

13D Management LLC

Form ADV Part 2

Client Brochure

March 30, 2020

Item 1 Cover Page

This brochure (“Brochure”) provides information about the qualifications and business practices of 13D Management LLC (“13D” or the “Adviser”). 13D has registered its business with state and federal regulatory authorities, including the United States Securities and Exchange Commission (the “SEC”) (SEC number is 801-69766). Registration does not imply a certain level of skill or training. If you have any questions about the contents of this Brochure, please contact us at 212-223-2282 or info@13dmanagement.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. Additional information about 13D is also available on the SEC’s website at www.adviserinfo.sec.gov and 13D’s website, www.13dmanagement.com (the “Site”).

13D Management LLC
152 West 57th Street, 41st Floor
New York, NY 10019

Item 2

Material Changes

This disclosure document (the “Brochure”) for 13D Management LLC is dated 1/3/2020. This is the first Brochure filing for the Adviser.

Item 3

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Item 4 Advisory Business

General Description of the Adviser

For purposes of this brochure, the “Adviser” or “13D” means 13D Management LLC, a New York limited liability company registered as an investment adviser with the SEC, together (where the context permits) with any affiliated general partner of private funds and other affiliates that provide advisory services to and/or receive advisory fees from the 13D Funds (as defined below). Such affiliates may or may not be under common control with 13D but possess a substantial identity of personnel and/or equity owners with 13D. These affiliates may be formed for tax, regulatory or other purposes in connection with the organization of the funds or may serve as general partners of the funds.

The Adviser provides investment advisory services to investment vehicles through its specialization in a non-diversified domestic, long-only equity strategy that focuses on shareholder activism. 13D’s flagship fund, the 13D Activist Fund, was founded in 2011 as an open-end investment company registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”) (separately referred to throughout this document as the “40 Act Fund”). 13D also manages private and commingled fund vehicles for institutions and/or high net worth individuals which are exempt from registration under the 1940 Act and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”), (the “Private Funds”, together, with the 40 Act Fund, the “13D Funds”). In providing such investment advisory services, 13D’s objective is to achieve capital appreciation by investing primarily in common stocks of U.S. companies of any market capitalization that are the target of shareholder activism. The Adviser defines an activist situation as one where an investor holds more than 5% of a company’s shares and either has (A) a history of activist investing, and/or (B) has a publicly disclosed catalyst for change such as seeking board seats, improving operations and/or corporate governance practices, approving a merger, spinning-off an operation division or selling a significant amount of company assets.

This Brochure, including any brochure supplement, is intended for 13D’s direct advisory clients. Investors in any fund advised by 13D should rely on the relevant fund’s prospectus or offering materials, and may therefore refer to this brochure, or any other brochure supplement, for informational purposes only.

Additional information about 13D’s products, structure and directors is provided on Part 1 of the Adviser’s Form ADV which is available online at <http://www.adviserinfo.sec.gov> or at www.13dmanagement.com.

The principal owner of the Adviser is Kenneth Squire, (“Principal,” or “Managing Member”). Mr. Squire founded 13D Management LLC in 2011. Mr. Squire is also the founder and principal of Investor Communications Network LLC, which runs 13D Monitor, an institutional research firm specializing in 13D filings, corporate governance and shareholder activism. The subscribers to the reports are a variety of organizations including investment banks and law firms, many long/short hedge funds, large institutional investors, activist hedge funds, investor relations companies and proxy solicitors. He also writes The Activist Spotlight column for Barron’s. Prior to founding 13D Monitor in 2006, Mr. Squire was a private equity investor as a principal of LSC Investors and Crown Capital Group, where he worked on investments in public and private companies. Previously, Mr. Squire was an associate in the Corporate Department at Weil, Gotshal & Manges, LLP from 1992 to 1997. Mr. Squire holds a B.S. with a concentration in finance from New York University’s Stern School and a J.D. from New York University School of Law where he was an editor of Law Review.

As of September 30, 2019, 13D's total assets under management was \$320,235,845.96 all of which is managed on a discretionary basis.

Item 5 Fees and Compensation

13D's general policy is to assess client fees according to the current fee schedule of the investment strategy in which they are invested. Actual fees, minimum fees and minimum accounts sizes may vary depending on the circumstances of the particular client (e.g., whether a client is an institutional client), or different levels of servicing as otherwise agreed with specific clients. Overall fees may vary by client and are determined in accordance with each fund's offering documents. Prospective and current clients should review the fees and compensation information presented in this Brochure along with the relevant offering and subscription documentation for 13D Funds. For specific information related to brokerage and trading costs, please refer to **Item 12: Brokerage Practices**.

Advisory Fees

40 Act Fund

13D acts as an investment adviser to the 13D Activist Fund (the "40 Act Fund"), a registered investment company. The management fees paid by the Adviser are subject to negotiation with the Board of Trustees/Directors of the Northern Lights Trust, and the approval of respective shareholders. The current management fees are a fixed annualized percentage of 1.50%, paid monthly. This fee is a unitary fee and, as such, all other operational fees payable to the 40 Act Fund's service providers are paid for by the Adviser. Shares of the 40 Act Fund are offered by means of a written prospectus, which describes the fees and expenses paid in more detail.

Private Fund

13D acts as an investment adviser to 13D Activist Fund LP (the "Private Fund") and may advise other private and commingled fund vehicles for institutions and/or high net worth individuals which are exempt from registration under the 1940 Act and whose securities are not registered under the Securities Act (the "Private Funds", together, with the 40 Act Fund, the "13D Funds"). Such types of vehicles may cause the Adviser or its affiliates to receive certain advisory fees and performance-based remuneration. Additionally, consistent with the organizational documents of a Private Fund, the Private Fund typically bears certain out-of-pocket expenses incurred by the Adviser in connection with the services provided to the fund and in compliance with the fund documents. Further details about certain common fees and expenses are set forth below.

As compensation for investment management services rendered to the Private Funds, the Adviser receives an advisory fee from the Private Funds it manages, (each, an "Advisory Fee") typically calculated based on net asset value, with respect to such Private Fund.

The precise amount of, and the manner and calculation of, the Advisory Fees for each Private Fund are established by the Adviser and are set forth in such Private Fund's organizational documents. The Advisory Fees and other fees and distributions described in this Brochure are generally subject to modification, waiver or reduction by the Adviser in its sole discretion, both voluntarily and on a negotiated basis with selected investors via side letter and other arrangements, which may not be

disclosed to other investors in the same Private Fund. Fees may differ from one Private Fund to another, as well as among investors in the same Private Fund.

Certain investors in the Private Funds that are employees, business associates and other “friends and family” of the Adviser or its personnel (“Adviser Investors”) will not typically pay Advisory Fees in connection with their investment in a Private Fund. Notwithstanding that Adviser Investors will generally not pay Advisory Fees, Adviser Investors will pay for their pro rata share of certain Private Fund expenses or the pro rata portion of such Adviser Investors’ expenses will be allocated to the Adviser or the general partner of the applicable Private Fund.

Carried Interest

Please refer to **Item 6** of this Brochure for information regarding Carried Interest that 13D Funds may pay.

Expenses

Adviser Expenses

To the extent provided in the organizational documents of the 13D Funds, the Adviser will bear certain expenses and costs associated with the performance of its services, including expenses on account of rent, utilities, office supplies, office equipment, compensation and expenses of its partners, officers and employees (other than Carried Interest described in **Item 6** below) and other normal and routine administrative expenses relating to the services and facilities provided by the Adviser to the 13D Funds.

Fund Expenses

The Adviser will incur all fees and expenses in the course of evaluating and making investments that are consummated between the 13D Funds in accordance with each Fund’s organizational documents.

From time to time the Adviser will be required to decide whether certain fees, costs and expenses should be (a) borne by a Private Fund, the Adviser and/or (b) allocated between or among 13D Funds and/or other parties. Certain expenses may be the obligation of one particular Fund and may be borne by such 13D Fund or, expenses may be allocated among multiple 13D Funds and entities. In exercising its discretion to allocate investment opportunities and fees and expenses, the Adviser is faced with a variety of potential conflicts of interest.

There may be occasions when one Fund (the “Payor Fund”) pays an expense common to multiple funds (the “Allocated Funds”) (e.g., legal expenses for a transaction in which all such funds participate). On such occasions, each Allocated Fund will reimburse the Payor Fund for its share of such expense, without interest, promptly after the payment is made by the Payor Fund. While highly unlikely, it is possible that one of the Allocated Funds could default on its obligation to reimburse the Payor Fund.

With respect to allocating other expenses among 13D Funds as appropriate, the Adviser will make any such allocation determination on a fair and reasonable manner using its good faith judgment, notwithstanding its interest (if any) in the allocation. The Adviser will work with the administrator of the 13D Funds to make any corrective allocations and take any mitigating steps if it determines such corrections are necessary or advisable. Notwithstanding the foregoing, the portion of an expense

allocated to a 13D Fund for a particular service may not reflect the relative benefit derived by such fund from that service in any particular instance.

The Adviser reserves the right to manage other accounts side-by-side with the 40 Act Fund and the Private Funds for third parties at any time. These additional account(s) may be charged a fixed advisory fee and/or a performance-based fee and may cause the Adviser and/or the funds additional expenses as warranted.

Item 6 Performance-Based Fees and Side-by-Side Management

The Adviser may receive performance-based compensation from the Private Funds it manages. Subject to relevant thresholds within the Funds' offering document, a portion of the profits of each Private Fund is allocated to the capital account of its general partner, if any, as "carried interest" (the "Carried Interest"). Each general partner of a Private Fund is a related person of the Adviser (please refer to **Item 10** of this Brochure for additional information on the General Partner). Carried Interest paid by a Private Fund is indirectly borne by the investors in the Private Fund. The 40 Act Fund managed by 13D does not incur any Carried Interest. As a result of the differences in fee structure, a potential conflict of interest exists where the Adviser could theoretically "favor" 13D Funds with performance fees versus the 13D Funds that are not subject to such fees. However, the allocation policies of the 13D Fund are designed to reduce the risk of favoritism across the 13D Funds. More information on the Private Fund's fee structure is disclosed in the respective offering documents. Further mitigating this risk is the fact that the Adviser operates only one investment strategy across its Funds and intends for each 13D Fund to mirror the other. All trades, generally, will be executed on a pro rata basis consistent with the Adviser's compliance policies and procedures.

The Adviser has implemented investment and trade allocation policies and procedures reasonably designed to ensure that all clients are treated fairly. 13D will monitor exposure to each underlying security within each portfolio, ongoing trade allocations, and performance dispersion to ensure that no client is favored over another for any reason, including fee structure. Under such policies, and consistent with its fiduciary duties, 13D will allocate investment opportunities among 13D Funds based upon a number of factors that may include but are not limited to: investment objective and guidelines; risk tolerance; liquidity; and availability of other investment opportunities. Situations could occur where the Adviser may need to exercise investment decisions to comply with certain regulatory guidelines, in which case the Adviser's allocation of investment activities occasionally may differ. This potential conflict of interest is also addressed in **Item 10** of this Brochure.

Item 7 Types of Clients

The Adviser currently provides investment management services to an open-ended registered investment company, the 13D Activist Fund (the “40 Act Fund”) and to the 13D Activist Fund LP (the “Private Fund”). Investment advice is provided directly to each fund (subject to the direction and control of the general partner of each such Private Fund, if applicable) and not individually to investors in such fund. The 13D Funds employ the same investment objective, which is non-diversified, long-only equity strategy that focuses on shareholder activism.

40 Act Fund

The 13D Activist Fund provides investors a unique low-cost exposure to shareholder activism. The only other way for retail investors to get such exposure is to invest in activist hedge funds. The 13D Activist Fund is a part of the fund complex of the Northern Lights Fund Trust I and is subject to the oversight of the Board of Trustees. Clients may invest in the 13D Activist Fund through its Transfer Agent (Ultimus Fund Solutions), or via purchase through a broker / dealer. The 40 Act Fund offers three different share classes, which may have minimum investment requirements and additional fees.

Private Investment Vehicles

13D may provide investment advisory services to private investment funds, including the Private Fund. 13D requires that all investors in its private vehicles are qualified purchasers, as defined in the 1940 Act. The Adviser does not have a minimum size for a Private Fund, but minimum investment commitments may be established for investors in the Private Funds. The general partner of each Private Fund may in its sole discretion permit investments below the minimum amounts set forth in the organizational documents of such Private Fund.

The Adviser reserves the right to manage other accounts side-by-side for third parties at any time.

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

Investment in Shareholder Activism – Overall Investment Methodology

The Adviser focuses on single investment strategy: shareholder activism. The Adviser seeks to achieve its investment objective by investing primarily in common stocks of U.S. companies of any market capitalization that are the target of shareholder activism. The Adviser defines an activist investor as one that holds more than 5% of a company's shares and either (A) has a history of activist investing and/or (B) has a publicly disclosed catalyst for change such as seeking Board seats, improving operations and/or corporate governance practices, approving a merger, spinning-off an operating division or selling a significant amount of company assets. The Adviser derives its activist information primarily from legally mandated filings known as "13D" filings. Rules adopted under the Securities Exchange Act of 1934 require a shareholder that acquires more than 5% of a company's shares to file a form with the Securities and Exchange Commission known as a Schedule 13D that discloses, among other things, the investor's identity and its intent to influence management. The Adviser reviews all material activist situations and makes investment decisions based on its knowledge of the activist investor involved, the industry, the shareholder base, the activist's average cost, its strategy and the adviser's determination of the chance of success and potential impact on share price.

When making an investment decision, 13D also evaluates and considers environmental, social and governance ("ESG") factors, with a strong emphasis on corporate governance. Generally, a significant majority of portfolio positions will have a shareholder representative on the board of directors who advocates for best in class corporate governance practices and a shareholder focused mentality. While some of these investments will be in companies with good corporate governance practices, unlike other ESG investors, many will be in situations where an activist is attempting to remedy poor corporate governance. This can range from implementing best corporate governance practices to completely changing corporate culture and replacing entrenched, conflicted and self-dealing management teams. The Adviser expects that these shareholder representatives who sit on the boards of our portfolio companies will be monitoring, encouraging and implementing responsible social and environmental corporate policies.

Risk Considerations

There are several principal investment risks with regard to investing in this strategy.

Investing in any 13D Fund includes the risk of loss, and there can be no guarantee that 13D's investment strategy will be successful. Prospective and existing clients should understand that some or all of an investment in a 13D Fund could be lost and should be prepared to bear the risk of such potential losses.

Conflicts of Interest Risk: An affiliate of the Adviser that is controlled by the portfolio manager publishes reports on all material 13D filings to subscribers. The affiliate is not an investment adviser and the information contained in the reports is not organized or presented in a manner that suggests the holding, purchase or sale of any security. The subscribers to the reports are a variety of organizations including investment banks and law firms, many long/short hedge funds, large institutional investors, activist hedge funds, investor relations companies and proxy solicitors. Although the securities of companies described in the reports may be eligible for 13D Fund portfolio, the reports do not indicate whether or not securities of such companies will be bought or sold by the 13D Funds. In addition, subscribers receive no nonpublic information regarding holdings of the 13D Funds' portfolio. However, subscribers may make their own investment decisions using information

contained in the reports. If subscribers buy or sell securities that are described in the reports, this could negatively impact the price of securities bought or sold by the 13D Funds.

Management Risk: The net asset value of the 40 Act Fund changes daily based on the performance of the securities in which it invests. The ability of the 40 Act Fund to meet its investment objective is directly related to the adviser's allocation of the fund's assets using its activist strategy. The Adviser's objective judgments, based on investment strategy, about the attractiveness and potential appreciation of particular investments in which the 40 Act Fund invests may prove to be incorrect and there is no guarantee that the adviser's investment strategy will produce the desired results.

Market Risk: The net asset value of the 13D Funds will fluctuate based on changes in the value of the securities in which the 13D Funds invest. The 13D Funds invests in securities that may be more volatile and carry more risk than some other forms of investment. The price of securities may rise or fall because of economic or political changes. Security prices in general may decline over short or even extended periods of time. Market prices of securities in broad market segments may be adversely affected by a prominent issuer having experienced losses or by the lack of earnings or such an issuer's failure to meet the market's expectations with respect to new products or services, or even by factors wholly unrelated to the value or condition of the issuer, such as changes in interest rates.

Non-Diversification Risk: Fund assets may not be diversified. Any such non-diversification would increase the risk of loss to the 13D Funds if there was a decline in the market value of any security or sector in which the 13D Fund had invested a large percentage of its assets. Investment in a non-diversified fund will generally entail greater risks than investments in a diversified fund.

Portfolio Turnover Risks: The 13D Funds have not placed any limit on the rate of portfolio turnover, and portfolio securities may be sold without regard to the time they have been held when, in the opinion of the Investment Manager, investment considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses than a lower rate, may act to reduce the 13D Fund's investment gains, or create a loss for Limited Partners and may result in taxable costs for Limited Partners depending on the tax provisions applicable to such Limited Partners.

Small and Medium Capitalization Stock Risk: Although the 13D Funds may invest in companies of all sizes, a portion of Funds' assets may be invested in securities of companies with small to medium-sized market capitalizations, including growth stage companies. The value of small or medium capitalization company stocks may be subject to more abrupt or erratic market movements than those of larger, more established companies or the market in general. These companies may have narrower markets, limited product lines, fewer financial resources, and they may be dependent on a limited management group. Investing in lesser-known, small and medium capitalization companies involves greater risk of volatility of the 13D Funds' net asset value than is customarily associated with larger, more established companies. Often smaller and medium capitalization companies and the industries in which they are focused are still evolving and, while this may offer better growth potential than larger, more established companies, it also may make them more sensitive to changing market conditions.

Temporary Investments: To respond to adverse market, economic, political or other conditions, the 13D Funds may invest 100% of its total assets, without limitation, in high-quality short-term debt securities and money market instruments. These short-term debt securities and money market instruments include: shares of money market mutual funds, commercial paper, certificates of deposit, bankers' acceptances, U.S. Government securities and repurchase agreements. While a 13D Fund is in a defensive position, the opportunity to achieve its investment objective will be limited. Furthermore, to the extent that a 13D Fund invests in money market mutual funds for cash positions, there will be some duplication of expenses because the fund pays its pro-rata portion of such money market funds' advisory fees and operational fees. 13D Funds may also invest a substantial portion of

its assets in such instruments at any time to maintain liquidity or pending selection of investments in accordance with its policies.

Cybersecurity Risks. The computer systems, networks and devices used by the Adviser, the 13D Funds and the relevant service providers of each fund to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized by the Adviser, the 13D Funds and service providers, systems, networks, or devices potentially can be breached. The 13D Funds and/or the Adviser could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact fund business operations, potentially resulting in financial losses; interference with the 13D Funds' service providers ability to calculate its net asset value; impediments to trading; the inability of the 13D Funds, the Adviser, and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which the 13D Funds invests; counterparties with which a 13D Fund engages in transactions; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions (including financial intermediaries and service providers for a 13D Fund's shareholders); and other parties.

In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

Item 9 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 the Adviser or the integrity of its management. The Adviser has not been involved in any events of this nature.

Item 10 Other Financial Industry Activities and Affiliations

Research Business

As stated within Item 8 of this disclosure, the Adviser is affiliated with Investor Communications Network LLC, which runs 13D Monitor, a research business controlled by the Managing Member of the Adviser that publishes reports on all material 13D filings to subscribers. The affiliate is not an investment adviser and the information contained in the reports is not organized or presented in a manner that suggests the holding, purchase or sale of any security. The subscribers to the reports are a variety of organizations including investment banks and law firms, many long/short hedge funds, large institutional investors, activist hedge funds, investor relations companies and proxy solicitors. Although the securities of companies described in the reports may be eligible for purchase by the 13D Funds, the reports do not indicate whether or not securities of such companies will be bought or sold for the funds. In addition, subscribers do not receive nonpublic information regarding holdings of any portfolio managed by the Adviser. However, subscribers may make their own investment decisions using information contained in the reports. If subscribers buy or sell securities that are described in the reports, this could negatively impact the price of securities bought or sold for the Adviser's 13D Funds.

Related General Partners

THREEL LLC serves as the general partner ("General Partner") of 13D Activist Fund LP and may in the future serve other Private Funds and is a related person of the Adviser. For a description of material conflicts of interest created by the relationship among the Adviser and the General Partner, as well as a description of how such conflicts are addressed, please see Item 11 below.

Advisory Client

The 40 Act Fund is subject to regulatory restrictions on transactions with certain affiliates, including the Adviser or any of its other clients. For this reason, 13D may be limited in effecting certain transactions that might otherwise benefit a client to the extent that such transactions fall under restrictions within the Investment Company Act. Situations may occur where the Adviser may consider participation in an investment opportunity where the Adviser does not intend to invest, or will invest on a limited basis, for all of its 13D Funds. 13D will evaluate a variety of factors which may be relevant in determining whether a particular situation or strategy is appropriate or feasible for the 13D Funds at a particular time, including the nature of the investment relative to the needs of the particular entity, the investment or regulatory limitations on the particular entity and the transaction costs involved. These considerations have the potential to differ across the 13D Funds. However, the Adviser's intention is to ensure that all 13D Funds utilize the same investment strategy.

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

13D Management LLC maintains a Code of Ethics for the purpose of instructing all employees, officers, and directors of the Adviser (all of which are considered Access Persons for the purpose of this Code of Ethics) in their ethical obligations and to provide rules for their personal securities transactions (the “Code”). All such persons owe a fiduciary duty to the Adviser’s clients. A fiduciary duty means a duty of loyalty, fairness and good faith towards the clients, and the obligation to adhere not only to the specific provisions of this Code but to the general principles that guide the Code. These general principles are:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in a manner consistent with the Code of Ethics and in such a manner as to avoid any actual or potential conflict of interest or any abuse of any individual’s position of trust and responsibility;
- The fundamental standard that such employees, officers, and directors should not take inappropriate advantage of their positions, or of their relationship with clients; and
- Access Persons may not engage in any outside business activities or maintain a business relationship with any person or company that may give rise to conflicts of interest or jeopardize the integrity or reputation of the Northern Lights Fund Trust (the “Trust”) or any client. Similarly, no such outside business activities or relationship may be inconsistent with the interests of the Trust or any client. Access Persons who are members, officers or employees of the Adviser may not serve as a director of any public or private company, except with the prior approval of the Chief Compliance Officer, and all directorships held by such Access Persons shall be reported to the Chief Compliance Officer.

It is imperative that the personal trading activities of the employees, officers, and directors of the Adviser be conducted with the highest regard for these general principles in order to avoid any possible conflict of interest, any appearance of a conflict, or activities that could lead to disciplinary action. This includes executing transactions through or for the benefit of a third party when the transaction is not in keeping with the general principles of this Code.

All personal securities transactions must also comply with the Adviser's Insider Trading Policy and Procedures. Employees shall comply at all times with all applicable federal securities laws. Federal securities laws means the Securities Act of 1933, the Securities Exchange Act of 1934, the Sarbanes-Oxley Act of 2002, the Investment Company of 1940 Act, the Investment Advisers Act of 1940, Title V of the Gramm-Leach-Bliley Act, any rules adopted by the SEC under any of these statutes, the Bank Secrecy Act as it applies to funds and investment advisers, and any rules adopted thereunder by the SEC or the Department of the Treasury.

Employees shall at all times maintain the confidentiality of client identities, security holdings, financial circumstances and other confidential information. Employees shall report any violations of this Code promptly to the Compliance Officer. Exceptions to these policies and procedures may, from time to time, be granted where 13D believes that the expected activity would not be likely to compromise the interests of its clients.

In addition to 13D's personal trading policy, the Code of Ethics is comprised of several other policies that are designed to mitigate or eliminate potential conflicts of interest, including prohibitions against the misuse of material non-public information, market manipulation, deceptive practices, bribery and other unethical conduct. 13D also maintains a gifts and entertainment policy that covers giving and receiving gifts or entertainment to prospective and existing clients in accordance with regulatory limitations. Clients may request a copy of 13D's Code of Ethics by calling (212)-223-2282 or by email to info@13dmanagement.com

Item 12 Brokerage Practices

The Adviser's selection of broker-dealers to effect securities transactions for the 13D Funds it manages must be guided by the principal objective of seeking best execution. Best execution does not necessarily mean obtaining the lowest possible price. In negotiating commission rates and selecting broker-dealers, 13D takes into account the financial stability and reputation of the particular broker-dealer, the ability to achieve prompt and reliable executions at favorable prices, the operational efficiency with which transactions are effected and the brokerage and research services provided by such broker-dealer, among other factors. It is noted that since commission rates are generally negotiable, selecting brokers on the basis of considerations which are not limited to applicable commission rates may at times result in higher transaction costs than would otherwise be obtainable.

The Adviser does not purchase any investment research through the use of brokerage commissions generated from client transactions, nor does it use brokerage commissions to pay for any system or service used to manage client assets. The Adviser may accept research from various brokers free of charge that may include broad market commentary and economic studies, invitations to attend conferences or discussions with industry consultants. In addition, the Adviser does not trade with any registered broker-dealer that actively sells any of the 13D Funds it manages to shareholders for a commission. The Adviser has the right to obtain other investment research services, paid for directly by the Adviser that can be used to benefit any 13D Fund.

The 13D Funds are wholly intended and are expected to utilize the same investment strategy. As a result, the funds are more likely than not going to participate in the same investment opportunities. For each opportunity, trading personnel will place an aggregate order with a broker(s) from its approved broker list on behalf of all participating accounts, generally allocated on a pro rata basis. The Adviser has implemented policies and procedures to review all trading activity and ensure that client accounts are treated fairly. Changes to allocations after aggregated trades are placed must be documented and approved by the Adviser's Chief Compliance Officer.

The Adviser does not maintain an affiliated broker-dealer. All broker-dealers that execute transactions for the benefit of the 13D Funds are selected solely based on the quality of their trading performance.

The Adviser maintains full discretion over the trading of securities for all 13D Funds and does not currently maintain any directed brokerage arrangements with its clients.

Item 13 Review of Accounts

Oversight and Monitoring

The Adviser's Portfolio Manager and his analysts review the overall investment risks, weightings and positions within each 13D Fund on a daily basis. The investment team also analyzes 13D filings daily to ensure consistency and understanding of the specific securities held within the model portfolio as well as other securities that may present the opportunity for growth of assets based on the analytical evaluation. This ongoing evaluation of 13D filings allows the Portfolio Manager to weigh and measure investment risk. The Adviser also maintains an Investment Committee, which consists of the Portfolio Manager, Senior Research and Business Development personnel. Reviews of the funds' portfolios are conducted along with discussions of potential investment ideas.

Daily operational reconciliation and compliance reviews are performed for each 13D Fund to ensure accurate cash, positions and market values. There is also a process in place to review account performance to proactively identify and address any instances of potential performance deviations.

The Adviser's CCO utilizes various monitoring systems to check for the adherence to guidelines, restrictions and other regulatory requirements as well as trading activities of the portfolios. Investment guideline compliance, both pre- and post-trade, is primarily automated through the Adviser's trading, portfolio and compliance monitoring system.

Reporting

The nature and frequency of reports to clients is primarily determined by the particular needs of client. Daily compliance reporting for all Funds is generated and reviewed by the Adviser's CCO. Each 13D Fund's administrator prepares various independent monthly and quarterly reporting packages to the Portfolio Manager and CCO.

Investors in the Private Funds typically receive, among other things, a copy of audited financial statements of the relevant Fund within 120 days after the fiscal year end of such Private Fund, as well as quarterly performance reports within 120 days after each fiscal quarter end. The Adviser and the applicable General Partner, if any, will from time to time, in their sole discretion, provide additional information relating to such Fund to one or more investors in such Private Fund as they deem appropriate.

Item 14 Client Referrals and Other Compensation

13D Management LLC maintains a distribution agreement with Profor Securities LLC, for the purpose of marketing the Adviser to institutions and high net worth individuals in order to broaden its client base. The Adviser does not incur any ongoing costs in connection with this relationship. In the event that the Adviser initiates a new client account relationship with a third party introduced to us by Profor Securities LLC, the Adviser would issue payment directly to Profor Securities LLC for services rendered.

Item 15 Custody

Due to 13D's capacity in its services as general partner or manager of private or pooled investment vehicles, and its authority to deduct fees and other expenses from such accounts, the Adviser deemed to have constructive custody of certain funds and securities it manages within meaning of Rule 206(4)2 of the Investment Advisers Act of 1940, amended (the "Custody Rule"). Rule 206(4)-2 requires advisers with custody of client assets to maintain client funds and client securities in accounts with "qualified custodians" (i.e., banks, savings associations and registered broker-dealers).¹

The Adviser currently has two types of clients, the 40 Act Fund and its Private Fund clients. The assets of the 40 Act Fund are held at a bank that serves as the Fund's independent custodian. The Adviser maintains Private Fund assets with a qualified, independent custodian. With respect to the Private Fund, the Adviser shall (i) arrange to have fund audited at least annually by an independent auditor registered with, and subject to inspection by, the Public Company Accounting Oversight Board ("PCAOB"), and (ii) cause each Private Fund's audited financial statements prepared in accordance with generally accepted accounting principles to be distributed to all limited partners, members or other beneficial owners within 120 days of the end of the respective fiscal year. Such items ensure that the Adviser complies with the Custody Rule's account statement delivery and auditing requirements.

In connection with its fiduciary and oversight duties, 13D performs daily reconciliations with client assets that may be held with a custodian bank to ensure ongoing cash and position accuracy for each account.

¹ The only exception from the rule applies to privately-offered uncertificated securities in client accounts, provided ownership of the securities is recorded only on the books of the issuer or its transfer agent, in the name of the client, and transfer of ownership is subject to prior consent of the issuer or holders of the issuer's outstanding securities. However, the exception applies to securities held for the account of a limited partnership, limited liability company or other type of pooled investment vehicle **only** if the pooled investment vehicle is audited and the audited financial statements are distributed to all limited partners, members or other beneficial owners within 120 days of the end of the entity's fiscal year.

Item 16 Investment Discretion

The Adviser provides investment advisory services to all of its clients on a discretionary basis, pursuant to written authorization granted by the client to the Adviser. This authorization grants to the Adviser the discretion to buy, sell, exchange, convert, or otherwise trade in securities that are approved by the Adviser, and to execute orders for such securities with or through any distributor, issuer, or broker/dealer as the Adviser may select. The Adviser may, without obtaining your consent, determine which products to purchase or sell for your account, as well as when to purchase or sell such products, and the prices to be paid. However, 13D Management is not granted authority to take possession of your assets or direct the delivery of your assets to anywhere other than your address of record.

Item 17 Voting Client Securities

The Adviser maintains a Proxy Voting Policy that is publicly disclosed within the Prospectus of its 40 Act Fund and may be made available to other 13D Fund investors upon request. These policies include the following:

Pursuant to Rule 206(4)-6 and Rule 204-2 under the Advisers Act, it is a fraudulent, deceptive, or manipulative act, practice or course of business, within the meaning of Section 206(4) of the Advisers Act, for an investment adviser to exercise voting authority with respect to client securities, unless (i) the adviser has adopted and implemented written policies and procedures that are reasonably designed to ensure that the adviser votes proxies in the best interests of its clients, (ii) the adviser describes its proxy voting procedures to its clients and provides copies on request, and (iii) the adviser discloses to clients how they may obtain information on how the adviser voted their proxies.

The Adviser will vote proxies on behalf of its individual clients. In order to fulfill its responsibilities under the Advisers Act, the Adviser has adopted the following policies and procedures for proxy voting with regard to companies in the investment portfolio of the 13D Fund(s).

Voting Proxies

1. All proxies sent to clients that are actually received by the Adviser (to vote on behalf of the client) will be handled in accordance with the following procedures (subject to limited exception):
 - (a) A written record of each proxy received by the Adviser (on behalf of its clients) will be kept in the Adviser's files;
 - (b) The Adviser will determine which of the Adviser holds the security to which the proxy relates;
 - (c) Prior to voting any proxies, the Adviser will determine if there are any conflicts of interest related to the proxy in question in accordance with the general guidelines set forth below. If a conflict is identified, the Adviser will then make a determination (which may be in consultation with outside legal counsel) as to whether the conflict is material.
 - (e) If no material conflict is identified pursuant to these procedures, the Adviser will vote the proxy in accordance with the guidelines set forth below. The Adviser will deliver the proxy in accordance with instructions related to such proxy in a timely and appropriate manner.

Conflicts of Interest

1. As stated above, in evaluating how to vote a proxy, the Adviser will first determine whether there is a conflict of interest related to the proxy in question between Adviser and its Advisory Clients. This examination will include (but will not be limited to) an evaluation of whether the Adviser (or any affiliate of the Adviser) has any relationship with the company (or an

affiliate of the company) to which the proxy relates outside of an investment in such company by a client of the Adviser.

- 2 If a conflict is identified and deemed “material” by the Adviser, the Adviser will determine whether voting in accordance with the proxy voting guidelines outlined below is in the best interests of the client (which may include utilizing an independent third party to vote such proxies).
- 3 With respect to material conflicts, the Adviser will determine whether it is appropriate to disclose the conflict to affected clients give such clients the opportunity to vote the proxies in question themselves. However, with respect to ERISA clients whose advisory contract reserves the right to vote proxies when the Adviser has determined that a material conflict exists that affects its best judgment as a fiduciary to the ERISA client, the Adviser will:
 - (a) Give the ERISA client the opportunity to vote the proxies in question themselves; or
 - (b) Follow designated special proxy voting procedures related to voting proxies pursuant to the terms of the investment management agreement with such ERISA clients (if any).

The Adviser currently does not have any ERISA clients.

Proxy Voting Principles and Guidelines

Adviser’s primary purpose and fiduciary responsibility is to maximize shareholder value, which is defined as share price and dividend appreciation. Adviser will vote proxies in the best interests of our Funds, Portfolios and clients and will *generally* vote for, against, consider on a case-by-case basis, or abstain from voting. Because of the extenuating circumstances associated with specific proxy issues, Adviser’s votes may differ from time to time from the indications noted. In addition, the list may not include all proxies on which Adviser votes. Adviser will also act, in our best judgment, on behalf of our Funds, Portfolios and clients on certain corporate actions that impact shareholder value, such as tender offers and bankruptcy proceedings.

Disclosure of Procedures

A summary of the above proxy voting procedures will be included in any future ADV Part 2 and will be updated whenever these policies and procedures are updated. Clients will be provided with contact information as to how they can obtain information about: (a) the Adviser's proxy voting procedures (i.e., a copy of these procedures); and (b) how the Adviser voted proxies that are relevant to the affected client.

Record-keeping Requirements

The Adviser will be responsible for maintaining files relating to the Adviser's proxy voting procedures. Records will be maintained and preserved for five years from the end of the fiscal year during which the last entry was made on a record, with records for the first two years kept in the offices of the Adviser. Records of the following will be included in the files:

1. Copies of these proxy voting policies and procedures, and any amendments thereto;
 2. A copy of each proxy statement that the Adviser actually received; provided, however, that the Adviser may rely on obtaining a copy of proxy statements from the SEC's EDGAR system for those proxy statements that are so available;
 3. A record of each vote that the Adviser casts;
 4. A copy of any document that the Adviser created that was material to making a decision how to vote the proxies, or memorializes that decision (if any); and
 5. A copy of each written request for information on how the Adviser voted such client's proxies and a copy of any written response to any request for information on how the Adviser voted proxies on behalf of clients.
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Item 18 Financial Information

This Item is not applicable because 13D does not require or solicit the prepayment of any advisory fees and does not have any adverse financial condition that is reasonably likely to impair its ability to continuously meet its contractual commitments to clients.

