

**Form ADV Part 2A
Brochure
(1) Cover Page:**



265 Franklin Street
Boston, MA 02110
<https://www.alger.com/Pages/Page.aspx?pageLabel=WeatherbieCapital>

Brochure Date: March 26, 2020

This brochure provides information about the qualifications and business practices of Weatherbie Capital, LLC. If you have any questions about the contents of this brochure, please contact us at 617-951-2550. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

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

Please note that registration of Weatherbie with the SEC does not imply any level of skill or training.

(2) Material Changes:

The last annual updating amendment to this brochure was dated March 29, 2019. Material changes to this brochure since the March 2019 filing include amendments to the following items:

Item 4 – Advisory Business: Updated to clarify and revise strategy disclosure and additional disclosure added regarding wrap fee programs

Item 5 – Fees and Compensation: Standard fee schedules updated

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss: Revisions to disclosure to clarify certain investment strategies and risks and additional disclosure added regarding certain risk factors

Item 12 – Brokerage Practices: Disclosure regarding trade aggregation updated for clarity and additional clarifying disclosure added regarding conflicts of interest

Item 14 – Client Referrals and Other Compensation: Clarifying disclosure added regarding compensation of third parties for client referrals

(3) Table of Contents:¹

(1) Cover Page:	1
(2) Material Changes:	2
(3) Table of Contents:	3
(4) Advisory Business:.....	4
(5) Fees and Compensation:.....	6
(6) Performance Based Fees and Side-by-Side Management.....	9
(7) Types of Clients:	9
(8) Methods of Analysis, Investment Strategies and Risk of Loss:	10
(9) Disciplinary Information:	16
(10) Other Financial Industry Activities and Affiliations:.....	16
(11) Code of Ethics, Participation in Client Transactions and Personal Trading:	17
(12) Brokerage Practices:.....	19
(13) Review of Accounts:	25
(14) Client Referrals and Other Compensation:	26
(15) Custody:	27
(16) Investment Discretion:	27
(17) Voting Client Securities:	27
(18) Financial Information:	28
(19) Requirements for State-Registered Advisers:	28
Privacy Policy	29

¹ The SEC requires advisers to use a certain format and certain headings for this Brochure. To the extent that a particular item does not apply to Weatherbie's business, we will indicate that it is not applicable.

(4) Advisory Business:

Introduction

Weatherbie Capital, LLC (“Weatherbie”), is wholly-owned by Alger Group Holdings, LLC (“AGH”), which, in turn, is wholly-owned by Alger Associates, Inc. (“AAI”). Weatherbie is under common ownership with Fred Alger Management, LLC, a registered investment adviser (“FAM”). Alexandra D. Alger, Hilary M. Alger and Nicole D. Alger together own in the aggregate in excess of 99% of the common stock of AAI. Weatherbie was founded by Matthew A. Weatherbie in November 1995. Weatherbie is a privately held limited liability company.

Weatherbie provides both discretionary and non-discretionary investment advisory services and management to institutional investors through separate accounts, U.S. and foreign registered and privately offered funds; and to retail investors through wrap programs and U.S. and foreign registered pooled investment vehicles.

Weatherbie specializes in the research and portfolio management of smaller growth equity stock portfolios, principally stocks traded on the New York Stock Exchange or NASDAQ market exchange. The portfolios may also hold American depositary receipts.

Weatherbie offers multiple investment strategies including Specialized Growth, Long/Short, Growth, Select 15, and Dynamic Opportunities (through its affiliate FAM).

Clients, relevant laws, rules, or regulations may impose restrictions on investing in certain securities, certain types of securities, or the percentage of ownership in any single security that Weatherbie can make. In addition, each of Weatherbie’s strategies follows a specific investment discipline with their own portfolio construction parameters. Accordingly, Weatherbie will not enter into an advisory relationship with any prospective client whose investment objectives are incompatible with Weatherbie’s investment philosophy or strategies or who seeks to impose unduly restrictive guidelines.

Wrap Fee Programs

Clients may also access a number of Weatherbie’s investment strategies through programs sponsored by unaffiliated financial intermediaries, advisers or planners in which Weatherbie serves as an investment sub-adviser (“wrap programs”). The wrap programs for which Weatherbie serves as a Portfolio Manager are listed in Section 5.I.(2) of Weatherbie’s Form ADV Part 1, a copy of which is available either 1) on request or 2) on the Securities and Exchange Commission’s website at the following link:

<https://www.adviserinfo.sec.gov/Firm/105991>

In managing accounts in a wrap program, Weatherbie seeks to avoid investing in illiquid or foreign securities, which are not traded on a U.S. exchange, and such accounts will also not participate in allocations of initial public offerings. Weatherbie is also sensitive to the tax status of the investor, and attempts to minimize the tax impact of portfolio transactions. Finally, Weatherbie will seek to avoid purchasing partnerships for wrap clients as a result of the tax implications of such investments. In an effort to minimize the volume for trading for accounts in a wrap program,

Weatherbie may have a minimum position size for a transaction. Such minimum position size may not exist for non-wrap accounts.

Additionally, because wrap clients generally pay the wrap sponsor to effect transactions for their accounts, Weatherbie generally does not aggregate transactions on behalf of wrap program accounts with other accounts or funds it advises. Because of the distinct trading process Weatherbie follows for wrap accounts and the portfolio limitations discussed above, the timing of trades for wrap accounts may differ from other accounts and will generally be made later in time than for other accounts managed by Weatherbie (see Item 12: Brokerage Practices, for details about Weatherbie's trading practices for wrap accounts). Further, Weatherbie maintains relationships with multiple sponsors, and transactions through different sponsors are also not aggregated. As a result of limitations imposed by such sponsors, trades placed by Weatherbie for wrap accounts are on a "rotational" basis among all sponsors. Trade allocation of the wrap programs is discussed in more detail in Item 12: Brokerage Practices.

The practices described above may cause a wrap program account's performance to diverge from another account managed by Weatherbie according to the same strategy.

With respect to wrap program accounts subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA" and such accounts "Plan Accounts"), Weatherbie provides services both as a registered investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act") and as a fiduciary as that term is defined in Section 3(21)(A) of ERISA with respect to the Plan Accounts. Under these arrangements, Weatherbie and/or its affiliates are selected on behalf of the Plan Accounts by the wrap sponsor or by a plan fiduciary other than Weatherbie or its affiliates to supervise and direct the investment of certain assets of the Plan Accounts, in accordance with the investment strategy selected for the Plan Accounts. Weatherbie may also, from time to time, perform certain related services in respect of the supervision and direction of the investment of such assets of the Plan Accounts and in relation to the wrap program. These may include, for example, account reconciliation, data management, provisions of research or market-related information or other customary ancillary services. These additional services are provided at no cost to the wrap sponsor or any Plan Account.

Given the structure of the wrap program and the fact that payments to Weatherbie are paid by FAM, who receives payments directly from the wrap sponsor, Weatherbie does not believe it receives any direct compensation from clients who participate in the wrap programs (including Plan Accounts). The wrap sponsor is responsible for billing and collecting any fees owed by clients to the wrap sponsor pursuant to such accounts' participation in the wrap program.

Each client's ability to allocate, reallocate or redeem its investment in the strategy under the wrap program is governed by the terms of the client's agreement with the wrap sponsor and as is disclosed by the wrap sponsor. Any termination-related provisions would be found in the agreement between the client and the wrap sponsor.

As discussed below under the heading "Custodial and Brokerage Fees", with respect to the wrap program, Weatherbie does not direct client brokerage transactions, including those of the Plan Accounts, to any broker-dealer in exchange for products and services (e.g., research) or otherwise participate in "soft dollar" arrangements.

Weatherbie offers advisory services through the following types of wrap programs:

Single Contract Program

In Single Contract Wrap Programs, clients generally pay the sponsor a single fee (the wrap fee), FAM receives a percentage of the wrap fee for its services from the sponsor, Weatherbie receives a percentage of the wrap fee for its services from FAM, and the sponsor executes trades and administers the account without additional charges. Each client enters into an agreement with the sponsor of the wrap program, and each investment manager available in the program maintains a sub-advisory agreement with the sponsor of the wrap program, to provide discretionary advisory services to the clients.

Dual Contract Program

In Dual Contract Wrap Programs, sponsors offer clients a package of services including trade execution and account administration and clients generally pay Weatherbie or its affiliates for their investment management services. Weatherbie and its affiliates are directed by clients in these wrap programs to effect transactions for their accounts through the program sponsor or the sponsor's broker-dealer affiliate. Fees and services are unbundled and Weatherbie and its affiliates enter into an investment advisory agreement with the client, who then enters into a separate contract with the sponsor, which covers custodian, brokerage and other service provider fees. Although fees and services are unbundled, clients do not pay Weatherbie and its affiliates directly for its investment management services, but instead direct payments through the program sponsor or the sponsor's broker-dealer affiliate.

Model Portfolio Program

In a Model Portfolio Program, Weatherbie enters into an agreement with the sponsor to provide an initial model portfolio, which the sponsor then seeks to replicate for its clients. Weatherbie will then regularly provide updated model portfolio information to sponsors. Weatherbie does not place trades on behalf of accounts in these programs and therefore has no ability to ensure that accounts conform to the model portfolio provided. Trades for model portfolios may be placed by the sponsor after Weatherbie has placed trades for wrap programs and other clients for which it serves as investment adviser. Weatherbie provides a model portfolio to the wrap program sponsor to duplicate on behalf of the client.

Client Assets Under Management

As of December 31, 2019, Weatherbie had \$1,932,398,063 in discretionary assets under management for clients.

(5) Fees and Compensation:

Weatherbie is generally paid an advisory fee, calculated as a percentage of assets under management. Weatherbie's standard fee schedules are presented below. Fees are negotiable, and as a result, potential or existing clients may pay higher or lower fees than noted below and one client may pay a higher fee to Weatherbie than a second client who is receiving substantially similar services. In addition, there are many other factors which could lead to a client paying a fee

which deviates from the standard fee schedule or from a different client who is receiving substantially similar services. Such factors may include, but are not limited to, the level of investment management activity and supervision required, the size of the client's account, the number of client accounts managed, the length of the relationship, the nature of the discretionary service provided, the types of investment guidelines and restrictions applicable to the account, the level of client service required, or Weatherbie's addition of a new strategy or attempt to increase assets in an existing strategy or in a new distribution channel. In addition, as is more fully discussed below, some clients may pay Weatherbie a performance based fee for its services.

Clients are generally billed in arrears either on a monthly or quarterly basis with billing generally based on the account total market value at the end of the billing periods or the average net asset value over the billing period. With respect to the clients that are billed in advance, if the advisory contract is terminated before the end of the billing period, Weatherbie will generally refund a pro-rata portion of the advisory fee.

Employees and affiliates of Weatherbie may hire Weatherbie, and may be charged reduced or no advisory fees. Wrap account clients are generally billed by the wrap program sponsor, with a portion of such fee paid to Weatherbie as discussed below.

Specialized Growth and Select 15 Strategies

- 1.00% on the first \$20 million of assets;
- 0.85% on the next \$40 million;
- 0.75% on the next \$40 million; and
- 0.60% thereafter.

Long/Short Strategy

- 1% management fee plus 20% performance fee for accounts valued up to \$20 million;
- 0.80% management fee plus 15% performance fee for accounts valued between \$20 million to \$40 million; and
- Negotiated fees for accounts over \$40 million.

Wrap Program Fee Structures

For its services in wrap programs, Weatherbie's fee generally ranges between 0.30% and 0.50% of an account's market value annually.

Pooled Investment Vehicles

Weatherbie also provides investment advisory services to pooled investment vehicles. The fees and other contractual arrangements for each of these vehicles are described in the prospectus or other offering documents for each such vehicle and differ from the separate account fees described above.

Custodial and Brokerage Fees

Each client (other than wrap program clients described above) must select a custodian (generally a bank or broker-dealer) to provide custodial services in connection with the management of its account. The cost of these services is not included in Weatherbie's advisory fees. Clients will also be responsible for paying any additional costs charged by custodians. These additional costs may include, but are not limited to:

- Costs relating to exchanging foreign currencies
- Odd lot differentials
- Regulatory fees (*e.g.*, fees charged by the SEC)
- Transfer taxes, exchange fees, wire transfer fees, postage fees, auction fees, foreign clearing and settlement fees, and other fees or taxes required by law.
- Mutual fund expenses

Weatherbie's advisory fees also generally do not include the costs, expenses or commissions that a broker or dealer may charge in connection with transactions executed on behalf of an account. Brokerage is discussed in more detail in Item 12: Brokerage Practices. These brokerage costs are generally borne directly by clients. Weatherbie's fees also do not cover mark-ups and mark-downs or dealer spreads that broker-dealers may receive when acting as principal in certain transactions, or the amount of any annual retirement plan fees, or the fees and expenses a client may incur as a shareholder of a mutual fund.

For wrap program accounts, Weatherbie generally does not negotiate brokerage commissions or other costs related to the execution of trades because those charges are generally included in the single fee paid by the client to the sponsor, and the client has generally contractually agreed to execute trades through the wrap sponsor. In the event that Weatherbie was to pick a broker-dealer other than the sponsor, the client would typically pay a commission, concession, or dealer mark-up or mark-down in addition to the wrap fee paid to the sponsor as well as other administrative fees to settle such a transaction.

Investment Vehicle Fees

Investors may access Weatherbie's capabilities through U.S. and foreign registered and privately offered pooled investment vehicles advised or sub-advised by Weatherbie. In such cases, Weatherbie or its affiliates may receive, in addition to advisory fees, performance-based, shareholder servicing, administration, co-administration and/or distribution fees directly from the vehicles, from the investors in the vehicles, and/or from other investment advisers' mutual funds for which Weatherbie acts as an adviser or sub-adviser. The fees and other contractual arrangements for each of these vehicles are described in the prospectus or other offering documents for each such vehicle and differ from the separate account fees described above.

Subject to requirements of applicable law and the consent of each client (if applicable), Weatherbie may invest its client assets in pooled investment vehicles managed by Weatherbie or its affiliates, up to the limits permitted under the Investment Company Act of 1940, as amended. In the event of investment of a client's assets in such pooled vehicles, Weatherbie will take steps to avoid having the client pay duplicative fees. There can be no assurance, however, that duplicative fees will not be charged.

Compensation for the Sale of Securities and Other Investment Products

While Weatherbie generally does not receive compensation for sales of Weatherbie advised or sub-advised investment products, Weatherbie's affiliate, Fred Alger & Company, LLC ("FAC") serves as the principal underwriter for certain mutual funds sub-advised by Weatherbie and generally receives an asset-based fee for distribution or shareholder servicing from the funds advised by Weatherbie. Additionally, FAC may also receive fees related to initial sales charges or contingent deferred sales charges of certain share classes of funds advised by Weatherbie or its affiliates.

FAC sales personnel may receive as compensation a portion of the fees earned by Weatherbie as well as a portion of the fees received by FAC. Such compensation may be higher for some products or services than others and thus the incentive to sell those products may be greater.

To the extent Weatherbie offers its services through investment products such as mutual funds, clients may purchase these products through brokers or agents that are not affiliated with Weatherbie. Weatherbie, or its affiliates, may enter into revenue-sharing arrangements or other types of fee sharing arrangements with these brokers or agents and such arrangements differ depending on the broker-dealer or agent. A purchase or sale through a given broker or agent therefore may result in greater profit to Weatherbie, or its affiliates than a purchase or sale through another, depending on the particular revenue-sharing arrangement.

(6) Performance Based Fees and Side-by-Side Management:

Weatherbie currently has clients from whom it receives performance-based fees, in addition to advisory fees. These clients include separate accounts and registered and unregistered pooled investment vehicles. These accounts are managed by personnel of Weatherbie who also have portfolio management responsibilities to accounts for which only asset-based advisory fees are received. Weatherbie's fee rate will increase based on the performance of performance fee based accounts, whereas Weatherbie's fee rate with respect to non-performance fee based accounts remains the same regardless of the accounts' performance. As a result, in situations where Weatherbie personnel have portfolio management responsibilities for both performance fee based accounts and non-performance fee based accounts, an inherent conflict of interest is present.

To mitigate these conflicts, Weatherbie's policies and procedures seek to ensure that investment personnel make decisions based on the best interests of clients, without consideration of Weatherbie's economic or pecuniary interests. Please see Item 12: Brokerage Practices for more information about Weatherbie's trading aggregation, allocation, and best execution policies. Trades for performance fee based accounts are reviewed periodically to ensure such accounts are not systematically favored.

(7) Types of Clients:

Weatherbie offers investment advice to religious organizations, foundations/endowments, corporate pensions, public plans, Taft-Hartley clients, sub-advisory clients, and other types of institutional investors and platforms. Weatherbie also offers investment advice to individual investors through separately managed accounts (including wrap fee programs).

Weatherbie's clients also include various taxable and tax-exempt institutions, and publicly and privately offered pooled investment vehicles, both domestic and foreign.

Weatherbie typically requires a minimum asset size of \$5 million for separate account advisory services (other than wrap program accounts). Weatherbie may, in its discretion, waive the asset minimum for a number of reasons, including, but not limited to, clients or consultants having multiple relationships with Weatherbie or clients who are willing to pay the fee equivalent of the minimum asset size. Weatherbie may also waive the asset minimum when it is adding a new strategy or trying to increase assets in an existing strategy or distribution channel. Weatherbie generally requires a minimum asset size of \$100,000 for wrap program accounts, which may be waived in some cases (see Item 5: Fees and Compensation).

Minimum investments for mutual fund shares and interests in privately offered pooled investment vehicles are listed in the offering material for each such fund or vehicle.

(8) Methods of Analysis, Investment Strategies and Risk of Loss:

Investment Philosophy

At our core, we are quality growth stock investors. We utilize a disciplined approach to stock valuation that tries to ensure companies owned have strong earnings growth but also are sound stock market values. We are only interested in considering for investment smaller companies which we believe are of high growth and high quality. We have developed a substantial base of knowledge on these companies and maintain active files on the majority of them. We have known and met with the management of many of these companies and have an extensive network of business contacts throughout the country. This universe is updated quarterly and is constantly changing. Some successful smaller-sized companies grow too large and become fully-discovered, established growth stocks. Some suffer fundamental deterioration to the point where they no longer qualify for inclusion on this select list. Some companies are merged into others or acquire others, requiring their removal from consideration and all relevant new companies coming public for the first time must be assessed for their suitability for eventual inclusion.

On the **long** side, we look for companies with experienced management teams, innovative business models, and the potential for high sales and earnings growth as "Foundation" growth stocks, as they are expected to consistently meet or exceed our forecasts. We also believe that we should be positioned to take advantage of pricing distortions that arise when growth companies temporarily disappoint investors by investing in what we call "Opportunity" growth stocks, i.e., companies that we know very well where earnings have been temporarily depressed and we believe that change is under way which will reaccelerate earnings growth.

On the **short** side, we look for deteriorating fundamentals such as intensifying competition, slowing revenue growth, pressured margins, shrinking cash flow and worsening balance sheets. We believe changes in fundamentals lead companies to fall short of consensus expectations, triggering price declines.

Investment Process

The investment team is responsible for idea generation and managing current positions across the relevant portfolios. The CEO has inculcated the firm with his long held beliefs of what makes for a successful investment. All portfolio managers/analysts are generalists, with coverage across several sectors. Each portfolio manager/analyst has primary responsibility over two to three major growth sectors from which to research companies of potential investment interest. Each member of the investment team is responsible for buy and sell decisions.

Our decision-making process is bottom-up. We conduct extensive fundamental research, meeting with senior and operating management, conducting site visits, checking with suppliers/competitors/end users, and culminating in development of our long-term proprietary financial projections and models. Various valuation methodologies are then applied to gauge the absolute and relative attractiveness of the position, which impacts relative position sizing in the account. We invest only when the risk/reward ratio appears to be highly favorable.

We believe the great majority of these elite growth companies will be found in six growth sectors of the economy; Consumer, Media & Communications, Health Care, Information Services, Diversified Business Services, and Technology.

Our proprietary research on portfolio candidates may include the following:

- The scrutiny of all relevant publicly filed financial documents including 10-K's, 10-Q's, annual reports, and other SEC filings.
- Scrutiny of relevant trade journals, industry publications, newsletters, and relevant Wall Street research reports.
- Attendance at investment conferences to hear public presentations by management of portfolio candidates.
- Interviews with the management of companies being considered for investment at their headquarters.
- Cross-checks of information gleaned from competitors, customers, suppliers, a network of contacts cultivated over the years, and industry expert networks.
- The development of proprietary stock valuation analyses to attempt to ensure good companies are only purchased when they represent good stock market values.
- Careful and continuous monitoring of stocks in the portfolio and the replacement of those that do not meet our expectations with others that do.

From our research and investment experience focusing on growth companies, we have developed a detailed and thorough knowledge of approximately 350 companies that meet our quality and growth criteria. The majority of these companies generally have market capitalizations in the range of \$300 million to \$2.5 billion at time of initial purchase. We typically seek companies with sustainable earnings growth rates of 20% or more. This list is continually monitored and updated quarterly as some companies qualify for inclusion while others are removed due to size or failure to sustain their quality and/or growth attributes. Once a security is in our investment universe, generally an initial earnings forecast for the next three years is developed and it drives the initial valuation of a company. We use a variety of sources to identify candidate companies that meet our minimum quality criteria:

- High earnings growth
- Enduring competitive advantage
- Strong balance sheet and free cash flow generation
- Proven entrepreneurial management with a vested interest in shareholder value

Sell Discipline

If a company falls short of our expectations for any non-trivial reason, we will sell that stock. Nonetheless we expect our overall portfolio turnover to be below that of many growth managers.

We will also substantially reduce and possibly eliminate positions in stocks whose valuations, based on our proprietary valuations analyses become excessive. Our approach to valuation is judgmental and interpretive rather than a “black box” hard and fast rule because as interest rates, the economy, tax rates, and market psychology change, so do relevant valuation parameters.

We will also generally sell a position when the market capitalization exceeds \$15 billion in our separate account strategies.

Specific to Long/Short Investment Strategy

The Long/Short strategy is managed by multiple managers/analysts employed by Weatherbie and uses a research driven approach to identify both long and short investment opportunities. The strategy generally expects to hold approximately 40 to 60 long positions and approximately 20 to 60 short positions.

Long Investments

Long investments will generally be made only after thorough fundamental research on portfolio candidates, as described above.

Short Investments

For those clients who allow us, we seek to short stocks with the following characteristics. Internally forecasted earnings that fall materially short of consensus due to:

- Deteriorating fundamentals
- Intensifying competition
- Slowing revenue growth
- Pressured margins
- Shrinking cash flow
- Low quality balance sheets

More detailed information about additional considerations for Weatherbie’s strategies can be found at www.alger.com.

General Risks

As with any account that invests in equity securities, an investment held in an account advised by Weatherbie will fluctuate in value due to changes in the market prices of its investments. The loss

of your investment is a risk of investing. In addition, the account's investments may not grow as fast as the rate of inflation and equity securities tend to be more volatile than some other investments you could make.

Prices of growth stocks tend to be higher in relation to their companies' earnings and may be more sensitive to market, political and economic developments than other stocks, making their prices more volatile. An investment advised by Weatherbie may be better suited to investors who can tolerate fluctuations in their investment's value.

The following risks apply generally to strategies managed by Weatherbie:

Risks of Investing in Small and Medium-Cap Issuers

Investing in securities of smaller capitalization companies may involve greater volatility than investing in larger more established companies because smaller capitalization companies can be subject to more dramatic and volatile share price changes than larger, more established companies due to investor perceptions of the issuing company's earnings growth potential. Small and medium-cap issuers may have limited product lines, financial resources, or management depth. Investing in securities issued by such companies may pose a greater risk than investing in securities issued by larger, more established issuers. It may be significantly more difficult to liquidate a position in a smaller cap security, owing to potentially less frequent trading of these securities.

Diversification

A client's account may be exposed to market risk due to many factors, including the movements in interest rates, indexes, market volatility, and security values underlying these instruments. A client's portfolio may at certain times hold a few security positions that are relatively large in relation to its capital, with the result that a loss in any such position could have a material adverse impact on a client's portfolio.

Initial Public Offerings ("IPO") or ("New Issues") Risk

New Issues or IPOs occur when shares of a company are issued for the first time on a stock exchange for public investment. Risks associated with purchasing a New Issue include a lack of publicly available historical information about the company, lack of trading history, increased volatility, and no quarterly financial filings with the SEC to enable the level of in-depth, fundamental research that can be conducted on a company that is already public.

Sector Risk

Accounts invested in certain strategies may have a significant portion of their assets allocated to securities of companies conducting business within a single sector. Companies in the same sector may be similarly affected by economic, regulatory, political or market events or conditions, which may make the strategy's returns more vulnerable to unfavorable developments in that sector than a strategy that has a more diversified portfolio. Generally, the more broadly a strategy invests, the more it spreads risk and potentially reduces the risks of loss and volatility.

Number of Holdings (Concentration) Risk

Weatherbie strategies will generally invest in a small number of issuers, and so may be more vulnerable to changes in the market value of a single issuer and more susceptible to risks associated with a single economic, political, or regulatory occurrence than strategies that have a higher number of holdings. At times, the performance of shares of particular companies will lag the performance of other sectors or the market as a whole. This risk is magnified when a strategy has a small number of holdings. Generally, the more broadly a strategy invests, the more it spreads its risks and potentially reduces the risk of loss and volatility.

Risks of Foreign Investment

Investing in foreign securities involves risks related to the political, social and economic conditions of foreign countries, particularly emerging market countries. These risks may include political instability, exchange control regulations, expropriation, lack of comprehensive information, national policies restricting foreign investment, currency fluctuations, less liquidity, undiversified and immature economic structures, inflation and rapid fluctuations in inflation, withholding or other taxes, and operational risks. There may be less stringent government supervision and oversight of foreign markets than in the United States. There may be less corporate financial information publicly available, less stringent investor protection and disclosure standards, and differing auditing and legal standards.

Investment in foreign currencies is subject to the risk that those currencies will decline in value relative to the U.S. dollar, or, in the case of hedged positions, that the U.S. dollar will decline relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly over short periods of time. A decline in the value of foreign currencies relative to the U.S. dollar will reduce the value of securities held by an account and denominated in those currencies. Foreign currencies also are subject to risks caused by inflation, interest rates, budget deficits and low savings rates, political factors and government controls.

Emerging Markets Risk

Certain accounts' performance will be influenced by political, social and economic factors affecting investments in emerging country issuers. Special risks associated with investments in emerging country issuers include exposure to currency fluctuations, less liquidity, less developed or less efficient trading markets, lack of comprehensive company information, political instability and differing auditing and legal standards. The securities of issuers located in emerging markets can be more volatile, than those of issuers in more mature economies.

Accounts investing in Emerging Markets may have significant exposure to one sector or industry and are impacted by sector risks (see above). Such accounts may invest heavily in issuers located in emerging countries such as Brazil, Russia, India and China, and therefore may be particularly exposed to the economies, industries, securities and currency markets of such countries, which may be adversely affected by protectionist trade policies, a slow U.S. economy, political and social instability, regional and global conflicts, natural disasters, terrorism and war, including actions that are contrary to the interests of the United States.

Additional Risks Associated with Certain Weatherbie Strategies

Some of the specific types of strategies Weatherbie employs can create additional risks beyond those already discussed. Listed below are these strategies and a description of these additional risks.

Risks of Selling Securities Short

This risk applies to the Growth, Long/Short and Dynamic Opportunities strategies.

Certain accounts may sell securities short, which is the sale of a security the account does not own. The account arranges with a broker to borrow the security being sold short, and replaces the security by buying it at the current market price when it closes the short sale. If the price of the security sold short has increased since the time of the short sale, the account will incur a loss in addition to the costs associated with establishing, maintaining and closing out the short position. If the price of the security sold short has decreased since the time of the short sale, the account will experience a gain to the extent the difference in price is greater than these costs. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could increase without limit. Furthermore, there can be no assurance that the security necessary to cover a short position will be available for purchase. Purchasing securities to close out the short position can itself cause the price of securities to rise further, thereby exacerbating the loss.

Exchange Traded Fund (“ETF”) Risk

This risk applies to the Long/Short strategy.

ETFs will bear additional expenses based on its pro rata share of the ETFs operating expense, including the potential duplication of management fees. The risk of owning an ETF generally reflects the risks of owning the underlying securities the ETF holds. This transaction also incurs brokerage costs.

Risks of Levered Accounts

This risk applies to the Growth, Long/Short and Dynamic Opportunities strategies.

The cost of borrowing money to leverage may exceed the returns for the securities purchased, or securities purchased may actually go down in value; thus, an account’s value can decrease more quickly than if the account had not borrowed.

Risks of Investing in Derivative Instruments

This risk applies to the Growth, Long/Short and Dynamic Opportunities strategies.

Certain accounts can invest in derivative instruments. Weatherbie currently expects that the primary uses of derivatives will involve: (1) purchasing put and call options and selling (writing) covered put and call options, on securities and securities indexes, to increase gain, to hedge against the risk of unfavorable price movements in the underlying securities, or to provide diversification of risk, (2) entering into forward currency contracts to hedge the account’s foreign currency exposure when it holds, or proposes to hold, non-U.S. dollar denominated securities, and (3)

entering into total return swap contracts on securities or securities indexes to increase gain by obtaining short exposure to securities or securities indexes that Weatherbie believes will underperform on a relative or absolute basis.

A small investment in derivatives could have a potentially large impact on an account's performance. When purchasing options, the account bears the risk that if the market value of the underlying security does not move to a level that would make exercise of the option profitable, the option will expire unexercised. When a covered call option written by the account is exercised, the account will not participate in any increase in the underlying security's value above the exercise price. When a put option written by the account is exercised, the account will be required to purchase the underlying security at a price in excess of its market value. Use of options on securities indexes is subject to the risk that trading in the options may be interrupted if trading in certain securities included in the index is interrupted, the risk that price movements in the account's portfolio securities may not correlate precisely with movements in the level of an index, and the risk that Weatherbie may not predict correctly movements in the direction of a particular market or of the stock market generally. Because certain options may require settlement in cash, the account may be forced to liquidate portfolio securities to meet settlement obligations. Forward currency contracts are subject to currency exchange rate risks. All derivatives are subject to the risk of non-performance by the contract counterparty.

(9) Disciplinary Information:

As of December 31, 2019, there are no legal or disciplinary actions involving Weatherbie or any of its affiliates.

(10) Other Financial Industry Activities and Affiliations:

Weatherbie is under common ownership with FAM, an investment adviser based in New York, New York, and FAC, a registered broker-dealer based in New York, New York. Weatherbie will also, from time to time, be deemed to be affiliated with certain pooled investment vehicles in which its parent companies hold controlling positions.

Weatherbie is the sub-adviser to certain series of The Alger Funds, The Alger Funds II, and The Alger Portfolios, each of which is a registered investment company. Weatherbie is the investment manager to Weatherbie Growth Fund and Weatherbie Long/Short Fund, each a privately offered investment fund. Weatherbie serves as a sub-portfolio manager for Alger SICAV, a publicly offered pooled investment vehicle registered in Luxembourg, other jurisdictions in the European Union, Switzerland, the United Kingdom, Japan, Korea and Singapore. Not all sub-funds of the Alger SICAV are registered in these jurisdictions. Weatherbie also serves as a sub-adviser to third-party registered investment companies. From time to time, Weatherbie, its affiliates or a related person ("Weatherbie Affiliates") may own significant stakes in one or more of the above entities.

Weatherbie may recommend to clients that they purchase interests in investment partnerships or funds for which Weatherbie serves as investment adviser or sub-adviser and in which Weatherbie and related persons have a financial interest. Weatherbie and such related persons will fully disclose such financial interests to all clients to which such recommendations are given.

Weatherbie affiliates also have other direct and indirect interests in the equity markets, directly or through investments in pooled products in which accounts directly and indirectly invest.

Conflicts as a Result of Weatherbie's Affiliates

Selection of Administrative and Other Service Providers

Weatherbie may choose to (and currently does) have Weatherbie Affiliates provide administrative services, shareholder services, brokerage and other account services to certain of its clients. While any such engagement should be on market terms, it will nevertheless result in greater benefit to Weatherbie and its affiliates than hiring a similarly qualified unaffiliated service provider.

In connection with these services and subject to applicable law, Weatherbie Affiliates, including Weatherbie, may, from time to time, and without notice to investors or clients, in-source or outsource certain processes or functions that it provides in its administrative or other capacities. Such in-sourcing or outsourcing may give rise to additional conflicts of interest, including which processes or functions to in-source or outsource, which entity to outsource to, and the fees charged by Weatherbie Affiliates or the third party. Weatherbie maintains policies designed to mitigate the conflicts described in these paragraphs; however, such policies may not fully address situations described above.

Information Weatherbie May Receive

Weatherbie and its affiliates may have or be deemed to have access to the current status of certain markets, investments, and funds because of Weatherbie Affiliates' activities. Weatherbie Affiliates may therefore possess information which, if known to Weatherbie, might cause Weatherbie to seek to dispose of, retain, or increase interests in investments held by accounts, or acquire certain positions for the accounts. Moreover, Weatherbie and its affiliates may come into possession of material, non-public information that would prohibit or otherwise limit its ability to trade on behalf of client accounts. A client not advised by Weatherbie would not be subject to these restrictions. Weatherbie maintains policies designed to mitigate the conflicts described in this paragraph; however, such policies may not fully address situations described above.

(11) Code of Ethics, Participation in Client Transactions and Personal Trading:

Weatherbie maintains a Code of Ethics that establishes standards and procedures for detecting and preventing the abuse of fiduciary duties by persons with knowledge of recommended investments and investment restrictions of Weatherbie's clients. In general, the fiduciary principles that govern personal investment activities reflect, at the minimum, the following:

- The duty at all times to place the interests of clients first,
- The requirement that all personal securities trades be conducted consistent with the Code of Ethics and in such a manner as to avoid any actual or potential conflict of interest or any abuse of a position of trust and responsibility, and
- The fundamental standard that one should not take advantage of their position.

Among other things, the Code of Ethics addresses disclosure of information regarding client transactions, and trading while in possession of material non-public information, and imposes obligations with respect to their personal securities trading by Weatherbie's personnel.

With respect to personal securities transactions, employees are generally required to pre-clear transactions and are required to submit duplicate confirmations and account statements to Weatherbie's Compliance Department. Further, a Weatherbie employee may not:

- Engage in a personal securities transaction within seven days of a trade made on behalf of an advisory client in the same security, subject to a de minimis limit
- Engage in a personal securities transaction in the same security that is recommended for transaction in client accounts within the next seven days, subject to a de minimis limit
- Engage in a personal securities transaction in their sector or industry of coverage (applies to Portfolio Managers, Traders and Analysts)
- Engage in excessive trading, including successive transactions in the same security
- Purchase and sell or sell and purchase a security within sixty days unless done so at a loss
- Purchase securities in an initial public offering
- Engage in short sales
- Invest in futures and options on an individual security
- Make an investment in a private placement (without prior approval)
- Serve on the board of directors of a publicly traded or private company without prior approval

The Code of Ethics will be provided to any client or prospective client upon request.

Interest in Client Transactions

A conflict of interest will exist to the extent that Weatherbie recommends that its clients invest in securities in which one or more Weatherbie Affiliates has a financial interest or position. Additionally, Weatherbie has conflicts related to its management of client accounts alongside accounts (including Weatherbie advised mutual funds) in which Weatherbie Affiliates personnel have interests (collectively, the "Weatherbie Affiliates Accounts"). For example, Weatherbie and Weatherbie Affiliates hold investments in certain investment companies or other publicly or privately offered pooled investment vehicles for which Weatherbie acts as an investment adviser and from which Weatherbie receives advisory, administration and/or distribution fees. Weatherbie might recommend that its advisory clients purchase shares of such investment companies or other pooled vehicles.

Additionally, to the extent Weatherbie or Weatherbie Affiliates own a significant percentage of the outstanding shares of an investment company or the interests in a pooled investment vehicle, Weatherbie may be deemed to control that entity, and may have enough shares to determine the outcome of any matters submitted for a shareholder vote. As noted above in Item 10: Other Financial Industry Activities and Affiliations, the investment company or pooled investment vehicle may be precluded or limited in its ability to make certain investments, or participate in certain transactions because of the ownership interest of Weatherbie Affiliates. Clients should be aware that Weatherbie may be incented to make decisions for its own benefit or the benefit of a Weatherbie Affiliate with respect to mutual funds and other investment products in which it or said Weatherbie Affiliate owns significant stakes.

Weatherbie considers these conflicts of interest when allocating investment opportunities and portfolio securities, selecting service providers or brokers, and establishing investment products, guidelines for the selection of share classes, sales incentives, and compensation practices. Weatherbie has adopted numerous procedures in an attempt to limit or manage these conflicts of interest.

Weatherbie Affiliates may invest in mutual funds or other pooled investment vehicles, and other equity or fixed-income securities that it recommends to its clients. The results achieved by Weatherbie Affiliates proprietary accounts may differ from those achieved for other accounts. Weatherbie may give advice, and take action, with respect to any current or future account or investment that may compete or conflict with the advice Weatherbie may give to other accounts (or for its own account) including with respect to the return of the investment, the timing or nature of action relating to the investment or method of exiting the investment. For a more detailed discussion of Weatherbie's conflicts related to its affiliates, please see Item 10: Other Financial Industry Activities and Affiliations.

Recommending, Purchasing, or Selling Securities for Clients that a Weatherbie Affiliate May Purchase or Sell for its Own Account

Weatherbie Affiliates may provide seed capital to, or own significant shares of, any of the registered investment companies, or other publicly or privately offered pooled investment vehicles that Weatherbie advises or that its affiliates offer. These investments may be for the purposes of establishing a track record for a new vehicle or for hedging purposes. Such funding may also occur in a separate account maintained in the name of Weatherbie Affiliates. As such, it is possible for securities held or traded in client accounts to be similarly held in Weatherbie Affiliates' separate account(s) and a Weatherbie Affiliate may purchase or sell for its own account securities at or about the same time that it recommends those securities to its clients.

Weatherbie Affiliates consider these conflicts of interest when making investments. Weatherbie has adopted numerous procedures in an attempt to limit or manage these conflicts of interest. These policies are discussed in more detail in Item 12: Brokerage Practices "Trade Allocation."

Weatherbie may be deemed to be affiliated with certain pooled investment vehicles managed by FAM, and its affiliates may have a financial interest in separate accounts or pooled investment vehicles managed by FAM. These relationships could create conflicts of interest with clients with regard to simultaneous trading of securities, allocation of investment opportunities, or recommending securities in which an affiliate has a material financial interest, but Weatherbie's accounts generally follow different strategies than those accounts, implemented independently by different investment personnel, and traded independently by different trading personnel.

(12) Brokerage Practices:

Most clients for whom Weatherbie serves as adviser give Weatherbie discretion as to the selection of brokers or dealers to effect securities transactions. Weatherbie places securities trades with the overriding goal of seeking best execution, meaning the most favorable combination of price and execution. In seeking best execution, Weatherbie evaluates a wide range of criteria including price, the broker-dealer's execution capability, facilities, positioning, ability to handle difficult trades, as well as elements such as timing and order size

Soft Dollars

Weatherbie relies primarily on its own internal research to provide primary research in connection with buy and sell recommendations. However, Weatherbie does acquire research services provided by a third party vendor, which it pays for with brokerage fees and commissions, sometimes referred to as “soft dollars.” The services that Weatherbie may receive include:

- Management meetings
- Conferences
- Research on specific industries
- Research on specific companies
- Macroeconomic analyses
- Analyses of national and international events and trends
- Evaluations of thinly traded securities
- Computerized trading screening techniques and securities ranking services
- General research services (*i.e.* Bloomberg, FactSet)

Weatherbie may pay higher commissions for receipt of brokerage and research services in connection with securities trades that are consistent with the “safe harbor” provisions of Section 28(e) of the Securities Exchange Act. This benefits Weatherbie because it does not have to pay for the research, products, or services. Such benefit gives Weatherbie an incentive to select a broker-dealer based on its interest in receiving the research, products, or services rather than on its clients’ interest in receiving the most favorable execution.

Research or other services obtained in this manner may be used in servicing any or all of the accounts. This includes accounts other than those that pay commissions to the broker providing soft dollar benefits. Therefore, such products and services may disproportionately benefit certain accounts to the extent that the commissions from such accounts are not used to purchase such services.

Neither the research services nor the amount of brokerage given to a particular broker-dealer are made through an arrangement or commitment that obligates Weatherbie to pay selected broker-dealers for the services provided.

In certain cases, a research service may serve additional functions that are not related to the making of investment decisions (such as accounting, record keeping or other administrative matters). Where a product obtained with commissions has such a mixed use, Weatherbie will make a good faith allocation of the cost of the product according to its use. Weatherbie will not use soft dollars to pay for services that provide only administrative or other non-research assistance.

Directed Brokerage

Weatherbie does not consider client referrals when it selects a broker-dealer for executing trades on behalf of the accounts it advises. No mutual fund sub-advised by Weatherbie may direct brokerage or any other payment to any broker in consideration of sales of shares of funds advised by Weatherbie or its affiliates.

Separate account clients may, however, direct brokerage to a specific firm or firms of their choosing. Because trades directed to specific brokers may not be aggregated with larger trades, transaction costs and execution quality may be adversely impacted. Weatherbie will generally place orders for clients that have given us full brokerage discretion first, then for clients that have requested a specific broker. If Weatherbie places orders on behalf of clients who direct brokerage after it places other trades, this may negatively impact the price at which trades are completed for such clients.

Trade Aggregation

If Weatherbie believes that the purchase or sale of a security is in the best interest of more than one account, it may (but is not obligated to) aggregate the orders to be sold or purchased to seek favorable execution or lower brokerage commissions. As a general practice, Weatherbie may delay an order for one account to allow portfolio managers of other strategies to participate in the same trade being recommended by a portfolio manager who also serves as an analyst to a specific sector or industry (e.g., healthcare).

Aggregation of trades under this circumstance should, on average, decrease the costs of execution. In the event Weatherbie aggregates a trade for participating accounts, the method of allocation will generally be determined prior to the trade execution. Although no specific method of allocation of trades is expected to be used, allocations are generally pro rata and if not, will be designed so as not to systematically and consciously favor or disfavor any account in the allocation of investment opportunities. The accounts aggregated may include registered and unregistered investment companies, Weatherbie Affiliates Accounts, and separate accounts. Transaction costs will be shared by participants on a pro-rata basis according to their allocations.

When trades are aggregated, prevailing trading activity frequently may make impossible the receipt of the same price or execution on the entire volume of securities purchased or sold. When this occurs, the various prices may be averaged, and a participating account will be charged or credited with the average price. Thus, the effect of the aggregation may operate on some occasions to the disadvantage of an individual account.

When orders are aggregated for execution, it is possible that Weatherbie Affiliates will benefit from such trades, even in limited capacity situations. Weatherbie maintains policies and procedures that it believes are reasonably designed to deal equitably with conflicts of interest that may arise in certain situations when purchase or sale orders for an account are aggregated for execution with orders for Weatherbie Affiliates Accounts. For example, Weatherbie may aggregate trades for its clients and affiliates in private placements pursuant to internally developed procedures. In such cases, Weatherbie will only negotiate the price of such investments, and no other material terms of the offering, and will prepare a written allocation statement reflecting the allocation of the securities.

Trade Allocation

As Weatherbie manages multiple client accounts, including Weatherbie Affiliates, conflicts may arise as a result of how Weatherbie allocates investment opportunities. In an effort to treat all clients reasonably in light of all factors relevant to managing an account, aggregated trades will

generally be allocated pro rata among the accounts whenever possible. There are exceptions to this practice, however. Some of these exceptions are described below:

Unusual Market Conditions

During periods of unusual market conditions, Weatherbie may deviate from its normal trade allocation practices. During such periods, Weatherbie will seek to exercise a disciplined process for determining its actions to appropriately balance the interests of all accounts.

Availability of Investments

The availability of certain investments such as initial public offerings (“IPOs”) or private placements may be limited. In such cases, all accounts may not receive an allocation. As a result, the amount, timing, structuring or terms of an investment by one account may differ from, and performance of such account may be higher or lower than, other accounts.

Weatherbie, as a general practice, allocates IPOs and other limited availability investments pro rata among eligible accounts where the portfolio manager seeks an allocation. An account or accounts may not receive an allocation because it lacks available cash, is restricted from making certain investments, the account pays a performance fee, the account is so large that the allocation is determined to be insignificant, or due to co-investment by Weatherbie Affiliates. When a pro rata allocation of limited availability investments is not possible or is not appropriate, Weatherbie considers numerous other factors to determine an appropriate allocation. These factors include:

- Weatherbie’s good faith assessment of the best use of such limited opportunities relative to the investment objectives, investment limitations and requirements of the accounts
- Suitability requirements and the nature of the investment opportunity, including relative attractiveness of a security to different accounts
- Relative sizes of applicable accounts
- Impact on overall performance an allocation of such securities may have on an account
- Cash and liquidity considerations, including without limitation, availability of cash for investment
- Minimum denomination, minimum increments, de minimis threshold and round lot consideration
- Account investment horizons and guidelines
- Client-specific investment guidelines and restrictions
- An account’s risk tolerance and/or risk parameters
- Tax sensitivity of accounts
- Concentration of positions in an account
- Appropriateness of a security for the account given the benchmark and benchmark sensitivity of an account
- Use of the opportunity as a replacement for another security Weatherbie believes to be attractive for an account or the availability of other appropriate investment opportunities
- Considerations related to giving a subset of accounts exposure to an industry
- Account turnover guidelines

In some circumstances, it is possible that the application of these factors may result in certain accounts receiving an allocation when other accounts do not. Moreover, accounts in which

Weatherbie and/or its employees (or of affiliates of Weatherbie and their employees) have interests, may receive an allocation or an opportunity not allocated to other accounts.

Certain portfolio managers manage multiple strategies, which may impact how investments, including IPOs and secondary offerings, are allocated across such strategies.

Portfolio managers who manage multiple strategies exercise investment discretion over each strategy on an individualized basis and therefore may allocate investments (including IPOs and secondary offerings) in a different manner for each strategy. Considerations for such different allocations, include, but are not limited to, when an allocation to a particular strategy results in an insignificant investment, different investment policies and objectives of one strategy versus another; as well as the implementation of strategy objectives such as sector or industry weightings. As a result of such allocations, there will be instances when client accounts within a strategy managed by the same portfolio manager do not participate in an investment that is allocated among clients invested in another strategy managed by the same portfolio manager. For example, it is generally the case that investment strategies with larger AUM do not participate in allocations of IPOs and secondary offerings as the allocation of limited shares will result in the strategy receiving insignificant amounts of shares to allocate across strategies. Such investment decisions may result in a loss of investment opportunity for clients that may otherwise have been suited to invest in such offerings.

Please visit www.alger.com for a current list of portfolio managers by strategy as well as strategy AUM.

Differing Guidelines, Objectives and Time Horizons

Because accounts are managed according to different strategies and individual client guidelines, certain accounts may not be able to participate in a transaction considered by Weatherbie.

Actions taken by one account could affect others. For example, in the event that withdrawals of capital result in one account selling securities, this could result in securities of the same issuer falling in value, which could have a material adverse effect on the performance of other accounts that do not sell such positions.

Weatherbie Affiliates may also develop and implement new strategies, which may not be employed in all accounts or pro rata among the accounts where they are employed, even if the strategy is consistent with the objectives of all accounts. Weatherbie Affiliates may make decisions based on such factors as strategic fit and other portfolio management considerations, including:

- An account's capacity for such strategy
- The liquidity of the strategy and its underlying instruments
- The account's liquidity
- The business risk of the strategy relative to the account's overall portfolio make-up
- The effectiveness of, or return expectations from, the strategy for the account
- Any other factors Weatherbie Affiliates deem relevant in their sole discretion

For example, such a determination may, but will not necessarily, include consideration of the fact that a particular strategy will not have a meaningful impact on an account given the overall size of

the account, the limited availability of opportunities in the strategy and the availability of other strategies for the account.

For ease of management, Weatherbie may group accounts with similar guidelines together for portfolio management purposes. As a result, an account may not invest in certain securities that its guidelines would allow because other similar accounts restrict such holdings. This could affect the performance of the account.

Weatherbie currently manages or advises numerous accounts and these accounts may have or will have investment objectives that are identical or substantially similar to other accounts; however, accounts having identical or substantially similar investment objectives may not have identical or substantially similar investment portfolios. Differing investment portfolios can be expected to result from several factors, including, without limitation, the following: different investment decisions made by the different portfolio managers assigned to the accounts; regulatory constraints that apply to certain accounts but not to others; investment constraints imposed by the client; and the amount of cash available for investment at certain times. As a result of factors such as these, accounts may have a different investment portfolio (and, as a result, different performance results) from other accounts even though the accounts have identical or substantially similar investment objectives. Therefore, it is expected that the accounts will have different investment portfolios resulting from different investment decisions made by their respective portfolio managers.

Conflicts Related to Timing of Transactions

When Weatherbie implements a portfolio decision or strategy for an account ahead of, or contemporaneously with, similar portfolio decisions or strategies for another account, market impact, liquidity constraints, or other factors could result in the second account receiving less favorable trading results. The costs of implementing such portfolio decisions or strategies could be increased or the other account could otherwise be disadvantaged. Weatherbie may, in certain cases, implement internal policies and procedures designed to limit such consequences to the accounts, which may cause an account to be unable to engage in certain activities, including purchasing or disposing of securities, when it might otherwise be desirable for it to do so.

Moreover, each account is managed independently of other accounts. Given the independence in the implementation of advice to these accounts, there can be no warranty that such investment advice will be implemented simultaneously. Weatherbie will use reasonable efforts to procure timely execution. It is possible that prior execution for or on behalf of an account could adversely affect the prices and availability of the securities and instruments in which other accounts invest. In other words, an account, by trading first, may increase the price or decrease the availability of a security to a second account.

In some instances, internal policies designed to facilitate trade aggregation may result in delays in placing trades, which may adversely affect trade execution. For example, a purchase for a particular account may be held while other portfolio managers are considering whether to make the same transaction for other accounts. Differences in allocations will affect the performance of the accounts.

Cross Transactions

From time to time and for a variety of reasons, certain Weatherbie accounts may buy or sell positions in a particular security while another account is undertaking the opposite strategy, which could disadvantage some of the accounts. For example, Weatherbie may manage an account on one side of a trade and another account on the other side of the trade (including an account in which Weatherbie Affiliates may have a proprietary interest). In an effort to reduce any negative impact, and when permitted by applicable law and otherwise practical to do so, the accounts may enter into “cross transactions.” A cross transaction, or cross trade, occurs when Weatherbie causes an account to buy securities from, or sell a security to, another client of Weatherbie. Weatherbie will ensure that any such cross transactions are effected on commercially reasonable market terms and in accordance with applicable law, including but not limited to Weatherbie’s fiduciary duties to all accounts.

Wrap Programs

Wrap accounts generally follow a distinct trading process from other accounts. Portfolio Manager(s) of Weatherbie’s strategies continuously evaluate investment opportunities and make buy and sell recommendations. Such recommendations are provided simultaneously to Weatherbie’s accounts and wrap accounts but are reviewed and implemented separately for the purposes of implementing buy and sell recommendations for wrap accounts given the considerations and constraints that exist in such wrap accounts. These considerations include, security type constraints (foreign securities, private placements, IPOs), trade and position size, cash flows, holding periods, and the ability of a sponsor to implement a trade. In order to limit the frequency of smaller sized trades for the wrap program accounts, when compared with other accounts, Weatherbie has implemented trade size requirements on wrap program trades. These limitations will vary depending on the Weatherbie strategy. Once determined, wrap trades are reviewed to ensure they are compliant with the specific wrap strategy and/or account guidelines. The trades are then submitted once per day to the various wrap sponsors according to a randomly selected rotation. As a result of this trading process, Weatherbie typically takes more time to review and implement recommended transactions for wrap accounts; and therefore, wrap accounts generally trade after separate and fund accounts.

(13) Review of Accounts:

Weatherbie’s Portfolio Managers, Compliance team and Institutional Sales and Service team review each client’s portfolio guidelines when the account is opened, and if changes are made. Portfolio Managers work closely with Weatherbie’s traders to seek to adhere to client guidelines when making security selection decisions.

Weatherbie’s Compliance Department regularly reviews and evaluates accounts for compliance with each client’s investment objectives, policies and restrictions using an automated compliance monitoring system. Prior to execution, portfolio trades pass through real-time compliance checks that test the trade against account guidelines. Post-trade and end of day reports are also monitored daily. Certain guidelines which cannot be automated are reviewed manually; the frequency of these checks depends on the perceived risk of violation.

All accounts are also reviewed by the Client Administration Team for the purpose of reconciling Weatherbie's records with those of the account's custodian. Cash and portfolio holdings are reconciled by the Client Administration Team on a daily basis and the Client Administration Team prepares month-end separate account reconciliations (including cash, security positions, local market values, prices and accruals, where applicable) to a client's custodian bank account statement.

On a quarterly basis, each client generally receives a written report containing a portfolio listing showing cost and market value of all securities in the account, a detailed listing of all trades in the account for the period, a listing of all realized gains and losses, a listing of dividends and interest received by the account, a listing of all security purchases and security sales, and account and benchmark performance. Certain clients also receive historical performance reports on a monthly basis. Clients may also receive specialized reporting at their request.

(14) Client Referrals and Other Compensation:

Other Compensation

Weatherbie does not receive any compensation from third parties relating to advisory services provided to its clients.

Compensation of Third Parties for Client Referrals

Referral Fees

Weatherbie entered into an agreement with its affiliates FAM and FAC on March 1, 2017, whereby FAM and FAC introduce prospective clients to Weatherbie. FAM and FAC are entitled to receive a portion of the advisory fee paid by such clients from Weatherbie with respect to such clients.

Weatherbie Affiliates pay fees to financial intermediaries, advisers, and financial planners, among other individuals and entities, in return for referring potential clients. Weatherbie Affiliates may also pay intermediaries who recommend Weatherbie to their clients for separate account or wrap fee program services. Individual payment agreements vary, and some intermediaries may have a greater incentive to recommend Weatherbie's services because the intermediary receives a higher fee as a result. These payments are made from Weatherbie's advisory fees.

Marketing Payments

Subject to applicable law, FAC, an affiliated broker dealer, may pay dealers and other financial intermediaries for, among other things, marketing the mutual funds, Weatherbie Affiliates Accounts and other products. Such payments may relate to or result in the funds' and other investment products' inclusion on preferred or recommended fund lists or certain sales programs sponsored by the intermediaries. FAC may also participate in or partially sponsor industry and consultant sponsored conferences, and may pay for access to intermediaries' registered representatives or salespersons. FAC may also pay to assist in the training and education of intermediaries' salespersons.

Intangibles

Weatherbie Affiliates may have board, advisory, brokerage, or other relationships with issuers, distributors, consultants and others. These persons or entities may have investments in the mutual funds or other investment products, and may recommend or distribute the mutual funds or other products. Weatherbie Affiliates may make charitable contributions to institutions, including those that have relationships with clients, personnel of clients, dealers and other financial intermediaries and/or their registered representatives, and pension consultants.

As a result of the relationships and arrangements described in the preceding paragraphs, consultants, distributors, and other parties may have conflicts associated with their promotion of the mutual funds or other investment products or other dealings that create incentives for them to promote the mutual funds or other products or certain portfolio transactions.

(15) Custody:

Weatherbie does not have actual custody of client assets. However, because it has related persons that serve as general partner of pooled investment vehicles, it may be deemed to have custody of the assets in those vehicles and accounts. Clients will receive account statements from both Weatherbie and their custodians. Clients should review these statements carefully, and compare them to each other.

(16) Investment Discretion:

Weatherbie generally has the authority to make investment determinations on behalf of its clients. Such authority is generally set forth in the investment advisory agreement between Weatherbie and its clients. As noted in Item 4: Advisory Business above, certain clients limit Weatherbie's discretionary authority over their account.

Some clients or program sponsors retain Weatherbie to provide model portfolios, which they replicate for their clients' accounts. In these cases, Weatherbie is not exercising investment discretion with respect to the account.

(17) Voting Client Securities:

Clients may grant authority to or withhold authority from Weatherbie to vote proxies.

If a client withholds authority from Weatherbie to vote its proxies, the client should make arrangements directly with its custodian to receive proxy statements. While a client who withholds authority may seek Weatherbie's guidance in this regard, proxy issues are often time-sensitive and it may not be practical to request Weatherbie's input.

If a client grants Weatherbie authority to vote its proxies, Weatherbie exercises its proxy voting authority generally by evaluating the recommendations of Institutional Shareholder Services Inc. ("ISS"). Weatherbie has determined that ISS should apply its Socially Responsible Investment Proxy Voting Guidelines in providing such recommendations, as well as its Taft-Hartley U.S. Voting Guidelines in applicable circumstances. When issuing vote recommendations and casting proxy votes in accordance with its pre-determined proxy voting guidelines, ISS discloses any conflicts of interest it has with the issuer of such securities that are the subject of its

recommendation. To the extent ISS has a material conflict of interest with the company whose proxies are at issue, it may recuse itself from voting proxies. In such cases, Weatherbie instructs ISS how to vote. When ISS does not recuse itself, but still discloses a conflict, Weatherbie reviews ISS's disclosure regarding such conflict to ensure adherence to the pre-determined proxy voting guidelines and in consideration with its clients' best interests. Moreover, Weatherbie regularly considers the robustness of ISS's policies and procedures regarding its ability to (i) ensure that its proxy voting recommendations are based on current and accurate information and (ii) identify and address any conflicts of interest.

Notwithstanding such proxy voting policies and procedures, actual proxy voting decisions of Weatherbie may have the effect of favoring the interests of certain clients or Weatherbie Affiliates over others.

Weatherbie maintains proxy statements received, records of its proxy voting policies and procedures (which are available upon client request and on Weatherbie's website at <https://www.alger.com/AlgerDocuments/ProxyVotingPolicyandProcedures.pdf>), records of votes cast on behalf of each account, records of requests for proxy voting information, and any documents prepared that were material to making a voting decision.

Class Actions

In addition to voting rights with respect to securities held in our client portfolios, there may be other rights associated with those securities, including the right or opportunity to participate in class action, bankruptcy, or other litigation with respect to those securities. As a general matter, Weatherbie participates in class action, bankruptcy settlement claims, or other litigation with respect to the issuers of securities held in the accounts of its separate account clients, unless otherwise mandated in an account's investment management agreement or otherwise agreed to. In addition, Weatherbie will, at the client's request, assist clients and their agent(s) in determining their eligibility to participate in any given class action. With respect to corporate actions (such as an issuer's merger, tender offer, dividend distribution, etc.), Weatherbie participates on behalf of clients who authorize the firm to do so, taking such action as the firm deems to be in the best interest of the portfolio. Weatherbie uses ISS Securities Class Action Services for class action processing.

(18) Financial Information:

Not applicable.

(19) Requirements for State-Registered Advisers:

Not applicable. Weatherbie is not a State-Registered Adviser.

FACTS

WHAT DOES ALGER DO WITH YOUR PERSONAL INFORMATION?

Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> ■ Social Security number and ■ Account balances and ■ Transaction history and ■ Purchase history and ■ Assets <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>	
How?	All financial companies need to share personal information to run their everyday business. In the section below, we list the reasons financial companies can share their personal information; the reasons Alger chooses to share; and whether you can limit this sharing.	
Reasons we can share your personal information	Does Alger share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	No	We don't share
Questions?	Call 1-800-342-2186	

Who we are	
Who is providing this notice?	Weatherbie Capital, LLC
What we do	
How does Weatherbie protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Weatherbie collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> ■ Open an account or ■ Make deposits or withdrawals from your account or ■ Give us your contact information or ■ Provide account information or ■ Pay us by check.
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> ■ sharing for affiliates' everyday business purposes—information about your creditworthiness ■ affiliates from using your information to market to you ■ sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <p><i>Our Affiliates include Weatherbie Capital, LLC, Fred Alger Management, LLC and Fred Alger & Company, LLC, as well as the following funds: The Alger Funds, The Alger Funds II, The Alger Institutional Funds, The Alger Portfolios, and Alger Global Focus Fund</i></p>
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies.
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you.