individual fund's prospectus and other fund governance documents.

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**D: Wrap Fee Programs**

ABR does not participate in any wrap fee programs.

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**E: Client Assets Under Management**

As of July 31, 2020, ABR managed approximately \$335, 993,743 in regulatory assets under management, all of which are managed on a discretionary basis. ABR does not manage any assets on a non-discretionary basis.

**ITEM 5 – Fees and Compensation****A. Investment Management Fees****Registered Investment Companies**

ABR receives investment management fees, as a percentage of net assets, at the following rates:

ABR Dynamic Blend Equity & Volatility Fund	1.75%
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ABR Dynamic Short Volatility Fund	2.50%
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ABR 75/25 Volatility Strategy Fund	2.50%
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**Non-U.S. Pooled Vehicles**

ABR receives investment management fees, as a percentage of net assets, at the following rates:

ABR Dynamic Blend Equity & Volatility Fund	1.00% - 2.25% (depending on the share class)
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ABR Enhanced Short Volatility Fund	1.75%
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**B. Payment of Fees**

Investment management fees charged to Clients are based on average net assets, computed daily and payable monthly (at the beginning of the following month). The ABR Enhanced Short Volatility Fund may also earn a performance-based fee in accordance with the fees and conditions set forth in the Fund's supplement.

**C. Other Fees and Charges**

In addition to paying investment management fees, the Clients may also be subject to other expenses such as custodial charges, brokerage fees, commissions and related costs, interest expenses and taxes.

**D. Prepayment of Fees**

As noted above, fees are accrued daily and paid at the beginning of the following month, therefore, there are no prepayments of fees.

**E. Additional Compensation**

ABR does not receive additional compensation.

**ITEM 6 – Performance-Based Fees and Side-by-Side Management**

The ABR Enhanced Short Volatility Fund may pay a performance fee.

The Performance Fee in respect of each Class will be calculated in respect of each calendar month ending on the final Dealing Day of each such month (a “Calculation Period”). However, the first Calculation Period will be the period commencing on the Business Day immediately following the close of the Initial Offer Period and ending on the final Dealing Day of that month. The Performance Fee will accrue on each Dealing Day.

For each Calculation Period, the Performance Fee will be equal to 17.50% of the appreciation in the Net Asset Value per Share of the relevant Class during that Calculation Period above the Base Net Asset Value of the relevant Class. The Base Net Asset Value is the greater of the Initial Offer Price for the relevant Class and the highest Net Asset Value per Share which that Class has achieved at the end of any previous Calculation Period (the “Base Net Asset Value”). No Performance Fee will be accrued or paid in respect of any Calculation Period unless the Net Asset Value per Share exceeds the Base Net Asset Value and the Performance Fee will only be paid on any increase over the Base Net Asset Value. The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value per Share before deduction for any accrued Performance Fee.

ABR manages Client accounts with performance fees and Client accounts without performance fees utilizing the same strategy. ABR manages this potential conflict of interest by allocating its investments among clients on a fair and equitable basis.

### ITEM 7 – Types of Clients

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Description:

ABR provides investment advisory and portfolio management services on a discretionary basis for RICs and non-U.S pooled investment vehicles registered with the Central Bank of Ireland.

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Account Minimums:

Account minimums for both the RICs and non-U.S pooled investment vehicles are disclosed in each Fund's governing documents.



**ITEM 8 – Method of Analysis, Investment Strategies and Risk of Loss****ABR Dynamic Blend Equity and Volatility Fund (RIC):**

The ABR Dynamic Blend Equity & Volatility Fund (the “Fund”) seeks investment results that correspond generally to the performance, before the Fund’s fees and expenses, of a benchmark index that measures the investment returns of a dynamic ratio of large-capitalization stocks and the volatility of large-capitalization stocks. Under normal circumstances, the Fund will invest at least 80% of the value of its net assets (plus borrowing for investment purposes) in securities and instruments, including derivatives, that provide exposure to the constituents of the ABR Dynamic Blend Equity & Volatility Index Powered by Wilshire (the “Index”). The Fund employs a model-driven investment approach to determine an allocation among equities (via instruments that track the S&P 500® Total Return Index), equity volatility (via instruments that track the S&P 500® VIX Short-Term Futures Total Return Index), and cash (via cash instruments). The model-driven approach of the Fund is designed to hold each security in approximately the same proportion as its weighting in the Index. The Adviser cannot guarantee that the Fund’s holdings will mirror the weighting of the Index. The Fund may also invest in Exchange Traded Products (“ETPs”).

The Index is designed to capture favorable volatility movements in the equity markets while maintaining equity exposure to preserve positive performance during extended periods of rising markets. The Fund is systematically rebalanced once daily to follow generally the proportions of the Index’s exposure to the S&P 500® Total Return Index, the S&P 500® VIX Short-Term Futures Index, and cash based on the investment model’s assessed volatility in the market and the historic returns of the underlying indexes.

**PRINCIPAL INVESTMENT RISKS**

Losing all or a portion of your investment is a risk of investing in the Fund. An investment in the Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. More information on the Fund’s principal investment strategies and principal risks is contained in the Fund’s Statement of Additional Information (the “SAI”).

**Equity Risk.** The Fund will gain exposure to equity securities through investments in futures contracts. The Fund’s equity holdings may decline in value because of changes in price of a particular holding or a broad stock market decline. The value of a security may decline for a number of reasons which may relate directly to the issuer of a security or broader economic or market events including changes in interest rates.

**Futures Contracts Risk.** The primary risks associated with the use of futures contracts are (i) the imperfect correlation between the price of the contract and the change in value of the underlying asset; (ii) possible lack of a liquid secondary market for a futures contract and the resulting inability to close such a contract when desired; (iii) losses caused by unanticipated market movements, which are potentially unlimited; (iv) the inability to predict correctly the direction of securities prices, interest rates, currency exchange rates and other economic factors; (v) the possibility that the counterparty to a contract will default in the performance of its obligations; and (vi) if the Fund has insufficient cash, it

File No. 801-80044

may have to sell investments to meet daily variation margin requirements on a futures contract, and the Fund may have to sell investments at a time when it may be disadvantageous to do so.

**Leverage Risk.** Certain of the Fund's derivative transactions, such as those involving investing in certain derivatives, may give rise to leverage, causing the Fund to be more volatile than if it had not been leveraged.

**ABR Dynamic Short Volatility Fund (RIC):**

The ABR Dynamic Short Volatility Fund (the "Fund") seeks to capitalize on the long-term historical downward trend of the price of CBOE Volatility Index (the "VIX Index") futures, while mitigating the effect of sudden price appreciation in VIX Index futures. Employing a proprietary investment model, ABR invests the Fund's assets primarily in securities and derivative instruments that, to varying degrees, provide short exposure to VIX Index futures and exchange traded products ("ETPs"), long exposure to long-term U.S. Treasury securities, and cash. The percentage of the Fund's assets invested in such holdings is determined by the Adviser based principally upon the results of its model. The Fund's holdings may, however, deviate from the model depending on market conditions and other factors, as determined by the Adviser, and as further described below.

The Fund is not an index fund. The Fund is actively managed, and the Adviser considers factors outside of the model when making investment decisions for the Fund. Such factors may cause the Fund's holdings to deviate from the model, possibly significantly. The Adviser generally considers factors such as changes to the time period over which the investment model is run, changes to the relative weightings of the model exposures, changes to the choice and weighting of the instruments used to gain such exposures, and temporary defensive measures in response to rapid changes in volatility in the marketplace.

The Fund is non-diversified, which means that the Fund may hold larger positions in fewer securities than other funds.

**PRINCIPAL INVESTMENT RISKS**

Losing all or a portion of your investment is a risk of investing in the Fund. An investment in the Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. More information on the Fund's principal investment strategies and principal risks is contained in the Fund's Statement of Additional Information. The following principal risks could affect the value of your investment:

**Derivative Instruments Risk.** A small investment in a derivative could have a large potential impact on the performance of the Fund. The Fund could experience a loss if derivatives do not perform as anticipated or if the Fund is unable to liquidate a position because of an illiquid secondary market.

**Equity Risk.** The Fund will gain exposure to equity securities through investments in futures contracts. The Fund's equity holdings may decline in value because of changes in price of a particular holding or a broad stock market decline. The value of a security may decline for a number of reasons which may relate directly to the issuer of a security or broader economic or market events including changes in interest rates.

File No. 801-80044

**Futures Contracts Risk.** The primary risks associated with the use of futures contracts are (i) the imperfect correlation between the price of the contract and the change in value of the underlying asset; (ii) possible lack of a liquid secondary market for a futures contract and the resulting inability to close such a contract when desired; (iii) losses caused by unanticipated market movements, which are potentially unlimited; (iv) the inability to predict correctly the direction of securities prices, interest rates, currency exchange rates and other economic factors; (v) the possibility that the counterparty to a contract will default in the performance of its obligations; and (vi) if the Fund has insufficient cash, it may have to sell investments to meet daily variation margin requirements on a futures contract, and the Fund may have to sell investments at a time when it may be disadvantageous to do so.

**Leverage Risk.** Certain of the Fund's derivative transactions, such as those involving investing in certain derivatives, may give rise to leverage, causing the Fund to be more volatile than if it had not been leveraged.

**Short Sales Risk.** The Fund will engage in "short sale" transactions. A short sale involves the sale by the Fund of an instrument or security that it does not own with the hope of purchasing the same security at a later date at a lower price. Short sales are designed to profit from a decline in the price of a security or instrument. The Fund will lose value if the security or instrument that is the subject of a short sale increases in value.

**Volatility Risk.** The Fund may have investments that appreciate or decrease significantly in value over short periods of time. This may cause the Fund's net asset value per share to experience significant increases or declines in value over short periods of time.

**ABR 75/25 Volatility Fund (RIC):**

The Fund seeks to generate favorable long-term risk-adjusted returns, in part, by profiting from price changes involving instruments that track volatility levels. ABR's approach to managing the Fund involves creating a 75/25 blend of Long and Short Volatility Strategies, based on the Fund's net assets. Depending on the level of volatility in the market environment, the 75/25 approach will emphasize different portfolio constituents in differing amounts or levels.

Employing a proprietary investment model, ABR invests the Fund's assets primarily in securities and derivative instruments that, to varying degrees, provide (i) long exposure to CBOE Volatility Index ("VIX Index") futures and exchange-traded products ("ETPs"); (ii) short exposure to VIX Index futures and ETPs; (iii) long exposure to S&P 500 Index futures and ETPs; (iv) long exposure to long-term U.S. Treasury securities; and (v) cash.

The Fund is non-diversified, which means that the Fund may hold larger positions in fewer securities than other funds.

**Principal Investment Risks**

Losing all or a portion of your investment is a risk of investing in the Fund. An investment in the Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. More information on the Fund's principal investment strategies and principal risks is contained in the Fund's Statement of Additional Information (the "SAI"). The following principal risks could affect the value of your investment:

**Derivative Instruments Risk.** Derivatives are financial instruments that have a value which depends upon, or is derived from, a reference asset, such as one or more underlying securities, pools of securities, options, futures, indexes, or currencies. Derivatives may result in investment exposures that are greater than their cost would suggest; in other words, a small investment in a derivative may have a large impact on the Fund's performance. The Fund could experience a loss if derivatives do not perform as anticipated or if the Fund is unable to liquidate a position because of an illiquid secondary market.

**Equity Risk.** The Fund will gain exposure to equity securities through investments in futures contracts. The Fund's equity holdings may decline in value because of changes in price of a particular holding or a broad stock market decline. The value of a security may decline for a number of reasons which may relate directly to the issuer of a security or broader economic or market events including changes in interest rates.

**Futures Contracts Risk.** The primary risks associated with the use of futures contracts are (i) the imperfect correlation between the price of the contract and the change in value of the underlying asset; (ii) possible lack of a liquid secondary market for a futures contract and the resulting inability to close such a contract when desired; (iii) losses caused by unanticipated market movements, which are potentially unlimited; (iv) the inability to predict correctly the direction of securities prices, interest rates, currency exchange rates and other economic factors; (v) the possibility that the counterparty to a contract will default in the performance of its obligations; and (vi) if the Fund has insufficient cash, it may have to sell investments to meet daily variation margin requirements on a futures contract, and the Fund may have to sell investments at a time when it may be disadvantageous to do so.

**Short Sales Risk.** The Fund will engage in "short sale" transactions. A short sale involves the sale by the Fund of an instrument or security that it does not own with the hope of purchasing the same security at a later date at a lower price. Short sales are designed to profit from a decline in the price of a security or instrument. The Fund will lose value if the security or instrument that is the subject of a short sale increases in value.

**Volatility Risk.** The Fund may have investments that appreciate or decrease significantly in value over short periods of time. This may cause the Fund's net asset value per share to experience significant increases or declines in value over short periods of time.

**ABR Dynamic Blend Equity and Volatility Fund (non-U.S. pooled vehicle):**

The ABR Dynamic Blend Equity and Volatility Fund (the "Fund") seeks investment results that correspond to the performance, before the Fund's fees and expenses, of a strategy that measures the investment returns of a dynamic (i.e. changing) ratio of: (i) exposure to large-capitalization stocks; against (ii) exposure to the volatility of large-capitalization stocks.

In order to seek to achieve this objective, under normal circumstances, the Fund will invest at least 80% of its Net Asset Value in futures listed or traded on one or more Recognised Markets that provide exposure to U.S. large-capitalization equity securities (being securities of a capitalization equivalent to those included in the S&P 500® Total Return Index) and to the volatility of U.S. large-capitalization equity securities. Volatility is the measure of the standard deviation or variance between returns over a period of time. The Fund may also invest in cash or Cash Instruments. Cash Instruments include units in money market funds, cash deposits and cash equivalents, such as short-term commercial paper,

File No. 801-80044

certificates of deposit, treasury bills, floating rate notes and fixed or variable rate commercial paper listed or traded on one or more Recognised Markets.

The Fund employs a systematic, non-discretionary investment approach (as detailed below) to determine an allocation among U.S. equities (via futures the underlying of which is the S&P 500® Total Return Index), equity volatility (via futures the underlying of which is the S&P 500® VIX Short-Term Futures Total Return Index) and Cash Instruments (the “Strategy”), each of which may be held for investment or speculative purposes. The Strategy is designed to achieve returns from favourable volatility movements in the U.S. equity markets while maintaining U.S. equity exposure to preserve positive performance during extended periods of rising markets.

The Fund does not seek temporary defensive positions when markets decline or appear overvalued, although, generally, the Fund will hold higher exposures to the S&P 500® VIX Short-Term Futures Total Return Index and Cash Instruments when markets are in decline or appear overvalued. Pursuant to the systematic, non-discretionary investment approach referred to above, the Fund’s portfolio will be systematically rebalanced once daily in accordance with the Strategy, based on the volatility in the market and the historic returns of the underlying indexes.

## RISK CONSIDERATIONS

There can be no assurance that the Fund’s investments will be successful or that the investment objectives of the Fund will be achieved. Investors should be aware of the risks of the Fund including, but not limited to, the risks described in the “Risk Considerations” section of the Prospectus and below. An investment in the Fund is suitable only for persons who are in a position to take such risks.

**Derivative Instruments Risk.** A small investment in a derivative could have a large potential impact on the performance of the Fund. The Fund could experience a loss if derivatives do not perform as anticipated or if the Fund is unable to liquidate a position because of an illiquid secondary market.

**Equity Risk.** The Fund will gain exposure to U.S. equity securities through investments in futures contracts. The Fund’s equity holdings may decline in value because of changes in price of a particular holding or a broad stock market decline. The value of a security may decline for a number of reasons which may relate directly to the issuer of a security or broader economic or market events including changes in interest rates.

**Futures Contracts Risk.** The primary risks associated with the use of futures contracts are (i) the imperfect correlation between the price of the contract and the change in value of the underlying asset; (ii) possible lack of a liquid secondary market for a futures contract and the resulting inability to close such a contract when desired; (iii) losses caused by unanticipated market movements, which are potentially unlimited; (iv) the inability to predict correctly the direction of securities prices, interest rates, currency exchange rates and other economic factors; (v) the possibility that the counterparty to a contract will default in the performance of its obligations; and (vi) if the Fund has insufficient cash, it may have to sell investments to meet daily variation margin requirements on a futures contract, and the Fund may have to sell investments at a time when it may be disadvantageous to do so.

**Indexed Securities and Derivatives Risk.** If a security or derivative is linked to the performance of an index, it may be subject to the risks associated with changes in that index.

File No. 801-80044

**Leverage Risk.** Certain transactions of the Fund, such as futures contracts, may give rise to leverage, causing the Fund to be more volatile than if it had not been leveraged.

**Volatility Risk.** The Fund may have investments that appreciate or decrease significantly in value over short periods of time. This may cause the Fund's Net Asset Value per Share to experience significant increases or declines in value over short periods of time.

**ABR Enhanced Short Volatility Fund (non-U.S. pooled vehicle):**

The ABR Enhanced Short Volatility Fund (the "Fund") seeks investment results that correspond to the performance, before the Fund's fees and expenses, of a strategy that measures the investment returns of a dynamic (i.e. changing) ratio of: (i) a short exposure to the volatility of large-capitalization US stocks; (ii) a long exposure to long-dated U.S. treasuries; and (iii) cash.

In order to seek to achieve this objective, under normal circumstances, the Fund will make short investments via futures which are listed or traded on one or more Recognised Markets and that provide exposure to the volatility of large-capitalization US stocks and long investments in U.S. treasuries, including T-bills and long-dated treasuries. Long exposures are generally investments made in anticipation of the relevant asset increasing in value. Conversely, short exposures are investments generally made in anticipation of an asset declining in value. The Fund may also hold cash or cash instruments as part of its investment strategy and to act as margin and cover for its investments in futures and for ancillary liquidity purposes. Cash instruments include units in money market funds, cash deposits and cash equivalents, such as short-term commercial paper, certificates of deposit, T-bills, floating rate notes and fixed or variable rate commercial paper listed or traded on one or more Recognised Markets.

The Fund employs a model-driven investment approach, which uses the Investment Manager's analysis of historic levels of market volatility to determine an allocation among short exposure to the volatility of large-capitalization US stocks (via short exposure via futures, the underlying of which is the S&P 500 VIX Short-Term Futures Total Return Index), long exposure to long-dated U.S. treasuries and cash instruments (the "Strategy"), each of which may be held for investment purposes. The Strategy is developed and operated by the Investment Manager and is designed to achieve returns from a reduction in the price of volatility instruments (i.e. instruments that may appreciate or decrease significantly in value over short periods of time) while at times utilizing some exposure to US government debt.

Pursuant to the model-driven investment approach referred to above, the Fund's portfolio will be rebalanced once daily in accordance with the Strategy, based on the volatility in the market and the historic returns of the VIX.

**RISK CONSIDERATIONS**

There can be no assurance that the Fund's investments will be successful or that the investment objectives of the Fund will be achieved. Investors should be aware of the risks of the Fund including, but not limited to, the risks described in the "Risk Considerations" section of the Prospectus and below. An investment in the Fund is suitable only for persons who are in a position to take such risks.

**Derivative Instruments Risk.** A small investment in a derivative could have a large potential impact on the performance of the Fund. The Fund could experience a loss if derivatives do not perform as anticipated or if the Fund is unable to liquidate a position because of an illiquid secondary market.

**Futures Contracts Risk.** The primary risks associated with the use of futures contracts are (i) the imperfect correlation between the price of the contract and the change in value of the underlying asset; (ii) possible lack of a liquid secondary market for a futures contract and the resulting inability to close such a contract when desired; (iii) losses caused by unanticipated market movements, which are potentially unlimited; (iv) the inability to predict correctly the direction of securities prices, interest rates, currency exchange rates and other economic factors; (v) the possibility that the counterparty to a contract will default in the performance of its obligations; and (vi) if the Fund has insufficient cash, it may have to sell investments to meet daily variation margin requirements on a futures contract, and the Fund may have to sell investments at a time when it may be disadvantageous to do so.

**Indexed Securities and Derivatives Risk.** If a security or derivative is linked to the performance of an index, it may be subject to the risks associated with changes in that index.

**Leverage Risk.** Certain transactions of the Fund, such as futures contracts, may give rise to leverage, causing the Fund to be more volatile than if it had not been leveraged.

**Short Position Risks.** Taking short positions in respect of a security or an asset may create greater risks than taking long positions in respect of the same assets. These risks include the possibility of a potentially unlimited loss, due to the unlimited potential for the price of the assets concerned to increase. To mitigate this risk, UCITS, such as the Fund, may only take short positions in respect of investments where any exposure created is covered by the other assets of the UCITS and the Investment Manager will therefore monitor the Fund's short exposures at all times to ensure that they are adequately covered by the Fund's other assets.

**ITEM 9 – Disciplinary Information**

Legal and Disciplinary

A. None.

B. None.

C. Self-regulatory Organization (“SRO”)

SRO Rule Violation

i. None.

ii. None.

iii. David Skordal, a portfolio manager at ABR, was fined more than \$2,500 from SRO NYSE AMEX dated November 9, 2010. At the time of the violation, he was an equity options market maker on the American Stock Exchange. Please see below for statement of facts:

“STIPULATION OF FACTS AND CONSENT TO PENALTY FILED BY FINRA MARKET REGULATION, LEGAL SECTION AND PENDING. NAME OF SRO: NYSE AMEX. CONSENTED TO FINDINGS: FOR THE SOLE PURPOSE OF SETTLING THIS DISCIPLINARY PROCEEDING, WITHOUT ADJUDICATION OF ANY ISSUES OF LAW OR FACT, AND WITHOUT ADMITTING OR DENYING ANY ALLEGATIONS OR FINDINGS, SKORDAL STIPULATED THAT DURING THE PERIOD OF JULY 1, 2006 AND JUNE 19, 2007, HE 1. VIOLATED AMEX RULE 958-ANTE(G) BY FAILING TO (1) EXECUTE AT LEAST 80% OF HIS TOTAL TRADES IN PERSON AND NOT THROUGH THE USE OF ORDERS REPRESENTED BY ANOTHER MEMBER OR MEMBER ORGANIZATION ON THE AMEX DURING EACH CONSECUTIVE CALENDAR QUARTER DURING THE PERIOD OCTOBER 2006 THROUGH MARCH 2007; AND (2) EXECUTE AT LEAST 80% OF HIS OPTION VOLUME IN PERSON AND NOT THROUGH THE USE OF ORDERS REPRESENTED BY ANOTHER MEMBER OR MEMBER ORGANIZATION ON THE AMEX DURING THE PERIOD OF OCTOBER 2006 THROUGH DECEMBER 2006. 2. VIOLATED REGULATION X DURING EACH CONSECUTIVE CALENDAR QUARTER DURING THE PERIOD OF JULY 2006 THROUGH MARCH 2007 BY INAPPROPRIATELY DESIGNATING TRADES IN A MARKET MAKER ACCOUNT WHEREBY SKORDAL KNEW, OR SHOULD HAVE KNOWN, THAT HE CAUSED ABC OR DEF TO IMPROPERLY EXTEND GOOD FAITH MARGIN TREATMENT TO HIM, IN VIOLATION OF REGULATION T; 3. VIOLATED REGULATION SHO RULE 203(B)(1) ON MARCH 5, 2007 AND MARCH 6, 2007 BY EFFECTING ONE OR MORE OFF-FLOOR SHORT SALE TRANSACTIONS IN THRESHOLD SECURITIES, THAT CORRESPONDED TO NON-MARKET MAKING TRANSACTIONS PLACED IN HIS MARKET MAKER ACCOUNT, AND FAILING TO BORROW OR ARRANGE TO BORROW THE SECURITIES PRIOR TO SELLING SHORT; AND 4. VIOLATED REGULATION SHO RULE 200(G) ON JUNE 19, 2007 BY IMPROPERLY MARKING 193 ORDERS AS "SELL LONG" AS OPPOSED TO "SELL SHORT EXEMPT." STIPULATED SANCTION: 1.CENSURE; 2.FINE IN THE AMOUNT OF 15,000.”



**ITEM 10 – Other Financial Industry Activities and Affiliations****A. Broker-Dealer**

ABR is not currently registered as a broker-dealer. However, ABR's management person, Taylor Lukof, is currently a registered representative of Foreside Fund Services, LLC, a broker-dealer registered with the SEC and a member of FINRA.

**B. Financial Industry Activities**

ABR is registered as a commodity pool operator with the Commodity Futures Trading Commission ("CFTC") and is a member of the National Futures Association ("NFA"). ABR's management persons, Taylor Lukof and David Skordal, are also associated persons and principals of ABR.

**C. Affiliations**

ABR and its persons have relationships and arrangements that are material to its advisory business or its Clients with various related persons as described below. None of these relationships or arrangements creates a material conflict of interest with Clients.

1. Not applicable.

2. ABR serves as the investment adviser to ABR Dynamic Blend Equity & Volatility Fund, ABR Dynamic Short Volatility Fund and ABR 75/25 Volatility Fund, investment companies registered under the Investment Company Act of 1940. ABR also serves as investment manager to ABR Dynamic Blend Equity & Volatility Fund and ABR Enhanced Short Volatility Fund, non-U.S. pooled vehicles that are registered with the Central Bank of Ireland.

3. Not applicable.

4. Elements of ABR's strategies may include futures trading. ABR is registered as a commodity pool operator with the Commodity Futures Trading Commission ("CFTC") and is a member of the National Futures Association ("NFA"). ABR's supervised persons, Taylor Lukof and David Skordal, are associated persons and principals of ABR.

5. Not applicable.

6. Not applicable.

7. Not applicable.

8. Not applicable.

9. Not applicable.

10. Not applicable.

11. Not applicable.

**D. Compensation for Referrals.**

Not applicable.

**ITEM 11 – Code of Ethics, Participation of Interest in Client Transactions and Personal Trading**

A. The Access Persons of ABR have committed to a Code of Ethics that is available for review by Clients and prospective Clients upon request. The Code of Ethics has been adopted in accordance with Section 204A and Rule 204A-1 under the Investment Advisers Act of 1940, as amended. As the investment adviser to RICs, the Code of Ethics also contains provisions required by and has been adopted in accordance with Rule 17j-1 under the Investment Company Act of 1940. Each Access Person must read, sign, and deliver a certificate of compliance with the Code of Ethics. Access Persons also must provide initial securities holdings reports and annual securities holding reports. In addition, all Access Persons must also have copies of all brokerage account statements related to personal securities transactions regarding reportable securities in which the Access Person has direct or indirect beneficial ownership sent directly to the ABR. Finally, all Access Persons must pre-clear all reportable securities prior to investment.

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

Mr. Lukof beneficially owns a significant portion of ABR and ABR Management LLC and therefore participates in performance-based fees generated by ABR. There is a potential conflict of interest in this arrangement since it could encourage ABR to invest more aggressively in riskier investments than in the absence of this performance allocation. ABR manages this potential conflict of interest by disclosing it to Clients and ensuring that the firm acts in the manner disclosed to Clients, which could differ from Client to Client, with regard to risk objectives and types of investments selected.

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

ABR Management and other accounts beneficially owned by family members related to the Chief Investment Officer may invest in the same securities that ABR purchases/sells or recommends to Clients. ABR will manage this potential conflict of interest to ensure that any accounts beneficially owned by ABR or any of its related persons purchase or sell such securities *pari passu* as ABR's Clients. To the extent that ABR determines that there is a potential conflict of interest that cannot be addressed or waived, ABR and its related persons will generally abstain from trading in any affected securities.

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

See response to Item 11.C above.

**ITEM 12 – Brokerage Practices****A. Factors the Firm Considers in Selecting Brokerage Firms**

In placing orders for the purchase and sale of securities and selecting brokers to effect these transactions, ABR seeks prompt execution of orders at the most favorable prices reasonably obtainable under the circumstances. In doing so, ABR will consider a number of factors, including, without limitation, the broker-dealer's financial strength, reputation, execution, pricing, research and service. ABR will weigh the amount of the broker-dealer's compensation against the other criteria it considers in selecting the broker-dealer to execute Client securities transactions to determine whether the broker-dealer's compensation is reasonable in light of those other factors.

ABR does not consider the sales of shares of the Funds by brokers as a factor in its selection of brokers or dealers for portfolio transactions and has adopted compliance policies and procedures to prevent any such transactions on that basis.

**1. Research and Other Soft Dollar Benefits.**

a-f. Not applicable.

**2. Brokerage for Client Referrals.**

a. Not applicable.

b. Not applicable.

**3. Directed Brokerage.**

a. Not applicable.

b. Not applicable.

**ITEM 13 – Review of Accounts**

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A. Periodic Reviews:

Client account reviews are periodically performed when and as appropriate by Taylor Lukof, ABR's Chief Executive Officer and Stephen Sivillo, ABR's Chief Compliance Officer.

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B. Review Triggers:

Other conditions that may trigger a review are changes in applicable laws and new investment information.

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C. Regular Reports:

The RICs managed by ABR issue financial reports on a quarterly basis as required by law. The non-U.S. pooled investment vehicles managed by ABR are sub-funds of an Irish ICAV qualified under the UCITS Directive and are required to issue annual and half yearly reports.

**ITEM 14 – Client Referrals and Other Compensation**

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A. Referrals:

Not applicable.

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B. Other Compensation:

ABR may pay broker-dealers from its own resources a percentage of the average annual value of the net assets of certain investment companies managed by ABR in recognition of their distribution or shareholder services with respect to such companies.

**ITEM 15 – Custody**

ABR does not have custody of any client assets. All Client assets are maintained by unaffiliated qualified custodians.

**ITEM 16 – Investment Discretion**

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Discretionary Authority for Trading:

ABR accepts discretionary authority to manage investments on behalf of its Clients. ABR has the authority to determine, without obtaining specific Client consent, the investments to be bought or sold, and the amount of the investments to be bought or sold on behalf of Clients.

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Limited Power of Attorney:

Not applicable.

**ITEM 17 – Voting Client Securities**General Proxy Voting Policies

ABR understands and appreciates the importance of proxy voting. To the extent that ABR exercises discretion to vote proxies of the Funds it manages, ABR will vote any such proxies in the best interest of the Funds and in accordance with the procedures outlined below (as applicable).

Proxy Voting Procedures

- (1) All proxies sent to the Funds that are received by ABR (to vote on behalf of the Funds) will be provided to the Chief Compliance Officer (“CCO”). The CCO will coordinate with the Funds’ custodian to ensure ABR is receiving all notices related to proxy voting. In addition, the CCO will coordinate with the Funds’ custodian to ensure that the custodian automatically participates in any class actions on behalf of the Funds.
- (2) The CCO will generally adhere to the following procedures (subject to limited exception):
  - a. A written record of each proxy received by ABR (on behalf of the Funds) will be kept in ABR Funds’ files;
  - b. The CCO will determine which of ABR’s Clients hold the security to which the proxy relates;
  - c. ABR rarely votes proxies due to the nature of the investments in the strategy. ABR may contact third party service providers to handle the proxy voting procedures under specific instructions from the Company. Should ABR engage a third-party service provider it shall amend the Compliance manual to provide oversight policy and procedures of the service provider’s activities.

The complete voting records for each RIC that is managed by ABR will be filed on Form N-PX for the twelve months ended June 30<sup>th</sup>, no later than August 31 of each year and may be viewed by visiting the SEC’s website at [www.sec.gov](http://www.sec.gov).



**ITEM 18 – Financial Information**

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A. Balance Sheet

ABR does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore is not required to present a balance sheet.

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B. Financial Condition

ABR does not have any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Clients.

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C. Bankruptcy Petition

ABR has not been the subject of a bankruptcy petition at any time during the past ten years.