

## **PART 2A OF FORM ADV: FIRM BROCHURE**



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**This brochure provides information about the qualifications and business practices of A.W. Jones Advisors LLC, an investment adviser registered with the United States Securities and Exchange Commission. If you have any questions about the contents of this brochure, please contact us at 646-517-6400. This information 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 A.W. Jones Advisors LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**A.W. Jones Advisors LLC is registered as an investment adviser with the SEC under the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”). SEC registration does not imply a certain level of skill or training.**

**This brochure does not constitute an offer to sell or the solicitation of an offer to purchase any security.**

## **Item 2 - Material Changes**

This Brochure is AW Jones annual updating amendment. The last annual amendment was filed March 28, 2019, and an other-than-annual amendment was filed September 26, 2019 to reflect changes in AW Jones business.

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## **Item 4 – Advisory Business**

### ***General Description of Advisory Firm***

A.W. Jones Advisors LLC (the "Adviser" or "AWJ") is a Delaware limited liability company formed in 2011 and registered as an investment adviser with the Securities & Exchange Commission effective March 30, 2012. Robert L. Burch, IV is the Managing Member and principal owner of the Adviser.

A.W. Jones Advisors LLC provides discretionary investment advisory services to the following three (3) Fund clients (collectively the "Funds"):

- A.W. Jones Company
- A.W. Jones Fund, Ltd.
- A.W. Jones Associates LP

The Adviser also serves as discretionary investment subadvisor to A.W. Jones Insurance Fund, a Series of the SALI Multi-Series Fund, L.P (the "Insurance Fund"). Interests in the Insurance Fund are only offered to insurance company investors on behalf of certain of their segregated separate accounts related to life insurance and variable annuity contracts.

An affiliate of the Adviser, A.W. Jones GP LLC (the "General Partner"), is the general partner of A.W. Jones Company and A.W. Jones Associates LP. Additionally, Robert L. Burch, IV serves as a Director to A.W. Jones Fund Ltd.

### ***Description of Advisory Services***

The Adviser provides discretionary investment advisory services to the Funds and sub-advisory services to the Insurance Fund. A.W. Jones Company is the master fund in a master-feeder structure; A.W. Jones Fund, Ltd. is a feeder fund, which invests substantially all of its assets in the master fund. A.W. Jones Associates LP is a standalone 3(c)(1) fund.

The Funds and Insurance Fund are fund-of-funds that seeks to achieve capital appreciation through a program of investments in investment partnerships, managed accounts and other investment vehicles (the "Portfolio Funds"). The Adviser generally invests with fundamental, research-driven Portfolio Funds. However, the Adviser has broad and flexible investment authority in order to capitalize on investment opportunities that may arise. The Adviser generally does not seek to invest substantial assets in "black-box" quantitative strategies. Although the Adviser may invest with Portfolio Funds that employ leverage, the Adviser seeks to avoid any investment strategy that depends on large amounts of financial leverage to generate attractive returns. In addition, the Adviser may invest a portion of Fund or Insurance Fund assets in instruments with exposure to indices or broad baskets of securities in order to manage risk and exposure levels.

### ***Availability of Tailored Services for Individual Clients***

With respect to the Funds and Insurance Fund, the Adviser does not tailor investment decisions to the needs of any particular investor and investors may not impose any restrictions on the Funds or Insurance Fund. Therefore, investors should consider whether the Fund and Insurance Fund meets their investment objectives and risk tolerance prior to investing in the Funds or Insurance Fund. Information about each Fund and Insurance Fund can be found in its offering documents, including its private placement memorandum.

The Adviser also provides advisory services on a discretionary or non-discretionary basis to high net worth individuals, family offices, endowments and foundations, investment consultants and other registered investment advisors (the “non-Fund Clients” or “Clients”) with regards to tailored hedge fund portfolios. These portfolios of hedge funds may be in the form of direct investments, customized commingled funds, funds of one or other structures based on client preferences. The Adviser provides advice based on the specific investment objectives of the Client.

#### ***Wrap Fee Programs***

The Adviser does not participate in wrap fee programs.

#### ***Client Assets Under Management***

As of December 31, 2019, the Adviser had approximately \$463,199,254 of regulatory assets under management, all of which is managed on a discretionary basis.

## **Item 5 – Fees and Compensation**

#### ***Advisory Fees and Compensation***

The Adviser receives asset-based fees and performance-based fees from the Funds and the Insurance Fund, which vary depending on the fund, share class and series of investment. An affiliate of the Adviser may receive performance-based allocations from the Funds, which vary depending on the fund, share class and series of investment. Please refer to the relevant Confidential Offering Memorandum or Confidential Explanatory Memorandum for details regarding these fees and allocations.

The Adviser also receives an asset-based or performance-based fee from non-Fund Clients for whom the Adviser creates customized portfolios of hedge funds. These fees are determined by the Adviser based on the assets managed for the client and the complexity of the tailored portfolio but are not expected to exceed 1.00% per annum.

The Adviser has not historically negotiated fees but may do so in the future; and the Adviser reserves the right to waive or reduce fees based on a variety of factors, including the nature of investments, length of relationship with the Adviser or related persons, and other factors, in its sole discretion. Certain employees and related persons of the Adviser invest their capital in the Funds and do not pay fees or allocations to the Adviser.

#### ***Payment of Fees***

The Adviser deducts the Funds’ management fee, which is calculated from each applicable investor’s capital account, and is paid by the investment manager of the Insurance Fund the sub-advisory fee. Underlying investors are not billed for fees. Management fees are assessed quarterly in advance based on the net asset value at the beginning of each quarter. Performance-based compensation is deducted from investor capital accounts at the end of the calendar year or at the time of a withdrawal prior to the end of the year if investors have experienced new net profits above a high-water mark.

The Adviser currently waives the sub-advisory fee for the investors in the Insurance Fund.

Two of the funds advised by the Adviser are in a master-feeder structure. Fees and allocations are charged at only one level of the structure – i.e. the fees and allocations are charged only in the vehicle in which an investor is directly invested, and investors are not charged double layers of fees and allocations by the Adviser and its affiliates for the services the Adviser provides. Management fees and allocations are prorated for investments made and redeemed during any fiscal period that is less than a calendar quarter or year as described above.

The Adviser bills individual Clients for their tailored portfolio an asset-based fees quarterly in advance.

### ***Other Fees and Expenses***

The Funds bear their own expenses including legal, accounting, third-party administration, auditing expenses, organizational expenses, directors' fees and expenses, certain research-related expenses, fees paid to Portfolio Funds (e.g., management and performance fees), and other investment-related expenses including the pro rata share of the expenses of any investment entities or accounts in which the Funds may invest, and other reasonable expenses related to the purchase, sale or transmittal of Fund assets. Certain research-related expenses are allocated between the Funds and the Adviser based on asset under management with respect to the Funds and the Clients unless the expense is solely for the purpose of the Funds or the Clients. The Adviser will pay the share allocable to non-Fund Clients. The feeder fund also bears its pro rata share of the expenses (other than the management fee and incentive allocation) of the master fund.

The Adviser provides services to the Funds and Insurance Fund which invest in other investment vehicles ("underlying funds") and may invest in separately managed accounts whose managers ("underlying managers") typically charge: (i) an asset-based fee (that generally ranges anywhere from 1% to 2% annually) and (ii) an incentive fee (that generally ranges anywhere from 0% to 20% of net capital appreciation of the Fund's investment for the year, in some cases above a specified benchmark). The fee rates vary for each such underlying fund and in some cases higher rates apply. Thus, two layers of fees exist.

The non-Fund Clients of the Adviser will bear their own fees and expenses associated with investments in private funds, including private funds managed by AWJ. Private fund managers will also typically charge clients a performance fee of approximately 20% of the annual profits. All fees that Clients pay to underlying managers are in addition to the advisory fee paid to the Adviser.

Employees of the Adviser that are Qualified Clients (as defined in Advisers Act rule 205-3), may be Clients of the Adviser. The Adviser will waive the advisory fees for employees' investments.

### ***Prepayment of Fees***

As described above, the management fee is paid quarterly in advance by the Funds, the Insurance Fund and the Clients to the Adviser. If termination of an advisory contract occurs during a period in which a fee is charged in advance, the investor or Client will receive a refund of a *pro rata* portion of the fee to the investor or Client for the remaining portion of the period.

### ***Additional Compensation and Conflicts of Interest***

The supervised persons of the Adviser do not receive compensation for the sale of securities or other investment product while providing investment advisory services. The Adviser has policies and procedures in place to ensure that the investment advisory services provided, and the instruments recommended to Clients, do not provide compensation that would incentivize supervised persons to act in a manner that conflicts with the interests of the Clients.

## **Item 6 - Performance-Based Fees and Side-By-Side Management**

Please see Item 5 for further details on the Funds and Insurance Fund whereby the Adviser charges a performance-based fee.

With respect to the Funds and Insurance Fund, the Adviser and its investment personnel, including investment personnel that share in performance-based compensation, manage client accounts that are charged both performance-based compensation and an asset-based fee. Furthermore, it should be noted that the possibility that the Adviser could receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for the Adviser to take larger and more risky positions than would be the case in the absence of such form of compensation.

The Adviser has an incentive to favor higher fee-paying client accounts, which frequently include those that pay performance-based compensation, over other accounts. In addition, to the extent that a Client pays a lesser fee on Funds managed by the Adviser, there may be an inducement to allocate investments that may be appropriate for both the Fund and a Client in a manner that benefits the Adviser.

The Adviser recognizes that it is a fiduciary and must act in the best interests of the Funds, Insurance Fund, investors and Clients. The Adviser does not have the discretion to invest the assets of Clients in funds managed by the Adviser, which would be subject to performance fees. The Adviser has developed policies and procedures to address the potential conflicts of interest of this practice, including: (i) a full review of the suitability of any investment in private funds; (ii) documentation of the due diligence conducted on the private fund investment, and (iii) disclosure to Clients of prospective investment in funds managed by the Adviser prior to the investment.

Further, the Adviser recognizes that it must treat all clients fairly and must refrain from favoring one client's interests over another's. The Adviser regularly assesses the allocation of its resources, including investment personnel, among its clients to ensure adherence to its fiduciary duties. The Adviser reviews investment decisions for the purpose of ensuring that all accounts are treated equitably.

## **Item 7 – Types of Clients**

As described in Item 4, the Adviser provides discretionary investment advisory services to the A.W. Jones funds using a “fund-of-funds” strategy, which are offered to high net worth individuals, family offices, wealth advisors, foundations, endowments, and other institutions and to the Insurance Fund which are offered to insurance companies.

The Adviser generally requires that an investor invests a minimum of \$250,000 to become an investor in a Fund, subject to exceptions at the sole discretion of the Adviser or its affiliates. In the case of A.W. Jones Fund Ltd. the minimum initial investment may be lower but may not be waived below the applicable statutory minimum (currently \$100,000).

For the non-Fund Clients, the Adviser may provide discretionary or non-discretionary investment advisory services to high net worth individuals, family offices, registered investment advisors, investment consultants, institutions, endowments and foundations subject to a minimum account size of \$1,000,000, subject to exceptions at the discretion of the Adviser.

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

### ***Methods of Analysis and Investment Strategies***

With respect to the Funds and Insurance Fund, as noted above, the Adviser generally invests with fundamental, research-driven Portfolio Funds. The Adviser generally does not seek to invest substantial assets in “black-box” quantitative strategies. Although the Adviser may invest with Portfolio Funds that employ leverage, the Adviser seeks to avoid any investment strategy that depends on large amounts of financial leverage to generate attractive returns. In addition, the Adviser may invest a portion of Fund assets in instruments with exposure to indices or broad baskets of securities in order to manage risk and exposure.

The Adviser seeks to understand the strategies and approaches of its Portfolio Funds by interviewing their managers, examining available records (including, but not limited to, audited financial statements, offering memoranda, letters to investors, presentations, schedules listing actual holdings and past performance records) and contacting other professionals who know the portfolio managers.

AWJ Funds may be deemed to be a speculative investment and are not intended as a complete investment program. They are designed only for experienced and sophisticated persons who are able to bear the risk of substantial impairment or total loss of their investment in the Adviser’s Funds.

For non-Fund Clients, the Adviser will conduct a review of the clients’ investment objectives and if applicable, develop a hedge fund asset allocation model based on investment goals of the clients. The Adviser will extend the analytical approach employed by it in its private fund investment strategy, and the Clients’ assets will primarily be invested in private investment funds.

In determining asset allocation, the Adviser will take into account the status of the business cycle, liquidity conditions, relative valuations of sectors and geographies, and other market conditions.

Investments in any securities involves the risk of loss. This risk will vary by security type.

### ***Material Risks Relating to Investment Strategies***

The Adviser’s analytical process includes both quantitative and qualitative elements but emphasizes the qualitative aspect as being more differentiated. The Adviser endeavors to analyze an underlying manager’s strategy, philosophy and decision-making process, models, research and portfolio management, the quality of its investment professionals, and its organizational structure.

Among the risks involved in long/short investing are systematic (general market) risk and security-specific risk. Systematic risk applies to general movements in the broad market. Security-specific risk relates to the risk of individual security price movements. The long/short strategy seeks to de-emphasize market risk and emphasize security-specific risk relative to index-based investing.

Although the Adviser will seek to select only underlying managers who will invest the Funds’, Insurance Fund and Clients’ assets with the highest level of integrity, the Adviser’s investment selection process cannot ensure that selected underlying managers will perform as desired and the Adviser will have no control over the day-to-day operations of the selected underlying managers or funds. The Adviser would not necessarily be aware of certain activities at the underlying manager level, including without limitation an underlying manager’s engaging in unreported risks, investment “style drift” or even regulatory breaches or fraud. As a result, there can be no assurance that underlying managers or funds selected by the Adviser will conform their conduct to the desired standards. There is a risk that underlying managers or funds may fail to meet their stated objectives or fail to continue as going concerns as a result of poor performance,



failure to raise assets, regulatory violations and enforcement actions, fraud or other factors, which in any case could result in a complete loss of a private fund's investment with such underlying fund or manager. Investments with underlying managers or funds carry additional risks including, but not limited to, lack of liquidity, lack of diversification, lack of transparency, reliance on underlying managers for performance and valuation information, and dependence on key personnel risk.

There are also risks relating to liquidity of underlying investments in private funds. Based upon the types of securities these investment managers purchase, liquidity becomes a greater problem when the portfolio consists of smaller capitalization issues or thinly traded securities. Since these investment managers will engage in short selling, they must be able to borrow the necessary amount of securities needed to deliver the necessary stock. This ability to borrow and to maintain the short position is not guaranteed, and if the clearing broker can no longer satisfy the borrow, it may "buy in" the security. This could take place at a disadvantageous time. Furthermore, since the price of an equity security does not have an upper bound, the loss potential from short selling is theoretically infinite. Investment managers also engage in foreign securities purchases. These may entail regulatory, political and currency risks. There are also numerous risks experienced by investors in hedge funds broadly, and the AWJ funds in particular, including the following:

**Diversification:** Although the Adviser will seek to obtain diversification for the AWJ Funds, Insurance Fund and the non-Fund Clients by investing with a number of different Portfolio Funds, it is possible that several Portfolio Funds may take substantial positions in the same security or group of securities at the same time. This possible lack of diversification may subject the investments of the AWJ Funds, Insurance Fund or non-Fund Clients to more rapid change in value than would be the case if the assets were more widely diversified. It is also possible that the AWJ Funds', Insurance Fund and Clients' investments may be concentrated with only a small number of Portfolio Funds.

**Liquidity of Portfolio Funds:** The AWJ Funds, Insurance Fund and the non-Fund Clients invest with Portfolio Funds that offer limited liquidity. The lack of liquidity in these investments may delay the payment of withdrawal or redemption requests from private fund investments.

Please see below for further risks.

It is critical that investors refer to the relevant confidential private offering memorandum, explanatory memorandum and other governing documents for a complete understanding of the material risks involved in relation to the Adviser's investment strategies and methods of analysis. The information in this brochure is a summary only and is qualified in its entirety by the Funds' Offering Documents.

### ***Risks Associated with Types of Securities that are Primarily Recommended***

The Adviser primarily recommends investments in private investment funds. The risks associated with private investment funds are discussed above. There are additional risks in the implementation of our Private Fund and Client strategies, including:

**Equity Securities.** The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geopolitical risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

**Leverage; Short Sales; Options:** The underlying managers with whom the AWJ Funds, Insurance Fund and Clients will invest their capital may employ leverage, may engage in the “short selling” of securities and may write or purchase options. While the use of borrowed funds and “short sales” can substantially improve the return on invested capital, their use may also increase any adverse impact to which the investments of the AWJ Funds, Insurance Fund and Clients may be subject. Selling securities short, while often utilized to hedge investments, does run the risk of losing an amount greater than the initial investment in a relatively short period of time. The writing or purchasing of an option also runs the risk of losing the entire investment or of causing significant losses to the AWJ Funds, Insurance Fund and Clients in a relatively short period of time.

**Futures:** Trading in commodity and financial futures contracts and options thereon are highly specialized activities which, while they may increase the total return on the AWJ Funds’, Insurance Fund and Clients’ investments, may entail greater than ordinary investment risks.

**Foreign Securities:** The assets of the AWJ Funds, Insurance Fund and Clients may be invested in securities of companies located outside the United States, which securities may be denominated in foreign currencies. Investment in foreign securities may involve greater risk than investment in domestic securities due to political considerations, currency controls, the fluctuation of currency exchange rates, foreign taxation, illiquidity of foreign securities markets, unique foreign regulations applicable to such securities, difficulty in enforcing contractual obligations, less government supervision of foreign brokers and custodians, lack of uniform accounting and auditing standards and certain other factors. The AWJ Funds’, Insurance Fund and Clients’ investments that are denominated in various currencies are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Additional risks include changes in exchange rates and exchange control regulations, political and social instability, expropriation of assets, the imposition of non-U.S. taxes, less liquid markets and less available information than is generally the case in the United States. Other risk factors that must be considered include higher transaction costs, less government supervision of exchanges, brokers and issuers, difficulty in enforcing contractual obligations, the lack of uniform accounting and auditing standards, and greater price volatility.

**Fixed-Income and Debt Securities.** Investment in fixed-income and debt securities such as bonds, notes and asset-backed securities, subject the private fund managers’ portfolios to the risk that the value of these securities overall will decline because of rising interest rates. Similarly, portfolios that hold such securities are subject to the risk that the portfolio’s income will decline because of falling interest rates. Investments in these types of securities will also be subject to the credit risk created when a debt issuer fails to pay interest and principal in a timely manner, or that negative perceptions of the issuer’s ability to make such payments will cause the price of that debt to decline. Lastly, investments in debt securities will also subject the investments to the risk that the securities may fluctuate more in price and are less liquid than higher-rated securities because issuers of such lower-rated debt securities are not as strong financially and are more likely to encounter financial difficulties and be more vulnerable to adverse changes in the economy.

**Securities Trading.** Any investment in securities carries certain market risks. The success of the Adviser’s securities trading depends in part on its ability to correctly assess price movements of equity and debt securities. There is no assurance that the Adviser’s judgments will be accurate or that its clients will achieve their investment objectives.

**Swaps and Other Derivatives.** Swaps, and other custom derivative or synthetic instruments are subject to the risk of nonperformance by the counterparty to such instruments, including risks relating to the financial soundness and creditworthiness of the counterparty. In addition, investments in derivative instruments require a high degree of leverage, meaning the overall contract value (and, accordingly, the

potential for profits or losses in that value) is much greater than the modest deposit used to buy the position in the derivative contract. Derivative securities can also be highly volatile. The prices of derivative instruments and the investments underlying the derivative instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the Fund Managers. Further, to the extent transactions in derivative instruments are not undertaken on recognized exchanges, the private fund managers will be exposed to greater risks than regulated exchange transactions that provide greater liquidity and more accurate valuation of securities.

**Dependence upon the Adviser and Private Fund Managers.** The success of a particular client account depends upon the ability of the Adviser and the private fund managers to develop and implement investment strategies that achieve a client's investment objectives, and the ability of the Adviser and each private fund manager to select individual securities and other instruments, interpret market data correctly, predict future market movements and otherwise implement its investment strategy. Any factor that would make it more difficult to execute more timely trades, such as a significant lessening of liquidity in a particular market, may also be detrimental to profitability. Subjective decisions made by the Adviser and/or the private fund managers may cause a client account to incur losses or to miss profit opportunities on which it would otherwise have capitalized. The success of a client account is also affected by turnover in the Adviser's or a private fund manager's personnel who are responsible for the investment activities. While turnover is expected in the industry, investors should consider the effect of past and future turnover on performance. Investors should also consider the experience and success of departing and any new personnel.

**Portfolio Concentration.** Unlike some investment funds employing a "fund-of-funds" or "multi-manager" strategy that, as a matter of investment policy, diversify their allocation of assets among private fund managers and portfolio funds that pursue a variety of investment strategies, certain client accounts may concentrate their allocation of assets exclusively among private fund managers and private funds that pursue a particular investment strategy. The investment risk of a portfolio that allocates its assets to a single investment strategy is greater than if the portfolio had allocated its assets in a more diversified manner among various investment strategies. Moreover, because the number of private fund managers and private funds in a client account may be limited, the portfolio of a client may be highly concentrated in particular companies, industries or countries. As a consequence, a client account's returns as a whole may be adversely affected by the unfavorable performance of even a single company, industry, country or private fund.

**Managed Account Allocations.** The Adviser may place assets with a number of private fund managers through opening discretionary managed accounts rather than investing in private funds. Given the leverage at which certain private fund managers may trade, a managed account may expose the client account to theoretically unlimited liability. In order to limit the liability of the client account solely to the assets the Adviser places in a particular managed account, the client accounts may make managed account allocations through a separate investment vehicle.

***Additional risks related to the Adviser include:***

**Cybersecurity Risk.** The information and technology systems of the Adviser and of key service providers to the Adviser and its clients may be vulnerable to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Adviser has implemented various measures designed to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for the Adviser to make a significant investment to fix or replace them and to seek to remedy the effect of these issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of the Adviser or the Adviser's client accounts and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information.

**Risk Management Failures.** Although the Adviser attempts to identify, monitor and manage significant risks, these efforts do not take all risks into account and there can be no assurance that these efforts will be effective. Moreover, many risk management techniques, including those employed by the Adviser, are based on historical market behavior, but future market behavior may be entirely different and, accordingly, the risk management techniques employed on behalf of the Adviser's clients may be incomplete or altogether ineffective. Similarly, the Adviser may be ineffective in implementing or applying risk management techniques. Any inadequacy or failure in risk management efforts could result in material losses to investors.

**Systems and Operational Risk.** The Adviser relies heavily on certain financial, accounting, data processing and other operational systems and services that are employed by the Adviser and/or by third party service providers, including custodians, the third-party administrator, market counterparties and others. Many of these systems and services require manual input and are susceptible to error. These programs or systems may be subject to certain defects, failures or interruptions. In addition, despite certain measures established by the Adviser and third-party service providers to safeguard information in these systems, the Adviser and its third-party service providers are subject to risks associated with a breach in cybersecurity which may result in damage and disruption to hardware and software systems, loss or corruption of data and/or misappropriation of confidential information. Any such errors and/or disruptions may lead to financial losses, liability under applicable law, regulatory intervention or reputational damage.

Investors in the AWJ Funds, Insurance Fund and non-Fund Clients should be aware that the Portfolio Managers may invest in a range of mutual funds, exchange traded funds, indices, and separately managed accounts, each of which may present different risks than those described in this Item 8. It is critical that investors refer to the relevant confidential private offering memorandum, explanatory memorandum, and other governing documents for a complete understanding of the material risks involved in relation to an investment in the AWJ Funds, Insurance Fund or other private funds. The information contained in this form is a summary only; please refer to the offering documents of the private fund or the investment management agreement for a full explanation.

## **Item 9 - Disciplinary Information**

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

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

### ***Broker-Dealer Registration Status***

Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker dealer.

### ***Commodities-Related Registration***

Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities.

### ***Material Relationships or Arrangements with Industry Participants***

An affiliate of the Adviser, A.W. Jones GP LLC (the “General Partner”), is the general partner of A.W. Jones Company and A.W. Jones Associates LP and receives performance-based allocations from these funds.

With respect to the Funds, the Adviser has a joint venture with Miles Howland & Co., which includes having the Managing Member of Miles Howland & Co., Reid R. Miles, sit on the Investment Committee of AWJ. Miles Howland & Co. manages two fund of funds strategies—a multi-strategy fund and a deep-value fund—which are different from the long/short equity strategy of the AWJ Funds, but there may be overlap in the portfolio funds in which these various funds invest. The opinions offered by the Investment Committee may be subject to conflicts of interest given that a member of the Investment Committee also advises other funds. However, the Managing Member of the Adviser has sole authority over the AWJ Funds’ and their allocations.

The Adviser provides investment advisory services to high net worth individuals, foundation, endowments and family office clients. In the course of its advisory business, the Adviser may recommend AWJ Funds as investments to its clients. AWJ will receive a management fee and is eligible for a performance fee as described in Items 5 and 6 above for investments in AWJ Fund, Ltd. In addition, an affiliate of the Adviser, A.W. Jones GP LLC (the “General Partner”), is the general partner of A.W. Jones Company and A.W. Jones Associates LP and receives performance-based allocations from these funds.

This creates a conflict of interest such that the Adviser has an economic incentive to recommend AWJ Funds to clients. Item 6 above describes the approach that the Adviser takes to address this conflict. The principals and employees of the Adviser are subject to the Adviser’s Code of Ethics.

### ***Material Conflicts of Interest Relating to Other Investment Advisers***

Not Applicable

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

### ***Code of Ethics***

The Adviser has adopted a Code of Ethics (the “Code”) that obligates the Adviser and its related persons to put the interests of the Adviser’s clients before their own interests and to act honestly and fairly in all respects in their dealings with clients. All the Adviser’s personnel are also required to comply with applicable federal securities laws.

The Adviser adopted a Code of Ethics governing personal trading by its personnel. Among other requirements, the Code of Ethics requires investment personnel to report their personal securities transactions and holdings to the Adviser, and the Adviser is required to review such reports.

Clients or prospective clients may obtain a copy of the Code of Ethics by contacting the Chief Compliance Officer by telephone at (646) 517-6400.

### ***Client Transactions in Securities where Adviser has a Material Financial Interest***

The Adviser may recommend that its Clients invest in private funds managed by the Adviser. This would incentivize the Adviser to direct Clients' investments to such funds in order to generate fee income for the Adviser. In an effort to mitigate this risk, the Adviser, does not charge advisory fees to Clients on such investments, though the clients would pay their pro-rata share of the Funds' management and performance fees or allocations as described in Item 5 above. In addition, the Adviser will implement policies and procedures to ensure that potential conflicts in the investment process are identified and that the Adviser acts in the best interests of the Clients. This is described in Item 6 above.

### ***Investing in Securities Recommended to Clients***

Certain personnel of the Adviser, the General Partner and its related persons have invested a significant portion of their personal capital in A.W. Jones Company and in A.W. Jones Associates LP, and, therefore, such persons hold the same securities/investments as other investors in the Funds.

However, in addition to investment in the Funds, the Adviser or its related persons may invest in the same securities/investments (or related securities/investments) that the Adviser recommends to clients. Such practices may present a conflict because of the information an Adviser has, the Adviser or its related person are in a position to trade/invest in a manner that could adversely affect clients. Specifically, in the case of a fund of funds investing in Portfolio Funds, the Adviser's related persons could be in a position to invest capital in a Portfolio Fund that has limited capacity, such that certain clients may not be able to invest in such Portfolio Funds.

The Adviser has adopted the following procedures in an effort to minimize such conflicts: The Adviser requires its employees and related persons to pre-clear securities and all limited offering transactions in their personal accounts with the Chief Compliance Officer, who may deny permission to execute the transaction if such transaction will have an adverse economic impact on a client. In addition, the Adviser's Code prohibits the Adviser or its related persons from executing personal securities transactions of any kind in any securities on a restricted securities list maintained by the Chief Compliance Officer. All of the Adviser's related persons are required to disclose their securities transactions on a quarterly basis and holdings on an annual basis. Trading in employee accounts will be reviewed by the Chief Compliance Officer and compared with transactions for the client accounts and reviewed against the restricted securities list. If any personal investment by the Adviser or Access Persons poses a conflict of interest, we will seek to act in a way that favors the interests of our clients.

### ***Conflicts of Interest Created by Contemporaneous Trading***

As described above, the employees of the Adviser will pre-clear securities transactions with the CCO, who may deny permission for transactions if such transactions could have an adverse economic impact on a client.

## **Item 12 - Brokerage Practices**

The Adviser primarily invests in Private Funds so this issue is generally not applicable.

## **Item 13 - Review of Accounts**

### ***Frequency and Nature of Review***

The composition of a Private Fund's portfolio (generally consisting of investments in other pooled investment vehicles, including investment limited partnerships, limited liability companies, offshore corporations, separately managed accounts and investment funds) is reviewed by the Managing Member of the Adviser on, at least, a monthly basis.

Accounting and administration of the Funds and the Insurance Fund is performed monthly by the Funds' and the Insurance Fund's Administrator. The Funds' and the Insurance Fund's auditor conducts an annual audit of the Funds and the Insurance Fund.

Non-Fund Client accounts are reviewed at least quarterly by the investment professional assigned to the account. The CCO will review Client accounts at least quarterly to review performance and compliance with investment guidelines.

### ***Factors Prompting a Non-Periodic Review of Accounts***

Exogenous market shocks, periods of high market stress or unusual market moves, major financial institution insolvency and other unusual events may trigger reviews of client accounts on a more frequent basis.

### ***Content and Frequency of Regular Account Reports***

Investors and Clients in the AWJ Funds, the Insurance Fund or other private funds generally receive quarterly letters and annual audited financial statements. Additionally, investors may request to receive monthly performance estimates from the Adviser or private fund managers and monthly capital statements are available from the Funds' and the Insurance Fund Administrator.

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

### ***Economic Benefits Received from Non-Clients for Providing Services to Clients***

The Adviser does not receive any economic benefits from non-clients in connection with the provision of investment advice to clients.

### ***Compensation to Non-Supervised Persons for Client Referrals***

The Adviser has agreements with European asset and wealth management firms, a Japanese wealth management firm, and placement agents based in the United States whereby the Adviser will compensate those firms out of the Adviser's fees with regards to private fund investors that those firms have solicited on behalf of the AWJ funds.

Placement agents referred to above that solicit or refer potential investors to the Firm are subject to a conflict of interest because they will be compensated in connection with their solicitation activities. All placement agent fees will be fully disclosed to investors.

## **Item 15 - Custody**

The Adviser or an affiliate is deemed to have custody of the Funds' assets because of the authority that the Adviser and/or its affiliated entities have over those assets. Each Fund is audited at least annually and distributes its audited financial statements prepared in accordance with generally accepted accounting principles to all investors within 180 days of the end of its fiscal year.

The Adviser does not have custody of Insurance Fund and non-Fund Client assets.

In the event that the Adviser is deemed to have custody of client assets for reasons other than those discussed above, it will be required to engage an independent accounting firm to perform a surprise annual examination of those assets and accounts over which it maintains custody.

## **Item 16 - Investment Discretion**

The Adviser has discretionary authority to manage the A.W. Jones Funds and the Insurance Fund. The Adviser is authorized to make purchase and sale decisions for these Funds. Fund investors do not have authority to impose restrictions on the Adviser's investment discretion.

The Adviser may receive discretionary or non-discretionary trading authority from non-Fund Clients through investment management agreements at the outset of an advisory relationship to select a portfolio of private funds that are consistent with the investment objectives and guidelines agreed upon with the client. The terms of the investment management agreement may limit the Adviser's authority to purchase investments that are inconsistent with the investment objectives. Clients may further limit the Adviser's discretion through reasonable restrictions on the account. These restrictions generally take the form of prohibitions or constraints with respect to particular securities, issuers, financial instruments, leverage, or exposures.

## **Item 17 - Voting Client Securities**

To the extent the Adviser has been delegated proxy voting authority on behalf of its clients, the Adviser complies with its proxy voting policies and procedures that are designed to ensure that in cases where the Adviser votes proxies with respect to client securities, such proxies are voted in the best interests of its clients. . As a manager of funds of hedge funds, the Adviser anticipates that it will receive proxies that deal with matters related to the operative terms and business details in private funds in which the Funds invest. If a material conflict of interest between the Adviser and a client exists, the Adviser will determine whether voting in accordance with the guidelines set forth in the proxy voting policies and procedures is in the best interests of the client or take some other appropriate action. The Adviser does not make any qualitative judgment regarding its client's investments.

## **Item 18 - Financial Information**

Not applicable.



## **Item 19 - Requirements for State-Registered Advisers**

Not applicable.