

Item 1 - Cover Page



RANGER
INTERNATIONAL

Adviser Brochure

Form ADV Part 2A

Ranger International Management, LP

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March 31, 2020

This Brochure provides information about the qualifications and business practices of Ranger International Management, LP. If you have any questions about the contents of this Brochure, please contact us at (214) 871-5200. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Ranger registered with the United States Securities and Exchange Commission in September 2010 in accordance with the Investment Advisers Act of 1940. Registration as an investment adviser does not imply any level of skill or training.

Additional information about Ranger International Management, LP (CRD # 152714) also is available on the SEC's website at www.adviserinfo.sec.gov. The SEC's website also provides information about persons who are both affiliated with Ranger International Management, L.P. and registered as investment advisers with the SEC.

REFERENCES AND DISCLOSURES RELATING TO ANY PUBLIC OR PRIVATE FUND PRESENTED HEREIN, INCLUDING BUT NOT LIMITED TO: (I) THE INVESTMENT OBJECTIVE, STRATEGIES, RESTRICTIONS AND MANAGEMENT OF FUND, (II) RISKS AND CONFLICTS OF INTEREST ASSOCIATED WITH AN INVESTMENT IN A FUND, (III) DESCRIPTIONS OF SECURITIES PERMISSIBLE FOR INVESTMENT BY A FUND, AND (IV) TERMS FOR INVESTMENT WITHIN A FUND ARE QUALIFIED IN THEIR ENTIRETY BY AND SHOULD BE READ IN CONJUNCTION WITH SUCH FUND'S OFFERING DOCUMENTS AND OPERATING AGREEMENTS, INCLUDING WITHOUT LIMITATION, ANY PRIVATE PLACEMENT MEMORANDUM, PROSPECTUS, STATEMENT OF ADDITIONAL INFORMATION, LIMITED PARTNERSHIP AGREEMENT, INVESTMENT MANAGEMENT AGREEMENT OR SUBSCRIPTION AGREEMENT. PROSPECTIVE INVESTORS ARE STRONGLY ENCOURAGED TO REVIEW OFFERING DOCUMENTS AND OPERATING AGREEMENTS CAREFULLY, AND CONSULT THEIR INDIVIDUAL FINANCIAL, LEGAL OR TAX ADVISORS PRIOR TO MAKING AN INVESTMENT. INFORMATION ABOUT WHAT OFFERING DOCUMENTS AND OPERATING AGREEMENTS ARE AVAILABLE FOR REVIEW BY A PROSPECTIVE INVESTOR, ALONG WITH APPLICABLE COPIES OF SUCH DOCUMENTS, IS AVAILABLE BY CONTACTING THE FIRM AT (214) 871-5200 OR INFO@RANGERCAP.COM

Item 2 - Material Changes

SEC rules require Ranger International Management, LP (“Ranger” or the “Firm”), and other registered investment advisors, to provide its clients with a copy of its Form ADV 2A within 120 days of the close of its fiscal year, as well as on an ongoing basis when material changes make such disclosures necessary. Ranger’s Form ADV 2A is intended to provide its clients with a clearly written and meaningful disclosure, in plain English, about Ranger’s business practices, conflicts of interest and advisory personnel.

Ranger’s Form ADV 2 is divided into two parts, *Part 2A* and *Part 2B*. *Part 2A* of the Form ADV (the “Brochure”) provides information about a variety of topics relating to Ranger’s business practices and conflicts of interest. *Part 2B* of the Form ADV (the “Brochure Supplement”) provides information about certain Ranger advisory personnel.

This section of the Brochure addresses “material changes” that have taken place since the last annual update and will be posted on the SEC’s public disclosure website (IAPD). Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’s fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

The effective date of this Brochure is March 31, 2020, and updates the Brochure dated March 31, 2019. A summary of the material revisions made to the previous version of the Firm’s Brochure is as follows:

1. **Item 10 – Other Financial Industry Activities and Affiliates.** Description of the Firm’s affiliates was updated to include new affiliated registered investment advisors.

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Item 4 - Advisory Business

Ranger International Management, LP (“Ranger” or the “Firm”) is an investment adviser which commenced operations in June 2010 and is registered with the United States Securities and Exchange Commission (the “SEC”) in accordance with the Investment Advisers Act of 1940. Ranger was organized as a Delaware limited partnership by Ranger International Group, LLC (the “General Partner”), a Delaware limited liability company which serves as its General Partner. The General Partner is controlled by (i) Ranger Capital Group Holdings, L.P., a Texas limited partnership and (ii) Andersen Capital International, LLC, a Delaware limited liability company, each of which serves as a managing member.

As of December 31, 2019, Ranger managed approximately \$ 27,564,131 of client assets, all of which are managed on a discretionary basis.

Investment Advisory Services

Ranger provides continuous investment management services to separately managed accounts (“Separate Accounts”), private pooled investment vehicles (“Private Funds”), and registered funds, such as mutual funds (“Mutual Funds” and together with the Private Funds and Separate Accounts, the “Clients”).

Investment supervisory services include: (1) establishing a client’s investment objectives within the Global Income and Growth Strategy or International Strategy; (2) buying or selling portfolio securities on behalf of each client; and (3) periodically reporting to clients and investors with current investment holdings, valuations, transactions, capital gains or losses, investment performance, and/or outlook.

The Firm offers the option to invest in its offered investment strategies through either Separate Accounts or pooled investment vehicles (as set forth below). Separate Accounts may provide greater flexibility for a Client with respect to the investment parameters used within the Firm’s investment strategies or other terms of investment. Please see **Item 8 – Methods of Analysis, Investment Strategies & Risk of Loss**.

Investment Strategies

The investment portfolios the Firm advises consist of two strategies (each, a “Strategy”):

- **Global Income and Growth Strategy.** Ranger’s Global Income and Growth Strategy seeks long term capital appreciation and income by investing globally in an array of high yielding securities, primarily but not exclusively equities, which provide meaningful current income combined with the potential for capital appreciation.
- **The International Strategy.** Ranger’s International Strategy seeks long term capital appreciation by investing primarily in common stocks of companies based outside of the United States. The strategy invests directly in common stocks traded on foreign exchanges and through American Depositary Receipts (“ADRs”). The strategy invests without restriction as to issuer country (including emerging markets), capitalization or currency.

Separately Managed Accounts

A separately managed account is a portfolio of securities managed by the Firm on behalf of a Client, in accordance with a pre-established investment strategy. Separately managed accounts are initiated through investment management agreements (“Investment Management Agreements”) with the Firm, which defines the terms of the Firm’s engagement, the investment strategy, and any third-party custodian chosen by the Client. The form of Investment Management Agreement is generally drafted by the Client, although at the request of a Client such agreement can be provided by the Firm. Investment Management Agreements are therefore highly negotiated agreements, the terms of which may and do differ significantly on a Client to Client basis, including without limitation, with respect to fees or investment guidelines. Likewise, Clients may request specific terms with respect to investment guidelines and/or objectives for inclusion within the Investment Management Agreement; and therefore, Clients may, subject to the consent of the Firm and inclusion in the Investment Management Agreement, may have portfolios within a specific Investment Strategy which differ in holdings.

Generally, the minimum investment threshold required by the Firm in order to open a separately managed account is five million dollars (\$5,000,000).

Ranger Private Funds

The Firm serves as a general partner and investment adviser to the Ranger International Fund, L.P., a Delaware limited partnership which is a pooled investment vehicle exempt from registration under the Investment Company Act of 1940. The Ranger International Fund has two classes of limited partnership interest, each with a separate investment strategy:

- **Global Income and Growth Portfolio Class** which maintains a portfolio in accordance with the Global Income and Growth Strategy; and
- **International Portfolio Class** which maintains a portfolio in accordance with the International Strategy.

The Ranger International Fund, L.P. is exempt from registration pursuant to 3(c)-1 of the Investment Company Act of 1940. The Firm solicits investors for each of the Classes mentioned above. In accordance with Rule 506 of Regulation D, interest in Classes in the Ranger International Fund, L.P. are available to a limited number of accredited investors. Current and prospective investors should ensure that they are capable of evaluating the merits and risks of an investment in the Ranger International Fund, L.P.

Ranger Mutual Funds

The Firm serves as the adviser to the Ranger Quest for Income and Growth Fund, a mutual fund series of Ranger Funds Investment Trust (the “Mutual Fund”), an investment company registered with the Securities and Exchange Commission under the Investment Company Act of 1940. The Ranger Quest for Income and Growth Fund seeks long-term capital appreciation while providing current income by employing the Ranger Global Income and Growth Strategy referenced above.

The Mutual Fund may issue Institutional and Investor Classes of shares, with the only difference between the share classes being that Institutional Share Classes have a higher minimum investment requirement and are not subject to 12b-1 fees. Additional information regarding the Mutual Fund may be found in the Mutual Fund's Prospectus and Statement of Additional Information, a copy of which may be obtained by accessing www.rangerfunds.com or by contacting the Mutual Funds' transfer agent at (866) 458-4744.

Item 5 - Fees and Compensation

Private Limited Partnership

The Firm charges Clients advisory fees which are a fixed percentage of assets under management ("Management Fees"). Management Fees are generally charged in accordance with the schedule set forth in this Brochure, and in the case of a Ranger Private Fund or Ranger Mutual Fund, the offering documents, prospectus and/or statement of additional information of such fund.

Ranger reserves the right to negotiate Management Fees with Clients which differ from the standard schedule presented herein, based on specific circumstances and on a case by case basis. Examples of these circumstances include, without limitation: the relative size of a Client's account, a Client's affiliation to Ranger, and/or a Client's status as a seed investor. Accordingly, Management Fees incurred by Clients may vary substantially. In addition, with respect to Separate Accounts, all other terms of such investment, including terms relating to expenses and redemption terms, may also be negotiable on a case by case basis. As such, client investments in Separate Accounts may provide flexibility with respect to investment terms which are not as readily afforded to investors in the Private Funds or Mutual Funds.

Generally, Management Fees are referenced at an annual rate, but are calculated and charged in advance on a daily, monthly or quarterly basis. Collecting management fees from Clients vary by investment vehicle as outlined below.

Ranger Private Funds – Management Fees are calculated and accrued monthly and payable quarterly (pro-rated periods as applicable) in advance. Management Fees are deducted from investor accounts on the first day of each calendar quarter. To the extent that a limited partner in a Private Fund withdraws its investment, the Firm will promptly refund all fees paid in advance with respect to periods after such applicable withdrawal date.

Ranger Mutual Fund – Management Fees are calculated and accrued daily and remitted by the Mutual Fund to the Firm on a quarterly basis.

Separate Accounts – The time and manner in which Management Fees are remitted by a Managed Account are negotiable on an account by account basis. Generally, the Firm sends Separate Accounts an invoice on a quarterly basis in order to collect Management Fees. The Firm does not maintain authority to unilaterally deduct fees from a Separate Account.

Standard Fee Schedule for Classes of the Ranger Private Funds

Ranger International Fund, LP	Annual Management Fee
<i>Class of Limited Partnership Interest</i>	
Global Income and Growth Portfolio Class	One Percent (1.00%)
International Portfolio Class	One Percent (1.00%)

Standard Fee Schedule for Ranger Mutual Funds

Ranger Mutual Fund	Annual Management Fee
Ranger Quest for Income & Growth Fund	One Percent (1.00%)

** Non-Institutional share classes of Ranger Mutual Funds may be subject to 12b-1 fees of up to 0.25%.*

Standard Fee Schedule for Ranger Separate Accounts

Ranger Strategy	Annual Management Fee
Global Income and Growth Strategy	One Percent (1.00%)
International Strategy	One Percent (1.00%)

Management Fees Exclusive of Expenses

Management Fees are exclusive of expenses associated with investments in Separate Accounts, Mutual Funds and/or the Private Funds. Although the Firm is generally responsible for its overhead expenses, Clients bear the cost attributable to their investment activities and operations, which may include, without limitation, expenses associated with a portfolio's investment program, trading, administration, custody and/or operations. Such expenses may include, without limitation: (i) expenses incurred in connection with the evaluation, acquisition or disposition of investments, including private placement fees, sales commissions, appraisal fees, due diligence expense, travel costs, expenses associated with tender offers, proxy or consent solicitations, brokerage fees, underwriting commissions and discounts, and legal, accounting, investment banking, consulting, information services and professional fees; (ii) any withholding or transfer taxes imposed on a Client; (iii) any legal fees and costs (including settlement costs) arising in connection with any litigation or regulatory investigation instituted against the Client, or in certain circumstances, the Firm; (iv) specific expenses incurred in obtaining systems, research and other information utilized for portfolio management purposes that facilitate valuations and accounting, including the costs of statistics and pricing services, service contracts for quotation equipment and related hardware and software; (v) the allocated costs of any liability insurance obtained on behalf of a Client or, in certain circumstances, the Firm; (vi) expenses incurred in connection with the carrying or management of investments, including custodial, trustee, record keeping and other administration fees; (vii) the cost of the audit of a pooled investment vehicle's financial statements and the preparation of its tax returns; (viii) the fees and expenses of the accountants servicing the Client (including in certain circumstances, reasonable compensation for the Firm's in-house accountants) in connection with accounting advice relating to the Client's day-to-day affairs and all costs related to the keeping of the books and records of the Partnership; (ix) the fees and expenses of the Client's counsel (including, in certain circumstances, reasonable compensation for the Firm's in-house attorneys) in connection with advice directly relating to the Client's legal affairs; (x) the costs and expenses of holding any meetings of investors which are required to be held under the terms of any Client agreement or by law; and (xi) all costs and expenses

associated with reporting and providing information to existing and prospective Clients. In addition, Non-Institutional Classes of Ranger Mutual Funds may be subject to distribution and/or service (12b-1) fees of up to 0.25%.

Notwithstanding the above, the Firm may, in its sole discretion, choose to absorb any such expenses incurred on behalf of a Client.

Expense Cap Limitation Agreements

The Firm has entered into an expense limitation agreement with the Mutual Funds to reduce its fees and to reimburse expenses, at least until November 30, 2020 such that total annual Fund operating expenses after fee waiver and/or reimbursement (exclusive of any Rule 12b-1 distribution or shareholder servicing fees, taxes, interest, brokerage commissions, acquired fund fees and expenses, or extraordinary expenses such as litigation) will not exceed 1.10% of the Ranger Quest for Income and Growth Fund's average daily net assets, subject to possible recoupment from the Mutual Fund in future years on a rolling three year basis (within the three years after the fees have been waived or reimbursed) if such recoupment can be achieved within the foregoing expense limits.

Broker-Dealers

For additional information describing the factors that Ranger considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation, please see **Item 12 – Brokerage Practices**.

Performance Fees

Performance fees are advisory fees which are charged as a percentage of the appreciation of the net asset value of a client's account. Although on a general basis Ranger does not charge performance fees, it may in limited situations and at a client's request consider the application of performance fees as a full or partial alternative to Management Fees.

Compensation to Third Parties

The Firm may enter into agreements with an affiliated or unaffiliated marketing group or individuals that will solicit Separate Accounts or investors for the Private Fund or Mutual Fund managed by the Firm or an affiliate. For their solicitation services, such marketing groups may receive a percentage of the Firm's Management Fee.

The Firm's arrangements with an affiliated or unaffiliated marketing group may result in a potential conflict of interest by creating an incentive for the marketing group to recommend the Firm's investment advisory products and services based on compensation received rather than the investor's needs. The Firm has implemented procedures to ensure compensation arrangements with an affiliated or unaffiliated third-party for client or investor referrals will comply with Rule 206(4)-3 under the Adviser's Act.

Additional Information

- Additional information regarding each Ranger Mutual Fund may be found in such mutual fund's prospectus and SAI, a copy of which may be obtained by accessing www.rangerfunds.com or by contacting Ranger at (214) 871-5200 or info@rangercap.com.
- Additional Information regarding each Ranger Private Fund may be found in such fund's private placement memorandum and limited partnership agreement, copies of which may be obtained by contacting the Firm at (214) 871-5200 or info@rangercap.com.

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

Although on a general basis Ranger does not charge performance fees, it may in limited situations and at a Client's request consider the application of performance fees as a full or partial alternative to Management Fees. Performance based fee arrangements may create an incentive for the Firm to invest in securities which may be riskier or more speculative than the securities it would invest in under a different fee arrangement. In addition, performance fee arrangements may create an incentive for the Firm to favor higher fee-paying accounts over other accounts in the allocation of investment opportunities.

The Firm employs procedures designed and implemented to treat all Clients fairly and equally, in order to mitigate potential conflicts of interest attributable to performance-based fee arrangements from influencing the allocation of investment opportunities among Clients. For example, the Firm has implemented a policy whereby all Client orders for a particular security are aggregated and allocated on a *pro rata* basis electronically prior to making a trade. The Firm's traders review and monitor client orders on a real-time basis and the Operations Manager confirms these orders once they are complete. In addition, all accounts with similar investment guidelines are managed *pari passu*.

Item 7 - Types of Clients

Ranger generally provides direct investment advisory services to institutional investors such as, but not limited to, Mutual Funds, Private Funds, and Separate Accounts. In addition, Ranger seeks to provide indirect investment advisory services to both institutional and non-institutional investors through such client's participation in shares and interests of registered and unregistered pooled investment vehicles, each of which are deemed clients of the Firm.

Generally, the minimum investment thresholds to open an account are: (i) five million dollars (\$5,000,000.00) for a Separate Account, (ii) one million dollars (\$1,000,000.00) for a limited partnership interest in the Private Fund, and (iii) between twenty-five thousand dollars (\$25,000.00) and two hundred and fifty thousand dollars (\$250,000.00), for shares of the Mutual Fund, depending on the class of shares. However, the Firm may and does accept lesser amounts at its sole discretion.

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

In addition to information found in **Item 4 – Advisory Business**, the Firm employs a bottom up, fundamental research-based investment approach to security selection. Ranger's investment philosophy uses the principles of (i) attractive valuation, (ii) quality, and (iii) financial strength to seek

investment candidates. The Firm places emphasis on risk control, believing that seeking to avoid large losses allows the inherent appreciation potential of securities to be realized.

With respect to the securities research process, the Firm uses a variety of sources of information. These sources include news feeds (e.g. Bloomberg), investment letters and websites, 13D and 13F filings made by investors with the US Securities and Exchange Commission (“SEC”) and company audited financial statements, 10-Q and 10-K filings. Among other tools, Ranger International also makes use of screens to initially identify prospective companies in which to invest.

Diversification is generally sought through investment in different industries and geographies. Portfolio turnover is generally relatively low, with an average anticipated holding period for securities of twelve to twenty-four months.

RISK FACTORS

AN INVESTMENT IN ONE OF THE FIRM’S PRIVATE FUNDS, MUTUAL FUNDS OR SEPARATELY MANAGED ACCOUNTS (TOGETHER, A “RANGER PORTFOLIO”) ENTAILS A HIGH DEGREE OF RISK, INCLUDING THE POTENTIAL FOR LOSS OF ALL OR PART OF AN INVESTMENT. THEREFORE, AN INVESTMENT SHOULD BE UNDERTAKEN ONLY BY INVESTORS CAPABLE OF EVALUATING AND BEARING THE RISKS OF SUCH AN INVESTMENT. THERE CAN BE NO ASSURANCE THAT THE FIRM WILL BE ABLE TO AVOID LOSS, ACHIEVE ITS INVESTMENT OBJECTIVE OR RECEIVE A POSITIVE RETURN ON INVESTMENT CAPITAL. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER THE FOLLOWING FACTORS IN CONNECTION WITH AN INVESTMENT. PLEASE NOTE THAT THE FOLLOWING LIST IS NOT A COMPLETE LIST OF ALL RISKS INVOLVED IN CONNECTION WITH AN INVESTMENT IN A RANGER PORTFOLIO. WITH RESPECT TO A RANGER PRIVATE FUND OR RANGER MUTUAL FUND, ADDITIONAL RISK DISCLOSURES MAY BE FOUND IN THE PRIVATE PLACEMENT MEMORANDUM, PROSPECTUS AND/OR SAI OF SUCH APPLICABLE FUND.

REFERENCES AND DISCLOSURES RELATING TO ANY PUBLIC OR PRIVATE FUND PRESENTED HEREIN, INCLUDING BUT NOT LIMITED TO: (I) THE INVESTMENT OBJECTIVE, STRATEGIES, RESTRICTIONS AND MANAGEMENT OF FUND, (II) RISKS AND CONFLICTS OF INTEREST ASSOCIATED WITH AN INVESTMENT IN A FUND, (III) DESCRIPTIONS OF SECURITIES PERMISSIBLE FOR INVESTMENT BY A FUND, AND (IV) TERMS FOR INVESTMENT WITHIN A FUND ARE QUALIFIED IN THEIR ENTIRETY BY AND SHOULD BE READ IN CONJUNCTION WITH SUCH FUND’S OFFERING DOCUMENTS AND OPERATING AGREEMENTS, INCLUDING WITHOUT LIMITATION, ANY PRIVATE PLACEMENT MEMORANDUM, PROSPECTUS, STATEMENT OF ADDITIONAL INFORMATION, LIMITED PARTNERSHIP AGREEMENT, INVESTMENT MANAGEMENT AGREEMENT OR SUBSCRIPTION AGREEMENT. PROSPECTIVE INVESTORS ARE STRONGLY ENCOURAGED TO REVIEW OFFERING DOCUMENTS AND OPERATING AGREEMENTS CAREFULLY, AND CONSULT THEIR INDIVIDUAL FINANCIAL, LEGAL OR TAX ADVISORS PRIOR TO MAKING AN INVESTMENT. INFORMATION ABOUT WHAT OFFERING

DOCUMENTS AND OPERATING AGREEMENTS ARE AVAILABLE FOR REVIEW BY A PROSPECTIVE INVESTOR, ALONG WITH APPLICABLE COPIES OF SUCH DOCUMENTS, IS AVAILABLE BY CONTACTING THE FIRM AT (214) 871-5200 OR INFO@RANGERCAP.COM

Security Selection and Market Risk

Security Selection risk is defined as the risk that the Firm may not select and size positions appropriately within the portfolio. An associated market risk arises from the influence of the movements of the overall market or the value of the individual securities in the portfolio. The profitability of a significant portion of the Firm's investment program depends to a great extent upon correctly assessing the future course of the price movements and/or general value of securities and other investments.

There can be no assurance that the Firm will be able to accurately predict these price movements or future valuation, nor can assurance be given that the Firm's investment portfolios will generate income or appreciate in value. With respect to the Firm's investment strategies, there is also a degree of market risk. For these reasons, the portfolio may also incur losses.

Equity Securities

The Firm generally invests in long positions in equity securities. Equity securities fluctuate in value, often based on factors unrelated to the value of the issuer of the securities. The market price of equity securities may be affected by general economic and market conditions, such as a broad decline in stock market prices or in the prices of issuers in a particular market, geographic or industry sector, or by conditions affecting specific issuers, such as changes in earnings forecasts.

Concentration Risk

Generally, the Firm's investment strategies invest in significantly fewer holdings than that represented by the index benchmarks the Firm uses for comparison purposes. Accordingly, the Firm's investment strategies may therefore be subject to more rapid changes in value than would be the case if these strategies maintained wide diversification among companies, securities, and types of securities.

Potential Loss of Investment

There is a risk that an investment in a Ranger Portfolio will be lost entirely or in part. An investment in a Ranger Portfolio is not a complete investment program and should represent only a small portion of an investor's portfolio management strategy. Each prospective investor must have enough knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment in a potentially risky investment like a Ranger Portfolio, whose performance may be highly volatile. No guarantee or representation is made that the investment strategy of a Ranger Portfolio will be successful, that the targeted return or risk will be achieved or maintained, or that the various investment strategies utilized or investments made through a Ranger Portfolio will have low correlation with each other or with the markets generally.

Overall Investment Risk

All securities investments risk the loss of capital. The nature of the securities purchased and traded by the Firm and the investment techniques and strategies employed in order to increase returns may increase this risk. While the Firm will devote its best efforts to the management of investment portfolios, many unforeseeable events, including but not limited to actions by various government agencies, the Federal Reserve Board, and/or domestic and international political events, may cause sharp market fluctuations which may negatively impact the investment strategies managed by the Firm.

The prior investment performance of a Private Fund, Mutual Fund, Separate Account, or composite may not be indicative of the future results.

Portfolio Turnover

Private Funds, Mutual Funds and Separate Accounts that the Firm advises will not be restricted in effecting transactions by any specific limitations with regard to the Portfolio turnover rate. Market conditions or other unforeseen events may result in substantial Portfolio turnover, which may result in an increase in expense for the investors and/or enhanced volatility.

Trading on Non-U.S. Exchanges

The Firm will engage in trading on exchanges outside the United States. Trading on such exchanges is not regulated by any United States governmental agency and may involve certain risks not applicable to trading on United States exchanges. For example, some foreign exchanges are “principals’ markets” in which performance is the responsibility only of the individual member with whom the trader has entered into a trade and not of an exchange or clearing organization. Moreover, such trading may be subject to whatever regulatory provisions are applicable to transactions effected outside the United States, whether on foreign exchanges or otherwise. Trading on foreign exchanges involves the additional risks of expropriation, burdensome or confiscatory taxation, moratoriums and investment controls, or political or diplomatic events that might adversely affect the Firm’s trading activities. The risks of investing in non-U.S. securities may also include: reduced and less reliable information about issuers and markets, less stringent accounting standards, illiquidity of securities and markets and higher brokerage commissions and custody fees. Furthermore, foreign trading is also subject to the risk of changes in the exchange rate between United States dollars and the currencies in which securities traded on such exchanges are settled.

Investments in International Markets, including Emerging Markets

The Firm will invest a substantial portion, or the entirety, of its portfolio in investments which are non-U.S. based. The Firm’s portfolios will therefore be subject to certain additional risks that are not usually associated with similar investments in the U.S. and other industrialized democracies including: fluctuation in currency exchange rates, the imposition of exchange control regulations, the possibility of expropriation decrees, more limited information about issuers and their operations, different accounting standards, sub-standard regulatory environment and smaller, less liquid markets. Furthermore, political and economic risk may be substantial, especially in Emerging Markets. Emerging Markets in particular have a history of imposing unfriendly controls on foreign investors during times of economic stress. Investment in international markets, and especially emerging market countries, therefore carry a higher degree of risk than investment in securities based in the U.S.

Currency and Exchange Rate Risks

The Firm may invest in securities denominated in currencies other than the U.S. Dollar or in securities which are determined with references to currencies other than the U.S. Dollar. The Firm, however, will value its assets in U.S. Dollars. The Firm will not be hedging currencies applicable to its portfolio and therefore the value of the Firm's assets will fluctuate with U.S. Dollar exchange rates as well as with price changes of their investments in the various local markets and currencies. Thus, an increase in the value of the U.S. Dollar compared to the other currencies in which the Firm may make investments will reduce the effect of increases and magnify the U.S. Dollar equivalent of the effect of decreases in the prices of Firm's securities in their local markets. Conversely, a decrease in the value of the U.S. Dollar will have the opposite effect of magnifying the effect of increases and reducing the effect of decreases in the prices of the Firm's non-U.S. Dollar securities.

Securities Lending

The Ranger Portfolios may lend securities in the ordinary course of its business. Parties that borrow securities from the Ranger Portfolios may not be able to return these securities on demand and may also default on the payment obligations owed to the Ranger Portfolios in connection with such securities loans. In addition, assets pledged by the borrower as collateral for the borrowed securities may decline in value. The Ranger Portfolios may be subject to loss with respect to the value of the securities they lend to defaulting borrowers.

Dependence Upon Personnel.

The success of an investment strategy is significantly dependent upon the expertise of certain investment or support personnel and any future unavailability of their services could have an adverse impact on a Ranger Portfolio's performance. The success of a Ranger Portfolio is also significantly dependent upon the ability of the Firm to hire talented investment and support personnel. No assurances can be given that the Firm will be able to attract or retain necessary personnel.

Cybersecurity Risks

The Firm, its service providers, its counterparties and other market participants on whom the Firm relies increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect Clients, Funds and/or their investors, despite the efforts of the firm, its service providers, its counterparties and other market participants on whom the Firm relies to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Firm and/or its Clients investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of or prevent access to these systems of the Firm, its service providers, its counterparties and other market participants on whom the Firm relies or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of systems to disclose sensitive information in order to gain access to the Firm's data or that of its investors. A successful penetration or circumvention of the security of the Firm's systems or the systems of the Firm's service providers, counterparties or other market participants on whom the Firm relies could result in the loss or theft of an investor's data or funds, the inability to access

electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Clients, the Firm, their service providers, their counterparties and other market participants on whom the Firm relies to incur regulatory penalties, reputational damage, additional compliance costs or financial loss. Similar types of operational and technology risks are also present for many portfolio companies, which could have material adverse consequences for such investments, and may cause the Clients' investments to lose value.

Legal, Regulatory and Political Uncertainties

The Firm and its affiliates are subject to a variety of governmental regulations in the United States and other jurisdictions that may result in additional compliance costs and other burdens and otherwise impact the performance of a Ranger Portfolio. It is difficult to predict what changes in regulations may be instituted in the future, in addition to those changes already proposed or adopted in the United States or other jurisdictions.

The legal, tax and regulatory environment for alternative investment funds, investment advisers, the instruments they utilize and the markets in which they trade are continuously evolving. In addition to legal, regulatory and tax changes, there may be other unanticipated changes, including political developments. Such uncertainty may be detrimental to the efficient functioning of the financial markets and the success of certain products and strategies. Any changes to current regulations or any new regulations could have a material adverse effect on a Ranger Portfolio (including by reducing the attractiveness of an applicable investment strategy, imposing material costs on a Ranger Portfolio, reducing investment opportunities, or requiring a significant restructuring of the manner in which a Ranger Portfolio, the Firm or its affiliates are organized or operated).

RISKS SPECIFIC TO THE RANGER GLOBAL INCOME AND GROWTH STRATEGY

Real Estate Investment Trust, Master Limited Partnership, Business Development Company, and Closed End Fund Risks

The Global Income & Growth Strategy may invest in Real Estate Investment Trusts (a “REIT”), Publicly Traded Partnerships (a “PTP”) which includes Master Limited Partnerships (an “MLP”), Business Development Companies (a “BDC”), and Closed End Funds (a “CEF”), each of which involves some risks which differ from an investment in the common stock of a corporation. Holders of REIT, PTP, MLP, BDC, and CEF securities generally have limited control and voting rights on matters affecting the entity. In addition, there are: (i) certain tax risks associated with an investment in such entities, and (ii) conflicts of interest may exist between common equity holders and the general partner of PTPs and MLPs in which the Global Income and Growth Strategy may hold investments, including those arising from incentive distribution payments.

General Real Estate Risks

The Global Income and Growth Strategy will not invest in real estate directly, but may invest in securities issued by real estate companies, including REITs. Real property investments, and therefore indirect investment in real property, are subject to varying degrees of risk. The yields available from investments in real estate depend on the amount of income and capital appreciation generated by the related properties. Income and real estate values may also be adversely affected by such factors as:

applicable laws (e.g., Americans with Disabilities Act and tax laws), interest rate levels, and the availability of financing. If the properties do not generate sufficient income to meet operating expenses, including, where applicable, debt service, ground lease payments, tenant improvements, third-party leasing commissions and other capital expenditures, the income and ability of the real estate company to make payments of any interest and principal on its debt securities will be adversely affected. In addition, real property may be subject to the quality of credit extended and defaults by borrowers and tenants.

The performance of the economy in each of the regions in which the real estate owned by the portfolio company is located, affects occupancy, market rental rates and expenses, and, consequently, has an impact on the income from such properties and their underlying values. The financial results of major local employers also may have an impact on the cash flow and value of certain properties. In addition, real estate investments are relatively illiquid and, therefore, the ability of real estate companies to vary their portfolios promptly in response to changes in economic or other conditions is limited.

A real estate company may also have joint venture investments in certain of its properties, and consequently, its ability to control decisions relating to such properties may be limited. Real property investments are also subject to risks which are specific to the investment sector or type of property in which the real estate companies are investing.

Acquisition Risk

The abilities of a REIT, PTP, MLP or BDC to appreciate and to increase distributions to security holders may be highly dependent on its ability to make acquisitions that result in an increase in adjusted operating surplus. A REIT, PTP, MLP or BDC's future growth and ability to provide distributions will be limited in the event it cannot make such acquisitions because it is unable to: identify attractive acquisition candidates, negotiate acceptable purchase contracts, raise financing for such acquisitions on economically acceptable terms, and/or outbid competitors.

Furthermore, even if a REIT, PTP, MLP or BDC does consummate acquisitions that they believe will be advantageous, the acquisitions may instead result in a decrease in adjusted operating surplus. Any acquisition involves risks, including, among other things: mistaken assumptions about revenues and costs, including the assumption of unknown liabilities; limitations on rights to indemnity from the seller; the diversion of management's attention from other business concerns; unforeseen difficulties operating in new product or geographic areas; and customer or key employee losses at the acquired businesses.

Interest Rate Risk

Rising interest rates could adversely impact the financial performance of a REIT, PTP, MLP, BDC, or CEF by increasing its costs of capital. This may reduce its ability to execute acquisitions or expansion projects in a cost-effective manner.

Increasing Interest Rates May Negatively Affect the Value of an Investment

REIT, PTP, MLP, BDC, and CEF valuations are based on numerous factors, including sector and business fundamentals, management expertise, and expectations of future operating results. However,

REIT, PTP, MLP, BDC, and CEF yields are also susceptible in the short-term to fluctuations in interest rates and, like treasury bonds, the prices of REIT, PTP, MLP, BDC, and CEF securities typically increase when interest rates fall and decline when interest rates rise. The Global Income and Growth Strategy anticipates investments in REIT, PTP, MLP, BDC, and CEF opportunities, and therefore the value of the Global Income and Growth Strategy may decline if interest rates rise.

In addition to the risks of equity securities and securities linked to the real estate market, preferred stocks and high yield equities also are more sensitive to changes in interest rates than common stocks. When interest rates rise, the value of preferred stocks and high yield equities may fall.

Risks of Investment in Lower-Rated Securities

Lower-rated or high yielding securities may be considered speculative with respect to the issuers continuing ability to make principal and interest payments. Analysis of the creditworthiness of issuers of lower-rated securities may be more complex than for issuers of higher quality debt securities, and the Global Income and Growth Strategy's ability to achieve its investment objectives may, to the extent it invests in lower-rated securities, be more dependent upon such creditworthiness analysis than would be the case if it were investing in higher quality securities. The Global Income and Growth Strategy may invest in high yield securities that are rated CCC or higher by S&P, or CAA or higher by Moody's, or unrated securities that are determined by the Firm to be of comparable quality. An issuer of these securities has a currently identifiable vulnerability to default and the issuer may be in default or there may be present elements of danger with respect to principal or interest.

Lower-rated securities may be more susceptible to real or perceived adverse economic and competitive industry conditions than higher grade securities. The prices of lower-rated securities may be less sensitive to interest-rate changes than more highly rated investments, but more sensitive to adverse economic downturns or individual corporate developments. Yields on lower-rated securities will fluctuate. If the issuer of lower-rated securities defaults, the Global Income and Growth Strategy may incur additional expenses to seek recovery.

The secondary markets in which lower-rated securities are traded may be less liquid than the market for higher grade securities. Less liquidity in the secondary trading markets could adversely affect the price at which the Global Income and Growth Strategy could sell a particular lower-rated security when necessary to meet liquidity needs or in response to a specific economic event, such as a deterioration in the creditworthiness of the issuer, and could adversely affect and cause large fluctuations in the net asset value of the Global Income and Growth Strategy. Adverse publicity and investor perceptions may decrease the values and liquidity of high yield securities.

It is reasonable to expect that any adverse economic conditions could disrupt the market for lower-rated securities, have an adverse impact on the value of such securities, and adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon. New regulation and proposed new regulations may adversely impact the market for lower-rated securities.

RISKS SPECIFIC TO PRIVATE FUND INVESTMENTS

Classes of Interest.

The Ranger International Fund, LP (the "Master Fund") has issued Classes of Limited Partnership Interest whose investment exposures correspond with segregated portfolios. Each segregated portfolio

serves as a fund with a differing investment strategy. As such, each Class of Limited Partnership Interest exclusively participates in the gains and losses attributable to a corresponding portfolio, which is segregated in the books and records of the Master Fund. However, Classes of Limited Partnership Interest are not legally segregated and as such may share in certain expenses and liabilities of the Master Fund as a whole. Although investment portfolios managed on behalf of each Class generally do not invest in products which, in the aggregate, pose liabilities exceeding such Class' aggregate net asset values, each Class of Limited Partnership Interest could otherwise suffer liabilities and losses to the extent that a liability attributable to a Class exceeds the asset value of such Class. Such cross-liability may originate from any potential liability attributable to any Class of Limited Partnership Interest, including those that are contractual or tortious in nature, including without limitation such liabilities which are awarded pursuant to litigation or imposed pursuant to a bankruptcy proceeding, including without limitation, contractual or other rights to seek indemnification against the Master Fund or any of its Class by any affiliated or third party (including the Investment Manager) service provider. **Unlike legally segregated classes of interests, no assurances can be given that a Limited Partner's interest in any particular Class of Limited Partnership Interest will not be adversely affected by the liabilities of other Classes within the Master Fund.**

Indemnification of the Firm.

The Limited Partnership Agreement of the Master Fund contains broad indemnification and exculpation provisions. These provisions protect the Firm and its respective Affiliates, officers, partners, directors, members, managers, shareholders, employees or agents and/or legal representatives and Affiliates of such persons (the "Indemnified Persons") from actions brought by third parties against a Private Fund, the Master Fund, the Firm, and such other persons. In addition, such indemnification and exculpation provisions limit the right of a Limited Partner to maintain an action against the Firm to recover losses or costs incurred by a Private Fund or the Master Fund as a result of the Firm's actions or failures to act.

Lack of Control by a Limited Partner.

Substantially all decisions with respect to the management of a portfolio within the Master Fund are made exclusively by the Firm. The Limited Partners have no right or power to take part in the management or control of a Class or a portfolio. The Master Fund and each Class (or their corresponding portfolios) are managed solely by the Firm. Investors must rely solely on the judgment of the Firm in selecting investments and should not invest in a Class or a Fund unless willing to entrust all aspects of management to the Firm. In the event of the withdrawal or bankruptcy of the Firm, the Master Fund and any of its classes or portfolios may be liquidated.

Restriction on Withdrawals and Transfers.

There are varying restrictions on withdrawals from the Master Fund and each of its Classes (which may be settled in owned securities rather than cash) and on transfers of Limited Partnership Interests in a Class. The prior written consent of the Firm is required for a transfer of the Limited Partnership Interest of any Limited Partner. Because of the restrictions on withdrawals and transfers, an investment in the Master Fund, its Classes or any portfolio may be a relatively illiquid investment and involves a high degree of risk. A subscription for Limited Partnership Interests in any Class within the Master Fund should be considered only by persons financially able to maintain their investment and who can accept a total loss of their investment.

Illiquid Investment.

An investment in the Master Fund, any Class, or any portfolio must be considered an illiquid investment and involves a high degree of risk. There is no public market for Limited Partnership Interests in any of the Classes, and it is not expected that a public market will develop. An investment in a Ranger Private Fund provides limited liquidity since there are substantial restrictions on the ability of a Limited Partner to withdraw capital or to transfer its Limited Partnership Interests in a Class.

Involuntary Redemption of Limited Partnership Interests.

The Master Fund or any of its Classes may compel the withdrawal of any Limited Partner's interest, in part or in its entirety, as of the end of any Fiscal Quarter (or any other fiscal period, at the discretion of the Firm) on not less than thirty (30) days' prior written notice (or not less than five (5) days' prior written notice if the Firm determines in its sole discretion that such Limited Partner's continued participation in a Class may cause the Master Fund or the Firm to violate any applicable law).

Market Disruption and Lack of Liquidity.

A Limited Partner's ability to withdraw capital from the Master Fund or any of its Classes may be subject to suspension, in whole or in part, based upon the inability of the Firm to value its investments. Significant market events or circumstances attributable to single securities, generally outside of the control of the Firm, could cause a Limited Partner to be required to maintain (and unable to withdraw) its investments in the Master Fund or any of its Classes.

Management Fees.

The Management Fee that the Firm will receive has not been established on the basis of an arms-length negotiation between the Master Fund or any of its Classes and the Firm. The Limited Partnership Agreement of the Master Fund or any Class will permit the Firm to receive the Management Fee based on both realized and unrealized appreciation in a Private Fund's investments.

Private Offering Exemption.

The Master Fund intends to offer Limited Partnership Interests any Class on a continuing basis without registration under any securities laws in reliance on an exemption for "transactions by an issuer not involving any public offering." While the Firm believes reliance on such exemption is justified, there can be no assurance that factors such as the manner in which offers and sales are made, concurrent offerings by other companies, the scope of disclosure provided, failures to make notices, filings, or changes in applicable laws, regulations or interpretations will not cause the Master Fund or any of its Classes to fail to qualify for such exemptions under U.S. federal or one or more states' securities laws. Failure to so qualify could result in the rescission of sales of Limited Partnership Interests at prices higher than the current value of those Limited Partnership Interests, potentially materially and adversely affecting a Private Fund's performance and business. Further, even non-meritorious claims that offers and sales of Limited Partnership Interests were not made in compliance with applicable securities laws could materially and adversely affect the Firm abilities to conduct the Master Fund or any of its Classes' business.

Lack of Registration.

The Limited Partnership Interests in the Master Fund or any of its Classes have not been registered under the Securities Act nor the securities laws of any state nor, in most cases, will they be so registered. The Limited Partnership Interests are subject to specific registration exemptions under the provisions of the Securities Act and laws that depend, in part, upon the investment intent of each investor. Each Limited Partner will be required to represent that he is purchasing his Limited Partnership Interest for his own account and not with a view toward resale or distribution. Neither the Master Fund nor the Firm has any plans nor has assumed any obligations to register these Interests. Accordingly, the Limited Partnership Interests may not be transferred in the absence of an opinion of counsel to the Master Fund that the transfer will not involve a violation of the registration requirements of the Securities Act. Ordinarily, this means that transfers will be restricted to instances of death, gift, passage by operation of law, or transfers to other persons who are accredited investors. These restrictions on transfers are in addition to those found in the Limited Partnership Agreement. Neither the Master Fund nor any of its Classes are not registered as an investment company under the Investment Company Act. Investors are not afforded the protective measures resulting from registration under such legislation.

Legal and Compliance Requirements.

The Master Fund and each of its Classes must comply with various legal requirements, including requirements imposed by the securities laws, tax laws, anti-money laundering laws and regulations and pension laws in various jurisdictions. Should any of those laws change, the legal requirements to which the Master Fund and the Limited Partners may be subject could differ materially from current requirements. Increased oversight or more burdensome compliance requirements could result in increased expenses for the Master Fund or any of its Classes.

Possible Effect of Substantial Withdrawals.

Substantial withdrawal of Limited Partnership Interest from the Master Fund or any of its Classes could require the Master Fund or any of its Classes to liquidate its investments in securities more rapidly than otherwise desired in order to raise the cash necessary to fund the redemptions or withdrawals. Illiquidity in certain markets could make it difficult for the Firm to liquidate positions on favorable terms, which could result in losses or a decrease in the net asset value of any applicable Class.

POTENTIAL CONFLICTS OF INTEREST

The non-exhaustive information contained below describes certain potential material conflicts of interest relating to the Firm's advisory services. No list of potential conflicts of interest can be expected to be full and complete. Each prospective investor should review the relevant disclosure documents and operating agreements carefully, and consult their individual financial, legal or tax advisor prior to making an investment. Information about what offering documents and operating agreements are available for review by a prospective investor, along with applicable copies of such documents, is available by contacting the Firm at (214) 871-5200 or info@rangercap.com.

Trade Allocation

The Firm manages and expects to continue to manage other client accounts. Generally, the Firm has discretionary authority over the investment Portfolios for which it manages on behalf of Clients. As

a general matter, the Firm believes that aggregation of orders for the same security for multiple Clients is consistent with its duty to seek best execution for its Clients. However, in any case in which the Firm believes that aggregation is not consistent with its duty to seek best execution for its Clients, it will not affect the transaction on an aggregated basis.

Typically, the Firm allocates orders for the same securities for multiple client accounts on a *pro rata* basis in accordance with each account's investment guidelines as determined exclusively by the Firm's Portfolio Manager or his designee. The Firm also allocates orders for initial public offerings on a *pro rata* basis to the accounts of non-restricted investors or in accordance with *de minimis* exceptions. Differences in allocation proportions may occur due to tax considerations, avoidance of odd lots or *de minimis* numbers of shares, and investment strategies of the accounts. In order to verify compliance with these policies and procedures, the Firm conducts periodic reviews of the order allocation process. Additional information regarding the Firm's trade allocation procedures may be found in **Item 12 – Brokerage Practices**.

Personal Trading

Personal trading by employees of the Firm may create potential conflicts of interest with respect to the portfolios the Firm manages on behalf of its investors. Primarily, personal trading by employees of the Firm, without the implementation of proper policies and procedures, may create the risk that such personal trading "front runs" Client trading and thereby either reduces available liquidity and/or alters the trading price of a security to a Client's detriment. In addition, personal trading by employees may increase the risk of abuse of material, nonpublic information,

The Firm's policies and procedures seek to ensure that personal securities trading by employees of the Firm are conducted in such a manner as to avoid any abuse of an individual's position of trust and responsibility and to ensure adherence to the Firm's fiduciary duty. The Firm requires that employees seek prior approval and pre-clearance from a member of the compliance department prior entering into any personal trading transaction, in order for the Firm's compliance department to supervise such trading activity and mitigate the potential conflict of interest associated with personal trading.

In addition, the Firm has procedures to prevent the abuse of material, non-public information, which includes procedures for, among other things, the use and maintenance of restricted trading lists. For additional information with respect to the policies and procedures the firm has implemented to mitigate conflicts associated with personal trading, please see **Item 11 – Code of Ethics** or by contacting the Firm at (214) 871-5200.

Soft Dollar Credits

The Firm has employed a soft dollar policy that falls within the safe harbor established by Section 28(e) of the Securities Exchange Act of 1934 ("1934 Act"). However, the Firm's use of soft dollar credits to pay for research and brokerage products or services might otherwise be borne by the Firm. Accordingly, the authority to use soft dollar credits may give the Firm an incentive to select broker dealers for securities transactions, or to negotiate commission rates or other execution terms, in a manner that takes into account the soft dollar benefits received by the Firm rather than giving exclusive consideration to the interests of the Firm's clients. For additional information regarding the Firm's use of soft dollars and broker selection, please see **Item 12 – Brokerage Practices**.

Investing in the Ranger Private Funds, Mutual Funds and/or Separate Accounts involves risk of loss that investors should be prepared to bear

Item 9 - Disciplinary Information

Registered investment advisers and management personnel are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the Firm or the integrity of its management team. The Firm and management personnel have no legal or disciplinary events to disclose.

Item 10 - Other Financial Industry Activities and Affiliations

Ranger Affiliated Investment Advisers

Ranger International Management, LP is affiliated with four investment advisers by virtue of common control and ownership. The Firm and each of its investment advisory affiliates mentioned below maintain independent investment teams and processes and focus on different investment strategies.

- RG Liquid Alts, LP manages global market neutral equity portfolios.
- Ranger Investment Management, L.P. manages long-only investment portfolios of U.S. exchange traded equity securities of growth oriented companies.
- Ranger Alternative Management, L.P. serves as a sub-adviser to and has day-to-day portfolio management responsibilities with respect to a short only actively managed exchange traded fund known as the Ranger Equity Bear (*ticker symbol: HDGE*). Portfolio investments generally include short sales of primarily domestically traded mid- and large-cap U.S. exchange-traded equity securities.
- Ranger Alternative Management II, LP manages investment portfolios of credit instruments originated by direct lending sources.
- Ranger Advisors, L.P. manages fund-of-funds investment portfolios which primarily invest in Ranger affiliated strategies.
- Meros Investment Management, LP manages investment portfolios which consist of U.S. exchange traded equity securities of primarily micro capitalization companies.

All affiliated investment advisers are registered with the U.S. Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940. Registration as an investment adviser does not imply any level of skill or training. Additional information with respect to affiliated investment advisers may be obtained on-line at www.rangercap.com.

Item 11 – Code of Ethics, Participation/Interest in Client Transactions & Personal Trading

As a fiduciary, the Firm has an affirmative duty to act in the best interests of its clients and to make full and fair disclosure of all material facts, particularly where the Firm's interests may conflict with those of its clients. The Firm's Code of Conduct and Code of Ethics (the "Code") serves as behavioral benchmarks from which the Firm establishes its compliance program. The Code requires each Ranger employee to act with integrity, competence, diligence, respect, and in an ethical manner when dealing with current and prospective clients, the Firm, other employees and colleagues in the investment profession, and other participants in the global capital markets. Ranger expects employees to place the interests of clients and the Firm above their own personal interest and to avoid any actual or potential conflicts of interest. ***Among other things, the Firm's Code of Ethics requires that all employees comply with applicable provisions of the federal securities laws and promptly report any violations or potential violations of the Firm's compliance policies and procedures to the Chief Compliance Officer.***

Personal Trading Policy

The Code is designed to mitigate the possibility that the personal securities transactions, activities and interests of employees of the Firm will conflict with the best interest of the Firm's Clients. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of Clients. The Code requires that employees must receive pre-clearance for the purchase or sale of non-exempt securities from a member of the Compliance Team and restricts trading in close proximity to client trading activity to mitigate the possibility of front running Client accounts.

Nonetheless, because the Code permits employees to sell the same securities as may be held in client portfolios the Firm advises, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. In addition to preclearance procedures, employee trading is continually monitored under the Code by a member of the Compliance Team, and to reasonably prevent conflicts of interest between the Firm and its clients.

In addition to personal trading activities, other policies and procedures found in the Code provide guidelines the Firm and/or employees follow with respect to:

- Insider Trading
- Political Contributions
- Outside Business Activities
- Gifts and Entertainment

A copy of the Firm's Code is available to current and prospective clients upon written request to info@ranger-international.com.

Item 12 - Brokerage Practices

Generally, the Firm has complete investment and brokerage discretion over client accounts.

Broker Selection and Transactions

The Firm selects brokers for its securities transactions based on a number of factors, including, but not limited to, the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); the operational efficiency with which transactions are effected, taking into account the size of the order and difficulty of execution; the financial strength, integrity and stability of the broker; the broker's risk in positioning a block of securities; the quality, comprehensiveness and frequency of available research products or other services considered by the Firm to be of value; access to international exchanges, and the competitiveness of commission rates in comparison with other brokers satisfying the Firm's other selection criteria.

With respect to research and brokerage products or services provided by brokers-dealers, the Firm seeks to maintain a soft dollar policy that falls within the safe harbor established by Section 28(e) of the Securities Exchange Act of 1934 ("1934 Act"). Research and brokerage services, as that term is used in Section 28(e)(3), may include both services generated internally by a broker's own research staff and services obtained by the broker from a third party research firm. The research services obtained may include a broad variety of financial and related information and services, including written or oral research and information relating to the economy, industries or industry segments, a specific company or group of companies, software or written financial data, electronic or other quotations or market information systems, financial or economic programs or seminars, or other similar services or information believed to assist the Firm and its advisory functions and services. The Firm believes that its ability to obtain such products and services is an integral factor in the level of the advisory fees charged to clients.

In considering through which firm brokerage transactions should be executed, the Firm considers research and brokerage services provided to it, among other things. Generally, the Firm will attempt to place portfolio transactions with broker-dealers who, in its opinion, provide the best combination of price and execution (including brokerage commissions). However, the Firm may pay a broker-dealer a commission for effecting a transaction in excess of the amount of commission another broker or dealer would have charged as long as the Firm makes a good faith determination that the amount of commission is reasonable in relation to the value of the brokerage and research services provided by the broker-dealer.

The Firm maintains an internal allocation procedure to identify those brokers who have provided it with research and execution services that the Firm considers useful to its investment decision-making process. The amount of brokerage specifically allocated to any broker will be based, in part, on the cost of such research and brokerage services received from the broker.

Clients should consider that there is a potential conflict of interest between their interests in obtaining best execution and the Firm's receipt of and payment for research through brokerage allocations as described above. To the extent the Firm obtains brokerage and research services that it otherwise would acquire at its own expense, the Firm may have incentive to place a greater volume of transactions or pay higher commissions than would otherwise be the case.

The soft dollar research and brokerage services obtained by the Firm normally benefits many accounts rather than just the one(s) for which the order is being executed, and not all research may be used by the Firm in connection with the account(s) which paid commissions to the broker providing the research. For example, the Firm may utilize the commissions paid by its clients who invest in international securities to obtain U.S. securities research services. In this situation, the U.S. securities research may benefit only a select group of the Firm's clients which is different from the group whose commissions generated the soft dollar credits.

Best Execution Reviews

On at least a quarterly basis, the Firm holds a best execution review meeting to determine the value each broker dealer brought to the Firm over the previous three (3) month period. In attendance at the meeting are members of the Firm's investment team, traders and a compliance officer. At the meeting, the participants address issues such as, but not limited to, execution quality, research quality, broker responsiveness, and access to analysts and company management. The meeting participants generally discuss issues with respect to the active broker-dealers on the approved list to determine whether the commissions earned are commensurate with the value received from the broker-dealers. Following the review, the Firm's portfolio manager or trader makes appropriate revisions and, together with the compliance department, documents the results of the best execution review.

Periodically, as part of the best execution review, members of the investment team, traders and a compliance officer will discuss general soft dollar activities and possible changes, if any, to the list of all soft dollar services. Examples of soft dollar issues discussed during the best execution review may include:

- Changes to the current level of service
- Prospective products and services being considered
- Services that are not being fully utilized, are obsolete or redundant and should be eliminated
- Whether the soft-dollar budget targeted for the current quarter or year are in line with the budgeted amounts
- Mixed-use allocation determinations

The Firm's compliance department documents and maintains information discussed during the best execution review.

Order Aggregation

Generally, the Firm aggregates trades for the same security in the same strategy and allocates client orders on a *pro rata* basis electronically prior to making a trade using Ranger's order management system, Advent Moxxy. The traders review and monitor client orders on a real-time basis. Once a trade is complete, the Operations Manager confirms Client orders. All accounts with similar investment guidelines are managed *pari passu*. Trading is not segmented across product platforms.

The trading desk centrally manages all trades. Ranger aggregates trade orders to seek best execution. However, in any case in which the Firm believes that aggregation is not consistent with its duty to seek best execution for its Clients, it will not affect the transaction on an aggregated basis. On such occasions, the Firm's portfolio manager or trader will report such exception along with the basis for such exception to the compliance department in order to appropriately document such exception within an exception report.

Soft Dollar Reviews

In addition to quarterly reviews, Ranger will conduct periodic evaluation of its soft dollar products and services to ensure such products and services continue to provide the value to the investment manager which was originally established upon initial evaluation.

Every month, a member of the accounting department reviews and verifies all invoices for soft dollar products and services and then submits them to the Portfolio Manager for verification. The invoices are time stamped and dated, and then forwarded to the soft dollar broker for payment. The soft dollar broker submits a monthly summary of all payments made for research, as well as a detailed listing of commissions generated with the executing soft dollar brokers. A member of the accounting department reviews all research payments and the Portfolio Manager reviews commissions to ensure payments between the commission list submitted by the soft dollar broker and a commission report generated have been properly reconciled. The soft dollar broker resolves any issues, and any unresolved disputes will be promptly brought to the attention of the CCO and Chief Operating Officer/Chief Financial Officer ("COO/CFO").

Mixed-Use Soft Dollar Products and Services

In some instances, Ranger may use brokerage and research products or services received for functions that are not entirely brokerage or research related (i.e. not related to the investment decision-making process). Where a research product or service has a mixed-use, the Firm will make a reasonable allocation according to its use and will pay for the non-research portion in cash using its own funds. Mixed-use allocation decisions are generally based on a reasonable combination of factors such as, but not limited to:

- the percentage of time the Firm's uses the product for research vs. non-research applications;
- the relative value of the product for each use as the CCO determines to be reasonable and appropriate; and,
- the availability and value of comparable products and services.

The CCO supervises the evaluation of all mixed-use soft dollar items upon initial receipt of the product or service, and then again on a periodic basis. Evaluation results, along with guidance from the COO/CFO, assist the CCO in the establishment of a final mixed-use allocation decision.

Directed Brokerage

An investor may instruct the Firm to effect securities transactions from the investor's account through a specific broker-dealer. The Firm considers such an instruction to be a "directed brokerage arrangement." In such circumstances, the investor is responsible for negotiating the terms and

arrangements for their account with that broker-dealer. The Firm will not seek better execution services or prices from other broker-dealers and may not be able to aggregate the investor's transactions for execution through other broker-dealers with orders for other accounts advised or managed by the Firm, which may result in a directed trade being placed following aggregated trading activity for a particular security. In addition, the Firm may not obtain best execution on behalf of the investor, who may pay materially disparate commissions, greater spreads or other transaction costs, or receive less favorable net prices on transactions for the account than would otherwise be the case.

In order to accommodate certain directed brokerage arrangements, the broker dealer to whom the trades are directed may not meet the Firm's standards with respect to institutional quality execution capabilities. In such cases, the Firm may resort to "step out" trades in order to meet the directed brokerage objectives while continuing to maintain the Firm's best execution objectives. For example, the Firm places an aggregated trade for a particular security with an institutionally oriented broker dealer which includes instructions to "step out" the portion of the commission to the broker dealer designated in the directed brokerage arrangement. Essentially, the broker dealer the Firm selected executes the trade and sends a check for the portion of the commission amount specified in the instructions to the broker dealer designated in the directed brokerage arrangement.

Item 13 - Review of Accounts

Each account will be reviewed and valued on a daily basis or more frequently if triggered by market or economic conditions. At this time, there are less than fifteen (15) accounts requiring review. Members of the investment staff will review each account in a manner consistent with the investment goals of each account. Ranger's COO/CFO and/or his designee will review the accounts' valuation, including net asset value calculations, securities positions and pricing information, interest accrual calculations, and cash balance reports generated by the Firm's accounting system, custodian, prime broker and brokerage firms on a monthly basis. An independent public accounting firm performs an annual audit of the books and records of the Private Fund and Mutual Fund.

The Firm typically remits quarterly and annual written reports to its clients, which set forth various financial data and information. Ranger's operations staff, supervised by the COO/CFO, reviews the accounts' valuation, including net asset value calculations, securities positions and pricing information, interest accrual calculations, and cash balance reports generated by the Firm's accounting system, custodian, prime broker and/or brokerage firms. Investors in the Private Fund and Mutual Fund receive an audited annual financial report and the information necessary to complete annual federal income tax returns.

Item 14 - Client Referrals and Other Compensation

The Firm may enter into agreements with an affiliated or unaffiliated marketing group or individuals that will solicit Separate Accounts or investors for the Private Fund or Mutual Funds. For their solicitation services, such marketing groups or individuals may receive a percentage of the Firm's Management Fee.

The Firm's arrangements with an affiliated or unaffiliated marketing group or individuals may result in a potential conflict of interest by creating an incentive for the marketing group to recommend

Ranger investment advisory products and services based on compensation received rather than the investor's needs. The Firm has implemented procedures to ensure compensation arrangements with an affiliated or unaffiliated third-party for client or investor referrals will comply with Rule 206(4)-3 under the Adviser's Act.

Item 15 - Custody

The Firm does not take possession of investor funds or securities for Separate Accounts or Mutual Funds. However, the Firm serves as a General Partner and/or attorney in fact with full discretion over the portfolios of the Private Funds it advises. As a result, the Firm has indirect access to the funds and securities of limited partners in its Private Fund. Pursuant to Rule 206(4)-2 of the Investment Advisers Act of 1940, the Firm is considered to have custody of these assets.

Accordingly, the Firm implements certain policies and procedures which seek to safeguard investor assets on behalf of its Private Fund(s). The Firm must also comply with additional bookkeeping, auditing and disclosure requirements, which includes providing investors in the Firm's Private Fund(s) with audited financial statements on an annual basis.

The Firm strongly encourages investors and their advisors to closely monitor the account statements, audited financial statements and other important investment related materials they may receive from the Firm. Any potential discrepancies should be promptly brought to the Firm's attention by contacting (214) 871-5200.

Item 16 - Investment Discretion

With respect to a majority or all Client accounts, the Firm has complete discretion over the selection and amount of securities to be bought or sold without obtaining consent or approval from investors (within the parameters established by the private placement memorandum of each Private Fund, the prospectus and SAI of each Mutual Funds or investment management agreements applicable to each Separate Accounts).

Discretionary authority only occurs upon full disclosure to the Client and authorization by such Client pursuant to the operative documents and subscription agreement of each Private Fund, the prospectus for a Mutual Fund or an investment management agreement for a Separate Account. Trades made by Ranger on behalf of Client accounts for which it has discretion will be in accordance with that portfolio's investment objectives and goals.

Item 17 - Voting Client Securities

The Firm votes proxies on behalf of the Private Funds, Ranger Mutual Funds and many Separate Accounts it advises. The Firm seeks to vote such proxies in the interest of maximizing shareholder value. To that end, the Firm takes great care to vote proxies in a way that it believes is consistent with its fiduciary duty. It is the Firm's policy to review each proxy statement on an individual basis and give consideration to both the short and long term implications of each proposal in which it votes. The Firm's Portfolio Manager and Sector Managers are responsible for identifying the proxies upon which

the Firm will vote, voting the proxies in the best interest of Clients, and submitting the proxies promptly and properly. The option to direct the manner in which the Firm votes particular proxy related topics is limited to Separate Account investors only, pursuant to guidelines established in the investment management agreement.

The Firm has engaged the services of a third party proxy voting service (the “Proxy Service”) to assist it with administration of the proxy voting process. In addition to general administration assistance, the Proxy Service also includes proxy voting recommendations based upon published research and guidelines it publishes. However, the Firm’s proxy voting policies and case-by-case evaluation of each issue may result in proxy votes on certain issues that differ from Proxy Service recommendations.

The Firm’s written proxy voting policies and procedures are available for review by investors in each Ranger Private Fund, Ranger Mutual Fund or Separate Account advised by the Firm. In addition, the Firm maintains a record of all proxy votes cast on behalf of the Ranger Private Funds, Ranger Mutual Funds and many of the Separate Accounts it advises; such records are available for review by the Client upon written request to info@rangerinvestments.com.

Class Action Law Suits

From time to time, the Firm may receive notices regarding class action lawsuits involving securities that are or were held by the portfolios of a Private Fund, a Mutual Fund or upon request, certain Separate Accounts it advises. As a matter of policy, the Firm refrains from serving as the lead plaintiff in class action matters and also refrains from submitting proofs of claim where the Firm believes, in its sole discretion, which either the recovery amounts are likely to be negligible or such participation is not in the interest of the applicable account. As a result, the Firm, may on behalf of Clients forgo participation in class action law suits.

Item 18 - Financial Information

The Firm has no known financial commitment that impairs its ability to meet contractual and fiduciary commitments to its client, and has not been the subject of a bankruptcy proceeding.