

**PART 2A OF FORM ADV – FIRM BROCHURE**

**PRINCE STREET CAPITAL MANAGEMENT LLC**

**March 30, 2020**

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**This brochure provides information about the qualifications and business practices of Prince Street Capital Management LLC (the “Adviser”). The Adviser is registered as an investment adviser with the United States Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). If you have any questions about the contents of this brochure, please contact the Adviser at 212-931-5140 and/or [compliance@princefund.com](mailto:compliance@princefund.com). The information in this brochure has not been approved or verified by the SEC or by any state securities authority.**

**Additional information about the Adviser is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Registration with the SEC or any state securities authority does not imply a certain level of skill or training.**

**Item 2. Material Changes**

The Adviser is required to identify and discuss any material changes made to its brochure since its last update. There have been no material changes since the last update of the Adviser's brochure, dated July 30, 2019.

**Table of Contents**

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.....	6
ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT .....	8
ITEM 7. TYPES OF CLIENTS .....	9
ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	10
ITEM 9. DISCIPLINARY INFORMATION .....	17
ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS .....	18
ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING .....	20
ITEM 12. BROKERAGE PRACTICES.....	23
ITEM 13. REVIEW OF ACCOUNTS .....	26
ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION.....	27
ITEM 15. CUSTODY .....	28
ITEM 16. INVESTMENT DISCRETION .....	29
ITEM 17. VOTING CLIENT SECURITIES .....	30
ITEM 18. FINANCIAL INFORMATION .....	31

#### **Item 4. Advisory Business**

Prince Street Capital Management LLC (“PSCM”), a Delaware limited liability company, is an investment adviser with its principal place of business in New York, New York. On July 1, 2007, PSCM succeeded to the business of Prince Street Capital Management Inc., which commenced operations as an investment adviser in January 2001 and had been registered as an investment adviser with the SEC since April 1, 2004. PSCM was founded by David C. Halpert. Substantially all of the equity of PSCM is owned by Mr. Halpert and other key professionals of PSCM.

The Adviser (as defined below) provides investment advisory services on a discretionary basis to clients, which are primarily commingled private investment funds intended for institutional investors and other sophisticated investors and which are offered to investors on a private placement basis pursuant to Rule 506(b) of Regulation D under the Securities Act of 1933, as amended (the “Securities Act”), and to investors who are not U.S. Persons, as defined by Regulation S under the Securities Act. The investment vehicles are structured as limited partnerships or non-U.S. corporations.

In connection with providing these investment advisory services, PSCM has been appointed as the investment manager or investment adviser to four separate pooled investment funds that invest primarily in Emerging and Frontier Markets (each, a “Prince Street Fund” and collectively, the “Prince Street Funds”). The Prince Street Funds include Prince Street International Ltd., Prince Street Opportunities Ltd., Prince Street DigDec Fund Ltd., and Prince Street Tamerlane Fund Ltd. each structured as a master-feeder structure, with the master funds and offshore feeders being Bermuda domiciled entities, while the onshore feeders are Delaware limited partnerships.

Prince Street Capital Management Pte Ltd (“Prince Street Singapore”), a wholly owned affiliate of PSCM, was granted a Capital Markets Service License on March 16, 2012 by the Monetary Authority of Singapore pursuant to the Securities and Futures Act (CAP. 289) of Singapore, as amended, to conduct the regulated activities of Fund Management, and provides subadvisory services to PSCM. Prince Street Singapore, by virtue of relying on the Adviser’s registration pursuant to the Advisers Act, is exempt from having to register separately with the SEC.

PSCM acts as investment manager to each Prince Street Fund, while a related person of PSCM acts as general partner or managing member to the onshore feeder fund of each Prince Street Fund.

Unless otherwise indicated, references to “Prince Street” or the “Adviser” include PSCM, Prince Street Singapore, and their affiliates. Each of the Prince Street Funds shall be referred to as a “Fund” and collectively, the “Funds”. In addition, unless otherwise indicated, references to “clients” shall refer to the Funds.

The Adviser or Prince Street Singapore may in the future provide advisory services, either on a discretionary or non-discretionary basis, to other commingled funds and/or managed accounts on behalf of such institutional or sophisticated investors.

The Adviser tailors its advisory services in accordance with the investment objectives and guidelines as set forth in the respective Governing Documents (as defined herein) of each Fund. The Adviser has agreed in the investment management agreement with each Fund to investment restrictions or guidelines with respect to the types or amounts of securities or other financial instruments that may be purchased or sold to a particular client account. The Adviser pursues different investment strategies for different client accounts. In addition, certain client accounts may be subject to regulatory restrictions which affect the portfolio.

The Adviser is generally granted broad investment authority with respect to the management of its client accounts. The Adviser generally seeks to achieve the investment objectives of the Funds primarily through investing in Emerging and Frontier Markets.

Investors and prospective investors in the Funds should refer to the appropriate confidential memorandum, private placement memorandum or prospectus, limited partnership agreement and other governing documents for each Fund (the "Governing Documents") for additional information on the investment objectives and guidelines with respect to a particular Fund. There is no assurance that any of the Funds' investment objectives will be achieved.

The Adviser has in the past and may in the future enter into "side letters" or similar agreements with certain investors in the Funds granting the investor different or more favorable rights, including with respect to fees, redemption rights, access to information, or other matters relating to the Fund.

As of December 31, 2019, the Adviser had approximately US \$ 662,173,000 in client assets under management, all of which was managed on a discretionary basis.

## **Item 5. Fees and Compensation**

### *Compensation and Fee Schedules*

All investors should review the Governing Documents for the relevant Fund in conjunction with this brochure for more complete information on the fees and compensation payable with respect to a particular Fund.

The Adviser has executed either an investment management agreement or investment advisory agreement with respect to each Fund that provides for the Adviser to receive a management fee on the assets managed and/or an incentive allocation or fee based on the performance of the Fund.

The basic fees charged to clients and investors in the Funds are currently a fixed annual management fee generally equal to 0.9-2.0% of net assets, payable monthly in arrears. In addition, with respect to certain Funds, the Adviser receives an annual performance fee or allocation up to a maximum of 20% of the amount by which the net value of each account as of the end of each calendar year exceeds the net market value of the account as of the beginning of the year or a high watermark, as applicable. In certain Funds, such performance fee or allocation is subject to a hurdle, i.e., the Adviser may receive a maximum of 20% of the amount the net value of such shares exceeds a pre-determined benchmark hurdle as of the end of each calendar year.

The management fee is usually deducted directly from the assets of each Prince Street Fund account as such fees become payable, which is generally monthly in arrears. Upon termination of any investor's account, all management fees accrued as of the date of termination will be payable. The performance fee or allocation, if any, is payable annually in arrears, or upon termination of an investor's account or withdrawal of capital from any Prince Street Fund. Such amount will be deducted directly from the Prince Street Fund and the relevant client's account, if applicable.

In certain circumstances, the Adviser has agreed to advisory fees payable to the Adviser by individual clients or investors in a Fund that are different than those stated in the Governing Documents of the applicable Fund. In addition, the Adviser has waived fees for investors that are principals, employees or affiliates of the Adviser. Investors in each Fund should refer to the Governing Documents of the applicable Fund for additional information on the advisory fees charged by the Adviser.

Some of the Prince Street Funds are permitted to charge investors a withdrawal fee of up to 5% of the amount withdrawn within a certain period, which is paid to the fund as a charge for early withdrawal or as a fee to cover the cost of the withdrawal.

### *Other Fees and Expenses*

The Adviser's clients are pooled investment vehicles (i.e., the Funds). Each Prince Street Fund is responsible for its operating and other expenses relating to the Fund's investment program and operations, including: all accounting, tax, legal, compliance and regulatory fees and expenses, including anti-money laundering compliance and costs of preparing some regulatory filings; organizational expenses; exchange fees; interest and other costs in connection with margin accounts or other borrowings; borrowing charges on securities sold short; custodial fees; trustee fees; brokerage commissions; bank service fees; interest on loans and debit balances; taxes, if any (including without limitation, withholding or capital gains taxes imposed by the United States and other countries, applicable to the Prince Street Fund on account of its operations); insurance costs; and any other reasonable expenses related to the management and operation of the Prince Street Fund or the purchase, sale or transmittal of the Prince Street Fund's assets as described in greater detail in the Governing Documents for each Prince Street Fund. Each Prince Street Fund also pays all other fees and expenses relating to the Fund's directors, administrator, corporate secretary, registrar and transfer agent. With respect to Prince Street Funds that constitute a master-feeder structure, each feeder fund bears a proportionate share of the expenses associated with its related master fund. Prince Street Funds are also responsible for the costs of research and data services (primarily through soft dollar arrangements as further described in Item 12).

See "Brokerage Practices" below for more information on the factors the Adviser considers in selecting or recommending broker-dealers and determining the reasonableness of their compensation.

The Adviser has in the past and may in the future invest the Funds in other pooled investment vehicles, such as exchange traded funds. Such investment companies incur their own expenses including investment management fees which are reflected in the price at which the security is bought and sold. As such, the Adviser's clients and investors thereof incur two layers of fees – those directly borne by the private funds and those borne by underlying pooled investment vehicle investments.

### *Transaction-Based Compensation*

Neither the Adviser nor its supervised persons receive any compensation with respect to the purchase or sale of securities or other investment products by any Fund.

## **Item 6. Performance-Based Fees and Side-by-Side Management**

### *Performance-Based Fees*

The Adviser ordinarily receives a performance-based fee or a special allocation of profits from each of its Funds as described above under “Fees and Compensation.” Different client accounts are subject to different performance-based compensation arrangements. Please refer to the Governing Documents of each Fund for more complete information on the “performance-based fee” arrangements of each Fund.

The performance-based allocation arrangements discussed above comply with Rule 205-3 under the Advisers Act. Performance-based allocation arrangements received by the Adviser may create an incentive for the Adviser to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee arrangement.

The Adviser provides advisory services to client accounts with differing investment philosophies, strategies and restrictions. As such, at times the Adviser makes apparently conflicting investment decisions for its clients. Alternately, certain client accounts pursue similar investment objectives, strategies and styles, and accordingly invest in the same or similar securities. The Adviser has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple client accounts, including the allocation of investment opportunities. It is the Adviser’s general policy that all client accounts are treated fairly. The Adviser takes into consideration all relevant factors potentially applicable to each client account. The Adviser considers some or all of the following factors in allocating trades among client accounts: investment policies, guidelines or restrictions applicable to each specific client account; the impact on trade execution by (occasionally restrictive) market practices and settlement conventions of the particular market in which a securities transaction occurs; tax considerations; cash availability; liquidity requirements for payment of redemptions or other purposes; risk tolerances; restrictions under ERISA or other applicable laws or regulations; available credit lines; counterparty arrangements; account size; benchmark sector weightings; industry and security weightings; and hedging objectives and activity. The Adviser’s procedures also require the objective allocation of limited opportunities, such as initial public offerings. In these situations, the securities available to the Adviser’s clients may be limited, or deemed to be less liquid. While the Adviser endeavors to ensure fair and equitable treatment of all clients, not all clients may participate in each limited opportunity, in order to avoid unusually small allocations, or for other factors similar to those described above with respect to allocations generally.



## **Item 7. Types of Clients**

### *Types of Clients*

The Adviser provides advice to pooled investment vehicles. Investors in the Funds include, from time to time, financial institutions, corporations, partnerships, endowments, foundations, individuals, trusts, estates, pension or profit-sharing plans and funds whose securities are not publicly offered.

Although it does not currently do so, in the future the Adviser may also provide investment management and supervisory services to separate account clients.

### *Minimum Investment Requirements*

All investors in the Funds who are “U.S. Persons,” as defined under Regulation S under the Securities Act must qualify as “accredited investors” as defined in Rule 501(a) of Regulation D under the Securities Act, and “qualified purchasers” as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (the “Investment Company Act”).

Generally, investors must invest a minimum of US \$1,000,000 in order to invest in each Prince Street Fund. The general partner or the directors of each Prince Street Fund, as applicable, has waived the minimum investment amount for certain investors and may do so in the future.

## **Item 8. Methods of Analysis, Investment Strategies and Risk of Loss**

### *Methods of Analysis*

The Adviser utilizes a variety of methods and analysis and strategies to make investment decisions in the course of managing the Funds. Specifically, the Adviser invests primarily in Emerging and Frontier Markets on behalf of its clients. In order to achieve its investment objective of capital appreciation on a long-term compound basis, the Adviser employs long and short investment strategies in this asset class. The Adviser also utilizes an investment strategy that focuses on long term investments chosen with regard both to growth prospects and valuation, with less concern for short term volatility in stock prices, to achieve its absolute return investment objective.

The Adviser's principal sources of information and analysis include quarterly and annual reports, prospectuses, personal interviews with directors and officers of portfolio companies, visits to portfolio companies, SEC and other public filings, financial newspapers and magazines, research materials prepared by others, corporate rating services, company press releases, general industry knowledge, contacts with other participants in the relevant industry and financial markets, and general sources of information about any broad macro-economic or political considerations in any country.

The Adviser views country visits and meetings with company management as extremely important sources of information and analysis that provide an essential foundation and framework for making investment decisions on behalf of client accounts.

### *Material Risks*

Although investments in Emerging and Frontier Markets may result in significant returns for the Adviser's clients, they also involve a substantial degree of risk. The Adviser generally only accepts clients that it believes are able to bear the financial risk of the investment strategy for an indefinite period of time and are able to sustain the loss of all or a significant part of their investment.

Prospective clients and investors in the Funds should carefully review the risks described in the Governing Documents for the relevant Fund, and should evaluate the merits and risks of an investment in the context of their overall financial circumstances. The risk factors below are not intended to be exhaustive and should be considered carefully by prospective investors together with the full text of the applicable Governing Document or client agreement.

### ***Investment and Trading Risks in General***

Investing in securities involves risk of loss of the entire amount invested which clients should be prepared to bear. No guarantee or representation is made that any investment

program will be successful, and investment results may vary substantially over time. The value of a client's portfolio and the income (if any) derived from it, can go down as well as going up. As noted previously, the Governing Documents of each Fund managed by the Adviser provide a more detailed description of the risks associated with the Adviser's methods of analysis and investment strategies and techniques with respect to each Fund.

### ***Investing in Emerging and Frontier Markets***

Investing in Emerging and Frontier Markets involves additional risks when compared with investments in developed markets. These risks include currency exchange rate fluctuations, political and economic instability, foreign taxes and different regulatory, auditing and reporting standards. The political, regulatory and economic risks inherent in investments in Emerging and Frontier Markets are significant and may differ in kind and degree from the risks presented by investments in all the world's capital markets. These may include greater price volatility, substantially less liquidity and controls on foreign investment and limitations on repatriation of invested capital. Costs relating to investment will also tend to be higher.

### ***Risk Management***

The Adviser is aware that while risk management is one of the most ambiguous terms in portfolio management, the investment strategies employed by the Adviser on behalf of its clients involve significant risks, such as the considerable and inherent political uncertainty and instability of Emerging and Frontier Markets. It is in this context, that the Adviser employs a combination of risk management guidelines, metrics and techniques such as product diversification, concentration and liquidity analysis in an effort to address and mitigate the impact of such investment risks. However, there can be no assurance that any of the risk management techniques utilized by the Adviser on behalf of its client accounts will be successful.

### ***Leverage***

Certain investment practices or trading strategies such as investment in financial and commodity futures or derivative instruments may involve significant leverage. Leverage can be employed in a variety of ways including direct borrowing, margining, short selling and the use of futures, warrants, options and other derivative instruments. Generally, leverage is used to increase the overall level of investment in a portfolio. Higher investment levels may offer the potential for higher returns. However, this may expose an investor to increased risk as leverage can increase a client account's market exposure and volatility. The risk posed by the use of leverage in futures contracts, options warrants and other derivative instruments is that small movements in the price of the underlying asset or index of a particular derivative instrument can result in large losses or profits. Many derivatives are not traded on any exchange, and no assurance can be given that a liquid market will exist for any particular futures contract or other derivative instrument

at any particular time. If assumptions made by the Adviser are wrong or if the financial instruments do not work as anticipated, the relevant portfolio could lose more than if the portfolio had not used such investment techniques.

### ***Illiquid Assets***

Certain investment positions may be or become illiquid. A portfolio may invest in “restricted” or non-publicly traded securities or thinly traded securities. It may not be easy to dispose of such non-publicly or thinly traded securities, and in some cases, there may be contractual restrictions preventing the disposal of securities for a specified period of time. An exchange or regulatory authority may suspend trading in a particular security or contract, order immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only. Such investments may require a significant amount of time from the date of initial investment before disposition.

The ability of an investor to redeem or withdraw its investment from a particular Fund or for a Fund to pay redemption or withdrawal proceeds in respect of that particular redemption request may be adversely affected by illiquidity of the underlying assets. If redemption requests exceed the amount of cash or other liquid assets immediately available to fund such redemptions, a Fund may need to liquidate additional assets, which may in turn limit or otherwise affect investment positions and strategies within a portfolio.

### ***Currency Exposure***

Client assets are generally invested in securities and other investments that are denominated in currencies other than the US Dollar and in other financial instruments, the price of which is determined with reference to currencies other than the US Dollar. Accordingly, the value of such assets may be affected favorably or unfavorably by fluctuations in currency rates. The Adviser may (but is not obligated to) seek to hedge the exposure of client portfolios to currencies other than US Dollars. In addition, clients whose assets and liabilities are held predominantly in other currencies should take into account the potential risk of loss arising from fluctuations in value between US Dollars and such other currencies.

Many developing markets have inflationary economies where the risks associated with holding currency are significantly greater than in other, less inflationary markets. Currency exchange rates are highly volatile and subject to severe event risks, as the political situation with regard to the relevant foreign government may itself be volatile. Moreover, if the cash flow from investments is contingent or uncertain, it may be difficult to quantify the attendant cross-currency risk, compounding the risk of changes in underlying currencies by the other risks in the portfolio. Correlations between these risks are difficult to quantify and, therefore, difficult to hedge. An inaccurate estimation of the

correlation may lead to a faulty hedge, and a consequent loss in a client's portfolio. In highly volatile markets, predictions of correlation based on historical data can diverge dramatically from observed market moves.

### ***Concentration of Investments***

A portfolio may at times hold relatively few investments. The result of such concentration of investments is that a loss in any such position could materially reduce the value of the client portfolio.

### ***Equity Securities***

Investments in long and short positions in equity securities may fluctuate in value and are often based on factors unrelated to the value of the issuer of the securities. The market price of equity securities may be affected by general economic and market conditions, such as a broad decline in stock market prices, or by conditions affecting specific issuers, such as changes in earnings forecasts.

### ***Short Selling***

Short selling transactions involve trading on margin and accordingly can involve greater risk than investments based on a long position. A short sale of a security that the client does not own involves the risk of a theoretically unlimited increase in the market price of that particular security, which could result in an inability to cover the short position, thereby exposing the client account to the risk of loss in an amount greater than the initial investment, and whereby such losses can increase rapidly and without effective limit. There can be no guarantee that securities or other financial instruments necessary to cover a particular short position will be available for purchase.

Due to regulatory or legislative action taken by regulators around the world as a result of volatility in the global financial markets, taking short positions on certain securities may be restricted. The levels of restriction vary across different jurisdictions and are subject to change in the short to medium term. These restrictions may make it difficult and in some cases impossible for market participants either to continue to implement their investment strategies or to control the risk of their open positions.

### ***Hedging***

Some investment strategies may employ hedging techniques, directed primarily toward general market risks. If employed, hedging against a decline in the value of a portfolio position 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. For a variety of reasons, it may not be possible to establish a sufficiently accurate correlation between hedging financial instruments and

the portfolio holdings being hedged. Such imperfect correlation may prevent an investor from achieving the intended hedge or expose the investor to risk of loss. In addition to possible losses on the position sought to be hedged notwithstanding the attempted hedge, an investor could incur losses on the hedging position itself.

All hedging strategies necessarily involve costs, which could be significant, whether or not the hedge sought is successful. Some strategies may invest in markets or financial instruments as to which hedging strategies are limited or unavailable. Hedging financial instruments may involve costs or risks that are considered prohibitive in the context of the relevant strategy.

### ***Derivatives***

The Adviser may utilize exchange-traded and over-the-counter futures, swaps, “synthetic” or derivative instruments, certain types of options and other customized financial instruments issued by banks, brokerage firms or other financial institutions. A swap is an agreement between an investor and a financial intermediary whereby cash payments periodically are exchanged between the parties based upon changes in the price of an underlying asset (such as an equity security, an index of securities, or another asset or group of assets with a readily determinable value). Swaps and other derivatives are subject to the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty. Swaps and other forms of derivative instruments may not be guaranteed by an exchange or clearing house or regulated by any U.S. or foreign governmental authority. It may not be possible to dispose of or close out a swap or other derivative position without the consent of the counterparty, and the account may not be able to enter into an offsetting contract in order to be able to cover its risk. New rules recently adopted in several major jurisdictions may require that certain swaps be traded on exchanges, and may limit the availability of certain types of swaps.

### ***Debt Securities***

Some of the Funds may invest in bonds and other fixed income securities that are subject to credit, liquidity and interest rate risks. Debt securities may be unrated by a recognized credit-rating agency or rated below investment grade, and subject to greater risk of loss of principal and interest than higher-rated debt securities. Debt securities may also rank junior to other outstanding securities and obligations of the issuer that may be secured by substantially all of that issuer's assets. Investments in some debt securities may not be protected by financial covenants or limitations on additional indebtedness. Investments in distressed debt securities may be subject to a significant risk of the issuer's inability to meet principal and interest payments on the obligations (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity risk (market risk). Evaluating credit risk for debt securities involves uncertainty because credit rating

agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, which can make it difficult to accurately calculate discounting spreads for valuing financial instruments.

### ***Counterparty Risks***

Investments in securities or other financial instruments may be subject to the risk of the inability of any counterparty (including any prime broker or custodian) to perform with respect to such transactions, whether due to insolvency, bankruptcy or other causes.

The Adviser may maintain trading relationships with counterparties that generally include various non-U.S. broker-dealers and financial institutions. In general the Adviser will seek to diversify its client portfolios' counterparty risk and maintain relationships with highly rated counterparties. However, these relationships could result in concentration of credit risk. A client portfolio in particular could be exposed to credit risk if counterparties fail to fulfill their obligations or the value of any collateral provided by a counterparty becomes inadequate. When options or other derivative contracts are purchased over-the-counter, a client account bears the risk that the counterparty to that derivative contract or option will be unable or unwilling to perform its obligations. Such derivative contracts may also be illiquid and, in such cases, an account may have difficulty closing out its position.

### ***Forward Foreign Exchange Contracts***

Certain investment strategies may invest in forward currency contracts with banks, financial institutions or broker-dealers acting as principal. Forward currency contracts may not be liquid in all circumstances, so that in volatile markets, it may not be possible for an investor to close out a position by taking another position equal and opposite to such position on a timely basis or without incurring a sizeable loss. Closing transactions with respect to forward currency contracts usually are effected with the currency trader who is a party to the original forward contract and generally require the consent of such trader.

There are no limitations on daily price moves in forward contracts. Banks and other financial institutions may require a client to deposit margin with respect to such trading. Banks are not required to continue to make markets in forward contracts. There have been periods during which certain banks have refused to quote prices for such forward contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. The trading of forward contracts through banks is not regulated by any U.S. governmental agency. A client account will be subject to the risk of bank failure and the inability of, or refusal by, a bank to perform with respect to such contracts.

### ***Transaction Costs***

Certain investment strategies employed by the Adviser may involve a high level of trading of the client portfolio's investments, which may be higher than the average level of trading for other more traditional portfolios, and that accordingly may result in the client account paying higher than average commissions and other associated transaction costs.

### ***Operational and Cybersecurity Risks***

The increasing reliance of the Adviser and third-party vendors, service providers, and counterparties on internet-based programs and applications creates growing operational and security risks. The Adviser's business is highly dependent on its ability to process, on a daily basis, large volumes of transactions across numerous and diverse markets. The Adviser utilizes computer programs and systems for various purposes including, without limitation, to trade, clear and settle transactions on behalf of its clients, to evaluate certain financial instruments, to monitor its clients' portfolios and net capital, to store data, and to conduct other operational functions. Certain portions of the Adviser's operations are dependent upon systems operated by third parties, including prime brokers, market counterparties, electronic exchanges, other execution platforms and their various service providers.

Targeted cyber-attacks, or accidental events, can lead to a breach in computer and data systems security and subsequent unauthorized access to sensitive transactional or personal information. Data taken in breaches may be used by criminals in committing identity theft, obtaining loans or payments under false identities, and other crimes that could affect the value of assets in which the Funds invest. Cybersecurity breaches at the Adviser or its vendors, service providers or counterparties may also lead to theft, data corruption, or overall disruption in operational systems. Cyber-security risks can lead to business disruption, cause direct financial loss or reputational damage, result in liability to third parties, or lead to violations of applicable laws related to data and privacy protection and consumer protection. Any of the foregoing could have a material adverse effect on the Funds and investors.



**Item 9. Disciplinary Information**

Neither the Adviser nor any of its partners, officers, directors, employees or other management persons has been involved in any legal or disciplinary events that would require disclosure in response to this Item.

## **Item 10. Other Financial Industry Activities and Affiliations**

### *Registered Broker-Dealers*

The Adviser's President and CEO, Lisa Diaz, maintains a representative registration with a FINRA registered broker dealer. Ms. Diaz's use of this license is limited to the activities undertaken in her role with Turf Advisory as discussed below in Other Activities. Other than Ms. Diaz, neither the Adviser nor any of its management persons is registered as a broker-dealer or a registered representative of a broker-dealer or affiliated with any broker-dealer or bank.

### *Registered Futures Commission Merchants, Commodity Pool Operators and Commodity Trading Advisors*

Neither the Adviser nor any of its management persons is registered as a registered futures commission merchant, commodity pool operator or commodity trading advisor.

### *Relationships with Related Persons*

Affiliates of the Adviser act as general partner or managing member of the domestic feeders to the Prince Street Funds.

Although they do not currently do so, employees of the Adviser and its affiliates are permitted to serve as officers, advisors, and directors or in comparable management functions for portfolio companies in which the Funds invest, or provide other services to portfolio companies. Employees of the Adviser may also from time to time serve on the board of directors or a creditors committee of a portfolio company, or be given access to confidential information relating to companies in which the Funds invest. As a result, the Funds may, under certain circumstances, be prohibited for a period of time from engaging in transactions with respect to the debt or securities of such a portfolio company, which prohibition may have an adverse effect on the Funds.

Prince Street Singapore, a wholly-owned advisory affiliate of the Adviser, was granted a Capital Markets Service License on March 16, 2012 by the Monetary Authority of Singapore pursuant to the Securities and Futures Act (CAP. 289) of Singapore, as amended, to conduct the regulated activities of Fund Management. Prince Street Singapore, by virtue of relying on the Adviser's registration pursuant to the Advisers Act, is exempt from having to register separately with the SEC.

The Adviser also maintains a research office in Hong Kong. Prince Street Capital Management (HK) Ltd., a wholly-owned affiliate of PSCM, was incorporated in Hong Kong in February 2014.

### *Other Activities*

Certain principals and employees of the Adviser have established a private investment vehicle, Battery Road Digital Holdings LLC (“Battery Road”), which focuses on early stage venture capital investments in emerging markets that were not historically considered appropriate for investment by any of the Adviser’s clients, but which may raise potential conflicts of interest in the future. In particular, early stage growth companies in which Battery Road has invested may in the future engage in initial public offerings or otherwise become appropriate investments for clients of the Adviser, may be subject to co-investments by clients of the Adviser, and may be the subject of commercial transactions with investors, portfolio companies or counterparties of the Adviser’s clients, or their affiliates. The Adviser will monitor all such transactions in order to identify and resolve in an equitable manner any actual or potential conflicts of interest.

The Adviser’s President and CEO Lisa Diaz is also the Managing Partner and Founder of Turf Advisory, a consulting and finance firm focused on the infrastructure sector. As President and CEO of the Adviser, it is anticipated that Ms. Diaz will spend the majority of her time working for the benefit of the Adviser and its clients. However, it is understood that Ms. Diaz will also spend time pursuing investment, finance, and project opportunities for Turf Advisory.

Ms. Diaz’s role with the Adviser is focused primarily on business development, investor relations and marketing, and not on the generation of investment opportunities. Therefore the Adviser does not foresee any material conflicts of interest inherent in these activities. However, situations may arise which were not contemplated, and which do pose a conflict of interest for the Adviser, given the activities being conducted by Ms. Diaz.

Furthermore, Ms. Diaz may use certain connections, relationships, or other information that she obtains in the course of her work with the Adviser to contribute to the advancement of Turf Advisory, including access to Prince Street’s investors. Investors may opt out of any contacts from Ms. Diaz regarding the activities of Turf Advisory. Please contact the Advisor’s Chief Compliance Officer via email at [compliance@princefund.com](mailto:compliance@princefund.com) for additional information.

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

### *Code of Ethics*

The Adviser strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. In seeking to meet these standards, the Adviser and its related persons (which term includes its advisory affiliates) have adopted a single, uniform Code of Ethics (the “Code”) under Rule 204A-1 of the Advisers Act expressing the Adviser’s commitment to ethical conduct. The Code is designed to address potential and actual conflicts of interest and applies to the Adviser’s supervised persons and access persons (both of which terms include all Adviser personnel) and sets forth a standard of business conduct that takes into account the Adviser’s status as a fiduciary and obligates its employees to place the interests of the Adviser’s clients above their own interests.

The Adviser and its related persons are expected to adhere to the highest standard of professionalism and ethical conduct and should be sensitive to situations that may give rise to an actual conflict or the appearance of a conflict with the client’s interests. To this end, the Adviser and its related persons must act with integrity, honesty, and in a highly ethical manner. All of the Adviser’s employees are also required to comply with applicable securities laws. Clients or prospective clients may obtain a copy of the Code upon request. See below for further description of material provisions of the Code.

The Adviser, in the course of its investment management and other activities, may come into possession of confidential or material nonpublic information about issuers, including issuers in which the Adviser or its related persons have invested or seek to invest on behalf of clients. The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is a client. The Adviser maintains written policies and procedures designed to prohibit the communication of such information to persons who do not have a legitimate need to know such information and to assure that the Adviser is meeting its obligations to clients and remains in compliance with applicable law. In certain circumstances, the Adviser may possess certain confidential or material, nonpublic information that, if disclosed, might be material to a decision to buy, sell or hold a security, but the Adviser will be prohibited from communicating such information to the client or using such information for the client’s benefit. In such circumstances, the Adviser will have no responsibility or liability to the client for not disclosing such information to the client (or the fact that the Adviser possesses such information), or not using such information for the client’s benefit, as a result of following the Adviser’s

policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

The Code describes the Adviser's fiduciary duties and responsibilities to its clients, and provides written policies and procedures with respect to a variety of matters including, without limitation, service on boards of directors, outside business activities, affiliations with publicly-traded companies, gifts and business entertainment, campaign contributions, and the practice of monitoring the personal securities transactions of employees with access to client investment recommendations. Under the Code, all employees have a duty to act only in the best interests of the Adviser's clients and all potential conflicts and violations of the Code must be reported promptly to the CCO. All employees must acknowledge the terms of the Code annually, or as amended. It is the expressed policy of the Adviser that no person employed by the Adviser shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions of advisory clients.

#### *Personal Trading*

The Adviser permits employees to engage in personal account trading subject to adherence to written policies and procedures contained in the Code that are designed to prevent, among other things, front-running, scalping, the misuse of confidential or material nonpublic information and other improper and prohibited activities. All employees are required to pre-clear personal securities transactions (unless such transaction(s) is exempt from the pre-clearance and reporting obligations of the Code) prior to effecting them and to report transactions and holdings periodically. Generally, employees of the Adviser are prohibited from buying or selling any security that a client account owns or is in the process of buying or selling or which the Adviser is actively and currently researching, analyzing or considering buying or selling for a client account (as determined in the sole discretion of the Adviser and as described in more detail herein). More specifically, the principals and employees of the Adviser are generally not permitted to execute a personal securities transaction for 48 hours before or after any client of the Adviser has a pending "buy" or "sell" order in the same security. Employees must obtain the prior approval of the CCO to participate in private placements. The Adviser's personal account trading policies and procedures also extend to employees' spouses, domestic partners, minor children or other immediate family members residing in the same household as the employee and persons to whom the employee provides material financial support, as well as to any other accounts over which the employee has discretion. The CCO (or a designee) monitors and enforces these policies through the receipt of pre-clearance requests, trade confirmations, quarterly brokerage account statements, and internal reporting obligations of all employees. Any person employed by the Adviser not in observance of the above may be subject to discipline or termination.

### *Participation or Interest in Client Transactions*

On occasion, the Adviser and its principals and employees may buy and sell securities for themselves that they also recommend to clients. The Code contains policies and procedures designed to prevent improper practices with respect to such transactions, and compliance with the Code by the Adviser, its principals and employees is the primary method employed by the Adviser to address the conflicts of interest that arise with respect to these transactions.

## **Item 12. Brokerage Practices**

### *Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions*

As noted previously, the Adviser has discretionary authority to manage the Funds, including authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the brokers or dealers to be used for a particular transaction, and commissions paid.

The Adviser considers a number of factors in selecting broker-dealers to execute securities transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation. Such factors include, among other things: execution quality, net price, reputation, financial strength and stability, commission rates, the level of service offered, reliability, special expertise or capacities of a particular broker-dealer, the ability to effect the transactions, the operational efficiency and facilities of the brokers and/or dealers involved, special execution capabilities and availability of instruments, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, efficiency of execution and error resolution, quotation services, the availability of stocks to borrow for short trades, custody, recordkeeping and similar services, and any research or investment management-related services provided by such brokers or dealers. In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation, the Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost.

The Adviser may cause a higher commission to be paid to a broker or dealer that furnishes research, or services than might be charged by another broker or dealer for effecting the same transaction, provided that the Adviser determines in good faith that the amount of commissions charged is reasonable in relation to the value of the brokerage and research or investment management-related services provided by such broker or dealer.

### *Research and Other Soft Dollar Benefits*

The Adviser receives research or other products or services other than execution from a broker-dealer and/or a third party in connection with client securities transactions. This is known as a "soft dollar" relationship. The adviser will limit the use of "soft dollars" to obtain research and brokerage services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act", and specifically, "Section 28(e)"). Research services within Section 28(e) may include, but are not limited to, research reports (including market research) containing written information and analyses concerning specific securities, companies or sectors (whether produced by the broker-dealer or a third party); market, financial and economic studies and forecasts (whether produced by the broker-dealer or a third party); statistics and pricing services; discussions with research personnel; access to portfolio

company management; attendance at industry conferences; data services; and other news (including certain financial newsletters and trade journals). Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution of securities transactions and functions incidental thereto (i.e., connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software to transmit orders; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations. Research and brokerage services provided by broker-dealers are used for the benefit of all clients of the Adviser.

When the Adviser uses client commissions to obtain Section 28(e) eligible research and brokerage products and services, the relevant personnel of the Adviser (including the CCO and the Chief Financial Officer) meet periodically to review and evaluate its soft dollar practices and to determine in good faith, whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer. This determination will be viewed in terms of either the specific transaction or the Adviser's overall responsibilities to the accounts or portfolios over which the Adviser exercises investment discretion. The Adviser's current policy is to make a reasonable, good faith allocation of the commissions used to obtain research or other products or services that provide both Section 28(e) eligible research and brokerage products and services and non-eligible research and brokerage products and services ("mixed use" products or services).

The Adviser's use of client commissions to obtain research and brokerage products and services raises conflicts of interest. For example, the Adviser does not have to produce or pay for the products and services itself. This may create an incentive for the Adviser to select or recommend a broker-dealer based, in part, on its interest in receiving those products and services.

The Adviser may cause clients to pay commissions higher than those charged by other broker-dealers in return for soft dollar benefits, resulting in higher transaction costs for clients. Additionally, research and brokerage services obtained by the use of commissions arising from a client's portfolio transactions may be used by the Adviser in its other investment activities, including, for the benefit of other client accounts. The Adviser does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate. Specifically, certain Funds may benefit from the use of soft dollar credits that have been generated by the accounts of other Funds.



The Adviser and its affiliates may have other business arrangements with brokers and dealers used to execute transactions for clients. Brokerage firms and their affiliates and representatives may invest in Funds managed by the Adviser, and may provide financing or other services to the Adviser or other accounts managed by the Adviser.

#### *Brokerage for Client Referrals*

Subject to the Adviser's obligation to seek best execution of all transactions for its clients, the Adviser may, from time to time, consider referrals of clients or investors in determining its selection of broker-dealers. The Adviser may have an incentive to select or recommend a broker-dealer based on its interest in receiving investor referrals, rather than on its clients' interest in receiving the most favorable execution.

#### *Directed Brokerage*

The Adviser generally does not permit clients or investors to direct brokerage.

#### *Trade Aggregation*

The Adviser has established an aggregation of orders policy regarding portfolio investment transactions on behalf of the Funds. The Adviser may, but is not required to, aggregate orders for the purchases or sales of securities on behalf of client accounts. The Adviser will make aggregated trade orders in a manner that it considers to be fair and consistent with its fiduciary duties to clients. Participating accounts do not always pay (or receive) average share price with respect to securities transactions. In the event that purchase or sale orders are placed at the same time with the same order instructions (i.e., position amounts, price limits, etc.), client accounts will generally participate on an average share price basis. However, given the independent and distinct nature of each client account, in circumstances where trade orders contain different instructions or limitations, or are placed at different times, client accounts will generally pay (or receive) prices corresponding to the executed transactions based on order instructions and timing of trades. The Adviser's personnel responsible for trading securities on behalf of client accounts periodically monitor the markets in which the Adviser trades in an effort to increase flexibility and efficiency of the Adviser's trading practices in order to maximize benefits for client accounts.

### **Item 13. Review of Accounts**

#### *Review of Client Accounts*

All client accounts are generally reviewed by either David C. Halpert or Roman Fuzaylov, as applicable, the Portfolio Managers for the Funds, or Stoddard “Tad” Sennott, the Head Trader for the Adviser. In addition, the Adviser utilizes an automated order management system to monitor certain investment and regulatory limits. Investments are reviewed in the context of each Fund’s adherence and consistency to the investment objectives and guidelines as set forth in the Governing Documents of each Fund, which include, among other things, the size and number of positions, country and sector exposures, the performance of each client account, and significant market, economic, regulatory and political events.

#### *Reports to Clients*

The Adviser generally provides an annual report that includes audited financial statements to the investors in each Prince Street Fund within 120 days of the applicable Fund’s fiscal year. Each investor in a Prince Street Fund will also receive monthly statements from the Administrator of that Prince Street Fund pursuant to the Fund’s Governing Documents which contain unaudited performance results of the Fund for the applicable fiscal period.

Investors are requested to refer to the Governing Documents of each Fund for further information on the reports provided by a particular Fund to its investors.

## **Item 14. Client Referrals and Other Compensation**

### *Third Party Compensation for Client Referrals*

From time to time, the Adviser may enter into solicitation agreements under which it pays marketing fees for client referrals as permitted under Rule 206(4)-3 of the Advisers Act. The Adviser does not currently pay marketing fees for such client referrals.

The Adviser may enter into solicitation agreements with solicitors that are not affiliated with the Adviser, and these solicitation agreements require that the solicitor perform its duties in accordance with the Advisers Act and appropriate state regulations. Unaffiliated solicitors are additionally required to provide each client with the Adviser's written disclosure document (i.e., Part 2A of Form ADV) and the solicitor's written disclosure document providing: (i) the name of the solicitor and the Adviser; (ii) the nature of the relationship between the solicitor and the Adviser; (iii) a statement that the solicitor will be compensated for its solicitation services by the Adviser; and (iv) the terms of the compensation arrangement. From time to time, the Adviser participates in capital introduction events or programs sponsored by prime brokerage firms. The Adviser does not compensate the prime brokerage firms for such participation or for any introductions made as such events.

## **Item 15. Custody**

Although the Adviser will not maintain physical custody of any client funds or securities, under Rule 206(4)-2 of the Advisers Act (the “Custody Rule”), a registered investment adviser is deemed to have custody of client assets if it has the authority to obtain or acts in a capacity that gives it legal ownership of or access to client funds or securities. Hence, the Adviser is deemed to have custody of client funds and securities because it or its affiliate acts as the general partner or controls the board of directors of a Fund with the authority to obtain client funds and securities, for example, by deducting advisory fees from a client’s account or otherwise withdrawing funds from a client’s account. The Adviser maintains Fund assets at prime brokers, or a custodian, all of whom act in the capacity of “qualified custodians”, as that term is defined under the Custody Rule pursuant to the Advisers Act.

Rule 206(4)-2 under the Advisers Act imposes certain requirements on registered investment advisers who have actual or deemed custody of client assets. However, the Adviser is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule because it complies with the provisions of the so-called “Pooled Vehicle Annual Audit Exception”, which, among other things, requires that: (i) each Fund be audited in accordance with U.S. generally accepted accounting principles on an annual basis; (ii) the independent public accountant conducting the audit is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board; and (iii) audited financial statements will be distributed to each investor in the Funds within 120 days of the end of each Fund’s fiscal year.

#### **Item 16. Investment Discretion**

Subject to the investment objectives, policies and restrictions of each Fund as set forth in the Governing Documents of such Fund, the Adviser has complete discretionary authority to determine the type, amount and price of securities and investments to be bought and sold on behalf of each Fund and client account, including the selection of, and commissions paid to, broker-dealers.

Unless otherwise agreed to between the Adviser and each client, the Adviser will not ordinarily be responsible for losses in client accounts, whether caused by the actions of the Adviser or unrelated third parties, unless caused by the gross negligence, fraud or willful misconduct of the Adviser. Accordingly, the Adviser will not ordinarily be responsible for the consequences of ordinary trade errors, unless caused by the gross negligence, fraud or willful misconduct of the Adviser.

### **Item 17. Voting Client Securities**

Where clients have delegated to the Adviser the authority to vote securities held by the client, it is the Adviser's policy to do so. Therefore, the Adviser has adopted policies and procedures (the "Proxy Voting Policies and Procedures") that have been designed to ensure that the Adviser complies with the requirements of Rule 206(4)-6 and Rule 204-2(c)(2) under the Advisers Act, and reflect the Adviser's commitment to vote all client securities for which it exercises voting authority and for which it is qualified and able to vote in a manner consistent with the best interests of the client.

The Adviser has retained Institutional Shareholder Services Inc. ("ISS"), a third-party proxy voting service, to assist with the review and voting of proxies with respect to the Prince Street Funds. The Adviser has provided ISS with instructions and guidelines for reviewing and voting proxies. ISS reviews all relevant information, evaluates other issues that could have an impact on the value of the security, and recommends votes to the Adviser. In the event such a recommendation differs from the standing instructions and guidelines provided by the Adviser, the Adviser will review the proxy de novo and make an independent determination with respect to such proxy.

The Adviser will deliver to each client upon request a copy of its Proxy Voting Policies and Procedures and/or information on how it voted proxies for the applicable Fund.

**Item 18. Financial Information**

Not Applicable.