

ITEM 1 — COVER PAGE

Heard Capital LLC

CRD 297176

FORM ADV – PART 2A

Firm Brochure

March 16, 2020

Heard Capital LLC
1 North Wacker, Suite 3650
Chicago, IL 60606

This Brochure provides information about the qualifications and business practices of Heard Capital LLC (the “Adviser” or “Heard”). If you have any questions about any of the information in the Brochure, please contact our Chief Compliance Officer, Stephen Granstrand, at 312.786.5215 or compliance@heardcapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Registration with the SEC or state authority does not imply a certain level of skill or training.

Additional information about the Adviser also is available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 — MATERIAL CHANGES

Reviewers of Heard Capital LLC's Disclosure Brochure (Form ADV Part 2A) are hereby advised of the following Material Change to the Firm's business:

The most recent version of this Disclosure Brochure was dated December 3, 2019.

Material changes to this brochure include:

- Item 4 – Advisory Business has been amended to disclose the master-feeder structure of the Heard Opportunity Fund LLC including naming the two feeder funds.

Investors are encouraged to request a full copy of the Adviser's Brochure. The Brochure is available on request and will be provided at no cost. Alternatively, investors may access the document and other important disclosures at www.adviserinfo.sec.gov.

Item 3 — Table of Contents

ITEM 1 — COVER PAGE	1
ITEM 2 — MATERIAL CHANGES	2
ITEM 4 – ADVISORY BUSINESS	4
ITEM 5 – FEES AND COMPENSATION	6
ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	8
ITEM 7 – TYPES OF CLIENTS	10
ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	11
ITEM 9 – DISCIPLINARY INFORMATION	12
ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	12
ITEM 11 – CODE OF ETHICS	12
ITEM 12 – BROKERAGE PRACTICES	13
ITEM 13 – REVIEW OF ACCOUNTS	14
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION	14
ITEM 15 – CUSTODY	14
ITEM 16 – INVESTMENT DISCRETION	15
ITEM 17 – VOTING CLIENT SECURITIES	15
ITEM 18 – FINANCIAL INFORMATION	15

ITEM 4 – ADVISORY BUSINESS

Heard Capital LLC (“Heard” or the “Adviser”) was founded in 2010.

William Heard is the Chief Executive Officer, Chief Investment Officer and Founder of the Adviser. Stephen Granstrand is the Chief Compliance Officer. Joseph Lee is a Partner and Designated Principal of the Adviser. Clients and potential clients may review the SEC website at www.adviserinfo.sec.gov for more information regarding the Adviser’s ownership along with other details regarding the Adviser.

General Partner of the Heard Opportunity Fund LLC

Heard serves as the General Partner and the adviser of the Heard Opportunity Fund LLC (the “Fund”). The Fund commenced its investment and trading activities in May of 2013 and operates under the registration exemptions provided in Section 3(c)1 of the Investment Company Act of 1940, as amended, and Rule 506(b) of Regulation D under the Securities Act of 1933, as amended. The Fund is a master-feeder in a master feeder arrangement that includes feeder funds: Heard Opportunity Fund LLC and the Heard Opportunity Offshore Fund, Ltd.

The Adviser generally pursues the Fund’s investment objectives by making opportunistic investments in the global equity and debt markets. The Fund invests in a wide range of instruments, including, but not limited to: listed and unlisted equities, debt securities, options, warrants and other derivative instruments. The Fund may leverage its capital through bank borrowings, swaps and other derivatives as well as trading of stock on margin, futures and other means. Although the Fund is not limited in the amount of leverage it employs, it anticipates that the gross leverage exposure will generally not exceed 200% of its unlevered assets at any time.

Heard seeks global opportunities in various sectors of the economy. The Fund’s portfolio is constructed utilizing “bottom-up” fundamental analysis across the capital structure (from senior debt to equity) where Heard believes the perception of value is not in line with the intrinsic value of the underlying assets or special situation. Heard generally looks to establish its long positions in companies with one or more of the following characteristics: sound growth prospects, a history of successful capital allocation, an entrenched competitive position, a seasoned management team, ample liquidity, strong recurring cash flow and a sustainable competitive advantage that Heard believes is likely to persist into the future. Heard may also take short positions. Heard will generally look to establish the short positions in companies displaying weak fundamentals, strong competition, poor leadership, weakening fundamentals or poor prospects in the marketplace.

In general, the Adviser will attempt to avoid illiquid and hard to value assets, but it may invest up to 20% of the Fund’s total assets in illiquid or hard to value investments, determined at the time such investment is made.

The Fund is offered by prospectus only.

General Partner of the Heard High Conviction Long Only Fund LLC

Heard High Conviction Long Only Fund LLC (the “Fund”) is a Delaware limited liability company whose investment objective is to achieve long-term capital appreciation by making opportunistic investments in the global equity and debt markets.

The Fund has not registered or qualified the Interests for offer or sale under the Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any state or any other jurisdiction. The Fund is offering and selling Interests by way of a “private placement” exempt from the registration requirements of the Securities Act and applicable state securities laws pursuant to Rule 506 of Regulation D under the Securities Act (“Regulation D”) and comparable state law exemptions. Each purchaser of the securities offered hereunder must be an “accredited investor” as such term is defined in Rule 501 under the Securities Act and a qualified client under Rule 205-3 of the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

Heard Capital LLC will generally pursue the Fund's objectives by making opportunistic investments in the global equity markets. Heard Capital LLC may invest in a wide range of instruments, including but not limited to listed and unlisted equity securities. Heard Capital LLC does not anticipate using leverage as part of the Fund's investment strategy, and the Fund generally will not purchase securities on margin.

For the Fund, Heard Capital LLC will seek global opportunities in various sectors of the economy. A global portfolio will be constructed utilizing "bottom-up" fundamental analysis across the capital structure (from senior debt to equity) where the Manager believes the perception of value is not in line with the intrinsic value of the underlying assets or special situation. Heard Capital LLC will generally look to establish the Fund's long positions in companies with one or more of the following characteristics: superior growth prospects, a history of successful capital allocation, an entrenched competitive position, a seasoned management team, ample liquidity, strong recurring cash flow and a sustainable competitive advantage the Advisor believes is likely to persist into the future. The "high conviction, long only" strategy embraces concentration and reflects a long-term, private equity-style approach to public investing.

In general, the Fund will attempt to avoid illiquid and hard to value assets, but the Manager may invest up to 20% of the Fund's total assets in illiquid or hard to value investments, determined at the time such investment is made.

The Fund's investment strategies are speculative and entail substantial risk of loss. Although the above sets forth certain general investment strategies, the Fund may undertake additional strategies or investments consistent with its overall investment objective. There can be no assurance that the investment objectives of the Fund will be achieved.

Accordingly, the Fund's strategies could result in substantial losses under certain circumstances.

The Fund is offered by prospectus only.

Separately Managed Accounts

Heard provides for the management of customer assets via separately managed accounts with an intended investment objective of achieving attractive risk adjusted returns. The separately managed accounts are generally intended to allow clients access to the strategy and overall investment objectives of the Fund, as described above, and/or may be designed according to each client's specific investment profile, mandate or guidelines.

Other Information

The Adviser does not participate in wrap fee programs by providing portfolio management services.

ITEM 5 – FEES AND COMPENSATION

The Heard Opportunity Fund LLC (“The Fund”)

The Advisor receives a management fee and an incentive allocation as compensation for providing investment advisory services to the Fund. The Fund’s management fees, incentive allocations and other compensation payable to Heard Capital LLC are determined at the time of the establishment of the Fund and are disclosed to participating investors prior to making their investment. Once the relevant Fund has been established and commenced operations, such compensation and expenses are generally not negotiable.

The following is a general description of fees, compensation and expenses of the Fund. The Advisor may, in its sole discretion, waive or reduce an investor’s management fee or incentive allocation. Investors in the Funds also bear certain expenses, as described below. Investors should refer to the Governing Documents of the Fund for a complete understanding of how Heard Capital LLC is compensated for its advisory services; the information contained herein is a summary only and is qualified in its entirety by such documents.

Heard Capital LLC receives management fees from investors in the Fund. Management fees are calculated after taking into account any expenses at the respective Fund and vehicle levels, are deducted from each investor’s capital account and are payable regardless of the overall success or income earned by the Funds or vehicles. If an investment is redeemed at any time other than at the end of a fiscal year, any accrued expenses will be paid to the Investment Manager at such time. In addition, the Fund contains lock up and redemption provisions as further described in such Fund’s Governing Documents.

In consideration for the investment management services provided to the Fund, investors pay to Heard Capital LLC a monthly management fee of 2% in arrears as of the end of each month. The fee is prorated for partial periods equal to a percentage of the net asset value of each class of stock corresponding to an investor’s capital account in the Fund.

The Fund pays its pro rata share of the operating and other expenses including, but not limited to: investment-related expenses (e.g., brokerage commissions, clearing and settlement charges, custodial fees, interest expenses, fees and expenses relating to investments in exchange-traded funds, expenses related to currency exchanges, research-related expenses, including news and quotation equipment, and legal and compliance expenses

To the extent Fund expenses are advanced by the Advisor on behalf of the Fund, such expenses maybe reimbursed. Such expenses shall generally be allocated among the capital accounts of all investors as of the end of the calendar month in which such expenses are payable; provided, however, that the General Partner, in its sole and absolute discretion, may allocate expenses to each investor’s capital account over one or more months to accurately reflect the accrual of any such expenses.

In good faith and in its fair and reasonable discretion, Heard Capital LLC determines on a case by case basis whether an expense should be borne by the Advisor or by the Fund in accordance with the Governing Documents of each Fund and with Heard Capital LLC’s internal policies and procedures.

The Heard High Conviction Long Only Fund LLC

Heard Capital LLC has established a set of expense allocation guidelines (the “**Policy**”) in relation to the Fund and Heard Capital LLC’s other clients (including the Separate Accounts). The Policy may be modified from time to time by the Adviser in its sole discretion. The Fund will bear such costs and expenses as the Adviser reasonably determines in good faith to be necessary, appropriate, advisable or convenient to effect the Fund’s formation, promote or conduct the Fund’s business or achieve the Fund’s objectives. Heard Capital LLC, however, may not cause the Fund to compensate the Adviser or its related persons except upon terms and conditions comparable to those that would be negotiated on an “arm’s length” basis between unaffiliated parties for the type of service or transaction in question (except as described herein with respect to Management Fees and Incentive Allocations).

Manager Expenses.

Heard Capital LLC is responsible for all salaries, bonuses and employee benefit expenses of its principals and employees who are involved in the management and conduct of the business and affairs of the Fund (as well as related overhead,

including office space and equipment, utilities and other similar items), except as otherwise described in this Memorandum.

Fund Expenses.

Subject to certain limitations and conditions discussed in the Confidential Private Placement Memorandum, the Fund has paid or will pay (as applicable) such costs and expenses as the Adviser has or shall (as applicable) reasonably determine(d) to be necessary, appropriate, advisable or convenient to effect the Fund's formation, carry on its business and realize its objective.

Management Fees.

Subject to the terms of the applicable Interest Class Supplement for each Class, the Fund ordinarily will debit from each Capital Account and pay to the Adviser a Management Fee in advance, determined as of the first day of each calendar quarter. Management Fees may vary by Class, and the manner in which the Management Fees will be calculated for any Class will be as set forth in the applicable Interest Class Supplement.

Heard Capital LLC may agree, in its sole discretion, to a different management fee arrangement in respect of any Capital Account of a Member or waive or reduce the Management Fee in respect of any Capital Account of a Member. This will not entitle the Member that holds such Capital Account, or any other Member, to such a different arrangement, waiver or reduction in respect of any other Capital Account. Heard Capital LLC does not intend to charge Management Fees against any Capital Account established for the Adviser or its members or employees.

Separately Managed Accounts

Heard is compensated by a management fee on a monthly or quarterly basis in accordance with the fee calculations established in the separate Client agreement.

Through its administrator and/or custodian, Heard provides Clients with an invoice covering all management fees incurred by the Managed Account(s) during the month or the quarter, as the case may be; Heard will not be entitled to receive payment unless and until it provides Clients with such invoices. After receiving instructions from Heard, the Custodian will cause the fees earned during any period to be paid by the Managed Account(s).

For its management services, each Client shall pay to Heard an annual management fee (the "Management Fee") of 1.5% payable in monthly or quarterly in arrears, as the case may be, and such Management Fee shall be determined based on the value of such Client's assets under management as of such month or quarter. The Client's fee is provided and agreed in the separate Client agreement and may vary depending on account size, management style, investment restrictions and other criteria. The Management Fee is negotiable.

The Management Fee will be based on the month- or quarter-end value of assets under management, calculated before deduction or accrual of any withdrawals accrued or payable as of the date the Management Fee is paid.

If Client contributes assets to the Managed Account(s) on a date other than the first day of a month or quarter, as the case may be, the Managed Account(s) shall be charged a prorated portion of the Management Fee for that month or quarter with respect to such contribution, based on the number of days remaining in that month or quarter and based on the value of the contributed assets on the last day of such month or quarter.

If Client withdraws all or a portion of the assets from the Managed Account, whether on termination of the Client agreement or otherwise, on any date other than the last day of a month or quarter, as the case may be, the Management Fee paid for that month or quarter with respect to the portion withdrawn shall be prorated based on the number of days elapsed and the value of the assets withdrawn in that month or quarter.

The administrator and/or custodian will be responsible for determining the net asset value of the Managed Account(s), and such calculation shall be confirmed by Client and Heard in good faith. Heard will then prepare the above-mentioned invoices with wiring instructions and will send such to Client as soon as reasonably practicable. Such invoices will be subject to Client's approval upon which they will be binding upon Client.

Client authorizes Management Fees to be paid promptly, but in any event within thirty (30) calendar days following receipt of the invoice. Client shall bear all investment expenses relating to the Managed Account(s), including, but not limited to: (i) brokerage commissions, issue and transfer taxes, administration fees, custodial fees, and bank service fees;

and (ii) any other reasonable expenses (including legal fees) related to the purchase and sale of assets, where such other expenses are approved by Client in writing. Heard shall have no authority to bind Client to any service provider and Heard shall not incur any expenses on behalf of Client, other than commissions charged by brokerage firms, futures commission merchants, or financial counterparties exclusively authorized by Client. Brokerage expenses shall be itemized and allocated by Heard as reasonably required by Client upon request.

Clients are hereby advised that lower fees for comparable services may be available from other sources. Further, Clients are encouraged to review separate confirmations and statements prepared and delivered by Client's custodian to understand the costs and fees associated with the Managed Account.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Heard Opportunity Fund LLC

As of each Incentive Allocation Calculation Date, Adviser generally will debit from each Capital Account, and will credit to the Adviser's Capital Account, an Incentive Allocation equal to twenty percent (20%) of the Net New Profit in respect of such Capital Account at such time.

"Net New Profit" is any amount by which the NAV of a Capital Account exceeds the "High Water Mark" for such Capital Account, which is the NAV of such Capital Account immediately after the assessment of the most recent Incentive Allocation (adjusting for any withdrawals or distributions from such Capital Account since such assessment) or, if such Capital Account has never been assessed an Incentive Allocation, the amount of the capital contribution that established such Capital Account (adjusting for any withdrawals or distributions since it was established). If an Incentive Allocation Calculation Date occurs as of any date other than the end of a calendar year because an Investor requests or is required to make a withdrawal, a similar allocation will be made to the Adviser's Capital Account in an amount equal to the product of the amount described above times a fraction, the numerator of which is the amount of such withdrawal and the denominator of which is the NAV of such Capital Account immediately before such withdrawal. In that case, the High-Water Mark for such Capital Account will be appropriately adjusted downward to reflect such withdrawal.

If a capital withdrawal is made or required to be made from a Capital Account at a time when the NAV of such Capital Account is at or below its High-Water Mark, the High Water Mark for such Capital Account will be decreased pro rata (in the same proportion as the amount of the withdrawal bears to the NAV of such Capital Account immediately before such withdrawal).

The determination of the Incentive Allocation is binding and conclusive on the Investors. Although the High-Water Mark for an Investor's Capital Account carries forward from year to year until exceeded, the Adviser is not required to "repay" any Incentive Allocation allocated to the Adviser's Capital Account in the event such Investor's Capital Account subsequently experiences losses.

Because the Fund will establish a separate Capital Account for each separate capital contributions an Investor makes to the Fund, the determination of whether a Capital Account has experienced Net New Profits will be made separately with respect to each Capital Account. Thus, it is possible that, depending on the various times at which an Investor makes capital contribution and the timing of the Fund's profits and losses, one or more of such Investor's Capital Accounts could experience Net New Profit, while the NAV of other Capital Accounts held by such Investor could be below the High Water Mark for such Capital Accounts, with the result that the Investor may bear an Incentive Allocation even where it has experienced a net loss on its overall investment.

The Adviser may agree, in its sole discretion, to a different Incentive Allocation arrangement in respect of any Capital Account or waive or reduce the Incentive Allocation in respect of any Capital Account. This will not entitle the Investor that holds such Capital Account, or any other Investor, to such a different arrangement, waiver or reduction in respect of any other Capital Account.

The Incentive Allocations depend on continuing increases in the profitability of the Fund's strategy. This creates an incentive for the Adviser to invest and trade the Fund's assets in a manner that is riskier or more speculative than would otherwise be the case.

Further, the Incentive Allocations made to the Adviser are determined on the basis of the value of the Fund's assets, including value attributable to unrealized appreciation. Thus, Incentive Allocations may be made to the Adviser based on positions that were profitable at the time of such fees but unprofitable when eventually liquidated.

The Heard High Conviction Long Only Fund LLC

It is noted that only holders of Class A1 and Class A2 of the Fund are subject to Incentive Fees.

If a Member holds more than one Capital Account of a Class of Interests that is subject to an Incentive Allocation, then Incentive Allocations will be calculated separately for each such Capital Account. It is possible that one or more Capital Accounts of a Member may be charged an Incentive Allocation even where the Member has experienced a net loss on its overall investment. As set forth in the applicable Interest Class Supplement for each Class of investment in the Fund, for each Incentive Allocation Calculation Period, the Fund may debit from each Capital Account, and credit to the Manager's Capital Account, an Incentive Allocation computed as described in such Class Supplement.

As of the close of an Accounting Period that coincides with the end of an Incentive Allocation Calculation Period, and after the Opening Balance of each Capital Account representing an Interest has been adjusted in accordance with Sections 7.2(b)(i) or (ii) of the Operating Agreement, as the case may be, the Fund shall debit from each Class A1 and Class A2 Capital Account, and credit to the Capital Account of the Manager, an Incentive Allocation equal to the amount (if any) by which the Performance Fee Gain for such Incentive Allocation Calculation Period (if any) exceeds the balance in the Loss Recovery Account as of the end of the immediately preceding Incentive Allocation Calculation Period.

For purposes of computing the Incentive Allocation for each Incentive Allocation Calculation Period, the Performance Fee Accrual means, as determined with respect to any Capital Account for any Incentive Allocation Calculation Period, the amount (which may be a positive or negative number) equal to (a) the product of (i) the Applicable Percentage multiplied by (ii) the amount (which may be a positive or negative number) equal to (x) the Net Assets attributable to such Capital Account as of the end of such period (as determined (A) without giving effect to any deduction for Management Fees paid in respect of such Capital Account during such period, (B) before determining the Incentive Allocation with respect to such Capital Account for such period, and (C) prior to giving effect to any withdrawal or other distribution from such Capital Account effected as of the close of such period) minus (y) the amount of Net Assets that would have been attributable to such Capital Account as of the end of such period (as so determined), if the Net Assets attributable to such Capital Account at the opening of business on the first day of such period had been invested in the assets that mirrored the performance of the Base Index throughout such period, minus (b) the aggregate amount of Management Fees paid in respect of such Capital Account during such period.

For Class A1 shareholders, "Applicable Percentage" means, with respect to any Capital Account for any Incentive Allocation Calculation Period: (a) if the amount computed pursuant to clause (ii) of the definition of "Performance Fee Accrual" with respect to such Capital Account for such Incentive Allocation Calculation Period is a positive number, 20%; and (b) if the amount computed pursuant to clause (ii) of the definition of "Performance Fee Accrual" with respect to such Capital Account for such Incentive Allocation Calculation Period is a negative number, 30%.

For Class A2 shareholders, "Applicable Percentage" means, with respect to any Capital Account for any Incentive Allocation Calculation Period: if the amount computed pursuant to clause (ii) of the definition of "Performance Fee Accrual" with respect to such Capital Account for such Incentive Allocation Calculation Period is a positive or negative number, 25%.

Additional details regarding the Incentive Fee for Class A1 and Class A2 shares can be found in the Interest Class Supplement for Class A1 and Class A2 shareholders, respectively.

Heard Capital LLC may agree, in its sole discretion, to an Incentive Allocation arrangement in respect of any Capital Account that differs from that described in the applicable Interest Class Supplement. Heard Capital LLC does not intend to debit Incentive Allocations from any Capital Account established for the Adviser or its members or employees.

Heard Capital LLC's opportunity to receive Incentive Allocations in respect of certain Classes of Interests creates an incentive for the Adviser to invest and trade the Fund's assets in a manner that is riskier or more speculative than would otherwise be the case.

Further, the Incentive Allocations made to Heard Capital LLC will be determined on the basis of the value of the Fund's assets, including value attributable to unrealized appreciation. Thus, Incentive Allocations may be made to the Adviser based on positions that were profitable at the time when such Incentive Allocations were made, but become unprofitable when such positions are eventually liquidated.

General Disclosures

Investors and prospective investors are hereby informed that the Adviser charges performance-based fees ONLY to Qualified Clients as defined in SEC Section 205-3 and explained below.

"Qualified Client" pursuant to SEC Section 205-3 means:

(i) A natural person who or a company that immediately after entering into the contract has at least \$1,000,000 under the management of the investment adviser;

(ii) A natural person who or a company that the investment adviser entering into the contract (and any person acting on his behalf) reasonably believes, immediately prior to entering into the contract, either:

- Has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than \$2,000,000, at the time the contract is entered into; or
- Is a qualified purchases as defined in section 2(a)(51)(AA) of the Investment Company Act of 1940 (15U.S.C. 80a-2(51)(A)) at the time the contract is entered into; or

(iii) A natural person who immediately prior to entering into the contract is:

- An executive officer, director, trustee, general partner or person serving in similar capacity, of the investment adviser; or
- An employee of the investment adviser (other than an employee performing solely clerical, secretarial or administrative functions with regard to the investment adviser) who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar functions or duties for or on behalf of another company for at least 12 months.

Investors are hereby advised that as of August 15, 2016, the dollar amount of the net worth test increased from \$2,000,000 to \$2,100,000. The Order was issued pursuant to section 205(e) of the Advisers Act and section 418 of the Dodd-Frank Act, which requires the SEC to issue an order every five years to adjust for inflation the dollar amount thresholds in Rule 205-3's assets-under-management and net worth tests based on the Personal Consumption Expenditures Chain-Type Price Index ("PCE Index," published by the United States Department of Commerce), rounded to the nearest \$100,000. The dollar amount of the assets-under-management test will remain \$1,000,000 because the amount of the SEC's inflation adjustment calculation is smaller than the rounding amount required by the rule.

ITEM 7 – TYPES OF CLIENTS

The Adviser provides investment advisory services to institutions, and in some cases, high net worth or sophisticated individuals. While the Adviser may, as an accommodation, accept accounts that have fewer assets, the Adviser generally seeks clients with investable assets of at least \$10 million.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Heard Opportunity Fund LLC and the Heard High Conviction Long Only Fund LLC

The Fund's investment strategies and investment techniques involve significant risks. Although the Adviser will use what it considers seasoned investment research techniques and risk management strategies in investing and trading for the Fund, an investment in the Fund should be considered speculative and involves substantial risk.

In considering an investment in the Fund, prospective investors should be aware of certain special considerations and risk factors, which include, but not limited to, the following:

- General Investment Risk, *i.e.*, the risk of deterioration in the financial markets in general;
- Strategy Risk, *i.e.*, the risk that the Fund's investment strategies and/or investment techniques may not work as intended;
- Risk of Dependence on Technology - dependence on computers and telecommunications technology implies the risk of malfunction and mis-programming.
- Changing Market Conditions - Certain changes in general market conditions — for example, markets in which new inputs or an influx of new market participants disrupt the historical relationship between econometric factors and equity price movements — could materially reduce the Fund's profit potential
- Equity Securities – Risks associated with investing in common stocks, preferred stocks
- Institutional Risk, *i.e.*, the risk that the Fund could incur losses due to: (i) the failure of counterparties to perform their contractual commitments to the Fund or (ii) the financial difficulty of brokerage firms, banks or other financial institutions that hold the assets of the Fund;
- Fund Structure Risk, *i.e.*, the special considerations and risks arising from the operation of certain provisions of the LLC Agreement and the organizing documents of the Fund;
- Operational Risk, *i.e.*, the special considerations and risks arising from the day-to-day management of a pooled investment vehicle like the Fund;
- Regulatory Risk, *i.e.*, the special considerations and risks arising from the regulatory environment in which the Fund operates;
- Tax Risk, *i.e.*, the special considerations and risks arising from the operation of an investment vehicle treated as a partnership for U.S. federal tax purposes; and
- ERISA Risk, *i.e.*, the special considerations and risks applicable to employee benefit plans and similar arrangements (including individual retirement accounts) that may invest in the Fund.

Certain special considerations and risk factors that fall under these general categories are described in the Fund's PPM. Prospective investors should therefore read the entire Memorandum before subscribing for Interests. In addition, the inclusion of specific special considerations and risk factors in this Brochure should not be construed to imply they are described in complete detail, or that there are no other special considerations or risk factors that apply to an investment in the Fund.

All Accounts

Methods of Analysis.

In providing investment advisory services, the Adviser's analysis methods include a review of the fundamentals of the securities recommended for client accounts, other fundamental analysis, technical factors (including at times review of charting) as well as the cyclical elements of the securities markets (to a more limited extent) and economic cycles. While a number of different factors, data and information will be considered and used by the Adviser in making securities selection decisions, the primary method used by Adviser is fundamental analysis.

Investment Strategies.

Heard seeks global opportunities in various sectors of the economy. A global portfolio will be constructed utilizing “bottom-up” fundamental analysis across the capital structure (from senior debt to equity) where Heard believes the perception of value is not in line with the intrinsic value of the underlying assets or special situation. Heard will generally look to establish the strategy’s long positions in companies with one or more of the following characteristics: superior growth prospects, a history of successful capital allocation, an entrenched competitive position, a seasoned management team, ample liquidity, strong recurring cash flow and a sustainable competitive advantage Heard believes is likely to persist into the future. Heard may also take short positions. Heard will generally look to establish a Client’s short positions in companies displaying weak fundamentals, strong competition, poor leadership, weakening fundamentals or poor prospects in the marketplace.

In general, Heard will attempt to avoid illiquid and hard to value assets, but it may invest up to 20% of the strategy’s total assets in illiquid or hard to value investments, determined at the time such investment is made.

Risk of Loss. The Adviser’s investment strategy is speculative and entails substantial risk of loss. Although the above sets forth certain general investment strategies, the Adviser may undertake additional strategies or investments consistent with its overall investment objective. There can be no assurance that the investment objectives of the Adviser will be achieved. Accordingly, the Adviser’s strategies could result in substantial losses under certain circumstances.

ITEM 9 – DISCIPLINARY INFORMATION

The Adviser has no disciplinary event(s) to disclose.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Adviser maintains a membership in the National Association of Investment Companies (NAIC) for purposes of networking with other professionals regarding industry trends and related issues. More information about this organization can be found at www.naicpe.com.

ITEM 11 – CODE OF ETHICS

Code of Ethics and Personal Trading. The Adviser has adopted a Code of Ethics for all of its supervised persons, describing its high standard of business conduct and fiduciary duty to its clients. Included within the Code is a policy to conduct the Adviser’s activities in accordance with the highest ethical standards and in accordance with all applicable laws and regulations. In addition, the Code provides that employees are required to provide the Adviser with information as to securities transactions and holdings in employee accounts. (For purposes of the Code, an employee’s or principal’s “personal account” generally includes any account (a) in the name of the employee or principal, his/her spouse, his/her minor children, or other dependents residing in the same household, (b) for which the employee or principal is a trustee or executor, or (c) which the employee or principal controls). Also, certain non-public investment opportunities are brought to the Adviser’s attention through the personal relationships with the Adviser’s employees or affiliates (instead of client account activity); clients may not be given the opportunity to invest in these securities absent unusual circumstances. Instead, the Adviser’s employees or affiliates may invest in these non-public securities for their own accounts.

All supervised persons must acknowledge the terms of the Code of Ethics initially upon the commencement of employment, annually, or upon a material amendment to the Code. A copy of the Adviser’s Code of Ethics is available upon request.

Participation or Interest in Client Transactions.

The Adviser shall invest and reinvest the separately managed accounts’ assets in accordance with the Client’s investment guidelines. All trading on behalf of the separately managed accounts shall be done on an agency (not a principal) basis. The Adviser shall not engage in any agency cross trades with respect to the separately managed accounts.

Neither the Adviser nor any associated person is permitted to recommend to Clients, or buy or sell for client accounts, securities in which it/he/she has a material financial interest. There is a possibility however, that related person may recommend securities to Clients, or buy or sell securities for client accounts, at or about the same time that the related person buys or sells the same securities for his/her own account. To mitigate any conflict of interest, the Adviser ensures that the related person's transaction will receive either the same price as that of the Client, or, if not feasible, the Client will get the more favorable price.

The Adviser anticipates that, in appropriate circumstances and consistent with Clients' investment objectives, the Adviser will cause accounts over which the Adviser has management authority to effect, and will recommend to Clients or prospective Clients, the purchase or sale of securities in which the Adviser, its affiliates and/or Clients, directly or indirectly, have a position or interest. In addition, there will be circumstances in which the Adviser's personnel will trade for their personal accounts in a manner that differs from actions taken for client accounts, including securities which are recommended to and/or purchased for Clients. The Code of Ethics is designed so that the personal securities transactions, activities and interests of the employees of the Adviser will not interfere with (i) making decisions in the best interest of Clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

The Adviser will provide a copy of its Code of Ethics at no charge to any Client or prospective Client upon request.

ITEM 12 – BROKERAGE PRACTICES

Heard Opportunity Fund

While the length of time the Fund holds a particular security will be a consideration in investment decisions for both performance and tax efficiency reasons, the Fund's investment policies may change or could lead to frequent changes in the Fund's investments, particularly in periods of volatile market movements or for other reasons, *e.g.* a change in tax laws. The length of time the Fund has held a particular security will generally not be a consideration in investment decisions. The Fund's investment policies may lead to frequent changes in the Fund's investments, particularly in periods of volatile market movements. Portfolio turnover generally involves some expense to the Fund, including brokerage commissions, dealer mark-ups and other transaction costs on the sale of securities and reinvestment in other securities. The Fund's annual portfolio turnover rate may exceed 100%.

Financial institutions such as broker-dealers and banks will have custody of the Fund's assets, including its margin deposits. Often these assets will not be registered in the name of the Fund. Financial difficulty, fraud or misrepresentation at one of these institutions could impair the operational capabilities or capital position of the Fund.

The Fund is subject to substantial fees, transaction costs and other costs, and other expenses, regardless of whether it realizes any profits. Accordingly, the Fund must earn substantial trading profits to avoid depletion of its assets due to such costs and expenses.

Separately Managed Accounts

Heard will execute transactions on behalf of the Managed Account(s) in accordance with its execution policy, a copy of which is provided to Client in connection with other account opening documents. In the event of any changes to such execution policy, Heard will promptly provide Client with such revised policy. Heard is not authorized to execute any transactions with an affiliate unless such transactions have been approved and disclosed to Client in advance and are, in the reasonable determination of Heard, in the best interests of the Managed Account(s).

- a) Heard will provide Client with a list of the markets and exchanges on which Heard may conduct business on behalf of each Managed Account(s). Heard agrees that all transactions will be effected in accordance with the rules and regulations of the relevant market or exchange, and in accordance with all applicable laws.

- b) Heard does not execute trades on an unregulated exchange or in an unregulated market. For the avoidance of doubt, “unregulated exchange” and “unregulated market” shall be defined as an exchange or a market in any jurisdiction that is not subject to the oversight of a governmental regulatory body.
- c) Heard agrees to provide the names of all brokers and/or counterparties with whom it anticipates executing trades and/or entering into derivative contracts, as applicable, on behalf of the Managed Account(s). This list shall include only those who are authorized to conduct such business and properly licensed under the laws, rules or regulations of any government, exchange, or self-regulatory organization charged with regulating Heard, the Managed Account(s), or market(s) where either conducts any business. Heard, upon prior approval from Client, may add or remove brokers and/or counterparties from the list.
- d) Heard will not be permitted to utilize soft dollar arrangements as it relates to the Investment Accounts(s).

ITEM 13 – REVIEW OF ACCOUNTS

The Adviser will cause the administrator and/or custodian to provide each Client and the Adviser with periodic holdings reports which shall detail the positions and cash. The Adviser shall provide the administrator and/or custodian with all information in the Adviser’s possession which the administrator and/or custodian may request. The Adviser shall review the holdings reports for the Managed Account(s) and will advise the relevant Client and the administrator and/or custodian when it identifies discrepancies (if any). If Client identifies any such discrepancies, upon its request to the Adviser, the Adviser will work with such Client and the administrator and/or custodian to resolve such discrepancies.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

The Adviser has no current arrangements with third parties to refer qualified prospective clients to enter into separately managed account arrangements with the Adviser.

ITEM 15 – CUSTODY

Private Funds

As soon as reasonably practical after the end of each calendar year, each Fund will provide to each Member an audited statement of assets and liabilities of the Fund as of the end of such year and audited statements of operations and changes in net assets of the Fund for such year.

As soon as practical after the end of each calendar year, the Fund will provide each Member with such tax information and schedules as are necessary to enable such Member to prepare its federal income tax return.

Reports and other Fund communications may be delivered by e-mail, unless the investor opts out of e-mail delivery in its Subscription Agreement.

Separately Managed Accounts

Based on terms and conditions in a Managed Account’s agreement, the Adviser has the ability to cause the relevant custodian to deduct Management Fees from such Managed Account. For this reason, the Adviser is considered to have custody of client assets, solely for purposes of fee deductions.

While the Adviser places all Clients’ assets in custody with qualified custodians and does not maintain physical custody over any Client’s assets, the Adviser is still considered to have custody over such assets because of its ability to deduct fees from the Managed Accounts. The custodians send account statements each month to Clients associated with the

Managed Accounts. Managed Accounts have established their own, independent relationships with specific qualified custodians.

ITEM 16 – INVESTMENT DISCRETION

The Adviser solely offers discretionary accounts. In a discretionary account, Client grants the Adviser the authority to place trades without prior notification to Client.

Regardless of the discretionary authority the Adviser has with respect to a Managed Account, when recommending securities to and determining amounts of securities to effect for such Managed Account, the Adviser observes the investment policies, limitations and restrictions of the Client associated with such Managed Account. Client investment restrictions must be provided to the Adviser in writing.

ITEM 17 – VOTING CLIENT SECURITIES

The Adviser has discretion to vote the proxies of its advisory clients in Managed Accounts and for the Fund(s) (collectively for this section “Managed Assets.”) Heard Capital will vote any such proxies in the best interests of the beneficial owners of the Managed Assets. The procedures are designed to identify and mitigate material conflicts of interest. The Adviser has established general guidelines that generally grant discretion to the Chief Compliance Officer for voting. A copy of Heard Capital’s Proxy Voting Policies and Procedures are available on request.

ITEM 18 – FINANCIAL INFORMATION

Registered investment advisors are required in this Item to provide their clients with certain financial information or disclosures about such advisors’ financial condition. The Adviser has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients and has not been the subject of a bankruptcy proceeding.

Further, the Adviser does not require or solicit prepayment of more than \$500 in fees per client six months or more in advance.