

BROCHURE OF
DISCOVERY CAPITAL MANAGEMENT, LLC

A Delaware Limited Liability Company registered with the Securities and Exchange
Commission as an Investment Adviser (CRD # 163251)

Discovery Capital Management, LLC

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THIS BROCHURE (“BROCHURE”) PROVIDES INFORMATION ABOUT THE QUALIFICATIONS AND BUSINESS PRACTICES OF DISCOVERY CAPITAL MANAGEMENT, LLC. IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENTS OF THIS BROCHURE, PLEASE CONTACT US AT (646) 825-6220 OR OPERATIONS@DISCOVERYCAP.COM. THE INFORMATION IN THIS BROCHURE HAS NOT BEEN APPROVED OR VERIFIED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (“SEC”) OR ANY STATE SECURITIES AUTHORITY.

ADDITIONAL INFORMATION ABOUT DISCOVERY CAPITAL MANAGEMENT, LLC IS ALSO AVAILABLE ON THE SEC’S WEBSITE AT WWW.ADVISERINFO.SEC.GOV.

The date of this Brochure is

March 30, 2020

The delivery of this Brochure at any time does not imply that the information contained herein is correct as of any time subsequent to the date shown above. This Brochure will supersede all other documents containing information about Firm. Registration of an Investment Adviser does not imply any level of skill or training.

Item 2 – Material Changes

This section provides a summary of material updates made to this brochure since its most recent filing on March 26, 2019. The Form ADV Part 2 has been revised to reflect:

- (a) The Firm moved the location of its place of business from 90 Park Avenue, 5th Floor, New York, New York 10016 to 1500 Broadway, 11th Floor, New York, New York 10036; and
- (b) the Firm's updated regulatory assets under management.

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Item 4 – Advisory Business

Discovery Capital Management, LLC (“DCM”) is a Delaware limited liability company formed in October 2002 that is registered as an investment adviser with the U.S. Securities and Exchange Commission (“SEC”). DCM maintains an office in New York. DCM is owned by Thomas P. Zucosky, Donald Motschwiller and John McNiff.

DCM provides discretionary and non-discretionary investment management services to its advisory clients, which are comprised of various pooled investment vehicles as well businesses and other institutional clients. DCM provides these services in accordance with the limited liability company operating agreement (or analogous organization document), offering materials, separate advisory agreement, or investment management agreement (each, an “Advisory Agreement”) applicable to the client.

Discretionary Services

Pooled Investment Vehicles

DCM currently serves as the investment adviser to private pooled investment vehicles, including DCM Multi-Manager Fund, LLC, a Delaware series limited liability company, DCM Multi Manager (Offshore) Fund, Ltd., a British Virgin Islands business company, DCM Multi Manager Master Fund, Ltd., a British Virgin Islands business company, Subset Equity Neutral Market Fund, LLC, a Delaware limited liability company, DCM Targeted Alpha Fund, LLC, a Delaware limited liability company, and DCM Targeted Alpha Offshore Fund, Ltd., a British Virgin Islands business company. DCM Multi-Manager Fund, LLC is comprised of two series, Series A and Series D, and DCM Multi Manager (Offshore) Fund, Ltd. is comprised of one share class, Class A. Series A of DCM Multi-Manager Fund, LLC and the Class A Non-Voting Shares of DCM Multi Manager (Offshore) Fund, Ltd. invest substantially all of their assets through a “master-feeder” fund structure in the redeemable participating shares of DCM Multi Manager Master Fund, Ltd. Series D of DCM Multi-Manager Fund, LLC acts as a stand-alone fund. With a few exceptions, all other series and share classes (referred to herein as the “Funds”) operate as stand-alone funds.

DCM serves as the investment adviser for each of these Funds pursuant to an investment management agreement. DCM delegates authority to make investment decisions with respect to the various Funds to one or more sub-advisers based on their particular investment strategy, style or area of investments (the “Sub-Advisers”). The Sub-Advisers have discretionary authority to trade in separate accounts (the “Sub-Adviser’s SMAs”) held in one or more Funds, subject to the general oversight of DCM pursuant to the sub-advisory agreements.

For the Funds, investment advice is provided directly to the Funds, and not to the individual needs of the Funds’ underlying investors. Investment restrictions of the Funds, if any, are generally established in the organizational or offering documents of the applicable Fund thereof, or in the Advisory Agreements and/or side letter agreements negotiated with the underlying investors in each applicable.

Separate Accounts

DCM may also serve as an investment adviser to separate account clients including pooled investment vehicles, business and other institutional clients (“Accounts”). These Accounts would utilize similar strategies generally employed by the Funds, including the use of Sub-Advisers, but are generally expected to have modified investment guidelines that are tailored to the specific objectives of the client.

For Account clients, investment advice is provided directly to the client, subject to the control of the client. Account clients may impose investment guidelines, limitations and/or restrictions in the Advisory Agreements applicable to the Account that will be considered in managing the accounts.

Non-Discretionary Services

In addition, DCM provides non-discretionary investment advisory advice to Alternative Capital Advisers, LLC (“ACA”). DCM provides ongoing advice regarding ACA’s evaluation and selection of investments for ACA’s clients. DCM provides consulting and non-discretionary sub-advisory services to ACA and the private funds advised by ACA, specifically, ACA Master Select Fund, LP, ACA Master Select Fund, SPC, ACA Master Select Fund QP, LP, ACA Cayman Master Fund, SPC and ACA Select Offshore Fund, SPC (collectively hereinafter the “ACA Funds”). DCM assists and advises ACA in connection with identification and evaluation of early and mid-stage fund managers that may be appropriate for inclusion in the ACA Funds, and will provide advice with respect to investment organization and structure of fund-of-managed accounts (multi-manager) products.

DCM currently does not participate in wrap fee programs.

As of December 31, 2019, DCM had approximately \$113,727,000 in regulatory assets under management on a discretionary basis.¹ DCM had approximately \$42,450,000 in assets under management on a non-discretionary basis.

Item 5 – Fees and Compensation

Discretionary Services

The Funds and Accounts managed by DCM are generally charged a management fee and performance fee. The amount and manner in which management fees are assessed by DCM are based on contractually specified percentages set forth in the Advisory Agreement. In certain circumstances, DCM may pay a Sub-Adviser a portion of the management fee. DCM may be incentivized to select Sub-Advisers that are willing to accept a smaller portion of the management fees to be earned by DCM.

DCM believes that its fees charged to the Funds and Account clients are competitive with those charged generally by other investment advisers for comparable services. However, some investment advisers may provide comparable services for lower or different fee structures. Performance fees are only charged in accordance with applicable rules and regulations, including Rule 205-3 under the Advisers Act and the Employee Retirement Income Security Act (“ERISA”) as applicable.

Pooled Investment Vehicles

The management fee paid by each Fund varies between 0.00% and 2.00% per annum of the net asset value of the Fund. In addition, the Funds may have more than one class of interests, each of which may pay a different management fee. Generally, management fees are payable monthly in arrears and calculated as of the last day of each month. No part of the management fee is refunded in the event that an investor withdraws all or any of the value in the investor’s capital account during a month.

DCM’s fees are charged separately, net of any brokerage commissions, transaction fees, series or class fees or other fund related costs and expenses (which are incurred by the Funds whether at the entity level or the series/class level, as the case may be, and may include legal and accounting costs).

¹ Determined in accordance with the Form ADV Instructions, Amended Form ADV, Part 1A, Schedule D, Item 5.K.(2).

Each Fund pays or reimburses DCM for: (i) all expenses incurred in connection with the ongoing offer and sale of the Fund interests, including but not limited to printing of the private placement memorandum and exhibits, documentation of performance and the admission of members; (ii) all operating expenses of the relevant Fund such as management fees, any fees payable to Sub-Adviser, tax preparation fees, governmental fees and taxes, insurance (including liability insurance and other coverages for the benefit of the Fund, the managing member, DCM and its personnel), administrator fees, communications with members, research and ongoing legal, accounting, auditing, bookkeeping and other professional fees and expenses; (iii) all fees to protect or preserve any investment held by the relevant Fund, as determined in good faith by the managing member, including all fees and expenses in connection with the enforcement of the entity or the relevant Fund's rights and remedies with respect to any asset; (iv) all direct and indirect Fund trading costs and expenses (e.g., brokerage commissions, margin interest, expenses related to short sales, custodial fees and clearing and settlement charges) and expenses associated with market data services and communication systems and any risk management systems employed by DCM to monitor and/or oversee the activities of Sub-Adviser; (v) all fees in connection with proxy contests or to protect or preserve any investment held by the Fund, as determined in good faith by the managing member; and (vi) all fees and other expenses incurred in connection with the investigation, prosecution or defense of any claims by or against the Fund.

DCM pays its own general operating and overhead expenses associated with providing its investment management services. These expenses include all expenses incurred by DCM in providing for its normal operating overhead, including, but not limited to, the cost of providing relevant support and administrative services (e.g., employee compensation and benefits, rent, office equipment, utilities, telephone, secretarial and bookkeeping services, etc.).

Separate Accounts

The management fee paid by each Account client is expected to vary between equal 0.00% and 2.00% per annum of the net asset value of the Account as of the first day of each calendar month or quarter. Such fee may be higher or lower and subject to performance requirements based on the terms of the Advisory Agreement with the client and the negotiation thereof. An increase in the management fees charged by DCM will not be effective without the prior written consent or amendment to the Advisory Agreement.

Management fees are directly debited from client accounts. Accounts initiated or terminated during a calendar month or quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice of the client. Upon termination of any account, any unearned fee will be rebated to the Account client.

DCM's fees are charged separately, net of any brokerage commissions, transaction fees, fees or other account related costs and expenses. Each Account client is responsible for: (i) all operating expenses of the relevant Account such as management fees, (ii) all direct and indirect trading costs and expenses (e.g., brokerage commissions, margin interest, expenses related to short sales, custodial fees and clearing and settlement charges); and, where approved in the Advisory Agreement for an Account, (iii) expenses associated with market data services and communication systems and any risk management systems employed by DCM to monitor and/or oversee the activities of Sub-Advisers.

Non-Discretionary Services

DCM may, but currently does not, receive a management fee for its non-discretionary services.

Additional Compensation of Supervised Persons

Thomas Zucosky is a registered representative of Fusion Analytics Securities LLC (#124245), a registered broker-dealer with the SEC ("Fusion"). Certain Sub-Advisers may, but are not required to, utilize the services provided by Fusion. A conflict of interest arises, whereby DCM may be incentivized to select Sub-Advisers using the services of Fusion. However, DCM believes that any commissions paid to any related broker-dealers will be consistent with "best execution practices."

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

Discretionary Services

As described in Item 5, DCM (or its affiliate, DCM Multi-Manager Group, LLC) receives a performance-based fee from the Funds and Account clients in addition to a management fee. The amount and manner in which performance fees are assessed by DCM are based on contractually specified percentages set forth in the private placement memorandum or supplement thereto, or the specific Advisory Agreement with the client. All such arrangements conform with Section 205(a)(1) of the Advisers Act and ERISA, as applicable.

Therefore, DCM advises Funds and Accounts that are charged a management fee and performance-based fee and advises Funds and Accounts that are charged solely a management fee or a performance-based fee, or a combination thereof. Some clients are subject to a higher performance-based fee than others. DCM and its supervised persons face a conflict of interest in managing such Funds and Accounts at the same time.

DCM and its supervised persons are incentivized to favor a Fund or Account paying higher performance-based compensation. Notwithstanding these conflicts, DCM and the Sub-Advisers engaged on its behalf will allocate transactions and opportunities among the various Funds and Accounts it manages in a manner it believes to be as equitable as possible, considering each Fund's and Account's objectives, programs, limitations and capital available for investment, but even clients with similar objectives will often have different investment portfolios.

Additionally, performance-based compensation creates an incentive for DCM to recommend an investment that may carry a higher degree of risk to a client. Notwithstanding this potential incentive, DCM will evaluate investments in a manner that it considers to be in the best interest of a Fund or Account, given its investment objectives, investment strategies, suitability of the investment and risk profile.

Pooled Investment Vehicles

The performance fee paid by each Fund to DCM's affiliate at the close of each fiscal year varies between 10.00% and 20.00% of each Fund's annual new appreciation. Notwithstanding the foregoing, the Fund may have more than one class of interests, each of which may pay a different performance fee.

Separate Accounts

The performance fee paid by each separate Account client to DCM (or DCM's affiliate, as applicable) at the close of each fiscal year is expected to vary between 10.00% and 20.00%. Such fee may be higher or lower, expressed as a blended rate or subject to a hurdle rate based on the terms of the Advisory Agreement with the client and the negotiation thereof.

Sub-Adviser Performance Fees

In addition, each Sub-Adviser is entitled to compensation based on the performance of each Sub-Adviser's SMA or the Fund or Account they exclusively sub-advise. The performance fee paid by each Fund or Account to the Sub-Adviser(s) at the close of each fiscal year varies between 20.00% and 55.00% of the annual new appreciation of the Account advised by the Sub-Adviser. In certain circumstances, the performance fees are paid quarterly as an advance, or semi-annually. Where a Sub-Adviser receives an advance on performance fees earned and calculated at the end of each calendar year, DCM will apply any excess advance against any future advance or performance fee owed to the Sub-Adviser. In the event that a sub-advisory agreement is terminated at a time when, after taking into Account all performance fees payable to the Sub-Adviser through the termination date, there remains an excess advance, DCM ensure that the excess advance is promptly repaid to the Fund or Account.

Where there is one or more Sub-Advisers engaged to sub-advise a single Fund (DCM Series D, for example) or Account, the performance fee paid to the Sub-Advisers is based upon the performance of the Sub-Adviser's SMA and not on the aggregate performance of the Fund (at the entity level or at the series/class level), or Account. Accordingly, with respect to a Fund or Account sub-advised by more than one Sub-Adviser, one Sub-Adviser may be profitable and one or more unprofitable but so long as a particular Sub-Adviser's trading results in net profit for such Fund or Account, the Sub-Adviser is entitled to its performance fee with respect to such Fund or Account.

Accordingly, the total performance fee paid by the Funds or Accounts may vary between 20.00% and 75.00% and may be paid quarterly as advances, or semi-annually based on the new appreciation of each individual Sub-Adviser's SMA; accordingly, there may be instances a Fund or Account will still owe a performance fee to the Sub-Advisers even if the aggregate performance of such Fund or Account is unprofitable.

Non-Discretionary Services

DCM may, but currently does not, receive performance based compensation for its non-discretionary services.

Item 7 – Types of Clients

Discretionary Services

DCM provides discretionary investment advisory services to pooled investment vehicles, businesses and other institutions.

Pooled Investment Vehicles

The suitability requirements for the Funds are set forth in the private placement memorandum or supplement of such vehicles. Generally, investors in the Funds are required to meet certain suitability requirements, and thus an investor must qualify as either a "qualified client" within the meaning of Rule 205-3 under the Advisers Act, as amended, or "qualified purchaser" within the meaning of Sections 2(a)(51) and 3(c)(7) of the Investment Company Act of 1940, as amended, as stated in the offering materials. Investors in the Funds must meet a minimum initial investment requirement between \$250,000 and \$1,000,000. The managing member (or analogous party) of the Funds may accept lower initial investments in its sole discretion.

Separate Accounts

DCM's Account clients are expected to consist of pooled investment vehicles, businesses and other financial institutions. The minimum account size is generally \$1,000,000.00. Generally, Account clients are required to meet certain suitability and net worth requirements, and thus must qualify as a "qualified client" within the meaning of Rule 205-3 under the Advisers Act, as amended.

Non-Discretionary Services

DCM provides non-discretionary investment advisory services to pooled investment vehicles. There are currently no client requirements or asset minimums for the provision of non-discretionary advisory services provided by DCM; however, DCM may impose such restrictions in the future.

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

Methods of Analysis and Investment Strategy for Discretionary Services

In connection with allocating the assets of a Fund or Account, DCM's principal duty is to research and select strategies and investments that are best suited to achieve the Fund's or Account's goals, to allocate assets to the Sub-Advisers who are responsible for executing specified strategies and investments, to make direct investments when appropriate and applicable, and to monitor and review the performance of the Fund or Account. DCM retains a number of external portfolio managers and Sub-Advisers on behalf of the Funds and Accounts based on each Sub-Adviser's expertise in a particular style or area of investments. DCM, on behalf of the Funds and Accounts, focuses on achieving absolute, non-market related returns with modest and tightly controlled volatility as well as high levels of portfolio transparency and liquidity, by investing through Sub-Advisers in exchange-traded and highly liquid instruments. The investment objective and strategies of certain Funds and the separate Account clients may be modified in the private placement memorandum or supplement thereto and/or Advisory Agreement.

The Sub-Advisers have a diversity of styles and strategies, such as equity long/short; fundamental dollar neutral equities; short term high frequency equity trading; relative value; trend following, mean reversion; stock index option writing; diversified option writing, and modified diversified option writing; and special situation and event driven strategies. Consistent with its capital appreciation objective, DCM allocates capital among these investment styles and strategies. Some features of the Sub-Advisers' investment programs and strategies include, but are not limited to: (i) maintaining a fairly concentrated portfolio; (ii) selling short individual instruments and indices; (iii) not using any significant leverage or borrowed funds; (iv) purchasing and writing put and call options; (v) trading in certain financial futures contracts; and (vi) investing a portion of each Fund's or Account's assets with other Sub-Advisers affiliated with DCM, the Funds or Accounts in the discretion of DCM.

Each Sub-Adviser undergoes due diligence screening by DCM, including detailed qualitative and quantitative analysis, background and operational due diligence. To the extent DCM concentrates investments in a lesser number of Sub-Advisers, investments become more susceptible to the fluctuations in value resulting from adverse economic or business conditions affecting an individual Sub-Adviser's trading strategy. In addition, each Sub-Adviser is generally expected to manage its own private investment fund (each, a "Sub-Adviser Fund") in addition to a portion of the Funds' or Account's assets, although certain Sub-Advisers affiliated with DCM may not manage a Sub-Adviser Fund. Subject to the investment guidelines in the sub-advisory agreement, the Sub-Advisers will manage the Fund or Account *pari passu* with the Sub-Advisers' other client Accounts that are deploying the same strategy.

The Sub-Advisers, who are not employees of DCM, are normally retained pursuant to a sub-advisory agreement entered into with DCM. The Sub-Advisers have discretionary authority to trade one or more Sub-Adviser's SMAs on behalf of the Funds or Accounts, subject to the general oversight of DCM. DCM has full oversight and access to all portfolio positions of Sub-Advisers and monitors each Sub-Adviser's positions and risk profile on a daily basis to minimize the probability of any Sub-Adviser incurring losses on behalf of a Fund or Account. Any trades or positions that are outside the pre-arranged guidelines, as well as under-performance in excess of the Fund's or Account's policy limits may cause termination of the Sub-Adviser in question and the closing of the relevant Sub-Adviser's SMA(s).

Investment Philosophy

As the investment adviser of the various Funds and Accounts, DCM oversees the Sub-Adviser's trading in the Sub-Adviser's SMA and provides the Funds' members or Accounts holders with transparency, liquidity and control, as described below:

Transparency. DCM reviews the Sub-Advisers' transactions, utilizing sophisticated risk aggregation and monitoring systems. In addition, Sub-Adviser activity is subject to independent oversight by the Fund's prime broker in the course of its duties to the Fund. Daily valuation statements (or the equivalent thereof) are available to the Fund members or Account holders upon request and have transparency through a unique technological offering providing real time profit and loss access across multiple custodians.

Liquidity. The Sub-Advisers only invest the Fund or Account assets in highly liquid exchange traded instruments (unless the Advisory Agreement provides otherwise). If need be, DCM can order the Sub-Advisers to liquidate the Fund's or Account's positions in a matter of hours.

Control. The Sub-Advisers run the Sub-Adviser SMA, an Account controlled by DCM, and overseen by the Fund's or Account's broker(s) and certain other service providers, which diminishes any risk of fraud, rogue trading or Sub-Adviser flight. Subject to the investment guidelines in the sub-advisory agreement, certain Sub-Adviser may manage the Fund or Account *pari passu* with the Sub-Advisers' other client accounts that are deploying the same strategy.

Methods of Analysis and Investment Strategy for Non-Discretionary Services

DCM provides consulting and non-discretionary sub-advisory services to ACA and the ACA Funds. DCM assists and advises ACA in connection with identification and evaluation of early and mid-stage fund managers that may be appropriate for inclusion in the ACA Funds, and provides advice with respect to investment organization and structure of fund-of-managed accounts (multi-manager) products based on the ACA Fund's investment objectives and strategies set forth in their private placement memoranda and the Advisory Agreement between DCM, ACA and the ACA Funds.

Risk of Loss

General Investment and Market Risks. All securities and derivatives investments (collectively, "Investments") risk the loss of capital. The nature of the Investments to be purchased and traded on behalf of a client, and the investment techniques and strategies DCM will employ, may increase this risk. While DCM will use its best efforts in the management of the Investments, there can be no assurance that a Fund and/or Account will not incur losses. Many unforeseeable events, including changing supply and demand, interest rates, merger activities, governmental laws, regulations and enforcement activities, trade, fiscal and monetary programs and policies, and national and international political and economic developments, may cause sharp issuer-specific and market fluctuations which could adversely affect a Fund' and/or Accounts'

portfolio and performance. The effect of such factors on the prices and liquidity of Investments in general, or of a particular Investment, is difficult to predict. A Fund and/or Account may also be exposed to the risk of failure of any exchanges on which Investments trade or of clearinghouses that settle trades. DCM cannot control any of these conditions.

Availability of and Ability to Acquire Suitable Investments. While DCM believes that many attractive investments of the type in which a Fund and/or Account may invest are currently available and can be identified, there can be no assurance that such investments will be available at any given time, or that available investments will meet the Funds' and/or Accounts' investment criteria. In such event, the Fund and/or Account may be unable to find a sufficient number of attractive investment opportunities to meet its investment objective.

Availability and Accuracy of Information. DCM will select Sub-Advisers for the Funds and the Accounts on the basis of information and data derived from a number of sources, including due diligence materials and public regulatory filings. Although DCM intends to evaluate all such information and data and seek independent corroboration when DCM considers it appropriate and when it is reasonably available, DCM in many cases will not be in a position to confirm the completeness, genuineness or accuracy of such information and data.

Investment Prospects and Competition. The investment industry is extremely competitive. In pursuing its investment and trading methods and strategies, DCM competes with many other private investment firms, as well as institutional investors and, in certain circumstances, market-makers, banks and broker-dealers. In relative terms, a Fund and/or Account may have little capital and may have difficulty in competing in markets in which its competitors have substantially greater financial resources, larger research staffs and more investment professionals than a Fund and/or Account has or expects to have in the future.

Control Position. Although the Funds or Accounts do not do so as a normal investment technique, they may obtain a control position or other substantial position in a public company. Should the Funds obtain such a position, they may be required to make filings with the SEC and it may become subject to other regulatory restrictions that could limit the Funds ability to dispose of its holdings at the times and in the manner the Funds would prefer.

Dependence upon Principals of DCM. The services of Donald Motschwiller, Thomas Zucosky and John McNiff, as the principals of DCM, are essential to the continued operations of DCM. If their services were no longer available, their absence could have a material adverse impact upon DCM. In addition, these individuals may in the future serve as officers, directors, advisors and investors in other entities. The principals of the DCM believe that they have sufficient resources to fully discharge their responsibilities to DCM and any projects they may organize in the future, if any. The principals of the DCM will devote only so much of their time to the business of DCM as is required in and by the Advisory Agreements, and beyond that only to the extent in their judgment is reasonably required.

Emerging Managers. Certain of the Sub-Advisers to which DCM delegates investment authority may be considered emerging managers (with assets under management less than one billion dollars (\$1,000,000,000.00)), some of which are not registered with the SEC or a state regulatory authority. Investing with emerging managers may involve higher risks. Emerging managers may have limited performance history, which could make it difficult for DCM to assess their investment skills and the operational risks involved. The performance of emerging managers may be more volatile than the performance of larger, more established managers. Emerging managers are subject to start-up operational risks such as limited operating histories, management with limited business management experience and insufficient resources to implement best practices with respect to the manager's infrastructure, operational processes or risk management tools. The size and lack of experience of a manager may hinder the

manager's ability to take advantage of investment opportunities and may limit the performance of a Fund or Account.

Portfolio Diversification. To the extent DCM concentrates the Funds' and/or Accounts' investments with a lesser number of Sub-Advisers, the Fund and/or Account will become more susceptible to the fluctuations in value resulting from adverse economic or business conditions affecting that Sub-Adviser's trading strategy.

Trading strategies may not be successful. There can be no assurance that any trading method employed on behalf of the Funds or the Accounts will produce profitable results. Profitable investing is often dependent on anticipating trends or trading patterns. In addition, markets experiencing random price fluctuations, rather than defined trends or patterns, may generate a Fund of losing trades. There have been periods in the past when the markets have been subject to limited and ill-defined price movements, and such periods may recur. Any factor that may lessen major price trends (such as governmental controls affecting the markets) may reduce the prospect for future trading profitability. Any factor which would make it difficult to execute trades, such as reduced liquidity or extreme market developments resulting in prices moving the maximum amount allowed in a single day could also be detrimental to profits or cause losses. Increases in margin levels on securities may occur in the future. Such increased margin and other potential regulatory changes may adversely impact the trading strategies. No assurance can be given that the trading techniques and strategies employed by DCM on behalf of the Funds or the Accounts will be profitable in the future.

Limits on Hedged Strategies. The Sub-Advisers may engage in hedging strategies, which use short sales, options, swaps, caps and floors, futures and forward contracts and other derivatives in an effort to protect assets from losses resulting from fluctuations in market prices. In addition, the Funds and/or Accounts may use short sales to hedge against market price fluctuations. Hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus offsetting the decline in the portfolio positions' value.

Turnover. The Sub-Advisers may invest on the basis of certain short-term market considerations. The turnover rate within the Funds' or Accounts' portfolios is expected to be significant, potentially involving substantial brokerage commissions, fees and other transaction costs.

Proprietary Technology Platform. DCM relies on a technology platform that has been designed using proprietary technologies to deliver high standards in performance, flexibility and reliability. The platform can be divided into three main groups: front-end technology platforms and trading decision support tools, agency model technology platform and back office applications for Account management, operations, reporting and reconciliation processes. DCM believes that the technology and infrastructure platform provides it with a competitive advantage and enables it to provide innovative solutions. DCM critically relies on hardware infrastructure to provide such proprietary technology the ability to function.

Computer Infrastructure. The computer infrastructure of DCM may be vulnerable to security breaches. Any such problems could jeopardize confidential information transmitted over the internet, cause interruptions in DCM's operations or give rise to liabilities to third parties. Concerns over the security of internet transactions and the safeguarding of confidential Fund or Account information could also inhibit the use of DCM's systems to conduct transactions over the internet. To the extent that DCM activities involve the storage and transmission of proprietary information and DCM information, security breaches could expose us to a risk of financial loss, litigation and other liabilities. DCM's control policies may not protect it against all of such losses and liabilities. Any of these events, could have a material adverse effect on DCM and result in operational losses or lack of functionality to conduct advisory business.

Misuse of Confidential Information. In trading public securities, there are consequences for trading on insider information, and DCM expects that Sub-Advisers will use only public information. Sub-Advisers may be charged with misuse of confidential information. If that were the case, the performance records of these managers could be misleading. Furthermore, if a Sub-Adviser or entity with which a Fund or Account invests has engaged in the past or engages in the future in such misuse, a Fund or Account could be exposed to losses.

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 DCM or the integrity of DCM's management. DCM has no information applicable to this Item related to DCM, Thomas Zucosky or John McNiff, as there are no legal or disciplinary events that would be material to a client's evaluation.

On June 28, 1991, the NASD initiated a complaint against Mr. Motschwiller, alleging that he violated Title III of the Rules of Fair Practice by freeriding and withholding on a certain purchase of stock. On May 7, 1991, the NASD extended an offer of settlement to Mr. Motschwiller in the amount of \$13,250, which he accepted along with a censure.

Furthermore, on October 14, 2010 he was permitted to resign from his position as managing member at First New York Securities, LLC ("FNY"). FNY alleged that at the time of his resignation, he was under investigation for suspicions that as an individual he had ownership interest in a company purchased by FNY without having disclosed his interest. After his resignation, FNY concluded that Motschwiller no longer owned the purchased company at the time of closing with FNY. He had not disclosed his prior ownership interest in the company, but his activity had no material impact on FNY's capital or business and had no impact on customers.

Item 10 – Other Financial Industry Activities and Affiliations

As a registered investment adviser, DCM is required to disclose any financial industry activities and affiliations that are material to DCM's business or your evaluation of DCM. DCM is not a broker-dealer; nor is it affiliated with any broker-dealer. However, Thomas Zucosky is a registered representative of Fusion Analytics Securities LLC (#124245), a registered broker-dealer with the SEC.

Neither DCM nor any of DCM's management persons are registered, or have an application pending to register as a futures commission merchant, a commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

DCM Multi-Manager Group, LLC, a related person of DCM, acts as the managing member of certain Funds. DCM Multi-Manager Group, LLC is owned by Thomas Zucosky, John McNiff and Donald Motschwiller. DCM Multi-Manager Group, LLC receives the performance allocation described in Item 6 hereof. Although such fees are generally paid by a Fund, the costs are ultimately borne by the members. These fees will be in addition to the management fee payable to DCM and, in certain cases, the Sub-Advisers' fees as set forth in the Advisory Agreements.

John McNiff, an owner of DCM, is also a member of Alternative Capital Advisers, LLC ("ACA"), a non-discretionary client of DCM and a SEC-registered investment adviser. Investors are advised that a conflict of interest exists whereby Mr. McNiff's ownership of DCM presents a conflict of interest such that DCM may be incentivized to favor the ACA Funds in providing advisory services. Except for the non-discretionary investment advisory services described herein, DCM does not provide services for ACA, although one of DCM's employees is also an employee of ACA.

John McNiff is also a manager of CBGP, LLC, the general partner of Cooke & Bieler, LP, a SEC-registered investment adviser that primarily deploys a domestic equity value strategy on behalf of mutual funds and institutional clients. In addition, Mr. McNiff is the general partner and a holder of more than 25% of the equity of C&B Partners, LP, a partnership that owns less than 25% of Cooke & Bieler, LP. DCM has no business relationship with Cooke & Biler and does not delegate any of its investment advisory or other functions to Cooke & Bieler, LP. DCM does not recommend investments in the pooled investment vehicles or products that are offered, managed or advised by Cooke & Bieler, LP. DCM does not receive compensation for the sale of a product or service offered, managed or advised by an affiliate.

Donald Motschwiller is also the CEO of FNY GP LLC (the general partner of FNY Partners Fund LP (“FNYPF”) an independent proprietary trading firm) and FNY Capital Management LP, a service provider to FNYPF and its subsidiaries/affiliates (collectively, the “FNY Entities”). For a complete list of FNY Entities see Section Form ADV Part 1 Section 7.A. Financial Industry Affiliations and Schedule D – Miscellaneous. FNY GP LLC and FNY Capital Management LP do not have third clients and do not receive compensation for operating or providing investment advisory services. FNYPF may engage Sub- Advisers to manage funds for its account(s) that may also be engaged by DCM.

Aecor Capital Management, LP (“Aecor”) and One68 Global Capital, LLC (“One68”), SEC-registered investment advisers, are Sub-Advisers that have been delegated authority by DCM to make decisions for certain Funds and Accounts. The principals of Aecor and One68 were former employees of the FNY Entities. In addition, DCM, the FNY Entities and certain of the Sub-Advisers are located at the same address, on the same floor. In the future, DCM may share an address with other investment advisers, including those delegated with investment discretion on behalf of the Funds or Accounts. FNY Capital Management LP has entered into separate agreements with the Sub-Advisers to provide office space, clerical, technology, telecommunications, human resources, accounting and certain legal and regulatory support. DCM does not conduct shared operations with any of the foregoing entities.

DCM is subject to conflicts of interest that exist between DCM and its related persons with respect to its office arrangements and sub-advisory relationships. DCM may invest Fund and/or Account capital with Sub-Advisers in which related persons of DCM, such as the FNY Entities, have invested or will invest, have other financial interest or have financial or other relationships with affiliates or parties related to the Sub-Adviser. DCM’s affiliates may receive compensation from the Sub-Advisers for services or otherwise indirectly benefit from the success of the Sub-Advisers, however, DCM is not compensated directly or indirectly for the sale of a product or services offered, managed or advised by its affiliates or for delegating investment discretion to the Sub-Advisers. DCM has a conflict between its obligation to act in the best interests of its clients and any interest that DCM’s affiliates may have in generating revenue for themselves or otherwise promoting themselves. DCM has implemented policies and procedures to address potential conflicts of interest associated with these arrangements, including requiring that DCM and its supervised persons at all times act in the best interests of DCM’s clients, and ensure that the selection of a Sub-Adviser is based on investment performance of the Sub-Adviser rather than any interest or relationship with DCM’s affiliates. In addition, DCM has established a Conflict Review Committee, which includes a member not associated with DCM or its related persons that reviews current and proposed future arrangements.

DCM’s investment advisory affiliates and office arrangements also give rise to the risk that DCM’s personnel may obtain or disclose material non-public information from such persons. DCM has adopted a variety of restrictions, policies, procedures and disclosures designed to address potential conflicts that arise between DCM and its affiliates and to prevent the misuse of material non-public information by DCM, its affiliates, Sub-Advisers or any investment adviser affiliated with or sharing the same address as DCM, including information barriers designed to prevent the flow of information between DCM, its personnel and such persons. DCM shall maintain a separate office, with separate storage for Fund, investor and Account client information. Firm personnel may not disclose information to personnel of related persons or other investment advisers who share the same address and common areas. In addition, Firm personnel may not

use material non-public information obtained by persons sharing the same address to recommend the purchase or sale of securities to the Funds and Accounts.

DCM and its management persons do not have any other relationship or arrangement with any financial industry entity that is material to DCM's advisory business or to its clients.

Management Persons; Policies and Procedures

Certain of DCM's management persons also hold positions with one or more of the related persons listed above. In these positions, they may have some responsibility with respect to the business of these affiliates and receive compensation based, in part, upon the profitability of these entities. Consequently, in carrying out their roles at DCM and these affiliates, the management persons of DCM are subject to the same or similar potential conflicts of interest that exist between DCM and these persons. DCM has adopted a variety of restrictions, policies, procedures and disclosures designed to address potential conflicts that arise between DCM, its management persons and its affiliates. These policies and procedures include information barriers designed to prevent the flow of information between DCM, its personnel and certain other affiliates; and policies and procedures relating to Sub-Adviser selection and restrictions on trading with related persons. Additional information about these conflicts and the policies and procedures designed to address them is available in Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading below.

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

DCM has adopted a Code of Ethics ("Code") that describes the standards of business conduct that it requires of employees and accounts owned predominantly by persons associated with DCM, and establishes procedures intended to prevent DCM, and its personnel and certain of their relatives, from inappropriately benefiting from DCM's relationships with its clients. The Code provides that DCM and its employees must (i) place clients' and funds' interests ahead of DCM's or employees' interests; (ii) engage in personal investing that is in full compliance with the Code; (iii) avoid taking advantage of their position as investment managers; and (iv) maintain full compliance with Relevant Securities Laws.²

The Code also includes provisions relating to the confidentiality of client information, insider trading, gifts and entertainment policy and personal securities trading procedures.

The Code generally requires employees to report personal securities holdings on an annual basis and personal securities transactions on a quarterly basis. DCM does not allow its access persons to trade individual securities; they are permitted to invest in registered mutual funds and in the Funds or Accounts themselves. Within the scope of these limitations, the Code nonetheless requires DCM to review employee transactions and compare those transactions to those of advisory clients to identify potential conflicts of interest or the appearance of a potential conflict.

All employees are required to certify that they are in compliance with the Code. Any violation of this Code may warrant disciplinary actions at management's discretion, including suspension or dismissal.

Clients may request a copy of the Code by submitting a written request to DCM at the address on the cover page to this Brochure. DCM has adopted policies and procedures relating to personal securities transactions

² "Relevant securities laws" means all relevant state securities laws and regulations, the Securities Act of 1933, the Securities Exchange Act of 1934, the Sarbanes-Oxley Act of 2002, the Investment Company Act of 1940, the Investment Advisers Act of 1940, Title V of the Gramm-Leach-Bliley Act, any rules adopted by the Commission under any of these statutes, the Bank Secrecy Act as it applies to funds and investment advisers, and any rules adopted thereunder by the Commission or the Department of the Treasury.

and insider trading that is designed to mitigate actual conflicts of interest. Under DCM's Code, access persons must disclose their brokerage accounts, and may not trade securities for their own accounts in industries which the Funds and Accounts primarily invest (and may make investments in the Funds). The Code requires all access persons of DCM to submit quarterly reports of transactions in accounts in which they or their immediate family members have beneficial interest and annually certify to their holdings. The Code requires DCM to review each access person's transactions to ensure that the policies and procedures in place are complied with.

Securities transactions for the Funds and Accounts are selected and executed by the Sub-Advisers. The Sub-Advisers may recommend, buy or sell securities for the Funds and/or the Accounts, at the same time that DCM's related persons buys or sells the same securities for their own accounts. In fact, FNYPF engages Sub-Advisers to manage funds for its account(s) that may also be engaged by DCM; however, since securities transactions are selected by the Sub-Advisers, as opposed to DCM, DCM does not believe that this practice constitutes a conflict of interest.

Item 12 – Brokerage Practices

Securities transactions for the Funds are executed by the Sub-Advisers through brokers selected by the DCM and, in some cases, the Sub-Advisers. If requested, DCM may use brokers identified by its Account clients in the Advisory Agreements. Where DCM uses the brokers that its clients direct it to use, DCM may be unable to achieve the most favorable execution of client transactions. Directing DCM as to the broker to use may cost a client more money. For example, in a directed brokerage account, the client may pay higher brokerage commissions because DCM may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.

Where DCM has authority to select or recommend broker-dealers for client transactions and to determine the commissions to be paid, it seeks the best execution reasonably available under the circumstances (which may or may not result in paying the lowest available brokerage commissions or spread). In doing so, they consider all factors they deem relevant, such as: (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); (ii) the operational efficiency with which transactions are effected and the efficiency of error resolution, taking into account the size of order and difficulty of execution; (iii) the financial strength, integrity and stability of the broker, as well as special execution capabilities, clearance, and settlement; (iv) reputation of the broker; (v) on-line pricing, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, and order of call; (vi) on-line access to computerized data regarding clients' accounts; (vii) performance measurement data as well as the quality, comprehensiveness and frequency of available brokerage and research products and services considered to be of value; (viii) the availability of stocks to borrow for short trades; and (ix) the competitiveness of commission rates in comparison with other brokers satisfying DCM's other selection criteria.

Research and Other Soft Dollar Benefits

The term "soft dollars" refers to commissions accumulated by brokers based on an adviser's transactions, on behalf of its clients, which may be used by the adviser to acquire various products or services. The use of soft dollars to pay for these products and services, including research and brokerage services, presents advisers with potential conflicts of interest and may give incentives for advisers to use certain brokers without regard to their obligations to their clients. While DCM does not utilize soft dollars, Sub-Advisers may utilize soft dollar credits with DCM's prior approval.

Section 28(e) of the Exchange Act ("Section 28(e)") provides a safe harbor to advisers who use soft dollars to obtain certain investment research and brokerage services. Such services may include: (i) research

reports on companies, industries, securities, economic and real estate data; (ii) portfolio analytics; and, (iii) security quotation services. The Sub-Advisers may use soft dollars generated by the Funds' or Accounts' securities transactions to pay for research, products and services that fall within the safe harbor.

Products and services provided by broker-dealers with soft dollars may be utilized by the Sub-Advisers and their respective affiliates in connection with the services they offer to other clients. Likewise, products and services provided by broker-dealers with soft dollars generated by other clients may be utilized by the Sub-Advisers in performing their services for the Funds and Accounts. The receipt of information, products or services by the Sub-Advisers paid for with soft dollars are in addition to, and not in lieu of, the management fee and the performance fees, respectively, and such fees and allocations will not be reduced as a consequence of the receipt of such products or services purchased with soft dollars. In accordance with the Section 28(e) safe harbor, DCM's clients may not pay the lowest possible commission rate in effecting portfolio transactions. This may occur when DCM determines, in good faith, that the commission costs are reasonable in relation to the value of the soft dollar services obtained therewith.

Brokerage for Client Referrals

DCM does not receive referrals from broker-dealers or third parties in exchange for using such broker-dealer or third party.

Aggregation of Orders

DCM has a fiduciary obligation to seek the "best execution" on securities transactions. Best execution entails the efficient placement of orders, clearance, settlement and overall execution quality as well as the price obtained in the transaction. As part of its efforts to obtain best execution, where possible, DCM may aggregate orders for several clients, including several of the Funds and Accounts. When it does so, DCM will generally allocate the proceeds arising out of those transactions (and the related transactions expenses) on an average price basis among the various participants in the transactions. DCM believes combining orders in this way will, over time, be advantageous to all participants. However, the average price could be less advantageous to a particular client than if that client has been the only account effecting the transaction or had completed its transaction before the other participants.

DCM may also allocate securities among the Funds and Accounts based upon the nature of the investment opportunity and an assessment of the appropriateness of that opportunity for such funds, taking into consideration the various risk characteristics associated with the investment opportunity and the relative risk profile of the clients. Different Funds or Accounts may have different participation levels in the same security because of other factors relating to the suitability of the security for the particular Funds or Account. In cases of that kind, some of a Fund' or Accounts' transactions in a security may not be aggregated with other Funds or Accounts.

Regardless of whether DCM aggregates orders or not, DCM attempts in good faith to ensure that its trading allocations are fair to all of its clients.

Item 13 – Review of Accounts

DCM reviews every transaction that occurs by the Sub-Advisers, utilizing sophisticated risk aggregation and monitoring systems. DCM continuously monitors and reviews the positions taken by the Sub-Advisers to evaluate Sub-Adviser risk and aggregated portfolio risk, although DCM does not attempt to hedge or influence a Sub-Adviser's portfolio in any way outside of the investment guidelines of the Fund or Account. Daily valuation statements (or the equivalent thereof) are available to clients upon request and have transparency through a unique technological offering providing real time profit and loss access across multiple custodians.

Item 14 – Client Referrals and Other Compensation

DCM may compensate affiliates or non-affiliates for client referrals in accordance with Rule 206(4)-3 under the Investment Advisers Act. The compensation paid to any such entity will typically consist of a payment stated as a percentage of the management fee or performance fee earned by DCM. Third parties who refer or help solicit clients may also be compensated based on a percentage of the management fee or performance fee charged to that Fund or Account. When required under the law, the policies and procedures require regulatory disclosure of the compensation arrangement between DCM and the referring party.

DCM has entered into a reciprocal agreement with Alternative Capital Advisers, LLC (“ACA”) whereby for each advisory client introduced to DCM by ACA, which allocates capital to the Funds, DCM pays ACA fifty percent (50%) of the total management and performance fees received by it or its affiliates in connection with such allocation. In addition, for each advisory client introduced to ACA by DCM, which allocates capital to an ACA fund, ACA pays DCM a percentage, subject to certain breakpoints, of the total management fee and performance fee received by ACA or its affiliates in connection with such allocation. Such arrangement is structured in accordance with Section 206(4)-3 of the Act.

Item 15 – Custody

DCM does not maintain custody of client assets. However, pursuant to Rule 206(4)-2 of the Advisers Act, for certain Funds and Accounts, in certain circumstances, DCM may be deemed to have custody of the client’s assets by virtue of its ability to deduct fees from its client accounts or acting in a capacity that gives DCM access to client securities. The cash and securities of the Funds and Accounts are held by unaffiliated qualified custodians.

Each Fund has engaged an independent certified accountant to conduct annual financial audit, prepared in accordance with U.S. Generally Accepted Accounting Principles (“GAAP”). As soon as possible after the end of each fiscal year, each Fund will provide to its investors a report setting forth a balance sheet of the Fund, a profit and loss statement showing the results of operations of the Fund and its Net Capital Appreciation or Net Capital Depreciation, which shall be accompanied by a statement of such investor’s capital account and the manner of its calculation and the fund percentage as of the end of the prior fiscal year. After the end of each fiscal year, each investor will be furnished with the required tax information for preparation of their respective tax returns.

DCM’s Account clients will generally receive account statements from their qualified custodian on at least a quarterly basis. Account clients should carefully review the quarterly account statements they receive from these unaffiliated qualified custodians. DCM will obtain written authorization for each Account client to deduct advisory fees from the account held with a qualified custodian. For clients who have their advisory fee directly debited from their account, on a quarterly basis they will receive an itemized invoice for their advisory fee that includes the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee. The Account may be audited annually or be verified by a third party accounting firm.

DCM also urges clients to compare the statements received from their custodians with the statements they receive from DCM. Statements that DCM provides its clients may vary from the statements received from custodians due to differences in the timing on posting transactions, accounting procedures, reporting dates, valuation methodologies of certain securities or other reasons.

Item 16 – Investment Discretion

DCM has discretionary authority to effect securities transactions on behalf of the Funds. DCM exercises its investment discretion in accordance with the investment strategy as set forth in the Advisory Agreements. Investors of certain of Funds must generally execute a subscription agreement or similar document in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool. Further, investors of certain Funds must also execute a limited liability company agreement or equivalent that contains a power of attorney.

DCM will have discretionary authority to effect securities transactions on behalf of the Account clients. Each client will execute an Advisory Agreement, which will contain a limited power of authority to act on a discretionary basis on behalf of the client. DCM will exercise its investment discretion in accordance with the investment strategy as well as any Account investment guidelines or restrictions imposed by the client and accepted by DCM, as set forth in the Advisory Agreements.

Item 17 – Voting Client Securities

DCM does not vote client proxies. DCM delegates authority to vote proxies to the various Sub-Advisers. In such cases, DCM and/or the client will instruct the client's qualified custodian to forward the client copies of all proxies and shareholder communications relating to the client's assets to the relevant Sub-Adviser(s).

Where the Sub-Adviser(s) has accepted such authority to vote proxies on behalf of a Fund or Account client, the Sub-Adviser(s) will vote based on a determination of the best interest of the Fund or Account, consistent with the objective of capital appreciation as well as the specific investment objectives of that client. The Sub-Adviser(s) maintain records for all proxies voted for each DCM client.

The Sub-Advisers are subject to conflicts of interest in the voting of proxies. A potential conflict of interest occurs where the Sub-Adviser, its affiliates or their respective employees have a direct or indirect economic stake in the outcome of a proxy vote that is different from the Funds' or Accounts' stake.

An Account client may maintain responsibility for voting proxies and acting on corporate actions pertaining to the client's assets. In the event that DCM or the Sub-Adviser receives proxy solicitation materials for an Account client, the DCM or Sub-Adviser will forward them to the client by mail or electronically.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about DCM's financial condition. DCM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

DCM does not require or solicit prepayment from its clients, and therefore a balance sheet is not required to be provided for the most recent fiscal year.

Part 2B of Form ADV

DISCOVERY CAPITAL MANAGEMENT, LLC

Discovery Capital Management, LLC

1500 Broadway, 11th Floor
New York, New York, 10036
Telephone: (646) 825-6220

March 30, 2020

THIS BROCHURE SUPPLEMENT PROVIDES INFORMATION ABOUT SUPERVISED PERSONS THAT SUPPLEMENTS THE DISCOVERY CAPITAL MANAGEMENT, LLC (“DCM”) BROCHURE. YOU SHOULD HAVE RECEIVED A COPY OF THAT BROCHURE. PLEASE CONTACT DCM IF YOU DID NOT RECEIVE DCM’S BROCHURE OR IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENTS OF THIS SUPPLEMENT.

Item 2 – Educational Background and Business Experience

Set forth below is information regarding the educational background and business experience of DCM's partners, officers, directors (or other person occupying a similar status or performing similar functions), or employees, or other persons who provides investment advice on behalf of DCM and is subject to the supervision and control of DCM (the "Supervised Persons").

Although certain Supervised Persons are partners of DCM and serve on the Investment Committee, they do not select Sub-Advisers, nor do they have access to the Funds' or Accounts' portfolios.

Thomas Zucosky – Principal, Chief Operating Officer, Chief Investment Officer, Member of Investment Committee

Mr. Zucosky oversees Sub-Adviser selection, portfolio management and monitoring for DCM and is on the Investment Committee. Mr. Zucosky founded DCM's predecessor firm in 1997. Previously, from 2001 to 2003, as Senior Vice President in charge of alternative investments for InvestorForce (Philadelphia), he oversaw all institutional searches for hedge funds done through the firm's on-line RFP platform. From 1999 to 2001, as Head of Marketable Alternative Strategies for Strategic Investment Group (Washington, DC), he analyzed and managed portfolios for institutional investors. Mr. Zucosky also partnered with Olympia Capital Management (Paris), where he oversaw all U.S.-based hedge fund due diligence from 1994 to 1997. In 1985, he co-founded Aegis Capital, a hedged strategies separate account manager and registered investment adviser. Mr. Zucosky has served on the Board and Investment Committees for several alternative investment strategies funds.

Mr. Zucosky was born in 1956 and graduated with honors with an M.A. from Montclair State University and received a B.S. in Business Administration from The College of New Jersey. Mr. Zucosky holds a Series 7, Series 22, Series 24 and Series 63, and is a registered representative of Fusion Analytics Securities LLC.

Donald Motschwiller – Principal, Member of Investment Committee

Mr. Motschwiller helps create the vision and business mandates for DCM, as well as assists in the establishment of DCM's investment policies. Mr. Motschwiller is the CEO of the FNY Entities. Previously, Mr. Motschwiller has been the principal partner, President or CEO of Carlin Financial Group, First New York Securities, EFX Capital and Dahlman Rose where his responsibilities included leading and managing all aspects of their business. For twenty years, Mr. Motschwiller has been selecting portfolio managers with an objective of deploying capital to trading oriented liquid strategies in the equity, credit, currency and derivative asset classes.

Mr. Motschwiller was born in 1958 and is a graduate of Cornell University. Mr. Motschwiller holds a Series 7, Series 22, Series 24, Series 39, and Series 63, however, is not currently affiliated with a broker-dealer.

John McNiff – Principal, Member of Investment Committee

Mr. McNiff helps create the vision and business mandates for DCM, as well as assists in the establishment of DCM's investment policies. Mr. McNiff is the founder Mera Capital, a Philadelphia based hedge fund manager, and of Longwood Investment Advisors, Inc., a Boston-based money management firm. Previously, from 1985 to 1988, Mr. McNiff was a securities and M&A attorney at the New York City law firm of Davis, Polk & Wardwell. In 1993, Mr. McNiff founded Radnor Holdings, a diversified investments holding company. Mr. McNiff is also a founder and board member of Insurance Capital Management, a

New York reinsurance company. Mr. McNiff is also on the board of Chartwell Investment Partners. In Mr. McNiff's varied capacities, he has analyzed several hundred private and public companies and has been involved in the acquisition of over seventy-five of such companies.

Mr. McNiff was born in 1961 and graduated with honors from Yale University and received his J.D. from the New York University School of Law.

Item 3 – Disciplinary Information

Investment advisers are required to disclose any legal or disciplinary events that may be material to a client's or prospective client's evaluation of the investment adviser's representatives. DCM has no information applicable to this Item related to DCM, Thomas Zucosky or John McNiff, as there are no legal or disciplinary events that would be material to a client's evaluation.

On June 28, 1991, the NASD initiated a complaint against Mr. Motschwiller, alleging that he violated Title III of the Rules of Fair Practice by freeriding and withholding on a certain purchase of stock. On May 7, 1991, the NASD extended an offer of settlement to Mr. Motschwiller in the amount of \$13,250, which he accepted along with a censure.

Furthermore, on October 14, 2010 he was permitted to resign from his position as managing member at First New York Securities, LLC. The firm alleged that at the time of his resignation, he was under investigation for suspicions that as an individual he had ownership interest in a company purchased by the firm without having disclosed his interest. After his resignation, the firm concluded that Motschwiller no longer owned the purchased company at the time of closing with the firm. He had not disclosed his prior ownership interest in the company, but his activity had no material impact on the firm's capital or business and had no impact on customers.

Item 4 – Other Business Activities

None of the Supervised Persons have an application pending to register as a broker-dealer, registered representative of a broker-dealer, futures commission merchant, a commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

As discussed above, Thomas Zucosky is a registered representative of Fusion Analytics Securities LLC (#124245), a registered broker-dealer with the SEC ("Fusion"). Certain Sub-Advisers may, but are not required to, utilize the services provided by Fusion. A conflict of interest may arise, whereby DCM may be incentivized to select Sub-Advisers using the services of Fusion. However, DCM believes that any commissions paid to any related broker-dealers will be consistent with "best execution practices."

John McNiff is also a member of Alternative Capital Advisers, LLC ("ACA") a SEC-registered investment adviser who funds are non-discretionary clients of DCM. Investors are advised that a conflict of interest exists whereby Mr. McNiff's ownership of DCM presents a conflict of interest such that DCM may be more incentivized to favor the ACA Funds in providing advisory services. Mr. McNiff is also a manager of CBGP, LLC, the general partner of Cooke & Bieler, LP, a SEC-registered investment adviser that primarily deploys a domestic equity value strategy on behalf of mutual funds and institutional clients. In addition, Mr. McNiff is the general partner and a holder of more than 25% of the equity of C&B Partners, LP, a partnership that owns less than 25% of Cooke & Bieler, LP. Mr. McNiff is also a member of the audit committee at Steel Partners Holdings, LP.

Donald Motschwiller is also the CEO of FNY GP LLC (the general partner of FNY Partners Fund LP ("FNYPF")) an independent proprietary trading firm) and FNY Capital Management LP, a service provider

to FNYPF and its subsidiaries/affiliates (collectively, the “FNY Entities”). FNY GP LLC and FNY Capital Management LP do not have third clients and do not receive compensation for operating or providing investment advisory services. For a complete list of FNY Entities see Section Form ADV Part 1 Section 7.A. Financial Industry Affiliations and Schedule D – Miscellaneous.

Item 5 – Additional Compensation

The Supervised Persons of DCM receive a base salary and a performance-based bonus for services provided to DCM and its clients. The Supervised Persons do not receive additional compensation or economic benefit from a person who is not a client for providing advisory services.

Item 6 – Supervision

Thomas Zucosky is responsible for all investment-related management of the Funds’ and Accounts’ assets as allocated to DCM in each Advisory Agreement.

DCM maintains a policies and procedures manual that is intended to assist its employees to comply with the applicable rules and regulations of the SEC, as well as to establish proper supervision of advisory activities.

Employees of DCM and their supervisors are required to read, understand and refer to this manual for guidance regarding compliance and/or supervisory issues.

Each employee having managerial or supervisory responsibilities must:

- Be familiar with and understand the contents of the manual;
- Ensure that all employees are familiar with and understand this manual; and
- Ensure that any subsequent changes or additions to the manual are distributed to the appropriate staff.

This manual is not to be construed as all-inclusive, but rather is to serve as a guide in conducting and supervising the daily activities of DCM and its representatives.

All investment advisory representatives must also adhere to DCM’s Code of Ethics.

Individuals employed by DCM participate in continuing education on an annual basis relative to ethical practices, client and account management, industry standards of care and loyalty and compliance.