

Part 2A of Form ADV
CLASS VI-CAPITAL PARTNERS, LP
Brochure

1345 Avenue of the Americas
3rd Floor
New York, New York 10105

Tel: 212-331-7521
Email: tgallo@newriverllc.com

March 2020

This Brochure provides information about the qualifications and business practices of Class VI-Capital Partners, LLC (“Class VI” or the “Firm”), CRD #285266. If you have any questions about the contents of this Brochure, please contact the Firm’s Chief Compliance Officer, Tony Gallo, at tgallo@newriverllc.com or at 212-331-7521. 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 the Firm is also available on the SEC’s website at www.adviserinfo.sec.gov.

The Firm may refer to itself as a registered investment adviser with the SEC pursuant to the Investment Advisers Act of 1940, as amended (the “Advisers Act”). These references do not imply a certain level of skill or training.

Item 2: Material Changes

This Brochure represents the Firm's initial Brochure. In future Amendments any material changes will be included in this Item.

Item 3: Table of Contents

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

Item 4: Advisory Business

- A. Class VI is an investment adviser with its principal place of business in New York, New York that commenced operations in January of 2017. Its principal owner are Roy Smith and Scott Craven, Co-Founders and Co-Managing Members of the Firm.
- B. Class VI currently provides discretionary investment advisory services to private pooled investment vehicles, including the Class VI-New River II, L.P. A second private pooled investment vehicle, the Gauley River Fund, L.P. is in the formation stages (together these will be referenced as the "Fund"). In addition, the Firm manages a Separately Managed Account ("SMA"). In the future Class VI may provide services to additional investment vehicles or SMAs that Class VI may manage. Each of the Fund and SMA will be identified in this Brochure as the Firm's "Clients" or "Client".
- C. Class VI currently provides investment advisory services to Clients focused on investments in publicly-traded equity securities (long and short), and may also trade and invest in other financial instruments to the extent deemed appropriate by the Advisor, including without limitation, preferred stocks, limited partnership interests, fixed income, warrants, equity derivatives, convertible securities, debt securities, listed and unlisted options, shares of beneficial interest, convertible preferred obligations, rights, options, puts and calls with respect to the foregoing, and, in the future, commodity interests (futures, options on futures, certain swaps subject to regulation by the CFTC), other swaps and derivatives of any kind. The investment strategy of the Fund is set forth in the offering and related documents of each respective Fund, and the investment strategy for SMAs are included in the investment management agreement between the investor and Class VI.
- D. Class VI tailors its advisory services to the individual needs of the Fund and SMA. In the future, additional Funds or SMAs may be able to place investment restrictions on investing in certain securities or other assets and Class VI may tailor its advisory services to the individual needs of any such Clients.
- E. Class VI does not offer a wrap fee program.
- F. As of December 31, 2019, Class VI had discretionary Regulatory Assets Under Management of approximately \$ 30 million.

Item 5: Fees and Compensation

The Firm is generally paid by the Fund, as of the beginning of each calendar quarter, in advance, a management fee at the rate of between one percent (1.0%) and one and one-half percent (1.5%) per annum, depending on the specific Fund and investor share class. Please refer to the specific Fund's offering documents for a full explanation of Fund fees and expenses.

For SMA Clients, management fees are established for each investor on a case-by-case basis, and paid quarterly in advance.

- A. Management fees are not generally negotiable by investors in the Fund. With respect to an SMA Client, management fees may be negotiable depending on the size of such Client's proposed allocation. Class VI may also elect to waive or reduce any management fees payable by an investor in the Fund (in limited instances). Except as set forth below, management fees are typically non-refundable once paid.
- B. In addition to paying investment management fees and performance-based compensation, the Fund and SMAs may also be subject to other investment expenses such as brokerage fees, commissions and interest expense. Additional fees may include legal, accounting and consulting expenses, auditing and tax preparation expenses, news, quotation and computer equipment and services, dues and subscriptions, expenses incurred for research and investment information related purposes, for Fund investors expenses relating to the offer and sale of limited partnership interests and other expenses related to the Fund. Please also review the offering and related documents of the Fund for a description of the fees and expenses associated with an investment therein. See also Item 12 for a discussion of brokerage fees paid by the Fund and SMA accounts.
- C. If an investor in the Fund invests other than as of the beginning of the quarter or an investor in the Fund makes an addition to its investment during a quarter the investment management fee will be charged as of the effective date of the investment and will be prorated for the number of months remaining in the quarter. In the event of a withdrawal by an investor in the Fund other than as of the last day of a calendar quarter, a pro rata portion of the management fee, based upon the actual number of days remaining in such quarter, will be repaid by the Investment Manager to the Fund for the benefit of such withdrawing investor.
- D. Neither Class VI nor any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Item 6: Performance-Based Fees and Side-by-Side Management

The Firm's affiliate, Class VI-Capital GP, LLC (the "General Partner"), is entitled to be paid annual performance-based compensation, which is compensation that is based on a share of capital gains on or capital appreciation of the assets of the Fund. This performance-based compensation is equal to twenty percent (20%) and is subject to a high-water mark in each case.

Class VI may also be paid an annual performance-based compensation from SMA accounts, based on a share of capital gains on or capital appreciation of the assets of the account, for those investors who satisfy certain type and size thresholds.

Performance-based compensation is taken within a reasonable time following the end of the year in which such compensation was achieved.

Earned incentive payments are deducted from a Fund and SMA investor's assets at the end of each year and upon each withdrawal of capital. Under certain limited circumstances, performance compensation may be negotiable.

Class VI and its affiliate's right to receive performance-based compensation may create an incentive for Class VI to cause the Fund or certain SMAs to make investments that are riskier or more speculative than would be the case if Class VI or its affiliate did not receive such compensation. Notwithstanding the foregoing, Class VI always acts in the best interest of all of its Clients.

Class VI has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple accounts, including accounts with multiple fee arrangements, and the allocation of investment opportunities. The Firm reviews investment decisions for the purpose of ensuring that all accounts with substantially similar investment objectives are treated on a fair and consistent basis. In addition, Class VI's procedures relating to the allocation of investment opportunities require that all clients are treated fairly and equitably. Similarly-managed accounts will participate in investment opportunities based on factors specific to the accounts' relative sizes, liquidity, investment mandate, and the Firm will document all allocation decisions, consistent with internal policies.

Item 7: Types of Clients

As described in Item 4, the Firm's Clients currently consist of private Funds and an SMA. For the Fund, Investors must contribute a minimum of \$250,000 (which may be waived or reduced in the Fund's discretion) on a case by case basis. Investor minimums for SMAs are negotiated directly with each investor.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

The Firm seeks to achieve attractive rates of return while working to minimize risk of loss. In order to pursue this objective, Class VI will invest primarily in equities, both long and short, focusing on small and mid-capitalization companies. The Firm will take an opportunistic/relative value, research-driven approach, focusing on companies implementing changes in their business with a comprehensive validation of management's value creating strategy.

Class VI follows a formal repeatable process that incorporates detailed company analysis, thorough management evaluation, rigorous assessment of expectations and a determination of risk/reward. Limitations to AUM enable the manager to adjust to market liquidity, meet objectives and strive for strong performance. The Firm seeks unique assets with high barriers to entry and a strong economic and return profile. A disciplined approach to portfolio construction and risk management is employed with opportunistic trading around the timing of events. Price targets are set over a one-to three-year time frame based on a catalyst driven format, relevant valuation measurements, and proprietary projections.

A. The following material risks are related to the Firm's investment strategies:

- Investment and Trading Risks. All investments risk the loss of capital (including a complete loss of capital). No guarantee or representation is or will be made that the Firm's investment program will be successful or will avoid losses. Class VI's investment program may involve, without limitation, risks associated with limited diversification, industry concentration, short-selling, equity risks, distressed issuers, interest rates, volatility, security borrowing risks in short sales, credit deterioration or default risks, systems risks and other risks inherent in the Firm's activities. Certain investment techniques of Class VI may, in certain circumstances, substantially increase the impact of adverse market movements to which Clients may be subject. In addition, the Firm's investments may be materially affected by conditions in the financial markets and overall economic conditions occurring globally and countries or markets where the Firm invests its Client assets.
- Discretionary Strategy. While Class VI does make use of quantitative analysis in its investment process, it generally relies primarily on the Principals' industry expertise, experience, research and other qualitative analysis to trade and invest Client assets.
- Relative Value and Directional Investments. The Firm's investment strategies depend on Class VI's ability to accurately predict future price movements or the convergence of market prices toward the theoretical values expected by the Firm. Any such attempt to predict future price movements is inherently risky and inaccurate. Often, price movements are determined by unanticipated factors, and the Firm's analysis of known factors may prove incorrect, in each case potentially leading to substantial losses to Clients.
- Limited Diversification. The Firm expects Client portfolios to be somewhat concentrated. As a result, Clients could experience significant losses if general economic conditions, and those relevant to the issuers whose securities are owned, decline. In addition, Client portfolio could become significantly concentrated in a limited number of issuers, types of financial instruments, industries, strategies, countries or geographic regions, and any such concentration of risk may increase losses suffered by Clients. This limited diversity could expose Clients to losses disproportionate to market movements in general. Other investment firms pursue

similar strategies, which creates the risk that many funds may be forced to liquidate positions at the same time, reducing liquidity, increasing volatility and exacerbating losses.

- Long Bias. Class VI maintains a long bias in its portfolio. In other words, even though portfolios will be long certain securities and short other securities, overall it will be net long. In contrast, some alternative investment funds try to stay “market neutral,” meaning that they have neither a long nor a short bias, and as such, they attempt to avoid generalized swings in the trajectory of the equity markets in either direction (up or down). Given the Firm’s long bias, it will be more exposed to losses than a market neutral fund would be in times of general market downturns and declining prices of equity securities.
- Low Turnover and Long Holding Periods. The Firm expects to trade Client portfolios slowly. While low turnover reduces the trading costs experienced by Clients, they may be exposed for longer periods of time to market risks with respect to each security held than they would be in a rapid trading system.
- Equity Risks. Class VI will invest in equities and may invest in equity-derivative securities. The market price of securities owned by the Firm may go up or down, sometimes rapidly or unpredictably. A risk of investing for Clients is that the equity securities in their portfolios will decline in value due to factors affecting equity securities markets generally or the sectors in which the Firm will invest. The values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Other risks of investing globally in equity securities may include changes in currency exchange rates, exchange control regulations, expropriation of assets or nationalization, imposition of withholding taxes on dividend or interest payments, and difficulty in obtaining and enforcing judgments against non-U.S. entities. In addition, securities which Class VI believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame the Firm anticipates. As a result, Clients may lose all or substantially all of their investment in any instance.
- Corporate Debt. Class VI may invest in bonds, notes and debentures issued by corporations. These instruments may pay fixed, variable or floating rates of interest, and may include zero coupon obligations. The Firm may invest in corporate debt instruments that have experienced or are contemplated to experience ratings downgrades. Other instruments may have the lowest quality ratings or may be unrated. Credit ratings evaluate the safety of the principal and interest payments, not the market value risk of lower-rated instruments. Such ratings also do not reflect

macroeconomic or systemic risk, including the risk of increased illiquidity in the credit markets. It is also possible that a rating agency might not change its rating of a particular issue on a timely basis and, as a result, outstanding ratings may not reflect the issuer's current credit standing. Conversely, rating agencies may re-rate an instrument which could cause substantial loss as the ratings are downgraded. Client investments may experience significant credit rating volatility, which may result in significant market value volatility and the potential for substantial loss. In addition, Client portfolios may be paid interest in kind in connection with its investments in corporate debt and related financial instruments (e.g., the principal owed to a Client in connection with a debt investment may be increased by the amount of interest due on such debt investment). Such investments may experience greater market value volatility than debt obligations that provide for regular payments of interest in cash and, in the event of a default, Clients may experience substantial losses.

- Investment in Small- and Medium-Capitalization Companies. The Firm will trade and invest in equity and debt securities of small- and mid-cap issuers. Smaller capitalization stocks involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of small-capitalization and even medium-capitalization stocks are often more volatile than prices of large-capitalization stocks, may have limited marketability and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) is higher than for larger, "blue-chip" companies. In addition, due to thin trading in some small capitalization stocks, an investment in those stocks may be highly illiquid. Some small companies have limited distribution channels and financial and managerial resources. Such companies may also be dependent on personnel (including key personnel) with limited experience.
- Short Selling. Class VI expects to engage in short selling. In a short sale, the seller sells a security that it does not own, typically a security borrowed from a broker or dealer. Because the seller remains liable to return the underlying security that it borrowed from the broker or dealer, the seller must purchase the security prior to the date on which delivery to the broker or dealer is required. As a result, the Firm will engage in short sales only where Class VI believes the value of the security will decline between the date of the sale and the date the Firm is required to return the borrowed security. The making of short sales will expose Clients to the risk of liability for the market value of the security that is sold, which will be an unlimited risk due to the lack of an upper limit on the price to which a security may rise. In addition, there can be no assurance that securities necessary to cover a short position will be available for purchase or that securities will be available to be borrowed by the Firm at reasonable costs. If a request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a "short squeeze" can occur, and Class VI may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short.

- “New Issues.” The Firm may trade and invest in “new issues” (defined as any initial public offering of an equity security). Trading and investing in new issues involves greater risk than securities trading in general. The prices of new issues may not increase as expected and, in fact, may decline more rapidly. While most people assume that new issues will trade at a premium to their issue price until they are liquidated, there is no guarantee that this will occur. Such securities have no public market prior to their initial offering or creation and there is no assurance that (i) an active public market in such securities will develop or continue after commencement of trading or (ii) that the initial public offering price or initial trading level of such securities will be indicative of the market price for such securities on a “fully-distributed” basis. In order for the Firm to trade “new issues,” each investor must represent and warrant in the Subscription Booklet that it either is or is not a “Restricted Person” within the meaning of FINRA Rule 5130, and the Firm will be relying on such representations and warranties in engaging in its business activities. Investors who are “Restricted Persons” may not participate in some or all of the gains, losses or expenses of their portfolios related to new issues in compliance with FINRA rules.
- Investments in Undervalued Equity and Equity-Related Securities. Class VI will invest in what the Firm believes to be undervalued equity and equity-related securities. The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Firm’s investments may not adequately compensate for the business and financial risks assumed. Class VI may make certain speculative investments in securities which the Firm believes to be undervalued; however, there are no assurances that the securities purchased will in fact be undervalued. In addition, the Firm may be required to hold such securities for a substantial period of time before realizing their anticipated value. During this period, a portion of Client assets may be committed to the securities purchased, thus possibly preventing the Firm from investing in other opportunities. In addition, Client portfolios may finance such purchases with borrowed funds and thus will have to pay interest on such funds during such waiting period. If the Firm takes long positions in stocks that decline and short positions in stocks that increase in value, then the losses of Clients may exceed those of other portfolios that hold long positions only.
- Less Liquid Instruments. The Firm may invest in securities which may be thinly traded or otherwise illiquid. In addition, Class VI may from time to time hold large positions with respect to a specific type of instrument, which may reduce Client’s liquidity. Class VI may be unable to timely dispose of certain assets, which would adversely affect the Firm’s ability to rebalance its portfolio or to meet withdrawal requests. In addition, such circumstances may force the Firm to dispose of assets at

reduced prices, thereby adversely affecting the Client's performance. If there are other market participants seeking to dispose of similar assets at the same time, the Firm may be unable to sell such assets or prevent losses relating to such assets. Furthermore, if Class VI incurs substantial trading losses, the need for liquidity could rise sharply while its access to liquidity could be impaired. In conjunction with a market downturn, the Firm's counterparties could incur losses of their own, thereby weakening their financial condition and increasing the Client's credit risk to them.

- Interest Rate Risks. In addition to its investment in public equity securities, Class VI may invest in debt obligations of government issuers (e.g., U.S. treasury bills) as a part of an overall cash management strategy. These and various other assets, as well as the Firm's borrowings, will subject Clients to risks associated with movements in interest rates. For example, the Firm will be required to manage both curve risk, which is the risk that the slope of the yield curve will vary from the slope assumed in Class VI's strategy, and credit spread risk, which is the risk that the spreads between yields of differently rated issuers will change in a manner that adversely affects the Client's portfolio.
- Cybersecurity Risks. The Firm, Clients and third-party service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users as well as unintentional damage or interruption that, in either case, can result in damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by unauthorized persons and security breaches and usage errors by their respective professionals.

A cybersecurity breach could expose the Firm and Clients to substantial costs (including, without limitation, those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized access to and use of proprietary information, litigation, the dissemination of confidential and proprietary information and reputational damage), civil liability as well as regulatory inquiry and/or action. While the Firm has established a Business Continuity Plan and risk management strategies, systems, policies and procedures to seek to prevent cybersecurity breaches, there are inherent limitations in such plans, strategies, systems, policies and procedures including the possibility that certain risks have not been identified. In addition, since the Firm does not directly control the cybersecurity systems of third-party service providers, there can be no assurance that the cybersecurity practices of these providers will protect the Firm or Clients from any potential breaches.

Class VI will rely heavily on the services of the Managing Partners. Should the Managing Partners determine to discontinue managing the affairs of, or withdraw from, Class VI, or should one or both of the Managing Partners die, become incapacitated or, for some other

reason, be unable to effectively manage the affairs of Class VI, the business and results of the operations of the Clients may be adversely affected.

Item 9: Disciplinary Information

Class VI has no legal or disciplinary events to disclose.

Item 10: Other Financial Industry Activities and Affiliations

- A. Neither Class VI nor any of Class VI's management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither Class VI nor any of its management persons is registered as a futures commission merchant, commodity pool operator, commodity trading advisor or an associated person of any of the foregoing.
- C. The General Partner, a related person of Class VI, serves as the Fund's general partner. This relationship creates an incentive for Class VI to make investment allocations that are riskier or more speculative than would be the case if the General Partner did not receive incentive compensation from the Fund for serving as the general partner to the Fund.

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

Class VI has adopted a Code of Ethics (the "Code") that obligates the Firm and its related persons to put the interests of the Clients before their own interests and to act honestly and fairly in all respects in their dealings with the Clients. All of the Firm's personnel are also required to comply with applicable federal securities laws. For additional information about the Code, contact Tony Gallo at 516-747-5420 or tgallo@newriverllc.com. See below for further provisions of the Code as they relate to the pre-clearing and reporting of securities transactions by related persons.

The Firm in the course of its investment management and other activities, may come into possession of confidential or material nonpublic information about issuers of securities, including issuers in which Class VI or its related persons have invested or seek to invest on behalf of the Client. The Firm is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, including the Clients.

Class VI maintains written policies and procedures reasonably designed to prohibit the communication of such information to persons who do not have a legitimate need to know such information and to otherwise ensure that the Firm is acting in compliance with applicable law. In certain circumstances, the Firm may possess certain confidential or material nonpublic information that, if disclosed, might be material to a decision to buy, sell or hold a security. Class

VI and its personnel are prohibited from communicating such information with respect to the Clients or using such information for the Clients' benefit.

To the extent that the Firm or its related persons invest in the same securities that the Firm or a related person recommends to a Client, such practices present a conflict where, Class VI or its related person is in a position to trade in a manner that could adversely affect the Clients. In addition to affecting the Firm's or its related person's objectivity, these practices by the Firm or its related persons may also harm the Clients by adversely affecting the price at which the Clients' trades are executed. Class VI has adopted the following procedures in an effort to minimize such conflicts: the Firm requires its related persons to pre-clear certain transactions in their personal accounts with the Chief Compliance Officer, who may deny permission to execute the transaction if such transaction will have any adverse economic impact on the Client. In addition, the Code prohibits Class VI 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 the Firm's related persons are also required to provide a monthly certification of transactions in which they engaged. Trading in employee accounts will be reviewed by the Chief Compliance Officer or his delegate and compared with transactions for the Client accounts and reviewed against the restricted securities list.

To the extent that Class VI or a related person or any of their employee's own securities that the Firm also recommends to a Client, such Client's proxies will be voted according to predetermined guidelines rather than subject to the Firm's (or its related person's) discretion. Please refer to Item 17 for further information regarding the Firm's proxy voting policy and procedures.

To the extent Class VI buys or sells securities for a Client, at or about the same time that the Firm or a related person buys or sells the same securities for its own account the Firm and the related person, if applicable, will do so in accordance with the procedures described above in order to minimize the conflicts stemming from situations where the contemporaneous trading would result in an economic benefit for Class VI or its related person to the detriment of the Client.

Item 12: Brokerage Practices

Class VI considers several factors in selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation. Such factors include among others, the brokers' ability to affect such transactions, their facilities, reliability and financial responsibility, and the provision or payment of the costs of brokerage or research products or services, including access to meetings with management of companies and investment ideas, which the Firm considers to be of benefit to its clients and the Firm. In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation, Class VI need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Firm's practice to negotiate "execution only" commission rates, thus Clients may be deemed to be paying for research, brokerage or other services provided by a broker-dealer which are included in the commission rate.

The Firm receives research or other products or services other than trade execution services from a broker-dealer and/or a third party in connection with securities transactions its clients. This is known as a “soft dollar” relationship. The Firm limits the use of “soft dollars” to obtain research and brokerage services to services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934 (“Section 28(e)"). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

The use of brokerage commissions (or markups or markdowns) from transactions for Clients (“Commissions”) to obtain research and brokerage products and services raises potential conflicts of interest. For example, the Firm will not have to pay for the products and services itself. This could create an incentive for Class VI to select or recommend a broker-dealer based on the Firm’s interest in receiving those products and services. Nonetheless, Class VI will seek to execute client transactions with best execution under the circumstances.

The Firm may cause Clients to pay Commissions to certain broker-dealers that are higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying up), resulting in higher transaction costs for Clients. Research and brokerage services obtained using Commissions may be used by the Firm in its other investment activities. Class VI does not seek to allocate soft dollar benefits to Clients proportionately to the soft dollar credits Client accounts generate.

During the Firm’s last fiscal year, as a result of Commissions, Class VI acquired research reports (including market research); certain financial newsletters and trade journals; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order execution; services related to the execution, clearing and settlement of securities transactions and functions incidental thereto;

trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; and routing settlement instructions.

In determining whether to direct Commissions to particular broker-dealers, select employees of the Firm generally meet quarterly to determine in good faith whether, with respect to any research or other products or services received from a broker-dealer, the Commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer.

From time to time Class VI may participate in capital introduction programs arranged by broker-dealers, including firms that serve as prime brokers. The Firm may place portfolio transactions with firms who have made such recommendations or provided capital introduction opportunities, if the Firm determines that it is otherwise consistent with seeking best execution. In no event will Class VI select a broker-dealer solely as a means of remuneration for recommending the Firm or any other product managed by Class VI (or an affiliate) or affording the Firm with the opportunity to participate in capital introduction programs. This practice may create a conflict of interest because the Firm could have an incentive to select a broker-dealer based on its interests in receiving such recommendations or capital introduction opportunities. Nonetheless, Class VI will seek to execute client transactions with best execution under the circumstances.

Class VI's aggregation policy requires that all clients be treated fairly and equitably over time and that unless otherwise noted, each participating account receives pro rata the average price while transaction costs are shared pro rata based on participation. Further, Class VI will not aggregate transactions unless to do so is consistent with its duty to seek best execution for its Clients and participating clients (as well as the allocation methods) are specified before entering an aggregated order.

It is intended that, in the future, orders on behalf of Clients which will be aggregated, will be deposited with one or more banks or broker-dealers, and neither the Client's cash nor their securities will be held collectively any longer than is necessary to settle the purchase or sale in question on a delivery versus payment basis; cash or securities held collectively for the Clients will be delivered out to the custodian or broker-dealer as soon as practicable following the settlement. Our books and records will reflect securities held by, or bought or sold for, Clients that participate in an aggregation. No additional compensation will be due because of aggregation.

The Firm may cause the Fund or SMAs managed by the Firm or its affiliate to purchase securities or other instruments from, or sell securities or other instruments to, investment funds and/or accounts managed by the Firm ("Cross Trades"). Class VI will not charge brokerage commissions or otherwise be compensated for effecting any such Cross Trades. All Cross Trades will reflect

the market value of the security or other instrument being purchased or sold and the Firm, as applicable, will always seek best execution. Prior to effecting any Cross Trade, the Firm will make a good faith determination that the transaction is in the best interests of all parties to the transaction which are advised by Class VI. Any Cross Trade will be brought to the attention of the Chief Compliance Officer or its designee prior to executing the transaction so that the Firm complies with all required procedures and provisions of the Advisers Act.

Item 13: Review of Accounts

- A. The Managing Members regularly review and monitor each Client's investment portfolio to determine whether positions should be maintained in view of current market conditions. The Firm's review may consider specific securities held, adherence to investment guidelines and each Client's performance. Investors receive reports regarding their portfolios as described in the Fund's offering documents and prospectus, or their SMA investment management agreement .
- B. Class VI may conduct reviews other than on a periodic basis generally depending on the facts and circumstances at that time.
- C. Investors receive reports regarding their accounts periodically. Fund investors receive audited financial statements from the Fund annually, within 120 days after the Fund's fiscal year-end. SMA investors will receive reports as outlined in their investment management agreements.

Item 14: Client Referrals and Other Compensation

- A. Class VI may receive certain research or other services from broker-dealers which can be considered an economic benefit. Receiving the aforementioned research and other services may create an incentive for the Firm to select or recommend broker-dealers based on the Firm's interest in receiving the research or other products or services and may result in the selection of a broker-dealer on the basis of considerations that are not limited to the lowest commission rates and may result in higher transaction costs than would otherwise be obtainable by Class VI on behalf of Clients.
- B. While not presently in place, the Firm may appoint one or more brokers or placement agents to assist in the placement of interests in the Fund ("Interest") or secure SMA mandates (each, a "Placement Agent"). Placement fees payable to Placement Agents in respect of Interests sold by it will be paid out of the fees and allocations payable to Class VI, and will not increase the fees and allocations payable by investors. Such placement fees will vary depending on the arrangements between the Client and the Placement Agent.

Item 15: Custody

The General Partner, an affiliate of Class VI, serves as the general partner of the Fund and as such is deemed to have custody of the Fund's funds and securities. Investors in the Fund will receive audited financial statements prepared in accordance with US generally accepted accounting principles within 120 days of the Fund's fiscal year-end.

SMA investors engage the services of independent custodians who hold all SMA client assets.

Item 16: Investment Discretion

Clients have no authority to make decisions or participate in the management of or exercise business discretion with respect to their portfolios. The authority to make all investment decisions for Clients is entrusted to the complete discretion of Class VI. Accordingly, no Client should invest in the Fund or SMA unless he or she is willing to entrust all aspects of the management thereof to Class VI.

Item 17: Voting Client Securities

Proxies, when voted, will always be voted in the best interest of the Firm's clients. Class VI shall consider all relevant factors and without undue influence from individuals or groups who may have an economic interest in the outcome of a proxy vote.

If a material conflict of interest between the Firm and a Client exists, Class VI will determine whether voting in accordance with the guidelines set forth in its proxy voting policies and procedures is in the best interests of the Client or will take some other appropriate action.

Fund investors and SMA Clients may obtain a copy of the Firm's proxy voting policies and procedures and information about how Class VI voted proxies by contacting Tony Gallo (Chief Compliance Officer) by email at tgallo@newriverllc.com or by telephone at 516-747-5420.

Item 18: Financial Information

Not applicable.

Item 19: Requirements for State-Registered Advisers

Not applicable.