

**Firm Brochure  
(Part 2A of Form ADV)**

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This brochure provides you with information about the qualifications, business practices and nature of advisory services of Horse Cove Partners, LLC, all of which should be considered before becoming an advisory client of our Firm. Please contact Kevin Ellis, Managing Director, if you have any questions about this narrative brochure.

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.

We are registered as an Investment Adviser with the SEC. Registration does not imply a certain level of skill or training. Additional information about our Firm is available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number known as a CRD number. Our Firm's CRD number is 172389.

March 28<sup>th</sup> 2020

## **Item 2      Material Changes**

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This version of Part 2A of Form ADV (“Firm Brochure”) and Part 2B of Form ADV (“Supplement Brochure”), dated March 28<sup>th</sup> 2020, is an annual amendment brochure document prepared in accordance to the SEC’s requirements and rules, which mandate that advisers provide a Firm Brochure in narrative “plain English” format.

### **Summary of Material Changes**

There are no material changes at this time.

### **Full Brochure Available**

We will provide you with a new version of the Brochure as necessary based on changes or new information, at any time, without charge. Request a complete copy of our Firm Brochure and/or Supplemental Brochure by contacting us by telephone at (678) 905-5723 or by email at [kellis@horsecovepartners.com](mailto:kellis@horsecovepartners.com)

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## Item 4      **Advisory Business**

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### **A. FIRM DESCRIPTION**

Horse Cove Partners, LLC ("**Horse Cove**" or the "**Firm**") is organized as a Georgia limited liability company and was founded in 2012.

Horse Cove's current business activities consist of providing investment advisory services through separately managed accounts to individuals and institutions, and also providing investment management services to private funds and a mutual fund.

Kevin Ellis and Samuel DeKinder are the principal owners of the Firm. Mr. Ellis and Mr. DeKinder each hold a 50% ownership interest in the Firm and serve as a Managing Partner and Investment Adviser Representative.

### **B. TYPES OF ADVISORY SERVICES**

#### **Seperately Managed Accounts**

Horse Cove provides **investment advisory services** to high net worth individuals and businesses (the "**Separately Managed Accounts**") which invest their assets in securities. Separately Managed Accounts are managed using a fixed income and option strategy pursuant to a written investment advisory agreement and the associated investment policy statement.

A copy of the written investment advisory agreement and investment policy statement are available upon request to Horse Cove by high net worth individuals and businesses.

**Horse Cove does not give advice about or manage other types of securities.** Horse Cove utilizes its proprietary strategies in specific types of securities in order to accomplish optimal returns for its clients.

#### **Sub-Advisor to Registered Investment Company**

The Firm serves as a sub-advisor to the Princeton Premium Fund ("Princeton" or "Fund"). Investors in Princeton are shareholders ("**Shareholders**") of the Fund.

**Horse Cove provides investment sub-advisory services to the Fund based on the investment objectives of the Fund. This document is not an offer to sell or a solicitation of an offer to buy shares in Princeton.**

Horse Cove receives a sub-advisory fee according to the fee schedule listed in Princeton's prospectus (the "**Prospectus**"). Princeton seeks to achieve this objective by using proprietary strategies to build a portfolio of call and put options primarily on the S&P 500 and generating cash flow by investing in fixed income markets.

Additonal information about the Fund, including fees charged to the Fund is contained in the Fund's Prospectus, which is publicly avaiable at the Fund's website ([www.princetonpremiumfund.com](http://www.princetonpremiumfund.com)), on the EDGAR database on the SEC's website ([www.sec.gov](http://www.sec.gov)), or by contacting the Fund's principal underwriter, Northern Lights Distributors. Princeton's investment objective is to achieve capital appreciation.

### **Sub-Advisor to Private Funds**

Horse Cove provides investment management services to a number of privately offered pooled investment products ("Private Funds"). Private Fund investments are managed in accordance with the investment objectives set forth in each Private Fund's confidential offering memorandum ("Memorandum") and such investments are not tailored to the individual needs of any particular limited partner.

In return for our investment management services, we receive an investment management fee calculated as a percentage of the net assets of each entity. We also may earn a performance based fee. The Performance Fees are calculated on the Private Funds' assets based on the fiscal period ending value which may include realized and unrealized capital gains and losses

The Private Funds are not available for purchase by the general public

### **C. TAILORED RELATIONSHIPS**

Horse Cove provides investment advisory services to the Fund, and the Private Funds based on the investment objectives of each entity. **Horse Cove does not provide tailored investment advice to the Shareholders of Princeton or the limited partners of a Private Fund.** However, Separately Managed Accounts may impose restrictions on both the risk parameters used by Horse Cove in option strategy and the fixed income components.

### **D. WRAP FEE PROGRAMS**

Wrap Fee Programs are arrangements between broker-dealers, investment advisers, banks, and other financial institutions and affiliated and unaffiliated investment advisers through which clients of such firms receive discretionary investment advisory, execution, clearing, and custodial services in a "bundled" form. In exchange for these "bundled" services, clients pay an all-inclusive (or "wrap") fee determined as a percentage of the assets held in the wrap account.

Due to the nature of its advisory services, Horse Cove does not participate in and is not a sponsor of wrap fee programs.

### **E. ASSETS UNDER MANAGEMENT**

When calculating regulatory assets under management, an Investment Adviser must include the value of any private fund over which it exercises continuous and regular supervisory or management services. As noted above, Horse Cove provides investment advisory services to the Fund and separately managed accounts. As of December 31, 2019, Horse Cove managed approximately \$82,643,625 on a discretionary basis. Horse Cove does not manage any accounts on a non-discretionary basis.

## **Item 5 Fees and Compensation**

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Horse Cove earns its fees and compensation by providing advice and investment management services to Separately Managed Accounts. Horse Cove also provides sub-advisory and investment management services to Private Funds, and a Mutual Fund. For

all services offered by Horse Cove, the same or different services may be offered by other firms at the same, higher, or lower fees.

#### **A. FEES CHARGED TO THE MUTUAL FUND**

Horse Cove receives a sub-advisory fee according the fee schedule listed in the Prospectus. Additonal information about the Fund, including fees charged to the Fund is contained in the Fund's Prospectus, which is publicly avaiable at the Fund's website ([www.princetonpremiumfund.com](http://www.princetonpremiumfund.com)), on the EDGAR database on the SEC's website ([www.sec.gov](http://www.sec.gov)), or by contacting the Fund's principal underwriter, Northern Lights Distributors.

#### **B. FEES CHARGED TO THE PRIVATE FUNDS**

Horse Cove receives a management fee consisting of a percentage of assets under management. The fee for each fund varies with the fund but is no more than 2.00%.

In addition a Private Fund may also be charged a Performance Fee, which is described below.

#### **B. FEES CHARGED TO SEPARATELY MANAGED ACCOUNTS**

##### *Management Fee*

Horse Cove receives a Management Fee of no more than 2.0% *per annum provided that* Performance Fees are also charged, or a Management Fee of up to 5.0% *per annum* if Performance Fees are not charged. Separately Managed Accounts may negotiate which fee structure they prefer and such fees are discussed in the Investment Management Agreement. Management fees accrue daily.

##### *Performance Fee*

Performance Fees are only assessed on accounts of Qualified Clients. At the close of each fiscal quarter, the Performance Fee is debited from the Separated Managed Account. The Performance Fees are calculated on clients' assets based on the fiscal period ending value which may include realized and unrealized capital gains and losses.

Generally, the amount of the fee is either (1) no more than twenty percent (20%) of the amount by which the ending value of an account exceeds the value of its previous fiscal period close ("high water mark"); or (2) a mutually agreed upon percentage of the return on the account of no more than thirty percent (30%).

#### **C. OTHER FEES AND EXPENSES**

##### Mutual Fund

The Fund pays for all ordinary operating and other expenses, including, but not limited to, investment-related expenses (such as brokerage commissions, clearing and settlement charges, custodial fees, interest expenses, expenses relating to consultants, brokers or other professionals or advisors who provide research, advice or due diligence services with regard to investments, appraisal fees and expenses and investment banking expenses); research costs and expenses (including fees for news, quotation and similar information and pricing services); legal expenses (including, without limitation, the costs of on-going legal advice and services, blue sky filings as well as extraordinary legal expenses); accounting fees and audit expenses; administrative fees; tax preparation expenses and any applicable tax liabilities (including transfer taxes and withholding taxes); other governmental charges or fees payable by the Fund; costs of printing and mailing reports and notices; and other similar expenses related to the Fund.

#### Private Funds

The Private Funds managed by Horse Cove bear all their own investment and operating expenses, which generally includes overhead and administration expenses, including filing fees, legal expenses, tax preparation expenses, administrator's fees, and the fees associated the annual audit.

#### Separately Managed Accounts

Separately Managed Accounts pay for all ordinary investment-related expenses (such a brokerage commissions, clearing and settlement charges, custodial fees, and interest expenses), accounting fees and audit expenses, administrative fees, any applicable tax liabilities (including transfer taxes and withholding taxes), other government charges or fees, and other similar expenses.

#### Rollover Recommendations

There is a conflict of interest when a Horse Cove representative makes a recommendation that a participant roll over assets from a retirement account into a new or existing account or investment (e.g. rollover IRA) managed by Horse Cove. The conflict of interest exists because Horse Cove will receive compensation (e.g., management fees) if the money is rolled over, but it will not if the recommendation is not accepted. In some cases, Horse Cove could have recommended that the participant leave his or her money in the plan and, in that case, the firm and its representative would not be compensated for their advice. Horse Cove will manage this conflict through a process designed to develop an informed recommendation in the best interest of the client.

## **Item 6      Performance-Based Fees & Side-by-Side Management**

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### **A. PERFORMANCE-BASED FEES**

Horse Cove does assess a performance-based fee in the form of the Performance Fee described in Item 5 above.

The Performance Fee is only assessed against Separately Managed Accounts who are “qualified clients” as such term is defined by Rule 205-3 under the Investment Advisers Act of 1940.

**Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.**

#### **B. SIDE-BY-SIDE MANAGEMENT**

“Side-by-Side Management” refers to a situation in which the same adviser manages accounts that are billed based only on a percentage of assets under management and at the same time manages other accounts for which fees are performance-based. Separately Managed Accounts can opt for a higher Management Fee in lieu of paying a Performance Fee. This creates a conflict of interest whereby the investment advisers have an incentive to favor accounts for which Performance Fees are earned. This is addressed by increasing the Management Fee earned on a Separately Managed Account where no Performance Fee is earned.

### **Item 7      Types of Clients**

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#### **A. TYPES OF CLIENTS**

As described under “Advisory Business” above, the types of clients to whom Horse Cove generally provides portfolio management services include individuals, institutions, registered investment companies and private funds to the Fund and Separately Managed Accounts.

#### **B. CONDITIONS FOR ACCOUNT MANAGEMENT**

Services provided Separated Managed Accounts are on a discretionary basis only and such clients are required to be accredited investors. There is also a minimum investment of \$100,000 required to become Separately Managed Account client of Horse Cove.

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

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#### **A. METHODS OF ANALYSIS**

Horse Cove employs several methods and indicators of analysis, including various technical analysis techniques to achieve the investment objectives and goals of the clients.

**Technical analysis** is a method of evaluating securities by relying on the assumption that market data, such as charts of price, volume and open interest can help predict future (usually short-term) market trends. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall. The technical indicators that the fund may consider include, but are not limited to, price, volume, momentum, relative strength, sector/group strength and moving averages. Technical analysis does not consider the underlying financial condition of a



company. This presents a risk that a poorly-managed or financially unsound company may underperform regardless of market movement.

## **B. INVESTMENT STRATEGIES**

The Firm purchases and sells call and put options on the S&P 500 index, utilizing a premium collection strategy that implements a call spread and put spread on the same option contract. For example, the Firm will sell a call option and put option and buy back the same call option and put option at a different price, thereby creating a defined risk trade. The difference is referred to as a “spread”. The call spreads and put spreads each utilize the S&P 500 Index contracts, same maturity date, and same number of contracts, but the options are at different strike prices. When the option expiration date arrives, if all options are out-of-the-money, they expire worthless and the Firm will retain the cash collected when opening the position, net of any cash (premium) paid to purchase the call and put positions. This type of strategy is sometimes referred to as an “Iron Condor”.

### Research

While Horse Cove has extensive research contacts in all financial markets, most of its research is “home grown”; that is, done in-house and done thoroughly. Horse Cove meets with management, talks with customers and supplements these findings with brokerage research, business journals, and professional contacts.

## **C. MATERIAL RISKS OF METHODS OF ANALYSIS AND INVESTMENT STRATEGIES**

Alternative investment products often engage in leveraging and other speculative investment practices that may increase the risk of investment loss. Because risks are inherent in all the investments in which the Firm engages, no assurances can be given that investment objectives will be realized.

In addition to the risk factors Horse Cove discusses with individual clients, Separately Managed Accounts should carefully consider the following risks prior to making an investment with Horse Cove:

- *General Investment Risks:* The client’s portfolio success depends upon Horse Cove’s ability to implement its investment strategy. Any factor that would make it more difficult to execute timely trades may also be detrimental to the portfolio’s profitability.
- *Dependence on Key Personnel:* Separately Managed Accounts are dependent on the services of Messrs. Kevin Ellis and Samuel DeKinder and there can be no assurance that Horse Cove will be able to retain Messrs. Ellis and DeKinder, whose credentials are described Horse Cove’s Supplement Brochure (Part 2B of Form ADV). The departure or incapacity of Messrs. Ellis or DeKinder could have a material adverse effect on Horse Cove’s ability to act as subadvisor to the Fund.
- *Investment and Trading Risks.* All investments involve the risk of a loss of capital. Horse Cove believes that its investment program and its research and risk-

management techniques moderate this risk through the careful selection of securities and other financial instruments. No guarantee or representation is made that Horse Cove's investment program will be successful, and investment results may vary substantially over time.

- *Liquidity.* While the investments made by Horse Cove on behalf of a client can generally be readily liquidated, the investment strategy is to hold its investments to maturity or expiration. Horse Cove may not be able to sell such investments at prices that reflect the Firm's assessment of their value or at the amount originally paid by the client.
- *Risks Relating to Markets.* The value of those securities in which the client invests and that are traded on exchanges and the risks associated therewith vary in response to events that affect such markets and that are beyond the control of Horse Cove. Market disruptions such as those that occurred during October of 1987 and on September 11, 2001, and following the systemic loss of confidence during the financial crisis of 2008 and 2009, could have a material effect on general economic conditions, market volatility, and market liquidity which could result in substantial losses to the client's portfolio.

While this information provides a synopsis of the events that may affect a separately managed account, this listing is not exhaustive. Please read the Investment Management Agreement carefully. **ANY CLIENT MAY LOSE ALL OR A SUBSTANTIAL AMOUNT OF ITS INVESTMENT WITH HORSE COVE.**

An investment with Horse Cove as a separately managed account should form only a part of a complete investment program, and a Separately Managed Account must be able to bear the loss of his or her entire investment. Prospective investors are urged to consult with their own financial, tax and legal advisors before investing in with Horse Cove.

#### **D. RECOMMENDATION OF SPECIFIC TYPES OF SECURITIES**

Horse Cove specializes in recommendations which are designed for investors who have the knowledge and experience in financial matters to evaluate the merits and risks of such investments. Fund investments may include, but are not limited to, direct obligations of the U.S. Treasury, Government Sponsored Enterprises ("GSEs"), and derivative instruments (including options transactions).

## **Item 9      Disciplinary Information**

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Horse Cove is required to disclose whether there are legal or disciplinary events that are material to a client's or prospective client's evaluation of Horse Cove's advisory business or the integrity of its management. None of Horse Cove, its principals, or its employees have been involved in any legal or disciplinary proceedings related to past or present investment advisory clients.

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

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### **A. FINANCIAL INDUSTRY ACTIVITIES**

Horse Cove is not a registered broker-dealer and does not have an application pending to register as a broker-dealer. Furthermore, none of Horse Cove's management or supervised persons is a registered representative of a broker-dealer and no such person has an application pending to become a registered representative of a broker-dealer.

### **B. FINANCIAL INDUSTRY AFFILIATIONS**

Horse Cove is not a registered futures commission merchant, commodity pool operator, or commodity trading advisor and does not have an application pending to register as such. Furthermore, none of Horse Cove principals or supervised persons is registered as, or has an application pending to register as, an associated person of any of the foregoing types of firms.

### **C. OTHER MATERIAL RELATIONSHIPS**

Horse Cove serves as the sub-adviser of the Fund, which invests its assets in securities. As sub-adviser to the Fund, Horse Cove is responsible for the management of the Fund's portfolio.

Horse Cove does not have any other arrangements with a related person who is a broker-dealer, investment company, other investment adviser, financial planning firm, commodity pool operator, commodity trading adviser, futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships other than those already disclosed herein.

### **D. OTHER INVESTMENT ADVISERS**

Horse Cove does not have any material arrangements with other investment advisers that would be material to its advisory clients.

### **E. OTHER AFFILIATIONS**

Donald Trotter, Investment Advisor Representative for Horse Cove, serves as Chairman for the Trust Investment Committee of National Advisors Trust. This is not a conflict of interest with his role at Horse Cove.

Based on the volume of option trading conducted on the Chicago Board of Exchange, Horse Cove may receive a rebate of certain trading costs incurred. These rebates directly benefit Horse Cove and since they are based on the volume of trades executed create a conflict of interest.

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

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### **A. CODE OF ETHICS**

All employees of Horse Cove must act in an ethical and professional manner. In view of the foregoing and applicable provisions of relevant law, Horse Cove has determined to adopt a Code of Ethics to specify and prohibit certain types of transactions deemed to create conflicts of interest (or at least the potential for or the appearance of such a conflict), and to establish reporting requirements and enforcement procedures relating to personal trading by Horse Cove personnel. Horse Cove's Code of Ethics, which specifically deals with professional standards, insider trading, personal trading, gifts and entertainment, and fiduciary duties, establishes standards for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. Horse Cove will provide a copy of its Code of Ethics to any client or prospective client upon request.

### **B. PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS**

While Horse Cove intends to allocate investment opportunities to all clients (Private Fund, Mutual Fund, Separately Managed Accounts) in a manner that it believes is fair and equitable, the possibility of receiving the Performance Allocation may create an incentive for Horse Cove to recommend more speculative investments on behalf of the clients paying a performance based fee.

### **C. PROPRIETARY /SIMULTANEOUS TRADING**

At times, Horse Cove and/or its supervised persons (*i.e.*, Investment Adviser Representatives) may buy or sell securities for their own accounts that Horse Cove has recommended to client accounts. This presents a conflict of interest. In any instance where similar securities are being bought or sold, Horse Cove will uphold its fiduciary duty by always transacting on behalf of its clients before transacting for the Firm's own benefit. It is the policy of Horse Cove that supervised persons must avoid securities transactions and activities for their own accounts that might conflict with or be detrimental to the interest of a client. To the extent supervised persons are aware of trades in individual issues being considered, recommended, or traded for a client account, such supervised persons will make every effort to trade in their own accounts only after trades are executed for the applicable clients. To mitigate or remedy any conflicts of interest or perceived conflicts of interest, Horse Cove will collect and monitor proprietary and personal trading reports for adherence to the Firm's Code of Ethics.

## **Item 12 Brokerage Practices**

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### **A. SELECTION AND RECOMMENDATION**

Horse Cove has established brokerage and custodial relationships with Interactive Brokers, LLC ("Interactive Brokers") and TD Ameritrade Institutional ("TD Ameritrade"), a division of TD Ameritrade Institutional, both members of the Financial Industry Regulatory Authority, Inc. ("FINRA") and the Securities Investor Protection

Corp. ("SIPC"). Interactive Brokers is used to provide brokerage services to the Fund and the Separately Managed Accounts. TD Ameritrade is used to provide brokerage services to the Separately Managed Accounts.

Horse Cove will have complete discretion regarding the selection of brokers for client accounts and the amount of brokerage commissions and fees paid to such brokers, and this determination will be based upon four factors: (1) where the best execution (price) is likely to be obtained; (2) a brokerage firm's research and investment ideas that directly impact each Fund's portfolio; (3) a firm's ability to properly execute any orders (based on the size of the trade and its complexity to execute); and (4) the operational aspects of brokerage firms' back office (will the Fund and Separately Managed Accounts receive payment of securities on a timely basis) and custodian or other administrative services. "Best execution" is not synonymous with lowest brokerage commission. Consequently, Horse Cove may pay a brokerage commission in excess of that which another broker might have charged for executing the same transaction for other investment funds similar to the Fund if Horse Cove has determined that the research, execution and other services rendered by a particular broker merit greater than typical fees.

#### **B. SOFT DOLLAR BENEFITS**

An investment adviser receives soft dollar benefits from a broker-dealer when the investment adviser receives research or other products and services in exchange for the client securities transactions or maintaining an account balance with the broker-dealer.

Horse Cove does not have a soft dollar agreement with a broker-dealer or third-party.

#### **C. BROKERAGE FOR CLIENT REFERRALS**

Horse Cove currently does not receive client referrals from third parties for recommending the use of specific broker-dealer brokerage services. It is not currently the intention of Horse Cove to utilize any particular procedures to direct client transactions to a particular broker in return for products and research services received. If Horse Cove determines to enter into such a referral arrangement, the Firm will amend its Part 1 of Form ADV and this Firm Brochure.

#### **D. DIRECTED BROKERAGE**

When a Separately Managed Account directs brokerage, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. If a Separately Managed Account directs brokerage, Horse Cove may cost the Separately Managed Account more money. For example, the Separately Managed Account may pay higher brokerage commissions because Horse Cove was not able to aggregate orders to reduce transaction costs, or the Separately Managed Account may receive less favorable prices.

#### **E. ORDER AGGREGATION**

Horse Cove does aggregate orders and allocates orders in a fair and equitable manner among all client accounts. Client accounts will share commission and transactions costs equally and receive securities at a total average price. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated

on a pro rata basis. Any exceptions will be explained in the trade blotter. If the firm does not aggregate orders, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means that this practice of not aggregating may cost clients more money. Horse Cove Persons may participate in block trades with clients.

## **Item 13      Review of Accounts**

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### **A. PERIODIC REVIEWS**

For all clients Horse Cove reviews the investment programs, including current holdings, on a continual basis. The Firm reviews the investment programs to analyze rates of return, allocation of assets, and to verify that the investment portfolios are consistent with their investment objectives. Such reviews are conducted by Messrs. Ellis and DeKinder, as Managing Directors of Horse Cove.

### **B. INTERMITTENT REVIEW FACTORS**

Intermittent reviews may be triggered by substantial market fluctuation, economic or political events.

### **C. CLIENT REPORTS**

All clients will receive the information necessary to prepare federal and state income tax returns following the conclusion of each fiscal year or as soon thereafter as is reasonably practical.

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

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### **A. ECONOMIC BENEFITS FROM OTHERS**

Horse Cove and its related persons do not receive an economic benefit (such as sales awards or other prizes) from any third party for providing investment advice or other advisory services to its clients.

### **B. COMPENSATION TO UNAFFILIATED THIRD PARTIES**

Horse Cove may enter into solicitation and third party marketing agreements with consultants for investor and client referrals. In such cases, compensation may be paid for referral arrangements and are negotiated as a percentage of the management fee and/or performance fee charged to the capital accounts of the accounts of Separately Managed Accounts. Each Separately Managed Account is required to sign a written acknowledgement prior to any compensation being paid to the solicitor or consultant. Solicitors are required to be registered investment advisers and third party marketers are required to be registered as broker/dealers.

Clients incur no additional charges or costs as a result of the additional compensation paid to third party solicitors or marketers. Any such compensation is paid from management and performance fees customarily charged to client accounts.

## **Item 15     Custody**

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### **A. CUSTODY OF ASSETS**

Custody means holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them.

Horse Cove does not have direct custody of any client funds or securities. Horse Cove will not maintain physical possession of client funds or securities. Interactive Brokers or TD Ameritrade Institutional will generally have actual custody of client assets.

Horse Cove is deemed to have custody of the Separately Managed Accounts' assets because it has the ability to deduct advisory fees payable to it and it has power of attorney over these accounts.

### **B. ACCOUNT STATEMENTS**

All clients will receive the information necessary to prepare federal and state income tax returns following the conclusion of each fiscal year or as soon thereafter as is reasonably practical.

Interactive Brokers and TD Ameritrade will deliver at least quarterly statements to Separately Managed Accounts. Clients should carefully review those statements promptly when they receive them. We also strongly urge you to compare the account statements that you receive from the custodian with any periodic reports that you might receive from us.

## **Item 16     Investment Discretion**

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Separately Managed Accounts may select the custodian where the account is maintained and may specify the risk parameters for the option strategy. Horse Cove is otherwise not limited in authority to purchase securities, in type or amount, for Separately Managed Accounts.

## **Item 17     Voting Client Securities**

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Fiduciary obligations of prudence and loyalty require an investment adviser with proxy voting responsibility to vote proxies on issues that affect the value of the client's investment. Proxy voting decisions must be made solely in the best interests of the client's account. In voting proxies, an investment adviser is required to consider those factors that may affect the value of its client's investments and may not subordinate the interests of a client to unrelated objectives.

Horse Cove does not have the authority to and does not vote proxies on behalf of the Separately Managed Accounts. The Separately Managed Accounts retain the responsibility for receiving and voting proxies for any and all securities maintained in

their portfolios. Generally, there are no vote proxies related to government bonds and options on the S&P 500 Index.

## **Item 18      Financial Information**

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### **A. BALANCE SHEET REQUIREMENT**

A balance sheet is not required to be attached because Horse Cove is not the qualified custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, six (6) months or more in advance.

### **B. FINANCIAL CONDITION**

Horse Cove does not have any financial impairment that will preclude it from meeting contractual commitments to clients.

### **C. BANKRUPTCY PETITION**

Horse Cove has not been the subject of a bankruptcy petition at any time during the last 10 years.



## **Privacy Policy**

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Horse Cove does not disclose nonpublic personal information about its clients or former clients to third parties other than as described below. Horse Cove collects information about its clients (such as name, address, social security number, assets and income) from the Firm's discussions with clients, from documents that clients may deliver to the Firm (such as subscription documents) and in the course of providing services to clients. In order to service clients' accounts and effect investment transactions, Horse Cove may provide clients' personal information to the Firm's affiliates and to firms that assist Horse Cove in servicing client accounts and have a need for such information, such as brokers, distributors, legal counsel, fund administrators, or accountants. Horse Cove does not otherwise provide information about clients to outside firms, organizations, or individuals except as required or permitted by law. Any party that receives this information will use it only for the services required and as allowed by applicable law or regulation, and is not permitted to share or use this information for any other purpose.

# **Brochure Supplement**

**(Part 2B of Form ADV)**

**KEVIN ELLIS**

**Investment Adviser Representative**

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NOTICE: The attached Brochure Supplement provides information about the Investment Adviser Representative of Horse Cove Partners, LLC ("Horse Cove" or the "Firm"). You should have received a copy of the Brochure for Horse Cove, CRD No. 172389, as well. Please contact Kevin Ellis, Managing Director, if you did not receive the Firm's Part 2A of Form ADV. You can also contact Kevin Ellis if you have any questions about the content of the attached supplement.

Additional information about the Firm's investment adviser representatives is available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number known as a CRD number. Kevin Ellis' CRD number is 5434963.

March 28<sup>th</sup> 2020

## **A. General Requirements**

Generally, Horse Cove requires employees to hold a college or advanced degree or have relevant working experience in the securities industry. Any employee of Horse Cove acting in a representative capacity will be appropriately licensed or registered.

## **B. Investment Adviser Representative Information**

Horse Cove currently has five (5) investment adviser representatives. This Brochure Supplement provides information about **Kevin Ellis**, the Firm's investment adviser representative.

### **Item 2 Education and Business Experience**

CRD Number: 5434963

Year of Birth: 1957

Mr. Ellis is a co-owner of Horse Cove Partners and brings more than 30 years of financial, administrative and operations experience to the Firm. Additionally, he was COO and a Principal of FISCO Alpha Management LLC; FISCO Appreciation Management LLC. Previously, Mr. Ellis served as a Founding Principal, Managing Director and COO at Labyrinth Group, LLC, and an investment management firm utilizing structured securities. Prior to that, he was Manager of Corporate Development at Arthur Anderson, LLP, where he focused on finance, mergers and acquisitions. Earlier in his career, he served as Vice President of Business Planning at SUPERVALU, Inc. Mr. Ellis is a graduate of Minnesota State University-Mankato BA Finance and earned a Juris Doctorate from William Mitchell College of Law and was admitted to the bar in Minnesota in 1983.

#### **RELATED BUSINESS EXPERIENCE:**

##### **Managing Director**

Horse Cove Partners (2013 - Present)

##### **Chief Operating Officer and Principal**

MVS Management, LLC (2011- 2014)

##### **Principal**

FISCO Appreciation Management, LLC (2010 - 2016)

##### **Chief Operating Officer**

Labyrinth Group, LLC (2000 - 2007)

### **Item 3 Disciplinary Information**

Kevin Ellis does not have any legal or disciplinary events material to a client's or prospective client's evaluation.

**Item 4            Other Business Activities**

Kevin Ellis is the sole proprietor of 811 Properties, LLC. Mr. Ellis receives rental income from the real estate investment.

**Item 5            Additional Compensation**

See above regarding Kevin Ellis' outside business activities.

**Item 6            Supervision**

Kevin Ellis is the Managing Director and Investment Adviser Representative of Horse Cove. Horse Cove has and provides investment advisory and supervisory services in accordance with its policies and procedures manual. The Firm's Chief Compliance Officer, Matt Swendiman, is primarily responsible for implementation of the Firm's policies and procedures.

# **Brochure Supplement**

**(Part 2B of Form ADV)**

**SAM DEKINDER**

**Investment Adviser Representative**

**Horse Cove Partners, LLC**

**1899 Powers Ferry Road, Suite 120**

**Atlanta, Ga 30339**

**Telephone: (678) 9055726**

**Email: [sdekinder@horsecovepartners.com](mailto:sdekinder@horsecovepartners.com)**

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March 28<sup>th</sup> 2020

## **A. General Requirements**

Generally, Horse Cove requires employees to hold a college or advanced degree or have relevant working experience in the securities industry. Any employee of Horse Cove acting in a representative capacity will be appropriately licensed or registered.

## **B. Investment Adviser Representative Information**

Horse Cove currently has five (5) investment adviser representatives. This Brochure Supplement provides information about **Sam DeKinder**, the Firm's investment adviser representative.

### **Item 2 Education and Business Experience**

CRD Number: 64269

Year of Birth: 1938

Samuel T. DeKinder has over 40 years of investment experience. He is the Founder of Horse Cove Partners and its co-owner. Following his retirement from Invesco Ltd in 2006, Mr. DeKinder was a partner and Vice President of Marketing for FISCO Appreciation Management LLC. He was a Managing Member and equity owner of FISCO Appreciation Management LLC. Mr. DeKinder served as a member on the Board of Directors of Invesco, MIM PLC (the predecessor to Invesco Ltd.), in addition to a variety of executive capacities during his nearly 20 years with Invesco. He formerly served as a member of the Board of Directors of Kennedy Capital Management. Previously, Mr. DeKinder was a Co-Founding Principal of DeMarche Associates, one of the nation's most prominent investment consulting firms. He graduated from the University of Oklahoma with degrees in Economics and Statistics

#### **RELATED BUSINESS EXPERIENCE:**

##### **Managing Director and Chief Portfolio Officer**

Horse Cove Partners (2013 - Present)

##### **Principal**

FISCO Appreciation Management, LLC (2010 - 2016)

##### **Director of Sales, Marketing and Relationship Management**

INVESCO (1990 - 2005)

### **Item 3 Disciplinary Information**

Sam DeKinder does not have any legal or disciplinary events material to a client's or prospective client's evaluation.

### **Item 4 Other Business Activities**

Sam DeKinder does not have any additional outside business activities.

**Item 5          Additional Compensation**

Sam DeKinder does not receive any additional compensation.

**Item 6          Supervision**

Sam DeKinder is the Managing Director and Investment Adviser Representative of Horse Cove. Horse Cove has and provides investment advisory and supervisory services in accordance with its policies and procedures manual. The Firm's Chief Compliance Officer, Matt Swendiman, is primarily responsible for implementation of the Firm's policies and procedures.

# **Brochure Supplement**

**(Part 2B of Form ADV)**

**GREGORY BRENNAN**

**Investment Adviser Representative**

**Horse Cove Partners, LLC**

**1899 Powers Ferry Road, Suite 120**

**Atlanta, Ga 30339**

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March 28<sup>th</sup> 2020



## **A. General Requirements**

Generally, Horse Cove requires employees to hold a college or advanced degree or have relevant working experience in the securities industry. Any employee of Horse Cove acting in a representative capacity will be appropriately licensed or registered.

## **B. Investment Adviser Representative Information**

Horse Cove currently has five (5) investment adviser representatives. This Brochure Supplement provides information about **Gregory Brennan**, the Firm's investment adviser representative.

### **Item 2          Education and Business Experience**

CRD Number: 4162588

Year of Birth: 1975

Gregory Brennan is an assistant portfolio manager of Horse Cove Partners and brings more than 16 years of investment experience to the firm. Previously, Mr. Brennan was a SVP, financial advisor at Cohen, Mackall & Associates, a financial advisory practice of Ameriprise Financial Inc. Prior to that, he was AVP, financial advisor with SunTrust Investment Services. He began his career in the financial services working as an advisor in a NY office of A.G. Edwards & Sons, Inc. Mr. Brennan is a graduate of Queens College of NY with a BA Economics.

#### **RELATED BUSINESS EXPERIENCE:**

##### **Assistant Portfolio Manager**

Horse Cove Partners	(2016 - Present)
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##### **Financial Advisor, SVP**

Cohen, Mackall & Associates	(2011- 2016)
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##### **Financial Advisor, AVP**

SunTrust Investment Services	(2006 - 2010)
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##### **Financial Consultant**

A.G. Edwards & Sons, Inc.	(2000 - 2006)
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### **Item 3          Disciplinary Information**

Gregory Brennan does not have any legal or disciplinary events material to a client's or prospective client's evaluation.

**Item 4            Other Business Activities**

Gregory Brennan does not have any additional outside business activities.

**Item 5            Additional Compensation**

Gregory Brennan does not receive any additional compensation.

**Item 6            Supervision**

Gregory Brennan is an Investment Adviser Representative of Horse Cove. Horse Cove has and provides investment advisory and supervisory services in accordance with its policies and procedures manual. The Firm's Chief Compliance Officer, Matt Swendiman, is primarily responsible for implementation of the Firm's policies and procedures.

# **Brochure Supplement**

**(Part 2B of Form ADV)**

**MICHAEL CRISSEY**

**Investment Adviser Representative**

**Horse Cove Partners, LLC**

**1899 Powers Ferry Road, Suite 120**

**Atlanta, Ga 30339**

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March 28<sup>th</sup> 2020

## **A. General Requirements**

Generally, Horse Cove requires employees to hold a college or advanced degree or have relevant working experience in the securities industry. Any employee of Horse Cove acting in a representative capacity will be appropriately licensed or registered.

## **B. Investment Adviser Representative Information**

Horse Cove currently has five (5) investment adviser representatives. This Brochure Supplement provides information about **Michael Crissey**, the Firm's investment adviser representative.

### **Item 2 Education and Business Experience**

CRD Number: 2870703

Year of Birth: 1949

Michael Crissey has over 32 years of investment experience. He is currently a Director at Horse Cove Partners LLC. Over his career, Michael has had a successful career in Consulting, Institutional Sales, Marketing and Client Servicing. During his time in Kansas City he served as a member on the Board of Directors of Ozanam Home for Boys and Girls. He graduated from the Penn Valley Community College with a degree in Applied Science.

#### **RELATED BUSINESS EXPERIENCE:**

##### **Director**

Horse Cove Partners (2014 - Present)

##### **Senior Wealth Advisor**

Pathways Financial Partners (2012 - 2013)

##### **VP of Sales**

FISCO Investment Management LLC (2009 - 2011)

##### **Director, Institutional Marketing**

Principal Global Investors (2005 - 2009)

##### **Principal, Portfolio Manager**

Sirach Capital Management (2000 - 2005)

##### **Director, Institutional Division**

DeMarche Associates, Inc. (1984 - 2000)

### **Item 3 Disciplinary Information**

Michael Crissey does not have any legal or disciplinary events material to a client's or prospective client's evaluation.

**Item 4            Other Business Activities**

Michael Crissey does not have any additional outside business activities.

**Item 5            Additional Compensation**

Michael Crissey does not receive any additional compensation.

**Item 6            Supervision**

Michael Crissey is an Investment Adviser Representative of Horse Cove. Horse Cove has and provides investment advisory and supervisory services in accordance with its policies and procedures manual. The Firm's Chief Compliance Officer, Matt Swendiman, is primarily responsible for implementation of the Firm's policies and procedures.

# **Brochure Supplement**

**(Part 2B of Form ADV)**

**DONALD TROTTER**

**Investment Adviser Representative**

**Horse Cove Partners, LLC**

**1899 Powers Ferry Road, Suite 120**

**Atlanta, Ga 30339**

**Telephone: (678) 9055726**

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March 28<sup>th</sup> 2020

## **A. General Requirements**

Generally, Horse Cove requires employees to hold a college or advanced degree or have relevant working experience in the securities industry. Any employee of Horse Cove acting in a representative capacity will be appropriately licensed or registered.

## **B. Investment Adviser Representative Information**

Horse Cove currently has five (5) investment adviser representatives. This Brochure Supplement provides information about **Donald Trotter**, the Firm's investment adviser representative.

### **Item 2          Education and Business Experience**

CRD Number: 4362207

Year of Birth: 1948

Donald Trotter has over 40 years of investment experience. Mr. Trotter was a founder of Atlantic Asset Management, LLC ("AAM"). When the firm was sold in March 2015, AAM had over \$7 billion of assets under management. Mr. Trotter served AAM as Managing Director and his responsibilities included asset allocation strategies, portfolio management, investment strategy development and client development. Mr. Trotter graduated from the University of Kansas with degrees in Accounting and Business Administration and an MBA from the University of Missouri, Kansas City.

Mr. Trotter earned the Chartered Financial Analyst (CFA) designation in 1989. The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 90,000 CFA charter holders working in 135 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

### **High Ethical Standards**

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charter holders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

## **Global Recognition**

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charter holders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 19 countries recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

## **Comprehensive and Current Knowledge**

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org).

### **RELATED BUSINESS EXPERIENCE:**

#### **Director**

Horse Cove Partners

(2016 - Present)

#### **Managing Director**

Atlantic Asset Management

(1992 – 2015)

## **Item 3      Disciplinary Information**

Donald Trotter does not have any legal or disciplinary events material to a client's or prospective client's evaluation.

## **Item 4      Other Business Activities**

Donald Trotter is a General Partner on 3 real estate partnerships: University Towers, LLC, Dutch Hill Partners, LLC and Dutch Hill Partners II, LLC. Mr. Trotter does not receive direct



compensation from the partnerships, only distributions afforded to all partners according to their pro-rata interest.

In addition, Donald Trotter serves as Chairman for the Trust Investment Committee of National Advisors Trust. This is not a conflict of interest with his role at Horse Cove.

**Item 5            Additional Compensation**

See above regarding Donald Trotter's outside business activities.

**Item 6            Supervision**

Donald Trotter is an Investment Adviser Representative of Horse Cove. Horse Cove has and provides investment advisory and supervisory services in accordance with its policies and procedures manual. The Firm's Chief Compliance Officer, Matt Swendiman, is primarily responsible for implementation of the Firm's policies and procedures.