



Item 1: Cover Page

LexION Capital Management, LP

41 Madison Avenue, 31st Floor
New York, NY 10010

(888) 452-9355

www.LexIONCapital.com

March 19, 2020

This Brochure provides information about the qualifications and business practices of LexION Capital Management LP (“LCM”). If you have any questions about the contents of this Brochure, please contact us at (888) 452-9355. The information in this Brochure has not been approved or verified by the United States Securities Exchange Commission or by any state securities authority.

LCM is a registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about LCM also is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for LCM is 153273

Item 2: Material Changes

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Item 4: Advisory Business

A. Firm Description and Principal Owner

Founded in 2010, LexION Capital Management, LP (“LCM”) is an investment adviser with its principal place of business in New York, NY. LCM also manages the LexION Alpha Fund, LP (“LAF”), a discretionary pooled investment vehicle, opened in 2017.

LCM is dedicated to the mission of providing the firm’s clients independent, fee-only financial advice. The firm’s services include investment management services, employee benefit plan services, and financial planning services. These services are tailored to meet the needs of the clients.

LAF, the pooled vehicle of LCM, specializes in quantitative investment analysis, which relies on proprietary models, utilizing a set of valuation, momentum, and other factors, to generate positions and apply them in a disciplined and systematic process.

Neither LCM nor LAF provide legal or accounting advice. Clients should seek counsel of a qualified accountant and/or attorney when necessary.

LCM has provided advisory services since 2010.

B. Description of Advisory Services

LCM manages investment portfolios for individuals, qualified retirement plans, trusts, charitable organizations, corporations, and small businesses.

Investment Management Services

Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Personal investment policy
- Asset allocation
- Asset selection
- Risk tolerance
- Regular portfolio monitoring

LCM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. LCM creates an Investment Policy Statement for each client,

which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation.

In order to provide informed recommendations, LCM works with the firm's clients to determine their unique financial circumstances and investment objectives. Based on this assessment, LCM will design a written Investment Policy Statement ("IPS"). The IPS details the overall investment mix, often referred to as the asset allocation, which is designed to address the client's needs. In order to identify the appropriate asset allocation, LCM employs specialized software, as well as proprietary and third-party research and analysis to evaluate alternative portfolio designs. In addition, LCM reviews the client's existing investments compared to the client's IPS.

LCM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. LCM will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the IPS, which is given to each client.

LCM works with new clients to develop a plan to transition from the client's current portfolio holdings to the allocation and holdings proposed by LCM. On an on-going basis, LCM monitors the client's portfolio holdings and the overall asset allocation strategy and conducts review meetings with the client regarding the account positioning and progress as necessary or requested. LCM typically creates a portfolio of no-load mutual funds, exchange traded funds (ETFs), and individual securities. LCM may use model portfolios if the allocation of the model matches the allocation agreed to in the client's IPS. LCM will allocate the client's assets among various investments to diversify the client's portfolio in a manner consistent with their IPS. LCM primarily recommends actively and passively managed mutual funds and ETFs.

For certain investment management clients, LCM will purchase individual bonds as all or part of the client's fixed income allocation. In addition, client portfolios may include individual equity securities in situations in which the disposition of these securities would present an overriding tax burden for the client or the client specifically requests they be retained. These situations will be specifically identified in writing by the client.

In addition to managing client's investment portfolio, LCM may consult with investment management clients and their legal and accounting advisors on various matters including income and estate tax planning, business sale structures, college financial planning, retirement planning, insurance analysis, personal cash flow analysis, establishment and design of retirement plans, and trust designs, among other things.

LCM also offers a more limited subset of investment management services called "LexION Access" where LCM will provide the investment management services described above but with more limited

services, including but not limited to more limited reviews and reporting (principally all web-based), access to LCM investment professionals via telephone, and more limited advisory consulting access.

Employee Benefit Plan Services

LCM also provides advisory services to participant-directed employee retirement benefit plans. LCM will analyze the plan's current investment platform, and assist the plan in creating an IPS defining the types of investments to be offered and the restrictions that may be imposed. LCM will recommend investment options to achieve the plan's objectives, provide participant education meetings, and monitor the performance of the plan's investment vehicles.

LCM will recommend changes in the plan's investment vehicles as may be appropriate from time to time. LCM generally will review the plan's investment vehicles and investment policy as necessary.

Financial Planning Services

Separate from its investment management services, LCM also provides advice in the form of financial planning. The advice is designed to integrate advice regarding the client's financial, professional, and personal lives. As part of this service, various types of reports and analysis may be provided to the client. The types of reports provided to clients will vary depending upon the services requested by the client.

In general, the analysis or report will address one or more of the following areas of concern:

Personal: Family records, budgeting, personal liability, estate information, and financial goals.

Education: Education IRAs, financial aid, state savings plans, grants, and general assistance in preparing to meet dependent's continuing educational needs through development of an education plan.

Tax & Cash Flow: Income tax and spending analysis and planning for past, current, and future years. LCM may illustrate the impact of various investments on a client's current income tax and future tax liability.

Death & Disability: Cash needs at death, income needs of surviving dependents, estate planning, and disability income analysis.

Retirement: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.

Investments: Analysis of investment alternatives and their effect on a client's portfolio.

LCM gathers the client's information through in-depth discussions and interactions. Information gathered includes a client's current financial status, future goals, and attitudes towards risk. Related documents supplied by the client are carefully reviewed and various types of written reports may be prepared by LCM. Should a client choose to implement the recommendations in the report(s), LCM

suggests the client work closely with his/her attorney, accountant, and/or insurance agent. Implementation of financial plan recommendations is entirely at the client's discretion.

LAF, a pooled investment vehicle of LCM, specializes in quantitative investment analysis, which relies on proprietary algorithms, utilizing a set of valuation, momentum, and other factors, to generate views on positions and apply them in a disciplined and systematic process. LCM offers its LAF fund to a qualifying subset of investors:

- High-Net-Worth Individuals
- Pension and Profit Sharing Plans
- University Endowments
- Foundations
- Family Offices

C. Tailored Services and Client Constraints

LCM provides individual advice to each client based upon their specific circumstances including investment objectives, financial goals, risk tolerance, and other relevant factors.

A client may impose reasonable restrictions on LCM's discretionary management authority. The reasonableness of a particular restriction will be assessed on a case-by-case basis by LCM

D. Wrap Fee Program

LCM does not participate in wrap fee programs, as they typically charge higher-than necessary ambiguous fees.

E. Assets Under Management

As of December 31, 2019, LCM managed \$64,223,046.61 on a discretionary basis based on custodial records.

Item 5: Fees and Compensation

A. Description of Compensation

In certain circumstances, all fees, account minimums, and their applications to individuals or groups may be negotiable.

Investment Management Services

The annual fee for investment management services for LCM will be charged as a percentage of assets under management, according to the fee schedules below.

All-inclusive fees in relationship of less than \$1 million:

Assets under management	Annual Fee %
Up to \$1,000,000.00	1.50%

All-inclusive fees in relationship of \$1 million - \$5 million:

Assets under management	Annual Fee %
Up to \$5,000,000.00	1.00%

All-inclusive fees in relationship of \$5 million or more:

Assets under management	Annual Fee%
First \$5,000,000.00	0.95%
Next \$3,000,000.00	0.90%
Next \$2,000,000.00	0.85%

All-inclusive fees in relationships of \$10 million or more:

Assets under management	Annual Fee %
First \$10,000,000.00	0.80%
All amounts thereafter	0.75%

All accounts for members of the client's family (husband, wife, and dependent children) or related businesses may be assessed fees based on the total balance of all accounts.

LCM generally requires a minimum annual fee of \$5,000 for investment management and employee benefit plan services.

(212) 767-0799

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Employee Benefit Plan Services

The annual fee for employee benefit plan services will be charged as a percentage of assets within the plan according to the above quoted fee for investment management services, will be payable quarterly in advance, and will be deducted by the account custodian.

Financial Planning Services

Financial planning fees will be charged in one of two ways:

1. As a fixed fee, typically \$10,000.00, depending on the nature and complexity of each client's circumstances and upon mutual agreement with the client. 50% of this fee may be due upon signing the financial planning agreement, with an additional 25% due at the completion of a draft and 25% at final presentation.
2. On an hourly basis, typically \$1,000.00 per hour, depending on the nature and complexity of each client's circumstances. Hourly fees will be billed as earned, and paid directly by the client.

LAF Fees

The minimum initial investment shall be \$1,000,000, which may be waived by LAF. Minimum additional investment is \$100,000.

LAF offers two share classes, with different advisory fees and performance fees:

Class Share	Management Fee	Advisory Fee
Class A	2%	20%
Class B	0.5%	30%

LAF receives performance-based compensation, which is compensation that is based on a share of capital gains or capital appreciation of the assets of an investor above the applicable watermark. This compensation will either be reallocated to or paid to LCM.

B. How Fees Are Paid

For investment management and employee benefit plan services, LCM will request authority from the client to receive quarterly payments, in advance, directly from the client's account held by an independent custodian. Clients may authorize the custodian of the client's assets to deduct LCM's fees directly from the client's account. Clients will receive custodial statements showing the advisory fees

debited from their account(s). Certain third-party administrators will calculate and debit LCM's fee and remit such fee to LCM.

For management fees, LAF will request authority from the investors to receive quarterly payments in advance. Additionally, there will be an allocation to the LAF of a percentage of any realized or unrealized profits in excess of realized or unrealized losses calculated and allocated at the end of each year (see "Performance Fees").

C. Other Fees and Expenses

LCM's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment managers, and other third parties such as fees charged by managers, custodial fees, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds charge internal management fees, which are disclosed in a fund's prospectus. All fees paid to LCM for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders.

LAF investors typically pay all of their own operating and investment expenses including, but not limited to: fees, costs and out-of-pocket expenses incurred in connection with the formation of an investor that is a private investment fund; fees and expenses of any advisers and consultants to the investor; external legal, auditing, accounting, administration, tax return preparation and other professional fees and expenses; fees and expenses of an investor's directors, if applicable, including the costs associated with meetings; fees and expenses of the investors' administrator and depository, if applicable; taxes, fees and governmental charges or filing fees; fees and expenses of prime brokers, futures commission merchants, dealers, custodians, subcustodians, transfer agents and registrars, expenses of registering and qualifying securities and other investments, brokerage commissions and dealer collateral and other fees, charges, payments and expenses and other costs of trading, acquiring, monitoring or disposing of any investments of an investor; fees and expenses of any third party research, data, recommendations and/or services used by LAF in its investment decision-making process; fees and expenses of valuation and/or pricing services and software; interest expenses; expenses of preparing and distributing reports, financial statements and notices; litigation and other extraordinary expenses; certain insurance expenses (including fees for directors' and officers' liability insurance, if applicable); and other expenses as may be detailed in the investor's offering memorandum, investment management agreement, subadvisory agreement, prospectus and supplemental disclosure document or other governing document, as applicable. Where applicable, investors also pay their pro-rata share of the expenses of the underlying investment vehicles in which they directly or indirectly invest.

D. Timing of Fees and Refund Policy

LCM

The specific manner in which fees are charged by LCM is established in a client's written agreement with LCM. Investment management and employee benefit plan clients will be charged in advance at the beginning of each calendar quarter based upon a market value based on independent third-party sources. Client account balances on which LCM calculates fees may vary from custodial account statements based on independent valuations and other accounting variances, such as the inclusion of accrued interest. New accounts are charged a prorated fee for the remainder of the quarter in which the account is incepted.

A client agreement may be canceled at any time, by either party and for any reason. Upon termination of an account and receipt of 30 days written notice, any prepaid, unearned fees will be promptly refunded.

LAF

Investment in LAF shall not be subject to a minimum holding period. However, funds withdrawn prior to one year from the date of investment shall be subject to a 3% Redemption Fee. Investors shall be allowed to withdraw on a quarterly basis. The investor is required to provide 30 days advance written notice of intent to withdraw.

E. Compensation for Sales

LCM and LAF, including any of their supervised persons, do not accept compensation for the sale of securities or other investment products.

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

LCM manages accounts that are billed on performance-based fees (a share of capital gains on or capital appreciation of the assets of a client) as well as accounts that are NOT billed on performance-based fees. Side-by-side management of various types of accounts raises the possibility of favorable or preferential treatment of an account or a group of accounts arising from differences in fee arrangements. As a registered investment adviser and a fiduciary, LCM exercises due care to ensure that investment opportunities are allocated equitably among all clients, regardless of their corresponding fee structure. LCM charges performance-based fees in LAF. All fees are calculated as described in Item 5. All fees are negotiable.

LAF's qualified investors are charged a management fee and a performance-based fee. Fees are paid quarterly in advance.

A performance fee (or performance allocation, as the case may be) represents an asset manager's compensation for managing an account which is based upon a percentage of the net profits of the account being managed. When calculating net profits, performance fees or allocations may be based on absolute or benchmark-relative returns and may be subject to high water marks or loss carryforwards.

LAF's fees are in addition to brokerage commissions, transaction fees, service provider fees, and other related costs and expenses which will be incurred by investors. Execution of investor transactions typically requires payment of brokerage commissions by investors. Investment activity may also involve other transaction fees and taxes payable by investors, including but not limited to, sales charges, odd-lot differentials, transfer taxes, financial transaction taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In addition, investors may incur certain charges imposed by custodians, prime brokers, counterparties, banks, governmental authorities, third-party investment consultants, attorneys and other third parties, such as custodial fees, consulting fees, administrative fees, auditing fees, insurance fees, and transfer agency fees. Investors may also pay certain fees and/or expenses relating to governmental, regulatory, licensing, filing, or registration filings and their preparation, incurred in compliance with the applicable rules of any self-regulatory organization or any foreign, U.S. federal, state or local laws; to the extent permitted by applicable law, and subject to applicable client documentation, legal fees and costs arising in connection with litigation or a regulatory investigation; and extraordinary expenses or costs that the investor may incur.

Item 7: Types of Clients and Account Requirements

LCM provides services to individuals, qualified retirement plans, trusts, charitable organizations, corporations, and small businesses.

LCM generally requires a minimum annual fee of \$5,000 for investment management and employee benefit plan services and a minimum annual fee of \$3,500 per account for LexION Access accounts. These minimum fees and account size may be negotiable under certain circumstances.

LCM requires each client to sign a services agreement before LCM will provide any services.

LAF provides its services to institutional investors. Such investors may include, but are not limited to, high net-worth individuals; pensions and profit sharing plans; corporations and business entities; university endowments; foundations; and family offices. Subject to the discretion of LCM, LAF requires a minimum of \$1,000,000.00 to invest in the fund.

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

Depending on the type of engagement, the services provided to LCM's clients may include some or all of the following methods of analysis, investment strategies and risk of loss.

A. Methods of Analysis and Investment Strategy

LCM's analysis starts with developing a comprehensive understanding of the client's financial objectives and risk tolerance. Based on LCM's assessment of that information, an IPS is prepared for the client that details LCM's recommended target asset allocation. The IPS is reviewed by the client and LCM and then signed by the client prior to implementation. The IPS is reassessed as needed and changes are made when appropriate.

LCM's investment strategies are based on the principles of Modern Portfolio Theory (MPT). MPT is an approach to portfolio construction introduced by Harvard economist Harry Markowitz for which he was later awarded the Nobel Prize in economics. Further, LCM's investment approach is firmly rooted in the belief that markets are "efficient" over longer periods of time. Because of this belief, LCM expects that investors' long-term returns will be determined principally by asset allocation decisions, rather than market timing. The principal focus of LCM's investment strategy is to develop what it believes to be an optimal asset allocation that is consistent with the IPS of the client. In addition, LCM focuses on the selection of specific investment vehicles to populate the firm's recommended asset allocation.

The recommended asset allocation is determined through analysis using specialized software as well as proprietary and third-party research. LCM implements its recommended allocation principally through a portfolio comprised of carefully selected open-end mutual funds, ETFs, and/or individual fixed income securities in certain circumstances. The securities that LCM recommends are identified through a proprietary review process that assesses an investment's historical investment performance, volatility, fees, and other characteristics LCM deems to be relevant for review prior to inclusion in the recommended portfolio.

Among third-party research, LCM receives data and analysis from economists and other investment professionals affiliated with Dimensional Fund Advisors ("DFA"). LCM utilizes DFA mutual funds in client portfolios. DFA mutual funds follow a passive investment philosophy with low holdings turnover. DFA provides historical market analysis, risk/return analysis, and continuing education to LCM.

LCM actively reviews and monitors its recommended asset allocation and investments and will make changes as the firm's research indicates is appropriate. LCM will also periodically rebalance client portfolios. Rebalancing involves trading securities in order to reallocate the client portfolio back to the

allocation agreed to in the IPS, as the investment values will fluctuate over time. The objective of rebalancing is to buy low and sell high whenever possible.

LCM's strategy also focuses on minimizing costs and taxes. To that end, LCM invests in institutional class shares of mutual funds wherever possible. In addition, the firm practices active tax management at both the asset class and portfolio level, with a goal of maximizing after-tax returns when appropriate.

Investing in securities involves risk of loss that clients should be prepared to bear. While the prices of investments that LCM selects may increase in value, it is also possible that the prices of the investments may decrease in value. While all investments involve risk, LCM's investment advice seeks to mitigate risk of permanent loss over time through broad diversification among asset classes and individual investments.

LAF performs research internally. Once an investment approach is identified, LAF begins the process of building a model to test the strategy's viability. The model building process generally consists of two steps: (1) designing an investing strategy to implement the given approach; and (2) producing testable implications. LAF performs ongoing research to monitor and maintain the effectiveness of its models over time. External data (i.e., Reuters, Bloomberg and other data services) is used by LAF in developing its quantitative forecasting computer models. In addition to quantitative investment analysis, LAF may also utilize discretionary and/or hybrid strategies through a combination of quantitative and fundamental techniques. There are certain risks specific to firms specializing in quantitative investment analysis. Please see below under "Investment Risks" for a summary of some of the risks specific to quantitative investment analysis. LAF utilizes several investment strategies, including arbitrage strategies, equity strategies, global macro strategies, reinsurance, and risk parity. An explanation of a selection of these strategies and certain sub-strategies is included below. Each of these investment strategies is managed by a team of portfolio managers in a manner consistent with our approach to investing.

Arbitrage Strategies:

LAF's arbitrage strategies attempt to take advantage of perceived price discrepancies of identical or similar financial instruments, in different markets or in different forms. LAF manages convertible arbitrage and merger arbitrage strategies through a blend of fundamental and quantitative analysis.

Equity Strategies:

LAF's equity strategies attempt to take advantage of market inefficiencies that cause specific stocks to be underpriced or overpriced. Investment opportunities are identified using proprietary stock selection models, which may analyze multiple valuation, momentum, and other factors to generate views on stocks. Equity strategies focus on a broad range of equity investment styles, including growth, core, and

value, as well as strategies designed to be “style-neutral.” Some strategies focus on specific ranges on the capitalization scale, from small-cap through large-cap, while other strategies focus on investment opportunities across multiple capitalization levels. Equity strategies may be global, multi-national, or focused on particular geographic regions or specific countries. These strategies are broadly diversified and aim to achieve their investment objectives over multiple time horizons. LAF’s equity strategies include Global Stock Selection.

Global Stock Selection:

LAF’s stock selection strategy relies on LAF’s proprietary quantitative models, which may utilize a set of valuation, momentum, and other signals to generate a diversified portfolio of stocks. This strategy may be employed regionally or globally; is broadly diversified across industries; may invest in specific segments of the capitalization scale, or across multiple segments or the entire capitalization spectrum; and forecasts price movements over multiple time horizons. The global stock selection strategy invests primarily in global equities, but also may invest in a broad range of instruments, including securities, currencies, futures, and other derivative products.

Global Macro Strategies:

LAF’s macro strategies attempt to profit from dislocations in global equity, bond, currency, and commodity markets, including those driven by investors’ behavioral biases. Investment opportunities are identified using our proprietary quantitative forecasting models. LAF’s macro strategies may take long and short positions and are primarily derivatives-based, global in nature, and diversified across multiple asset classes. LAF’s macro strategies include Global Asset Allocation and Managed Futures.

Global Asset Allocation:

LAF’s global asset allocation strategy attempts to anticipate global macroeconomic events through the use of propriety quantitative models to generate views on various assets classes such as equities, fixed income, currencies, commodities, and others. This strategy provides long and short exposure to these asset classes as well as employs leverage.

Managed Futures:

LAF’s managed futures strategy uses proprietary quantitative models to identify price trends in equity, fixed income, currency, and commodity instruments. Once a trend is determined, the strategy will take either a long or short position in the given instrument, implementing its view through exchange traded futures, futures related instruments, swaps, forwards, and options contracts across the four major asset classes identified above. Generally, the strategy will have exposure in long and short positions across

all four major asset classes, but at any one time may emphasize one or two of the asset classes or a limited number of exposures within an asset class.

LAF utilizes, but isn't limited to, the foregoing strategies:

Absolute Return:

Absolute return strategies invest long and short, utilizing exchange traded securities and OTC derivatives. These strategies may take long and short positions and employ leverage. LAF may implement its investment strategies primarily through the use of one or more of the following investment techniques and investment tools.

Hedging:

Certain of LAF's strategies utilize a variety of financial instruments, including options, interest rate swaps, and futures and forward contracts for risk management purposes.

Leverage:

Certain of LAF's strategies utilize varying amounts of leverage, which may involve the borrowing of funds from brokerage firms, banks, and other institutions in order to be able to increase the amount of capital available for securities investments. Leverage may also be embedded in financial instruments, including futures and short sales, as well as OTC derivatives like options, swaps, and forwards, which enable investors to gain exposure to assets whose value exceeds the amount of capital necessary to obtain such exposure.

Options Trading:

Options are investments whose ultimate value is determined from the value of the underlying investment. LAF purchase or sell exchange-traded or privately negotiated call and put options, either on a single asset or a basket of assets. LAF may also purchase or sell options on futures contracts and options on forward contracts.

Short Selling:

Certain of LAF's investment strategies utilize short selling. In a short sale transaction, LAF sells a security it does not own in anticipation that the market price of that security will decline. LAF utilizes short sales as a form of hedging to offset potential declines in long positions in similar securities or to attempt to earn a profit.

B. Material Risks to Recommended Methods of Analysis and Investment Strategies

As described in Item 8A, LCM's investment strategy includes developing a thorough understanding of a client's financial objectives and risk tolerance, crafting an appropriate asset allocation, selecting investments to achieve that allocation, and implementing and monitoring the strategy. Certain risks exist with regard to these recommended methods of analysis and these investment strategies.

Risk of Analysis of a Client's Financial Situation

In the development of investment plans for clients, including the recommendation of an appropriate asset allocation, LCM relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended asset allocation, LCM may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any method used to make projections into the future, there are several risks associated with this method, which may result in the client not being able to achieve their financial goals. They include, but are not limited to:

- The risk that expected future cash flows will not match those used in the analysis.
- The risk that future rates of return will fall short of the estimates used in the simulation.
- The risk that inflation will exceed the estimates used in the simulation.
- For taxable clients, the risk that tax rates will be higher than was assumed in the analysis.

In performing this service, LCM shall not be required to verify any information received from the client or from the client's other professional service providers, and is expressly authorized to rely on the information provided as the basis for its recommendations. In addition, it is the responsibility of the client to promptly notify LCM if there is any change to their financial situation or investment objectives that would be relevant to LCM's previous recommendations and/or services.

Risk of Loss from Asset Allocation, Investment Selection, and Portfolio Management

The mutual funds and ETFs utilized by LCM may include funds invested in domestic and international equities, including real estate investments trusts (REITs), corporate and government fixed income securities, and commodities. Equity securities may include large capitalization, medium capitalization, and small capitalization stocks. In addition, certain client portfolios will include individual bonds. All investments present the risk of loss of principal. The risk exists that the value of securities (mutual funds, ETFs, and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even if the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In that case, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

Certain funds utilized by LCM may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity, and price volatility. These risks may be greater with investment in developing countries. Among the riskier mutual funds used in LCM's investment strategies are the U.S. and International small capitalization funds, emerging market funds, and commodity futures funds. More information about the risks of a particular market sector is available in the prospectus of a representative mutual fund invested in assets within that sector.

While LCM believes its research is comprehensive and its decisions informed, ultimately the progress of the capital markets and individual investments is unpredictable. The asset classes that we choose and/or specific investments we select may have poor returns for an extended period of time.

As a result of LCM's rebalancing, investment allocation changes, or other portfolio repositioning, the client may be negatively impacted if the assets sold provide superior risk-adjusted returns compared to the assets bought over time. While there is a certain level of trading in client accounts as described previously, LCM does not generally recommend frequent trading, as it can increase brokerage and other costs and taxes.

C. Significant or Unusual Risks

LCM's strategies do not utilize securities that we believe would be classified as having any unusual risks. As described in Item 8B, all investments involve the risk of loss of principal.

D. Material Risks specific to LAF

Use of Simulations

LAF sets expectations for investor performance based on, among other things, simulated performance results from portfolio simulations that use historical and simulated data and take into account the size and trading activities of other clients and LAF investor. These portfolio simulations have inherent limitations. For example, these portfolio simulations are designed with the benefit of hindsight and do not represent actual trading; actual returns will be different than those of the simulations. In addition, investors should note that the interpretation of simulated performance results is an inherently subjective process, requires significant interpretation by portfolio management personnel, and is ultimately based upon the knowledge, expertise and subjective beliefs of portfolio management personnel about the workings of the strategies, techniques and markets. For the avoidance of doubt, differing interpretations of any given portfolio simulation's results are common. There can be no assurance that the future performance of any strategies employed by an investor will match any simulated performance results from portfolio simulations.

Cybersecurity Risk

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The information and technology systems of LAF and of key service providers to the investors may be vulnerable to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although LAF has (directly or through its affiliates) implemented various measures designed to seek to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for LAF or a service provider to make a significant investment to fix or replace them and to seek to remedy the effect of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of the investors and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information. While many investment advisers and funds are subject to the same or similar risks in respect of their operations, these risks are particularly acute with respect to an investment in the investors due to LAF and the investors' fundamental dependence on technology (as discussed herein).

Coding Errors

Coding errors are often extremely difficult to detect, and, in the case of proprietary software, the difficulty of detecting coding errors may be exacerbated by the lack of design documents or specifications. Regardless of how difficult their detection appears in retrospect, some of these coding errors will go undetected for long periods of time and some will never be detected. The degradation or impact caused by these coding errors can compound over time. Finally, LAF will detect certain coding errors that it chooses, in its sole discretion, not to address or fix and the software will contain coding errors known to LAF that it chooses, in its sole discretion, not to address or fix. While LAF will not perform a materiality analysis on many of the coding errors discovered in their respective software code, LAF believes that the testing and monitoring performed on such software will enable LAF to identify and address those coding errors that a prudent person managing a process-driven, systematic and computerized investment program would identify and address by correcting the coding errors or limiting the use of the LAF-licensed software, generally or in a particular application. Clients (and investors therein) should assume that coding errors and their ensuing risks and impact are an inherent part of investing with a process-driven, systematic investment manager such as LAF. Accordingly, LAF does not expect to disclose discovered coding errors to the investors. LAF seeks, on an ongoing basis, to create adequate backups of software and hardware where possible but there is no guarantee that such efforts will be successful. Further, to the extent that an unforeseeable software or hardware malfunction or problem is caused by a defect, security breach, virus or other outside force, the Investor may be materially adversely affected.

Reliance on Data

The analytics employed by LAF are highly reliant on the gathering, cleaning, culling and analyzing of large amounts of data from third-party and other external sources. It is not possible or practicable, however, to factor all relevant, available data into forecasts and/or trading decisions. LAF as applicable will use its discretion to determine what data to gather with respect to any strategy or technique and what subset of that data the strategies and techniques take into account to produce forecasts which may have an impact on ultimate trading decisions. In addition, due to the automated nature of such data gathering and the fact that much of this data comes from third-party sources, it is inevitable that not all desired and/or relevant data will be available to, or processed by, LAF, as applicable, at all times. In such cases, LAF may and often will continue to generate forecasts and make investment and trading decisions based on the data available to it. Additionally, LAF, as applicable, may determine that certain available data, while potentially useful in generating forecasts and/or making investment and trading decisions, is not cost effective to gather due to either the technology costs or third-party vendor costs and, in such cases, LAF will not utilize such data. Investors should be aware that, for all the foregoing reasons and more, there is no guarantee that any specific data or type of data will be utilized in generating forecasts or making investment and trading decisions on behalf of the investors, nor is there any guarantee that the data actually utilized in generating forecasts or making investment and trading decisions on behalf of the investors will be (i) the most accurate data available or (ii) free of errors. Investors should assume that the foregoing limitations and risks associated with gathering, cleaning, culling and analyzing large amounts of data from third-party and other external sources are an inherent part of investing with a process-driven, systematic investment manager such as LAF.

Item 9: Disciplinary Information

All owners and employees of LCM and LAF have not been involved in any legal or disciplinary events that would be material to the evaluation of the firm or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

LCM and LAF are not involved in any other financial industry activities nor is the firm affiliated with any outside businesses.

Item 11: Code of Ethics, Participation in Client Transactions and Personal Trading

A. Description of Code of Ethics

LCM and LAF have adopted a Code of Ethics expressing the firm's commitment to ethical conduct. The Code of Ethics describes the firm's fiduciary duties and responsibilities to clients and sets forth the firm's practice of supervising the personal securities transactions of employees with access to client information. LCM and LAF have a fiduciary duty to all of the firm's clients. As a fiduciary, it is LCM

and LAF's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. That fiduciary duty is considered the core principal of the firm's Code of Ethics. Our firm and all of its employees must conduct business in an honest, fair, and ethical manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients.

Individuals associated with LCM and LAF may buy or sell securities for their personal accounts identical or different than those recommended to clients. LCM and LAF believe that if the investment goals of our clients and our employees are similar, it is appropriate that the firm's employees invest in the same manner as the firm's clients. However, it is the expressed policy of LCM and LAF that no person employed by the firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions made on behalf of advisory clients.

To supervise compliance with its Code of Ethics, LCM and LAF require that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holding reports and quarterly transaction reports to the firm's principal. LCM and LAF also require such access persons to receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements (limited offerings).

It is LCM and LAF's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. LCM and LAF will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to an advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated private fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisors, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.

LCM and LAF will provide a complete copy of its Code of Ethics to any client or prospective client upon request.

B. Purchases or Sales of Securities with a Material Financial Interest

Neither LCM, LAF, nor any of their employees buy or sell securities in client accounts in which the firm or any of its employees has a material financial interest. See the response to Item 11A of this brochure. In order to minimize the potential for any potential conflicts of interest, our employees are required to place client interests ahead of their own and adhere to our firm's Code of Ethics.

C. Purchases of Sales of Securities Recommended to Clients

The firm and its employees may invest their money in the same way as the firm's clients. See the response to Item 11A of this brochure. In order to minimize the potential for any potential conflicts of interest, our employees are required to place client interests ahead of their own and adhere to our firm's Code of Ethics.

D. Timing of Purchases or Sales of Securities Recommended to Clients

The firm and its employees may invest their money in the same way at or about the same time as the firm's clients. See the response to Item 11A of this brochure. In order to minimize the potential for any potential conflicts of interest, our employees are required to place client interests ahead of their own and adhere to our firm's Code of Ethics.

Item 12: Brokerage Practices

LCM and LAF participate in the Schwab Advisor Services ("SAS") program offered to independent investment advisors by Charles Schwab & Company, Inc. ("Schwab"), member FINRA/SIPC and the Interactive Brokers ("IB") program offered to independent investment advisors, member FINRA/SIPC. Schwab, and IB offer independent advisor services which include custody of securities, trade execution, clearance, and settlement transactions.

A. Factors Considered in Broker-Dealer Selection

The SAS or IB programs will generally be recommended to advisory clients for the execution of securities transactions. LCM regularly reviews these programs to ensure that its recommendation is consistent with its fiduciary duty. The factors considered when recommending a broker-dealer/custodian include financial strength, reputation, execution capabilities, pricing, research, service, and other considerations. Although the commissions and/or transaction fees paid by our clients shall comply with our duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to execute the same transaction where we determine, in good faith, that the fee is reasonable in relation to the services received.

1. Research and Other Benefits

The trading platforms previously described are essential to LCM's ability to serve its clients. LCM may not accept clients who direct the use of other brokers. As part of these programs, LCM receives benefits that it would not receive if it did not participate on these platforms. See additional disclosure under Item 14 of this brochure regarding those benefits. Without this arrangement, LCM might purchase the same or similar services at the firm's own expense.

Services provided by the trading platforms include brokerage, custodial, administrative support, record keeping and related services that are intended to support our firm in conducting business and in serving the best interests of our clients. The platforms also make certain research available that may include reports on specific companies or industries, economic surveys, data and analyses, portfolio evaluation services, and other products and services that also provide assistance to LCM in the service of its clients. These services may be used for the benefit of all or most of our client accounts.

As a result of receiving the services for no additional cost, we may have an incentive to continue to recommend the use of these firms. LCM has examined this potential conflict of interest and determined that these relationships are in the best interest of the firm's clients and satisfy our fiduciary duty to put our client's interest first.

2. Brokerage for Client Referrals

Neither LCM nor LAF compensate any broker-dealer for client referrals.

3. Directed Brokerage

For investment management clients, LCM generally does not accept directed brokerage arrangements. In such an instance, a client would require that account transactions occur through a specific broker-dealer. In the event that a client does direct our firm to effect securities transactions through a specific broker-dealer, the client will negotiate terms and arrangements for the transaction with that broker-dealer. The client correspondingly acknowledges that such directions may cause their account to pay a higher transaction cost than may otherwise have been the case.

For employee benefit plan services' clients, LCM does not typically arrange for the execution of securities transactions for participant-directed 401k plans. Transactions are executed directly through the employee plan.

For LCM's financial planning practice, due to the nature of its business and client needs, the service does not include blocking trades, negotiating commissions with broker-dealers or obtaining volume discounts, nor necessarily obtaining the best price. Clients will be required to select their own broker-dealers and insurance companies for the implementation of financial planning recommendations. In certain client engagements, LCM may recommend any one of several brokers. LCM clients must independently evaluate these brokers before opening an account. The factors considered by LCM when making this recommendation are the broker's ability to provide professional services, LCM's experience with the broker, the broker's reputation, and the broker's financial strength, among other factors. LCM's financial planning clients may use any broker or dealer of their choice.

B. Aggregation of Transactions

To the extent LCM provides investment management services to the firm's clients, the transactions for each client will generally be executed independently. In the event that the firm makes an investment decision to purchase or sell the same securities for multiple clients at the same time, LCM may aggregate the transactions to obtain better execution than may be available if executed separately. In this instance, the transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account. LCM shall not receive any additional compensation as a result of such aggregation.

Item 13: Review of Accounts and Financial Plans

A. Frequency and Nature of Review

For investment management clients, the client accounts are supervised continuously and reviewed at least quarterly by a member of the firm's investment team. The review process contains each of the following elements:

1. Assessing client goals and objectives
2. Evaluating the employed strategy(ies)
3. Monitoring the portfolio(s)
4. Addressing the need to rebalance

For employee benefit retirement plan services clients, retirement plan assets are reviewed no more than quarterly, and according to the standards and situations described above for investment management accounts. These clients do not receive reviews of their written plans unless they take action to schedule a consultation with us. Upon their request, we will meet with these clients to discuss issues such as the updates to their plans and/or change in their circumstances.

For financial planning services clients, the client engagement will be reviewed as contracted for at the inception of the advisory relationship.

Client accounts for LAF are reviewed by the third-party administrator (TPA) quarterly to calculate NAV. The TPA does review all transactions on a daily basis and verifies holdings against custodial reports monthly.

B. Other Factors That Can Trigger a Review

LCM may review client accounts more frequently than described above. Among the factors which may trigger review are:

1. A specific client request
2. A change in client goals and objectives
3. An imbalance in a portfolio asset allocation
4. Market/economic conditions

C. Content and Frequency of Reports

Investment management clients receive confirmations of all transactions and statements from the custodian where the assets are held on at least a quarterly basis. In addition to the reports sent by the custodian, all investment management clients will receive performance reports from LCM by mail and/or posted to a secure site that summarizes the client's account information at least quarterly. LCM prepares these reports based on data believed to be accurate, but it does not guarantee the accuracy or completeness of information used in its reports. To the extent that there are differences between official custodian and LCM reports, the official custodian report should prevail. All LCM reports provided to clients are issued as an accommodation and are not official client statements. Verbal reports to clients take place as needed or as requested by the client.

Employee benefit plan clients generally receive statements only from their account custodian.

Financial Planning clients will receive reports as contracted for at the inception of the advisory relationship.

For LAF, each client will receive at least monthly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

Item 14: Client Referrals and Other Compensation

A. Economic Benefit from Others

As indicated under the disclosure for Item 12, LCM and LAF may recommend that clients establish brokerage accounts with SAS, and/or IB to custody their assets and to execute trades for their accounts. LCM and LAF are independently owned and operated and not affiliated with any of the aforementioned broker-dealer platforms. LCM may also recommend that clients establish accounts with firms other than those previously indicated.

LCM does not enter into any commitments for transaction levels with these platforms in exchange for any services or products. However, the platforms do provide products and services to assist LCM in

managing and administering clients' accounts. The recommended brokers also make available to LCM other services intended to help LCM manage and further develop its business enterprise.

LCM also receives software from Dimensional Fund Advisors (DFA), a mutual fund company. LCM recommends DFA mutual funds in client accounts. LCM utilizes the software in the formation of asset allocation strategies and producing performance reports. In addition, through a web-based service, DFA provides referrals of clients to LCM based on the client's geographic location. DFA makes such referrals to many investment advisors. DFA and other investment companies also provide continuing education for LCM personnel.

Our recommendation and/or requirement that a client place assets on one of these platforms or with a particular investment company may be based in part on these benefits provided to LCM. This interest poses a potential conflict of interest to LCM fulfilling its fiduciary duty.

LCM examined this potential conflict of interest and determined that these relationships are in the best interest of LCM's clients and satisfy LCM's fiduciary obligations to its clients.

B. Compensation to Others

Both LCM and LAF are fortunate to receive client referrals from, among others, existing clients, accountants, attorneys, and banks. However, LCM and LAF do not pay for those referrals.

Item 15: Custody

Investment management and employee benefit plan clients should receive statements quarterly, or more frequently, from the broker dealer, bank, or other qualified custodian that holds and maintains client's investment assets. LCM urges the firm's clients to carefully review such statements and compare such official custodial records to the account statements and reports that LCM may provide. LCM's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

LAF may be deemed to have custody over the pooled investment vehicle it manages. LAF is required to maintain the funds and securities (except for securities that meet the privately offered securities exemption in the Custody Rule) over which it has (or may be deemed to have) custody with a "qualified custodian." Qualified custodians include banks, brokers, futures commission merchants and certain foreign financial institutions. Rule 206(4)-2 imposes on advisers having custody of investor's funds or securities certain requirements concerning reports to such investors (including underlying investors) and surprise examinations relating to such investor's funds or securities. However, an adviser need not comply with such requirements with respect to pooled investment vehicles subject to audit and delivery if each pooled investment vehicle: (i) is audited at least annually by an independent

public accountant; and (ii) distributes its audited financial statements prepared in accordance with generally accepted accounting principles to their investors, all limited partners, members or other beneficial owners within 120 days (180 days in the applicable case of a fund of funds adviser) of its fiscal year-end, and investors should carefully review those statements for accuracy.

Item 16: Investment Discretion

LCM accepts discretionary authority to manage client investment accounts. LCM requests that it is provided with written authority to determine which securities and the amounts of securities that are bought or sold. As discussed in the response to Item 4C of this brochure, clients may place reasonable limitations on investing in certain securities or types of securities. Any limitations on LCM's discretionary authority shall be included in the IPS. Clients may change or amend these limitations as required. Such changes or amendments shall be submitted in writing.

When selecting securities and determining amounts, LCM observes the investment policies, limitations, and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to LCM in writing.

LAF provides investment advisory services on a discretionary basis to investors. Other than those restrictions set forth in the applicable offering memorandum, investment management agreement, sub-advisory agreement, prospectus and supplemental disclosure document, or other governing document, investors generally may not impose restrictions on investing in certain securities or certain types of securities. Prior to assuming full discretion in managing an investor's assets, LAF enters into an investment management, sub-advisory or other agreement that sets forth the scope of the Adviser's discretion. Unless otherwise instructed or directed by a discretionary investor, LAF has the authority to determine (i) the securities to be purchased and sold for the investor (subject to restrictions on its activities set forth in the applicable offering memorandum, investment management agreement, sub-advisory agreement, any written investment guidelines or prospectus and supplemental disclosure document) and (ii) the amount of securities to be purchased or sold for the investor.

Item 17: Voting Client Securities

As a matter of firm policy and practice, LCM does not accept the authority to and does not vote proxies on behalf of clients. Therefore, although LCM may provide investment management services on behalf of client investment assets, LCM clients maintain responsibility for:

1. Directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted
2. Making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other types of events pertaining to the client's investment assets

LCM and/or the client shall instruct the custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. LCM, however, may provide advice to clients regarding the client's voting of proxies.

LAF will vote on proxies on behalf of the fund.

Item 18 - Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about LCM and LAF's financial condition. LCM and LAF have no financial commitment that impairs their ability to meet contractual and fiduciary commitments to clients, and neither have ever been the subject of a bankruptcy proceeding.



Item 1: Cover Page, Brochure Supplement

LexION Capital Management, LP

41 Madison Avenue, 31st Floor
New York, NY 10010

(888) 452-9355

www.LexIONCapital.com

March 27, 2020

This Brochure Supplement provides information about Elle Kaplan that supplements the LexION Capital Management LP (“LCM”) Brochure. You should have received a copy of that Brochure. Please contact Elle Kaplan, CEO and Founder, if you did not receive LCM’s Brochure or if you have any questions about the contents of this supplement.

Additional information about Elle Kaplan is available on the SEC’s website at www.adviserinfo.sec.gov

Item 2: Educational Background and Business Experience

Elle Kaplan

Education:

University of Michigan, Bachelor of Arts, 1997

Columbia University, Masters in Business Administration, 2005

Employment:



(212) 767-0799

41 Madison Avenue, 31st Floor, New York, NY 10010

LexION Alpha L.P.
 CIO and Founder
 August 2017-Present

LexION Capital Management L.P.
 CEO and Founder / Chief Compliance Officer
 March 2010-Present

Sanford C. Bernstein & Co., LLC, a division of Alliance Bernstein
 Vice President & Financial Advisor
 February 2007-December 2010

Barclays Capital
 Capital Markets Associate, Fixed Income Sales and Trading
 September 2005-January 2007

Item 3: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item for Ms. Elle Kaplan.

Item 4: Other Business Activities

Ms. Elle Kaplan is not actively engaged in any other business activities outside of LCM and LAF.


Item 5: Additional Compensation

Ms. Kaplan is the sole owner and officer of LCM and LAF. As such, Ms. Kaplan receives an economic benefit on the success of LCM and LAF, including new accounts and additional assets.

Item 6: Supervision

As disclosed, Ms. Kaplan is the sole owner and officer of LCM and LAF. There are no other officers or supervised persons at LCM nor LAF. As such, Ms. Kaplan is the sole officer responsible for supervision of all advisory activities.

Ms. Kaplan can be reached at 41 Madison Ave, 31st Floor, New York, NY 10010 and by phone at (888) 452-9355.

 (212) 767-0799
 41 Madison Avenue, 31st Floor, New York, NY 10010

