

FIRM BROCHURE
FOR
ALLOY INVESTMENTS ADVISORS, LLC

A Delaware limited liability company

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Part 2A of Form ADV: Firm Brochure
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This brochure provides information about the qualifications and business practices of Alloy Investments Advisors, LLC. If you have any questions about the contents of this brochure, please contact us by telephone at (201) 340-2820 or by email to mmukherjee@alloyinvestments.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Alloy Investments Advisors, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Although this document may refer to Alloy Investments Advisors, LLC as “registered” or a “registered investment adviser,” registration does not imply a certain level of skill or training.

ITEM 2: MATERIAL CHANGES

The brochure has been updated to include reference to the firm's investment advisory services as a subadvisor to two unrelated funds which is administered through a separate account and the calculation of the firm's assets under management has been updated to include such advisory clients.

ITEM 3: TABLE OF CONTENTS

	Page
Item 1: Cover Page	1
Item 2: Material Changes	2
Item 3: Table of Contents	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation	5
Item 6: Performance-Based Fees and Side-by-Side Management	6
Item 7: Types of Clients	6
Item 8: Method of Analysis, Investment Strategies and Risk of Loss	6
Item 9: Disciplinary Information	15
Item 10: Other Financial Industry Activities and Affiliations	15
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	16
Item 12: Brokerage Practices	17
Item 13: Review of Accounts	19
Item 14: Client Referrals and other Compensation	19
Item 15: Custody	20
Item 16: Investment Discretion	20
Item 17: Voting Client Securities	21
Item 18: Financial Information	21

ITEM 4: ADVISORY BUSINESS

Alloy Investments Advisors, LLC (“Alloy”) is a Delaware limited liability company formed in February 2014 with its principal place of business located at One Meadowlands Plaza, Suite 200, East Rutherford, NJ 07073. Alloy is controlled by Alloy Funds Holdings, LLC, which in turn is controlled by Messrs. Thomas D. Kraemer, Luke A. Smith and Mayukh M. Mukherjee (the “Principals”). The Principals collectively have the overall responsibility for the day-to-day supervision and management of Alloy’s business.

At this time, Alloy provides investment advice to one private investment fund, Alloy US Long/Short, LP, a Delaware limited liability company (the “Fund”) and also acts as subadvisor to two unrelated funds which are administered through a separate account (the “Sub-advisory Account”). Alloy US Long/Short, Ltd. a Cayman Islands exempted company (the “Offshore Fund”), is a limited partner of the Fund, which is commonly referred to as the “feeder” fund in a “mini-master” structure. References to the “Fund” herein shall mean the domestic “master” fund as that is the only fund that transacts in securities and references to the “Funds” shall include the Offshore Fund. The Fund is what is commonly referred to as a 3c-1 fund (referring to a section of the Investment Company Act of 1940, as amended) and the Fund is open to investors that satisfy the “qualified client” standard of the Advisers Act. The general partner of the Fund is Alloy Investments Management, LLC, a Delaware limited liability company (“Alloy Management”), which is also controlled by Alloy Funds Holdings, LLC, which in turn is controlled by the Principals.

Alloy directs the investment program of the Fund and the Sub-advisory Account on a discretionary basis as described in *Item 8: Method of Analysis, Investment Strategies and Risk of Loss*. Alloy’s proprietary methods first seek to identify areas of the public equities markets which it believes to be relatively inefficient, due to lack of research analyst coverage, company size, or persistent human biases which cause investors to misunderstand companies’ future prospects. Within these areas, Alloy has conducted extensive, advanced statistical analyses on company financial information, valuation data, and other proprietary variables, in order to develop systems which it believes can identify securities which are likely to outperform and underperform their peers. Alloy systematically utilizes these insights to select long and short candidates, and to periodically rebalance the portfolios for the Fund and the Sub-advisory Account.

Alloy provides portfolio advisory and management services to the Fund based on its investment objectives, not based on the criteria or investment objective of any individual investor that contributes assets to the Fund (an “Investor”). Services are provided to the Fund in accordance with an advisory agreement between Alloy and the Fund and/or the organizational documents of the Fund.

Alloy does not participate in wrap fee programs.

As of February 29, 2020, Alloy managed approximately \$169,128,884 regulatory assets under management on a discretionary basis. Alloy does not manage any assets on a non-discretionary basis.

ITEM 5: FEES AND COMPENSATION

The offering documents for the Fund set forth the specific fees and other material terms regarding an investment in the Fund. All Investors must pay a management fee to Alloy. The management fee is charged to the Investors monthly, in advance, at the rate of 0.125 % of the net assets attributable to each of the Investors. Alloy Management, the general partner of the Fund, also receives an annual performance-based allocation from each Investor in the amount of 17.5% of the Net Profits allocated to each Investor for that calendar year. This performance-based allocation is more fully described in *Item 6: Performance-Based Fees and Side-by-Side Management*. The management fee and the performance-based allocation are fixed, but Alloy or Alloy Management, as applicable, has the sole discretion to modify either of these with respect to any Investor. Management fees and performance-based allocations are also paid by Sub-Advisory Account clients on an individually negotiated basis.

Under the terms of its advisory agreement with the Fund, Alloy deducts the management fee mentioned above directly from the capital account of each Investor in the Fund. No portion of the management fee is refundable if an Investor withdraws during a month. Investors are not charged any redemption fees.

Through the Fund, each Investor indirectly pays for its share of all costs and expenses directly related to investment transactions, including but not limited to: brokerage commissions, borrowing charges on securities sold short, interest on margin accounts, custodial fees, database subscriptions and investment data, legal, accounting and audit fees and expenses, tax-preparation fees, governmental fees and taxes, bookkeeping and other professional fees, printing and mailing expenses, syndication and other expenses of the continuing offering of interests in the Fund, costs of Fund compliance and reporting, costs of Fund governance activities (such as obtaining Investor consents if and when necessary and appropriate), costs and expenses associated with negotiating and entering into contracts and arrangements in the ordinary course of the Fund's business, costs and expenses of third party administrators retained for Fund purposes, costs and premiums of any fidelity and performance bonds and general partner liability and errors and omission insurance coverage obtained in Alloy Management's discretion, costs and expenses of the Offshore Fund, extraordinary expenses of the Fund, such as litigation costs, and all other reasonable expenses related to the operation of the Fund and/or the purchase, sale or transmittal of Fund assets, as Alloy Management determines in its sole discretion.

Alloy and Alloy Management are responsible for the payment of their general overhead expenses such as rent of offices, compensation and benefits of employees, travel, office expenses and costs and expenses for regulatory filings which Alloy and Alloy Management are required to file on their own behalf (including, but not limited to, Forms ADV and PF, if applicable).

Neither Alloy nor any of its executive officers, employees or the Principals accept commissions or other compensation for the sale of interests in the Fund or in connection with the purchase or sale of any securities for the Fund.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

In addition to the management fee paid to Alloy, its affiliated company, Alloy Management, receives a non-refundable performance-based allocation (the “Performance-Based Allocation”) from Investors who meet the requirements of “qualified clients” under the Advisers Act or have been grandfathered under the provisions thereof. The Performance-Based Allocation is payable annually at the beginning of each year based upon performance in the prior year in an amount equal to 17.5% of the Fund’s Net Profits allocated to each Investor for that calendar year. The Performance-Based Allocation is subject to a “high water mark” so that Alloy Management is only entitled to receive the Performance-Based Allocation from any Investor if profits for that period are sufficient to recoup all prior losses allocated to the Investor’s account, thus surpassing the previous “high water mark.” For purposes of calculating the Performance-Based Allocation, net profits include both realized and unrealized gains. If an Investor makes a withdrawal during the fiscal year, Alloy Management will calculate the net profits and threshold rate on a prorated basis and charge the Performance-Based Allocation as of the effective date of withdrawal.

The existence of the Performance-Based Allocation could theoretically incentivize Alloy to manage the Fund portfolios in a more aggressive, risky manner; however, Alloy attempts to minimize this risk by ensuring that it is managing the Fund’s portfolio in accordance with the Fund’s stated investment objectives. In addition, the Performance-Based Allocation received by Alloy is based on both realized and unrealized gains and losses. As a result, the Performance-Based Allocation earned could be based on unrealized gains that Investors may never realize.

Although Alloy has the authority to manage the accounts of other clients and funds, it does not currently manage any accounts outside of the Fund. All transactions for the Fund are allocated to Investors proportionally based on their capital account balance, so Alloy is not subject to any conflict of interest that could otherwise be present if some accounts or Investors were charged a performance-based allocation and others were not. In the event Alloy were to perform advisory services for another client or fund, it would perform its responsibilities in accordance with its fiduciary duties and not allow any potential conflicts to influence that performance. Allocations between accounts would be allocated on a pro rata basis based on assets under management or in some other manner as Alloy would determine to be fair and equitable under the circumstances.

ITEM 7: TYPES OF CLIENTS

Alloy provides investment advisory services to the Fund and not individually to the Investors in the Fund. The Fund requires newly admitted Investors to be “qualified clients” under the Advisers Act. Additionally, the Fund has a minimum investment requirement of \$1,000,000 for Investors, although this minimum may be waived or reduced as provided in the Fund’s offering documents. Additionally, Alloy provides investment advisory services to Sub-Advisory Accounts.

ITEM 8: METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

All Investors receive a Confidential Offering Memorandum (a “PPM”) and other offering documents before being given the opportunity to invest in the Fund. The PPM discusses in detail

the investment objectives, investment strategy and risk factors relating to an investment in the Fund. The following is a summary of the information that appears in more detail in the PPM, which should be reviewed by all potential Investors.

Introduction

Alloy's investment objective is to maximize long-term absolute returns, in variable market and economic conditions, while managing risk and preserving capital. Alloy's proprietary methods first seek to identify areas of the public equities markets which it believes to be relatively inefficient, due to lack of research analyst coverage, company size, or persistent human biases which cause investors to misunderstand companies' future prospects. Within these areas, Alloy has conducted extensive, advanced statistical analyses on company financial information, valuation data, and other proprietary variables, in order to develop systems which it believes can identify securities which are likely to outperform and underperform their peers. Alloy systematically utilizes these insights to select long and short candidates, and to periodically rebalance the Fund's portfolio. Regardless of the investment strategy, potential Investors should be aware that investing in securities involves risk of loss that Investors must be prepared to bear. The following Fund related information and risks also apply to advisory clients under Sub-Advisory Account relationships.

INVESTMENT STRATEGY

Alloy believes that investors may be well served by utilizing a systematic investment strategy that can select securities in an unbiased manner, reducing the subjective judgments that often dilute manager performance. Alloy's focus is on statistical accuracy, investment discipline and consistent implementation. However, Alloy does not deploy a "black box" strategy wherein a computer algorithm executes trades without human interaction. While Alloy's proprietary systems informs its trading decisions, all trades are implemented and executed by its employees.

Alloy has wide latitude in the selection of investments for the Fund. The Partnership Agreement does not impose specific limits on the types or amounts of securities or other instruments in which the Fund may invest, the types of positions it may take, the concentration of its investments (whether by sector, industry, asset class or otherwise), the amount of leverage it may employ or the number or nature of short positions it may take. In pursuit of its investment objective the Fund may hold, sell, sell short, and otherwise deal in U.S. equity securities, foreign equity securities, and other financial instruments such as ETFs (exchange traded funds). While the Fund's portfolio may at times be market neutral, there is frequently directional exposure in favor of the long or the short side. The Fund uses opportunistic short selling as part of its balanced investment approach and also as a partial hedge against directional market risk. The Fund may buy, sell, write, and trade options and other derivative instruments (both publicly traded and over-the-counter instruments; both covered and uncovered) on securities and securities indices for both hedging and speculative purposes. Depending on conditions and trends in the financial markets, Alloy may pursue other strategies or employ other techniques it considers appropriate and in the Fund's best interests. The Partnership Agreement does not impose specific limits on the types or amounts of securities or other instruments in which the Fund may invest, the types of positions it may take, the concentration of its investments (whether by sector, industry, asset class or otherwise), or the amount of leverage it may employ.

Alloy also incorporates certain risk management trading principles of entry, exit and position management to initiate, manage and liquidate positions based on changing market conditions. The Fund seeks absolute returns and does not target its returns against any stock or other market index.

The investment strategy is deployed with the objective of maximizing returns after transaction costs and taxes, and as such, some positions may be held for investment periods exceeding one year, although some positions may be held for much shorter time periods. Trading profits may be comprised of both short term capital gains (which are currently taxed at rates equivalent to ordinary income) and long term capital gains.

INVESTMENTS

The Fund's capital is invested primarily in publicly-traded equity securities (including exchange traded funds) and equity and index options. Nevertheless, in the interest of both preserving capital and taking advantage of profit opportunities, Alloy retains the flexibility to invest in a broad range of securities, asset classes and situations and use a broad range of specialized investment techniques.

The Fund may invest in the securities of foreign issuers, including those traded overseas as well as those traded in the United States. Trading in securities of foreign issuers often involves additional risks (such as those associated with unfavorable changes in exchange rates) but also, in Alloy's view, may offer selective opportunities for unusual gains.

Although Alloy usually seeks to invest in companies that are widely traded, certain of the Fund's portfolio securities may not be widely traded and the Fund's position in such securities may be substantial in relation to the public market ("float") for such securities.

CONCENTRATION

Alloy believes that the Fund is better served if it focuses on a limited number of companies that strongly exhibit the fundamental characteristics mentioned above. Alloy generally purchases and holds a portfolio of companies (ranging typically between 200-500 positions on each of the long and the short side) each with statistically identifiable investment prospects. The Fund's portfolio is not intended to be broadly diversified as to companies or industries, and substantial positions may be taken in a single industry and possibly in the securities of a single issuer within that industry. Although Alloy generally does not maintain any one investment position exceeding 10% of the Fund's total capital at any time, the Fund may take substantial investment positions in one or a few companies.

SHORT SELLING

Alloy also statistically evaluates opportunities to short sell securities that it believes are overvalued. Alloy may also use short positions to hedge against a specific identified company risk (for example, a publicly traded subsidiary) or to hedge against sector exposure.

LEVERAGE

The Fund utilizes what is believed to be appropriate degrees of leverage in order to deliver portfolio volatility from 5% to 10%. The expectation is leverage will generally be in a range from two to three times the Fund's NAV. Leverage involves the use of margin borrowings and other arrangements to increase the amount of invested capital in its securities positions. The use of leverage increases both the proportionate amount of potential gain, as well as potential loss, relative to the Fund's equity capital. If the value of a margin position declines, the securities serving as collateral for such margin position may be liquidated, resulting in a loss proportionately greater than would be the case absent such use of leverage. The Fund's use of options and derivative securities positions may also have the effect of increasing the Fund's leverage.

CASH EQUIVALENT INVESTMENTS

As stated above, Alloy concentrates on investment opportunities and market cycles which it believes are particularly attractive. During periods when Alloy believes that there are not many attractive opportunities, the Fund may invest a significant portion of its assets in cash equivalents, such as money market funds, pending identification of attractive equity opportunities.

RISKS RELATING TO INVESTMENT MANAGEMENT AND TECHNIQUES

Investing in the Fund or through Sub-Advisory Account relationships involves a substantial degree of risk for the Investor and is suitable only for persons having substantial financial resources who understand the long-term nature, the consequences, and the risks associated with the investment strategy utilized by Alloy. Some of those risks are summarized below. Prospective Investors should carefully consider all the risks, which are described in detail in the PPM of the Fund distributed to all potential Investors in advance of their decision whether to invest in the Fund. Prospective Investors are also advised to consult their own legal, tax, and financial advisers about these risks and generally about an investment in the Fund.

Overall Investment Risk. All securities investing and trading activities risk the loss of capital. The nature of the securities purchased and traded by the Fund and the investment techniques and strategies employed by Alloy may increase this risk. While Alloy attempts to moderate these risks, there can be no assurance that the Fund will be profitable or that Investors will not suffer losses. Fund expenses may also exceed its income. Neither prior successful investment management performance, nor any future successful Fund performance, may be relied upon as assuring further successful performance. Many unforeseeable events, including actions by various government agencies, such as the Federal Reserve Board, and domestic and international economic and political developments, may cause sharp market fluctuations which could adversely affect the Fund. Although Alloy believes the analytical and investment selection techniques of the Fund's investment methodology are sound, there can be no assurances that such investment and trading decisions will be profitable over any particular period or at all.

The Investment Adviser's Approach. Alloy's strategy relies on its proprietary evaluation models which incorporate Alloy's view of a wide variety of information and factors. Using statistical analysis, these models seek to uncover relationships between variables used in making trading decisions. In essence, Alloy extrapolates past patterns into predictions of future pricing

and performance. Alloy's statistical models could be flawed either in design or utilization of data and could also fail to predict any unforeseen but substantial market changes or shifts, such as actions by various government agencies and central banks and domestic or international economic and political developments. If the models that incorporate Alloy's analysis fail to anticipate relevant markets or company specific events, the Fund's investment portfolio or performance could be adversely affected.

General Economic and Market Conditions. The success of an investment in the Fund may be affected by general economic and market conditions such as: interest rates, availability of credit, inflation rates, economic uncertainty, changes in foreign and domestic laws, and international and national political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the Fund's investments. Unexpected volatility or illiquidity could impair the Fund's profitability or result in losses. None of these factors are within Alloy's control.

The Markets in Which the Fund Invests are Highly Competitive. The securities industry in general is extremely competitive. In pursuing its investment and trading methods and strategies on behalf of the Fund, Alloy competes with securities firms, including many of the larger investment advisory and private investment firms, as well as institutional investors and, in certain circumstances, market-makers, banks and brokers. In relative terms, the Fund has little capital and may have difficulty in competing in markets in which its competitors have substantially greater financial resources, larger research staffs, and more securities professionals than the Fund has or expects to have in the future. In any given transaction, investment and trading activity by other firms will tend to narrow the spread between the price at which a security may be purchased by the Fund and the price it expects to receive upon consummation of the transaction.

Quantitative Strategies and Trading. Quantitative strategies and techniques cannot fully match the complexity of the financial markets and therefore sudden unanticipated changes in underlying market conditions can significantly impact their performance. Further, as market dynamics shift over time, a previously highly successful strategy or technique may become outdated perhaps without Alloy recognizing that fact before substantial losses are incurred. Even without becoming a completely outdated strategy or technique, a given strategy's or technique's effectiveness may decay in an unpredictable fashion for any number of reasons including, but not limited to, an increase in the amount of assets managed, the sharing of such strategy or technique with other affiliates, the use of similar strategies or techniques by other market participants or market dynamic shifts over time. Moreover, there are likely to be an increasing number of market participants who rely on strategies and techniques that may be similar to those used by Alloy which may result in a substantial number of market participants taking the same action with respect to an investment and some of these market participants may be substantially larger than the Fund. Should one or more of these other market participants begin to divest themselves of one or more positions, a "crisis correlation", independent of any fundamentals could occur, thereby causing the Fund to suffer material, or even total, losses.

Execution of Orders. The Fund's trading strategies depend on the ability to establish and maintain an overall market position in a combination of financial instruments selected by Alloy. The Fund's trading orders may not be executed in a timely and efficient manner due to various circumstances, including, without limitation, systems failures or human error attributable to

employees, brokers, agents or other service providers. In such events, the Fund might only be able to acquire some, but not all, of the components of such position, or if the overall position were to need adjustment, the Fund might not be able to make such adjustment. As a result, the Fund would not be able to achieve the market position selected by Alloy and might incur a loss in liquidating its position.

Statistical Measurement Error. Many of the strategies employed by Alloy rely on patterns inferred from the historical series of prices and other data. Even if all of the assumptions underlying the strategies were met exactly, the strategies can only make a prediction, not afford certainty. There can be no assurance that the future performance will match the prediction. Further, most statistical procedures cannot fully match the complexity of the financial markets and as such, results of their application are uncertain. In addition, changes in underlying market conditions can adversely affect the performance of a statistical strategy.

Concentration of Investments. As described herein, the Fund's investment portfolio, as a result of size, investment strategy and other considerations, may at times be confined to the securities of a limited number of issuers. There are no limits regarding concentration as to individual securities, industries or types of investments. Accordingly, the fact remains that by concentrating investments in several, relatively large security positions relative to Fund capital, a loss in any such position could materially reduce the Fund's performance or asset base, to the extent not offset by other gains.

Use of Leverage. As part of the Fund's investment strategy, Alloy incorporates the use of leverage. The amount of direct borrowing which the Fund may have outstanding at any time will typically exceed typical margin limits. Borrowing money to purchase instruments may provide the Fund's portfolio with the opportunity for greater capital appreciation but at the same time could increase the portfolio's risk of loss. Fluctuations in the market value of leveraged investments have a disproportionately large effect in relation to the return or loss on the investment. In addition, the level of interest rates generally, and the rates at which the Fund can borrow in particular, will be an expense of the Fund and will therefore affect the profitability of the Fund.

Leverage is usually obtained from broker-dealers and is typically secured by an account in which the borrower's securities and other assets are held. Under certain circumstances, such a lender may demand an increase in the collateral that secures the borrower's obligations, and if the borrower were unable to provide additional collateral, the lender could liquidate assets held in the account to satisfy the borrower's obligations. For example, in the event of a sudden precipitous drop in the value of the Fund's assets, the Fund may not be able to liquidate assets quickly enough to pay off its margin debt. If the Fund were to become subject to liquidation in that manner, it could suffer extremely adverse consequences, including realization of losses that would not otherwise be realized.

Short Selling. The Fund also seeks opportunities to sell short the securities of companies whose stock prices appear to be excessive in relation to prospective earnings growth or intrinsic value or by reason of event driven drivers which are perceived to have downward pressure on market price. In a short sale, the Fund sells securities it does not own in the hope that the market price of such security will decline and that the Fund will be able to subsequently buy replacement securities at a lower price. The Fund effects a short sale by borrowing securities from a broker or

other third party, and subsequently “closes” the position by “returning” the security (buying a replacement security on behalf of the lender) whenever the Fund is ready to take its profit, limit its potential for loss, or at such time as the lender chooses. As collateral for this obligation and to “close” the short position, the Fund is required to leave the proceeds of the short sale with the broker that effected the transaction, and deliver an additional amount of cash or other collateral as dictated by margin regulations. Due to the Fund’s repayment obligation, a short sale theoretically involves the risk of unlimited loss because the price at which the Fund must buy “replacement” securities could increase without limit. There can be no assurance that the Fund will not experience losses on short positions or that the Fund will be able to close its short positions in a timely manner, and, if the Fund does experience losses on short sales, there can be no assurances that those losses will be offset by gains on the long positions to which they may relate. The Fund bears the cost of dividends paid on shares sold short, and the lender of a stock that is sold short may charge an interest rate that exceeds the return made on the proceeds of its short sale of the stock, with a resulting ongoing cost of maintaining the short position. Short sales can, in some circumstances, substantially increase the impact of adverse price movements on the Fund’s portfolio.

Trading Limitations. For all securities listed on a securities exchange, including options listed on a public exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render certain strategies difficult to complete or continue and subject the Fund to loss. Also, such a suspension could render it impossible for Alloy to liquidate positions and thereby expose the Fund to potential losses.

Options. The Fund may engage in various types of option transactions both as an independent source of profit and as part of its hedging strategy. The trading of options is highly speculative and may entail risks that are greater than investing in other securities. Prices of options are generally more volatile than prices of other securities. The Fund may speculate on market fluctuations in the value of securities and securities indices while investing only a small percentage of the value of those assets or indices underlying the option. A change in the market price of the underlying asset or index will cause a much greater change in the price of the option contract. In addition, to the extent that the Fund purchases options that it does not sell or exercise, it will suffer the loss of the premium it paid. To the extent the Fund sells options and must deliver the underlying securities at the option price, the Fund has an unlimited risk of loss if the price of the underlying security increases. To the extent the Fund must buy the underlying securities, the Fund risks the loss of the difference between the market price of the underlying securities and the option price. Any gain or loss derived from the sale or exercise of an option will be reduced or increased, respectively, by the amount of the premium paid.

When the Fund writes options it may do so on a “covered” or an “uncovered” basis. If the Fund sells covered calls, it limits its opportunities to benefit from an increase in the value of the underlying security while continuing to bear the risk of decline in the value of that security.

Hedging Risks, Generally. Hedging strategies in general are usually intended to limit or reduce investment risk, but they can also be expected to involve transaction costs and may inherently limit or reduce the potential for profit. The Fund may use equity short selling and financial instruments (such as options and ETFs) both as an independent source of profit and to seek to hedge the Fund’s portfolio positions against fluctuations in value as a result of changes in the value of individual equities or factors such as market interest rates. Hedging against a decline

in the value of a portfolio position does not eliminate fluctuations in the value of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thereby moderating the decline in the value of a portfolio position. Hedging transactions of this variety limit the opportunity for gain if the value of the hedged portfolio position should increase. Moreover, it may not be possible for the Fund to hedge against a security, commodity, index, exchange rate or interest rate fluctuation that is so generally anticipated that the Fund is not able to enter into a hedging transaction at a price sufficient to protect the Fund from the anticipated decline in value of the portfolio.

Closed-End Funds and Exchange-Traded Funds (“ETFs”). Because closed-end funds and ETFs are, by definition, portfolios of securities, Alloy believes that the unsystemic risk associated with investments in closed-end funds or ETFs is generally very low relative to investments in ordinary securities of individual issuers. However, there are events that can trigger sharp and sometimes adverse price movements in closed-end funds that are not related to movements of the market in general. Not limited to, but among these, are surprise dividends, changes to regular dividend amounts, announcements of rights offerings and possible surprise revisions to net asset values. Although the Fund will invest in ETFs, there may be certain risks to the extent a particular ETF is concentrated in a particular sector, and is not as diversified as the market as a whole. In addition to the foregoing, it should be noted that the Investment Company Act of 1940, as amended (the “Investment Company Act”), places certain restrictions on the percentage of ownership that a private investment fund may have in registered investment companies such as closed-end funds and most types of ETFs.

Foreign Investments. Alloy may invest in the securities of foreign issuers that trade in the United States as ADRs (American Depositary Receipts) or may directly invest in securities on foreign exchanges. Additionally, Alloy may invest in mutual funds or ETFs which make foreign investment a significant or exclusive part of their strategy. Investment in foreign securities will subject the Fund to certain risks not typically associated with investing in securities of domestic companies. There is generally less publicly available information about foreign companies than domestic companies and the information that is available may be unreliable. This general lack of information makes it more difficult for Alloy to remain abreast of corporate developments that may affect the price of a particular security. Additionally, investing in the securities of companies (and, from time to time, governments) in certain countries (such as emerging nations or countries with less well-regulated securities markets) involves certain considerations not usually associated with investing in securities of U.S. companies or the United States Government, including among other things, political and economic considerations, such as greater risks of expropriation, nationalization and general social, political and economic instability; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; the possible imposition of withholding or other taxes on income received from or gains with respect to such foreign securities; certain government policies that may restrict the Fund’s investment opportunities; and in some cases less effective government regulation than is the case with securities markets in the United States. Additionally, in instances where Alloy invests in foreign issuers directly through foreign exchanges, the Fund will be subject to currency conversion risk which may or may not be hedged in Alloy’s discretion.

Limited Liquidity of Portfolio Investments. While generally unlikely, it is possible that some securities in which the Fund invests may be or become relatively illiquid or may cease to be traded after the Fund invests. In such cases, and in the event of extreme market activity, the Fund may not be able promptly to liquidate its investments if the need should arise. In addition, the Fund's sales of thinly traded securities could depress the market value of such securities and thereby reduce the Fund's profitability or increase its losses.

Valuations. From time to time, certain situations affecting the valuation of the Fund's investments (such as limited liquidity, unavailability or unreliability of third-party pricing information and acts or omissions of service providers to the Fund) could have an impact on the NAV of the Fund, particularly if prior judgments as to the appropriate valuation of an investment should later prove to be incorrect after a net asset value-related calculation or transaction is completed. The Fund is not required to make retroactive adjustments to prior subscription or redemption transactions or Management Fees or Incentive Allocations based on subsequent valuation data.

Potential Changes in Investment Strategies. The Partnership Agreement provides Alloy Management broad discretion to revise the Fund's investment strategies without prior approval by, or notice to, Investors provided that Alloy Management determines that such change is in the best interests of the Fund. Any such decision to engage in a new activity could result in the exposure of the Fund's capital to different or additional risks which may be substantial.

Insolvency of Brokers and Others. The Fund is subject to the risk of failure of the brokerage firms and others that execute its trades, the clearing firms that such brokers use, or the clearing houses of which such clearing firms are members, or other counterparties to transactions. In relation to the Fund's right to the return of assets equivalent to the Fund's investment to which legal and beneficial title has been transferred to a prime broker, the Fund will rank as one of such prime broker's unsecured creditors and, in the event of the insolvency of the prime broker, the Fund may not be able to recover such equivalent assets in full. In addition, the Fund's cash held with the prime broker will not be segregated from the prime broker's own cash and will be used by the prime broker in the course of its business and the Fund will, therefore, rank as an unsecured creditor in relation thereto.

Unreliability of Information. Alloy selects investments for the Fund on the basis of information and data filed by the issuers of securities with various government regulators or made directly available to Alloy by the issuers of securities or through sources other than the issuers. Although Alloy selectively evaluates such information and data and may seek independent corroboration when Alloy considers it appropriate and when it is reasonably available, Alloy is not in a position to confirm the completeness, genuineness or accuracy of such information and data.

No Control Over Portfolio Companies. The Fund may from time to time acquire substantial positions in the securities of particular companies. Nevertheless, the Fund is not likely to obtain representation on the board of directors or any control over the management of any company in which the Fund may invest.

Purchasing Initial Public Offerings. The Fund may purchase securities of companies in initial public offerings or shortly after those offerings are complete. Special risks associated with

these securities may include a limited number of shares available for trading, lack of a trading history, lack of investor knowledge of the issuer, and limited operating history. These factors may contribute to substantial price volatility for the shares of these companies. The limited number of shares available for trading in some initial public offerings may make it more difficult for the Fund to buy or sell significant amounts of shares without an unfavorable effect on prevailing market prices. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or near-term prospects of achieving revenues or operating income.

Portfolio Turnover. The Fund's investment and trading strategies may involve a moderately high level of trading, and the turnover of its portfolio may generate substantial transaction costs. Trading costs are borne by the Fund and the nature of the Fund's investment program will affect the deductibility of certain Fund expenses. See "Certain Income Tax Considerations."

Certain Additional Risks. In addition, Investors face potential indemnification of Alloy by the Investors, potential conflicts of interest, limited transferability of their interests in the Fund and restrictions on withdrawals of capital. The Fund's PPM describes these and other risks in more detail.

ITEM 9: DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to an Investor's or prospective Investor's evaluation of Alloy's advisory business or the integrity of its management.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither Alloy, nor any of its executive officers or the Principals are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer, a futures commission merchant, a commodity pool operator, a commodity trading advisor or an associated person of any of the foregoing entities.

Alloy and Alloy Management are controlled by the same persons and are therefore related entities. Additionally, the Funds themselves may be considered related entities of Alloy. Other than as described in other sections of this Brochure, neither Alloy, nor its principals or any executive officers have any relationship or arrangement with a related person that is material to its advisory business or Investors or that could create a material conflict of interest with Investors.

Alloy and the Principals are required to devote only so much of their time to the affairs of the Fund as they reasonably believe is necessary in good faith. Such persons are not prohibited from engaging in any other existing or future business or in other investment activities but these persons owe the Fund's investors an affirmative duty of utmost good faith, undivided loyalty, full and fair disclosure of all material facts, and an affirmative obligation to employ reasonable care to avoid misleading them.

Neither Alloy nor the Principals recommend or select other investment advisers for the Fund or any Sub-Advisory Account.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Alloy recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its Investors; (ii) its long-term business interests are best served by adherence to the principle that the interests of Investors come first; and (iii) it has a fiduciary duty to its Investors to act for their benefit. All Alloy personnel must put the interests of the Funds and its Investors before their own personal interests and must act honestly and fairly in all respects in dealings with Investors. All Alloy personnel must also comply with federal securities laws.

Accordingly, Alloy has adopted a written code of ethics (“Code of Ethics” or “Code”) designed to address and avoid potential conflicts of interest as required under Rule 204A-1 of the Advisers Act, which requires that investment advisers adopt a code of ethics setting forth standards of business conduct and compliance with federal securities laws by all employees. Alloy’s Code of Ethics has three primary objectives, namely to ensure that Alloy’s employees: (1) place the interests of advisory clients first; (2) avoid taking inappropriate advantage of their position in the firm; and, (3) that they prevent insider trading by protecting material non-public information.

Alloy’s employees must also avoid any personal interest outside of Alloy which could be placed ahead of their fiduciary obligation to Alloy and to Alloy’s advisory clients. Conflicts may exist even when there is an appearance of a conflict and no wrongdoing. The opportunity to act improperly may be enough to create the appearance of a conflict. Alloy recognizes and respects an employee’s right of privacy concerning personal affairs, but requires full and timely disclosure of any situation which could result in a conflict of interest or even the appearance of a conflict. Whether or not a conflict exists will be determined by the Chief Compliance Officer.

The Code of Ethics includes detailed provisions to comply with the securities laws and to address conflicts of interest, such as the following:

- Reporting of personal securities transactions to the Chief Compliance Officer;
- Maintaining a Restricted List of securities and restricting employees’ and advisory client trading subject to certain exemptions;
- Blackout period restrictions on employee trading subject to certain exemptions;
- Employee certification of compliance;
- Employee restrictions on the giving and receiving of gifts and entertainment;
- Approval of employee outside business interests; and
- Restrictions on employee political and charitable contributions.

Alloy’s Chief Compliance Officer periodically monitors Access Persons, employees and employee-related accounts and advisory client trades against the Restricted List and other restrictions for any violations of the “Code of Ethics and the Policy Statement on Insider Trading.”

Alloy’s employees may from time to time purchase and sell securities for their own personal accounts which they may also be recommending for the Fund, subject to the Alloy’s Code of Ethics policies. Employees of Alloy may also serve as directors of companies whose securities

Alloy or Alloy's supervised persons may purchase or sell on behalf of the Fund. Also, by reason of its activities, Alloy will not be free to disclose or act upon such confidential activities where Alloy may acquire confidential information or be restricted from transacting in certain information and as a result may not initiate a transaction in which it otherwise might have engaged.

Alloy will provide a copy of its Code of Ethics upon request to the address or telephone number listed on the first page of this brochure.

ITEM 12: BROKERAGE PRACTICES

Alloy executes, clears and settles its securities transactions through qualified financial institutions. For these purposes, Alloy may select U.S. broker-dealers registered under the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), as well as non-U.S. broker-dealers to purchase foreign securities that trade on a foreign stock exchange. Alloy also may utilize one or more U.S. or non-U.S. prime brokers. If Alloy utilizes services of a non-U.S. prime broker and/or non-U.S. broker-dealer, these entities will, consistent with applicable law, not be required to be registered in the U.S. under the Exchange Act.

Alloy has complete discretion in choosing brokers, dealers, banks, market-makers and other execution services (collectively "broker dealers") in executing trades for the Fund and Sub-Advisory Accounts. As a fiduciary, Alloy has a duty to seek "best execution" on all securities transactions effected for the Fund and Sub-Advisory Accounts and seeks to negotiate and obtain the most favorable net price and terms for each transaction reasonably available under the circumstances. Alloy attempts to complete investment transactions at the best net price, considering all relevant circumstances and factors including the availability of securities in the marketplace, market impact as a result of the bidding or offering process and quality of a broker dealer's services.

Section 28(e) of the Exchange Act is a "safe harbor" that permits an investment manager to use commissions or "soft dollars" to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. In the event that Alloy elects to use soft dollars, it intends to limit such use to services that fall within the safe harbor afforded by Section 28(e) or such services that are otherwise reasonably related to the investment decision-making process.

Alloy periodically evaluates the quality of services received from broker-dealers. In order to satisfy Alloy's fiduciary obligations, Alloy must consider the full range of factors and quality of a broker-dealer's services, including Alloy's ability to obtain a favorable best price and the ability to effect securities transactions, particularly with regard to: (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread on commission, if any); (ii) the execution, clearance, and settlement and error-correction capabilities of the broker-dealer; (iii) the broker-dealer's willingness to commit capital; (iv) the broker-dealer's reliability, integrity and financial strength; (v) transaction size; (vi) availability of securities to borrow for short sales; (vii) their expertise in particular markets; (viii) the comprehensiveness and frequency of available research services considered to be of value; and (ix) the competitiveness of commission rates in comparison with other brokers satisfying Alloy's other selection criteria.

Although Alloy generally seeks the competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or equivalent.

Alloy may place transactions with a broker or dealer that (i) provides it (or an affiliate) with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers investors to the Fund or other products advised by the Alloy (or an affiliate), if otherwise consistent with seeking best execution; provided Alloy is not selecting the broker-dealer in recognition of the opportunity to participate in such capital introduction events or the referral of investors.

Trade Errors

Although there exists no standard definition of what constitutes trading errors, examples of trade errors include the following:

- Purchasing securities not legally permitted for the Fund or an Sub-Advisory Account, or not within their respective investment guidelines; and
- Purchasing or selling the wrong quantity of securities for the Fund or an Sub-Advisory Account.

Alloy has established trade processes and procedures designed to reduce the likelihood of errors and, in its sole discretion, will determine what constitutes a trade error.

Alloy's general policy is to seek to identify and correct any trade errors promptly and in a way that mitigates any losses. Trade errors are typically borne by the Fund or Sub-Advisory Accounts, unless an error is the result of bad faith, gross negligence, or willful misconduct by Alloy. Lost opportunity is not a reimbursable loss. Alloy will not be responsible for any indirect, consequential or punitive damages for purposes of this policy.

Alloy will use reasonable methods to calculate the reimbursement due to the Fund or any Sub-Advisory Account, if any. Alloy's process to correct trade errors may involve procedures required by applicable law, which may be complex and require coordination with multiple parties, and therefore Alloy's ability to correct trade errors promptly will be based on the specific circumstances of the error.

Brokerage for Client Referrals

Alloy also may direct transactions to broker-dealers which refer Investors to the Fund or Sub-Advisory Account relationship to Alloy. If Alloy uses a broker that has referred an Investor, or may refer Investors, Alloy has a potential conflict of interest between its duty to obtain best execution for an Investor and its interest in receiving future referrals. Commission rates charged by brokers that refer Investors to Alloy may be higher or lower than the commission rates charged by other brokers that Alloy uses. Alloy will only direct transactions to a broker-dealer that has referred or may refer Investors if Alloy determines in good faith that the commissions charged by that broker are not materially higher than those of others offering equal services.

Directed Brokerage

Alloy does not permit Investors to direct brokerage for the Fund through a specified broker-dealer. Instead, the Fund (on behalf of its Investors) authorizes Alloy to select the broker-dealers for the Fund's brokerage transactions. Brokerage relationships for Sub-Advisory Account clients are individually considered and certain Sub-Advisory Account clients may be entitled to designate a custodian and/or direct brokerage relationships.

Aggregating Orders

When appropriate, Alloy may, but is not required to, aggregate client orders to achieve more efficient execution or to provide for equitable treatment among accounts. Clients participating in aggregated trades will be allocated securities based on the average price achieved for such trades. Trades are allocated as between the Fund and the Sub-Advisory Account generally on a pro rata basis based upon each client's capital, giving effect to a number of other factors, such as differences in investment objective, portfolio composition and available cash.

ITEM 13: REVIEW OF ACCOUNTS

Luke A. Smith, Alloy's Chief Investment Officer, reviews the investment strategies and portfolio decisions of the Fund on an ongoing basis. There is no particular set of circumstances or factors that triggers a review. Instead, Mr. Smith maintains daily oversight of positions held, risk exposure and proper settlement.

Investors of the Fund generally receive the following regular reports: (i) after the end of each fiscal year of the Fund, annual audited financial statements (including a balance sheet, income statement and statement of changes in net assets) for the recently completed fiscal year; (ii) periodic correspondence reviewing the investment performance; and (iii) annual tax information necessary for the completion of Investor's US federal, state and local income tax returns, if applicable.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Alloy currently offers interests in the Fund directly to potential Investors who generally have a preexisting relationship with Alloy or its affiliates or agents; however, Alloy may sell interests through broker-dealers, placement agents and other persons ("third-party marketers"). In this case, Alloy may pay a marketing fee or commission in connection with these activities, including ongoing payments, at Alloy's own expense. Payments by Alloy may include participation in Alloy Management's Performance-Based Allocation or fees otherwise payable to Alloy. In certain cases, Alloy reserves the right to pay a one-time fee or sales charge, on a fully disclosed basis, to a broker-dealer or placement agent based upon the capital contribution of the referred Investor. Any such sales charge would be assessed against the referred Investor and would reduce the amount actually invested by the Investor in the Fund. Under no circumstances may Alloy make payments in any form to any person having influence on the decision-making process of that person (unless the person exercising influence is an employee of Alloy or has a solicitor

relationship as described above) for the purpose of obtaining or retaining that person as an investor in the Fund.

Alloy may effect securities transactions through a number of broker-dealers. By virtue of it conducting business with broker-dealers, Alloy may receive certain economic benefits from such broker-dealers which would not be received if it did not transact through the broker-dealers. These benefits may include, but are not limited to: access to an electronic communication network for order entry and account information; receipt of proprietary research; and participation in broker-dealer sponsored research and capital introduction conferences. Alloy understands the benefits received through its relationship with the broker-dealers (including its prime brokers) generally do not depend upon the amount of transactions directed to, or amount of assets custodied by, the broker-dealers.

Other than as described herein, Alloy does not currently have any arrangements with any third parties that involve any economic benefit to Alloy.

ITEM 15: CUSTODY

Alloy currently utilizes Wells Fargo Prime Services, LLC as the qualified custodian for the Fund's assets. Alloy may change the custodian at any time. Alloy has the authority to wire cash from the Fund and would be deemed to have custody under the Advisers Act. Alloy has in place internal controls relating to its wiring authorizations. The custodian does not send account statements directly to Investors. Custody relationships for Sub-Advisory Accounts are individually considered and certain Sub-Advisory Account clients may be entitled to designate a custodian.

The Funds are subject to an annual audit and the audited financial statements are distributed to investors. The audited financial statements are prepared in accordance with generally accepted accounting principles, issued with an unqualified opinion, and in compliance with the newly applicable Custody Rule, will be distributed within 120 days of the Funds' fiscal year ends.

ITEM 16: INVESTMENT DISCRETION

Alloy buys and sells securities and other instruments for the Fund and Sub-Advisory Accounts on a discretionary basis in a manner consistent with the Fund's investment objectives and restrictions, as set forth in the governing agreements and documents of the Fund. Alloy is authorized to make the following determinations in accordance with the Fund's objectives and restrictions without obtaining prior consent of the Fund or Investor: (1) which securities or instruments to buy or sell; (2) the total amount of securities or instruments to buy or sell; (3) the executing broker or dealer for any transaction, and (4) the commission rates or commission equivalents charged for transactions.

ITEM 17: VOTING CLIENT SECURITIES

Due to Alloy's equity trading strategies which involves high turnover of individual equity securities and ownership of a large number of relatively small positions in portfolio securities, Alloy has determined not to exercise voting authority over advisory client proxies.

ITEM 18: FINANCIAL INFORMATION

Alloy does not require or solicit prepayment of fees by clients or Fund Investors six or more months in advance and is therefore not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.