



ASPEN PARTNERS

March 15, 2020

*This Brochure provides information about the qualifications and business practices of Aspen Partners, Ltd. ("Aspen"). If you have any questions about the contents of this Brochure, please contact us by phone at (866) 277 3619 or by email at [info@aspenpartners.com](mailto:info@aspenpartners.com). You may also visit Aspen's website at [www.aspenpartners.com](http://www.aspenpartners.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.*

*Aspen Partners, Ltd. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.*

*Additional information about Aspen Partners, Ltd. also is available on the SEC's Investment Adviser Public Disclosure ("IAPD") website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as an IARD/CRD number. Aspen's IARD/CRD Number is 135287.*



### **Material Changes**

On July 28, 2010, the United State Securities and Exchange Commission ("SEC") published "Amendments to Form ADV" which amends the disclosure document that we provide to Clients as required by SEC Rules. This Brochure dated March 15, 2020 is an updated document which replaces our previous Brochure which was dated March 30, 2018.

We have updated our Form ADV and this Brochure to reflect changes to our advisory business and regulatory requirements.

Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting us by telephone at (866) 277-3619, or by email at [info@aspenpartners.com](mailto:info@aspenpartners.com).

Additional information about Aspen Partners, Ltd. is also available via the SEC's web site, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Aspen who are registered, or are required to be registered, as investment adviser representatives of Aspen Partners, Ltd.



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## **Advisory Business**

### *Firm Description and Principal Owners*

Aspen Partners, Ltd. has been in business since 1996 and provides investment advisory services to pooled investment vehicles. Aspen is organized as an S-Corporation under the laws of the State of Delaware and became registered as an investment advisor with the SEC in August 2005. The principal owners of Aspen are William Ware Bush and Bryan R. Fisher. Aspen's Chief Compliance Officer is George Vick.

### *Advisory Services*

Aspen provides continuous and regular investment advisory services to pooled investment vehicles, referred to throughout this document as "Funds" or "Investment Funds."

It is important to note that the term "Client" as defined by federal securities regulations refers to the Funds to which Aspen provides investment advisory services, not to the investors holding interests in such Funds. Aspen does not provide investment advisory services to individual investors. Throughout this document, the term "Client" and "Fund" are used interchangeably to refer to Funds to which Aspen provides investment advisory services. To avoid confusion, the term "Investors" is used to refer to investors in Aspen's client Funds.

### *Tailored Advisory Services*

Aspen's advisory services are provided pursuant to investment authority granted to Aspen under each Fund's constituent documents or an investment advisory agreement between the Fund and Aspen. Investment advisory services are typically provided on a discretionary basis. From time-to-time, Aspen may manage Funds on a non-discretionary basis. Funds may impose restrictions on the types of investments to be used in their portfolio. Generally, investment objectives and any investment restrictions are approved by the Client as a part of the investment advisory agreement.

### *Wrap Fee Programs*

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

Aspen does not participate in a wrap fee program.

### *Assets Under Management*

As of December 31, 2019, Aspen managed \$7,485,267 in Client assets on a discretionary basis and \$0 in Client assets on a non-discretionary basis.

## **Fees and Compensation**

Aspen receives compensation from each advisory Client (e.g. investment Fund) through management fees. All fees received by Aspen are calculated as a percentage of assets under management. Fees are negotiable with Client Funds and are initially established at the Funds' inception.

### *Terms*

Each Fund deducts the applicable fees from each Investor's account under the terms of the relevant Fund's prospectus. In some cases, the authority granted to Aspen under each Fund's limited liability company



agreement or operating agreement allows Aspen to deduct its fees directly from Fund assets in compliance with regulatory procedures.

Management fees are charged at the applicable annual rate on a monthly basis. All fees are paid in arrears.

### *Other Fees and Expenses*

Each Fund pays its operating expenses consisting of organization and offering, legal, regulatory, registration, accounting, auditing, printing, mailing, administration, taxes, extraordinary expenses, and miscellaneous fees and expenses. Such operating expenses are allocated pro rata to investors.

Aspen's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, administrators and other third parties such as fees charged by managers, custodial fees, deferred sales charges, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to Aspen's fees, and Aspen does not receive any portion of these commissions, fees, and costs.

### *Compensation of Supervised Persons*

Aspen's sales and relationship management personnel may be compensated based upon a percentage of the revenue generated from assets in client investment Funds. This compensation is payable from Aspen advisory fees and not directly by the Client or any Investor. The receipt of compensation for the promotion of Aspen products presents a conflict of interest and gives supervised persons an incentive to promote investment products based upon the compensation received, rather than an Investor's needs. Aspen addresses such potential conflicts of interest by a supervisory structure that reviews the suitability of each investment product for a prospective Investor. An Investor may be required to purchase certain of Aspen's Funds through an unaffiliated investment adviser or broker/dealer, although the cost to the Investor would likely be greater than if the product were purchased directly through Aspen.

### **Types of Clients**

Aspen provides investment advisory services to private pooled investment vehicles.

Aspen generally does not require an annual minimum fee or asset level for investment advisory services.

### *Risk*

Investing in securities involves risk of loss that Clients should be prepared to bear.

The primary risk for each strategy is the risk of loss of capital. The underlying sources of this risk are: *volatility risk* (risk of large swings and reversals in markets, the lack of such volatility which is necessary for some trading systems to effectively trade, and the timing of trades), *market risk* (inadequate liquidity in a given market, the inherent leverage of trading, and risks associated with trading on some foreign markets) and *business risk* (operational risk inherent in the business or in third-parties on which the strategy relies that could result in economic losses that threaten its viability as a going concern or the sustainability of its economic profits). Aspen seeks to mitigate these sources of risk by applying the investment process described above to produce a diversified portfolio that consistently possesses superior diversification characteristics.

A more detailed discussion of risk factors of the strategy can be found in the offering memorandum of each Fund.



## **Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Aspen or the integrity of Aspen's management. Aspen has had no material disciplinary events.

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

Frontier Solutions, LLC ("Frontier"), a wholly-owned subsidiary of Aspen, is a registered broker-dealer and a member of the Financial Industry Regulatory Authority ("FINRA"). Funds to which Aspen provides investment advisory services may be marketed through Frontier.

## **Code of Ethics**

Aspen has adopted a Code of Ethics for all supervised persons of the firm describing its high standards of business conduct and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Aspen must acknowledge the terms of the Code of Ethics annually, or as amended.

Aspen anticipates that, in appropriate circumstances, consistent with Clients' investment objectives, it will cause accounts over which Aspen has management authority to effect, and will recommend to investment advisory Clients or prospective Clients, the purchase or sale of investments in which Aspen, its affiliates and/or other Clients, directly or indirectly, have a position of interest. Aspen's employees and persons associated with Aspen are required to follow Aspen's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Aspen and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Aspen's Clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Aspen will not interfere with (i) making decisions in the best interest of advisory Clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Aspen's Clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to Client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as Clients, there is a possibility that employees might benefit from market activity by a Client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between Aspen and its Clients.

It is Aspen's policy that the firm will not affect any principal or agency cross securities transactions for Client accounts. Aspen will also not cross trades between Client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory Client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another Client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory Client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.



### **Brokerage Practices**

Aspen has full and complete discretion and authority to manage and direct the investment and reinvestment of Clients' assets managed on a discretionary basis. The investment management agreements between Aspen and the Funds provide for broad discretion in this regard, limited only by a Fund Investor's ability to withdraw from such Fund.

In selecting brokers to effect portfolio transactions, Aspen will generally seek best execution after considering such factors as the ability of the brokers to effect the transactions, the brokers' facilities, reliability and financial responsibility and the provision for payment (or the rebate to the Fund for payment) of the cost of property or services. Aspen and investment managers need not, however, solicit competitive bids and do not have an obligation to seek the lowest available commission cost.

Aspen may consider a broker/dealer's referrals of investors to a Fund or the potential for future referrals. In some cases the transaction compensation paid might be higher than that obtainable from another broker/dealer who did not provide (or undertake to provide) referrals, although Aspen will seek to avoid such a result. Awarding transaction business to broker/dealers in recognition of past or future referrals may involve an incentive for Aspen to cause a Fund to effect more transactions through a referring broker than it might otherwise in order to stimulate more referrals or to compensate for such referrals.

### **Review of Accounts**

Final reviews of accounting and associated reports are conducted by Deborah H. Terry, CFO of Aspen.

Annual audits of Client accounts are performed by Keiter, Stephens, Hurst, Gary & Shreaves, P.C.

Clients (and investors in client Funds) may receive a monthly statement or other similar communication with unaudited results of the relevant Fund's monthly performance. Performance reviews for each Fund are also available to Fund investors, which include total Fund performance and manager commentary, if any. Fund investors also receive annual audited financial statements for the relevant Fund.

### **Client Referrals and Other Compensation**

Not applicable.

### **Custody**

Client account is audited by an independent public accountant registered with the Public Company Accounting Oversight Board ("PCAOB") at least annually. Copies of the audited financial statements are delivered to Investors in each Fund within 120 days of the Fund's fiscal year-end.

### **Investment Discretion**

Under the provisions of each Client's operating agreement, Aspen, as advisor to the Fund, holds discretionary authority from the Client to select the identity and amount of investments to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular Client account.

When selecting securities and determining amounts, Aspen observes the investment policies, limitations and restrictions of the Clients for which it advises. In some cases, Aspen's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.



### **Voting Client Securities**

Aspen, as a matter of policy and as a fiduciary to our Clients, has responsibility for voting proxies for portfolio securities consistent with the best economic interests of the Clients. In voting proxies, Aspen is guided by general fiduciary principles. Our goal is to act prudently, solely in the best interest of the Funds we advise and their investors.

Our firm maintains written policies and procedures as to the handling, research, voting and reporting of proxy votes. Aspen attempts to consider all factors of its vote that could affect the value of securities held by an investment fund. Aspen votes proxies, or withholds such votes, in the manner that it believes is consistent with efforts to achieve an investment fund's stated objectives, including maximizing portfolio values.

Client investment funds may specify voting guidelines for proxies of securities held in the Fund's portfolio. Absent such guidelines, Aspen will vote proxies in a manner consistent with the best interest of the Fund and Fund participants.

Generally, Aspen will support management initiatives if it appears that management is reasonable and that the proposals are not detrimental to the long-term value of the investment. However, Aspen will review all proxies in accordance with the general principles described above and, in light of its review of facts and circumstances it deems relevant, may at times not support existing management proposals. Moreover, if, after careful consideration, Aspen believes that management's positions may not be supported consistently, Aspen will consider whether to sell the Fund's interest in that company. Due to the time and resources required to assess the impact of various proxy matters on a company's value, Aspen generally will not vote proxies for companies in which it holds an interest that equals less than 5% of an investment Fund's total portfolio, but will maintain documentation of any proxies that are not voted by the firm. In addition, Aspen may at times delegate proxy voting responsibilities to investment managers of Client investment funds after we have reviewed and are satisfied with the investment manager's own proxy voting policy.

Aspen follows procedures that are designed to identify conflicts or potential conflicts that could arise between its own interests and those of its investment Funds. If it is determined that any such conflict or potential conflict is not material, Aspen may vote proxies notwithstanding the existence of the conflict. If it is determined, however that a conflict of interest or potential conflict of interest is material, Aspen's Chief Compliance Officer will work with appropriate personnel to agree upon a method to resolve such conflict before voting proxies affected by the conflict.

Clients and investors may obtain a copy of Aspen's complete proxy voting policies and procedures upon request. Clients may also obtain information from Aspen about how Aspen voted any proxies on behalf of their account(s).

### **Financial Information**

Registered investment advisers are required to provide Clients with certain financial information or disclosures about the adviser's financial condition. Aspen has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has not been the subject of any bankruptcy proceeding.