



AnchorPath Financial, LLC

Form ADV Part 2 – Disclosure Brochure

Effective: May 12, 2020

This Disclosure Brochure provides information about the qualifications and business practices of AnchorPath Financial, LLC (“AnchorPath” or the “Advisor”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (212) 969-1000 or by email at ADVCompliance@alliancebernstein.com.

AnchorPath is a registered investment adviser with the U.S. Securities and Exchange Commission (“SEC”) that conducts business nationally. The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment adviser does not imply any specific level of skill or training. Only specific oral and written communications can provide clients with information needed to decide to hire or retain an Advisor.

Additional information about AnchorPath and its advisory personnel are available on the SEC’s website at www.adviserinfo.sec.gov.

AnchorPath believes that communication and transparency are important elements of its relationship and strives to provide its clients with complete and accurate information. AnchorPath encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions they may have with us. And of course, we always welcome client feedback.

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Item 2 - Material Changes

Material Changes

This Disclosure Brochure, dated May 12, 2020, updates the Brochure annual amendment dated March 26, 2020.

On April 28, 2020, AnchorPath Financial, LLC was acquired as a direct, wholly owned subsidiary of AllianceBernstein L.P. ("AB"), an investment advisor registered with the Securities and Exchange Commission ("SEC").

Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in relevant regulations and routine annual updates as required by securities regulators. This complete Disclosure Brochure or this summary of Material Changes shall be provided to each Client as required, annually or when materially amended.

At any time, clients may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

Clients may also request a copy of this Disclosure Brochure at any time, by contacting us at (212) 969-1000.

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Item 4 – Advisory Services

A. Firm Information

AnchorPath Financial, LLC (“AnchorPath” or the “Advisor”) is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). AnchorPath is organized as a limited liability company in the State of Delaware. The owner of the firm is AllianceBernstein L.P. Please refer to Form ADV Part 2A for AB (“AB Part 2”) for more information.

About AnchorPath

AnchorPath specializes in investment strategies that seek to limit risk and capital loss by applying advanced analytical market risk control techniques. The AnchorPath team has considerable experience spanning the investment, risk management, insurance, actuarial and pension fields.

AnchorPath has adapted and integrated risk control techniques that require a level of sophisticated management typically only found in very large banks and insurance companies for hedging their own internal trading desks. AnchorPath account management techniques are intended to provide each Client with benefits typically available only to large institutional investors.

The financial crisis in 2008 and subsequent periods of market volatility has highlighted the importance of applying risk control to investing. Traditional asset diversification and prior risk management techniques have not been sufficient. AnchorPath was founded to fill the unmet need for a cost effective investment strategy that integrates risk control, liquidity and transparency. Our proprietary approach aims to capture a higher proportion of the equity market upside than the downside enabling our funds to outperform over market cycles with less risk. We believe our objective of generating absolute returns at a low downside correlation to the equity markets satisfies a fundamental need of investors.

AnchorPath believes that:

A concentrated focus on risk control can yield superior long run investing performance, a significant departure from conventional approaches.

A sustained commitment to a diversified portfolio of equity and fixed income is a key building block for long-run investing success.

Asset diversification alone is not enough, and the pro-active use of modern risk control techniques enables investors to confidently commit to the equity and debt markets.

Low investment costs through the use of exchange-traded funds (“ETFs”) and other exchange-traded instruments are critical for maximizing long-term portfolio gains.

We believe these principles best align our strategy with the most fundamental needs of both individual and institutional investors.

Details on our investment advisory services are contained in this Disclosure Brochure. Additional information can also be obtained from our website at www.anchorpath.com or by calling us at (203) 893-3600.

B. Advisory Services Offered

AnchorPath offers investment management services to individuals, high net worth individuals, trusts, estates, small businesses, and institutions, including registered investment companies, private investment vehicles, and other institutional investors or advisors (each referred to herein as a “Client”).

Separately Managed Accounts

AnchorPath delivers customized management of portfolios, on a discretionary basis, according to the Client’s stated objectives and the contractual arrangements put in place with each Client. Each Client directly owns all the securities in its account (See *Item 12 –Brokerage Practices*) and may review positions in its portfolio at any time. The investments in Client accounts are highly liquid and the total account value may be withdrawn at any time without withdrawal fees.

AnchorPath has discretion to manage asset allocations (including allocations to cash and cash equivalents) in order to meet Client objectives. AnchorPath’s strategies rely on dynamic management of diversified portfolios of ETFs and exchange traded hedge instruments, including index-based futures and options. Account assets comprise a core portfolio designed to generate long-term capital growth at an appropriate level of risk, and a risk management allocation designed to reduce short-term downside risk and safeguard long-term capital appreciation. The management of the risk management allocation is specialized to the desired investing time horizon, risk tolerance, investment objectives and other specific criteria of each client.

Because risk mitigation is sought to be achieved within the account, Clients are not subject to the uncertain creditworthiness and cost of a third-party bank or insurance company providing risk mitigation. All instruments utilized are exchange-traded and deemed to have lower counterparty risk than their corresponding OTC instruments. The Advisor may invest in other securities to meet client objectives, including over-the-counter securities, corporate debt securities, municipal securities, mutual funds, and United States government securities. AnchorPath may also provide advice on other investment products as appropriate to meet the objectives of the Client.

Prior to rendering investment management services, AnchorPath will ascertain, in conjunction with the Client, the Client's particular financial and tax position, risk tolerance and investment objective(s). Clients are required to complete an on-boarding questionnaire that includes a review of their suitability.

AnchorPath will provide investment advisory services and portfolio management services but will not provide securities custodial or other administrative services. At no time will AnchorPath accept or maintain physical custody of Client's funds or securities. All Client assets will be managed inside their designated brokerage account or pension account, pursuant to the Client Investment Management Agreement.

AnchorPath generally requires a minimum deposit size of \$100,000 as a condition for managing an account. AnchorPath may waive this minimum under certain circumstances at its sole discretion.

AnchorPath Dedicated Return Fund

On June 16, 2014, AnchorPath issued a limited partnership interest in a private investment fund, the AnchorPath Dedicated Return Fund (the "APDRF") to a major institutional investor (the "Single Investor"). APDRF is a Delaware limited partnership of which an affiliate of AnchorPath, AnchorPath Partners, LLC, is the sole general partner to APDRF. AnchorPath acts as the investment advisor to APDRF, with full discretionary authority to invest the assets of APDRF. APDRF seeks to achieve a leveraged return to a risk-managed balanced portfolio. The Advisor employs quantitative asset allocation and risk control strategies to seek investment performance that efficiently combines growth potential with downside risk management.

APDRF will manage exposures across four investment considerations: equity, fixed income, volatility and interest rates, using a quantitative asset allocation strategy to construct a diversified portfolio. The Advisor is authorized to invest in a broad range of instruments, including ETFs and other pooled investment vehicles, index instruments of all types including

futures, fixed income securities, commodities, derivatives and cash equivalents. APDRF may use leverage with no fixed limitation on the use or extent of leverage. For additional information on APDRF's investment strategy, please consult APDRF's Offering Summary (the "Fund Summary").

AnchorPath 7/4 Fund

On January 3, 2017, AnchorPath issued limited partnership interests in a private investment fund, the AnchorPath 7/4 Fund, LP (the "7/4 Fund") (along with APDRF, the "Private Investment Funds" or "Funds"), to a select group of accredited investors (the "Investors"). The 7/4 Fund is a Delaware limited partnership of which an affiliate of AnchorPath, AnchorPath GP, LLC, is the sole general partner to the 7/4 Fund (along with AnchorPath Partners, LLC, the "General Partners"). AnchorPath acts as the investment advisor to the 7/4 Fund, with full discretionary authority to invest the assets of the 7/4 Fund. The 7/4 Fund seeks to achieve a leveraged return to a risk-managed balanced portfolio. The Advisor will employ quantitative asset allocation and risk control strategies to seek investment performance that efficiently combines growth potential with downside risk management.

AnchorPath GP has the right to enter into agreements with one or more Investors to grant rights not otherwise afforded to other Investors, including without limitation, the right to pay a reduced or no incentive allocation and/or management fee. AnchorPath GP may enter into such agreements without notice to other Investors or offering the same to them.

The 7/4 Fund will manage exposures across four investment considerations: equity, fixed income, volatility and interest rates using a quantitative asset allocation strategy to construct a diversified portfolio. The Advisor is authorized to invest in a broad range of instruments, including ETFs and other pooled investment vehicles, index instruments of all types including futures, fixed income securities, commodities, derivatives and cash equivalents. The 7/4 Fund may use leverage with no fixed limitation on the use or extent of leverage. For additional information on the 7/4 Fund's investment strategy, please consult the 7/4 Fund's Confidential Private Placement Memorandum (the "7/4 PPM").

For Financial Advisors - AnchorPath offers services to financial advisors to plan and customize programs for their clients. Our risk control techniques methodically build support for increased levels of safe and predictable returns while preserving access to capital.

C. Client Account Management

Separately Managed Accounts

Prior to selecting AnchorPath to provide investment advisory services, each Client is required to enter into an Investment Management Agreement with the Advisor that defines the terms, conditions, authority and responsibilities of the Advisor and the Client. This Agreement may include:

- Client Suitability Review – AnchorPath, in conjunction with the Client, will review the Client's investment goals and objectives to determine if the AnchorPath management approach is appropriate for all or a portion of its investment portfolio. Clients may place reasonable restriction on their accounts, subject to the acceptance by AnchorPath.
- Strategic Asset Allocation Determination – AnchorPath will formulate a long-term strategic asset allocation for each Client account, consistent with their stated investment goals. The strategic asset allocation will specify the target percentages to be invested in the core portfolio and risk management allocation. Accounts are re-balanced and re-optimized when deemed necessary by the Advisor. Re-balancing is accomplished by reallocating assets to updated allocation targets and re-optimizing involves determining new targets.
- Portfolio Construction – AnchorPath will build a portfolio for the Client that is intended to meet the stated goals and objectives of the Client. Portfolios will typically be constructed with a combination of ETFs in the core portfolio and risk mitigation instruments in the risk management allocation.
- Investment Management and Supervision – AnchorPath provides its investment advisory and portfolio management services on a best-efforts basis and makes no representations or guarantees about prospective portfolio performance.

Private Investment Funds

Each investor in the 7/4 Fund will receive a Private Placement Memorandum and execute a subscription agreement that defines the terms, conditions, authority and responsibilities of the Advisor, the 7/4 Fund and the Investor.

D. Wrap Fee Programs

AnchorPath does not provide investment advisory services in connection with wrap fee programs.

E. Assets Under Management

As of April 30, 2020, AnchorPath managed approximately \$26,496,875 in Client assets on a discretionary basis. AnchorPath does not manage non-discretionary accounts.

Item 5 – Fees and Compensation

The following paragraphs describe the fee structure and compensation methodology for investment management services.

A. Fees for Advisory Services

Separately Managed Accounts

Each Client shall sign an Investment Advisory Agreement that details the responsibilities of AnchorPath and the Client. Pursuant to an Investment Management Agreement, a Client will pay AnchorPath an Investment Management Fee, generally charged at an annualized rate of 0.65% of net assets. Investment Management Fees are calculated daily by the custodian, based on the market value of the Client's portfolio at the close of business each business day.

Investment Management Fees may be reduced or waived for directors, officers, and employees of AnchorPath, or possibly other Clients, at the sole discretion of the Advisor. Investment Management Fees may be negotiated by AnchorPath at its sole discretion. All securities held in a Client portfolio managed by AnchorPath will be independently valued by an independent custodian firm (the "custodian"). AnchorPath will not have the authority or responsibility to value portfolio securities.

Private Investment Funds

Private Investment Funds pay a management fee to the Advisor (the "Management Fee"), based upon the Fund's net asset value at a rate agreed to by the Advisor and the applicable Fund (or one or more Investors in a Fund) from time to time. Please see "Item 6 – Performance-Based Fees and Side-by-Side Management" below for information concerning an Incentive Allocation payable to the General Partners.

B. Fee Billing

Separately Managed Accounts

Investment Management Fees will be automatically calculated daily based on the annualized rate and deducted each business day from the Client Account by the custodian. The custodian will provide the Client an account statement no less frequently than quarterly that includes the details of these fees. The Client may review these fees and the details of their Account(s) at any time by accessing their Account(s) via the custodian's client access portal.

While AnchorPath applies its best efforts in reviewing these calculations, it is the responsibility of the Client to verify the accuracy of these fees as listed on the custodian's brokerage statement.

Private Investment Funds

The General Partners have the ability to withdraw assets from Private Investment Funds to pay operational expenses of the Fund and the Advisor's Management Fee. The Management Fee will be calculated based on the Fund's net asset value as of the opening of the business on such day without accrual of the Incentive Allocation. The General Partners also have the right to charge its Incentive Allocation to the capital account of the Investors as the Funds' limited partner(s). Please see "Item 6 – Performance-Based Fees and Side-by-Side Management" below.

C. Other Fees and Expenses

Separately Managed Accounts

The Client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer(s). The Investment Management Fees charged by AnchorPath in Separately Managed Accounts are separate and distinct from these custodian and execution fees. In addition, all fees paid to AnchorPath for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs in which Clients may invest. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client could invest in these products directly, without the services of AnchorPath, but would not receive the benefit of services provided by AnchorPath. Accordingly, the Client should review both the fees charged by such fund(s) and the fees charged by AnchorPath to fully understand the total fees to be paid.

Private Investment Funds

Private Investment Funds are responsible for payment of a variety of operating expenses, including, among others, the Management Fee, the Fund's legal, compliance, auditing and accounting fees, the costs of reports and other communications to Investors, the fees and expenses of the Fund's administrator (the "Administrator") and expenses incurred in connection with the purchase, sale or carrying of securities or other Fund investments (including brokerage commissions, interest expense and custody and transfer fees).

D. Advance Payment of Fees and Termination

Separately Managed Accounts

AnchorPath is compensated for its services after investment management services are rendered. Clients may terminate their Investment Management Agreement with AnchorPath, in whole or in part, by providing advance written notice. The Client shall be responsible for Investment Management Fees up to and including the effective date of termination. The Client's Investment Management Agreement with the Advisor is non-transferable without Client's written approval.

Private Investment Funds

With respect to Private Investment Funds, the Advisor's Management Fee is payable monthly in advance. The Single Investor has the right to withdraw all or any portion of its capital account in APDRF, as of the end of any business day, upon written notice to APDRF General Partner and the Fund's Administrator given not less than ten (10) business days prior to the requested withdrawal date for APDRF. The 7/4 Fund Investors have the right to withdraw all or any portion of their capital accounts, as of the end of the last business day of any month, upon written notice to the 7/4 Fund General Partner given not less than fifteen (15) business days prior to the requested withdrawal date. If an Investor contributes or withdraws capital from a Fund during a month it will be charged a pro rata Management Fee. Please see the Fund Summary or the 7/4 PPM for more detail on costs associated with terminating an investment in the Fund.

E. Compensation for Sales of Securities

AnchorPath does not receive commissions or any compensation for transactions in any Client account. As a fee-only advisor, AnchorPath is paid only on the advice and investment

management provided to Clients based on the assets under management in the Client's account(s).

Please refer to AB Part 2: Item 5 for additional information.

Item 6 – Performance-Based Fees

AnchorPath does not receive performance-based fees under its Investment Management Agreements.

The Funds pay performance-based allocations as described below.

AnchorPath Partners, LLC, the general partner to APDRF, is entitled to receive from the Single Investor, as the limited partner of the Fund, a profit-based incentive allocation (the "Incentive Allocation") equal to 10% of the Fund's net profits allocated to the Investor, subject to a cumulative "hurdle rate" of 3.25%, as well as a so-called "high water mark" provision, as described in the Fund Summary, which requires the recovery of any net losses in prior periods. The Single Investor is a "qualified client", within the meaning of Rule 205-3 under the Advisers Act, and is therefore eligible to be charged the Incentive Allocation.

AnchorPath GP, LLC, the general partner to the 7/4 Fund, is entitled to receive from the 7/4 Fund Investors, as limited partners of the Fund, a profit-based incentive allocation (the "Incentive Allocation") equal to 10% of the Fund's net profits allocated to the Investor, subject to a "high water mark" provision, as described in the 7/4 PPM. All Investors charged an Incentive Allocation must be "qualified clients", within the meaning of Rule 205-3 under the Advisers Act, and therefore eligible to be charged the Incentive Allocation.

Please refer to AB Part 2: Item 6 for additional information.

Item 7 – Types of Clients

AnchorPath offers investment management services to individuals, high net worth individuals, trusts, estates, small businesses, and institutions, including registered investment companies, private investment vehicles, and other institutional investors or advisors. AnchorPath generally requires a minimum deposit size of \$100,000 as a condition for managing a Separately Managed Account. AnchorPath may waive this account minimum under certain circumstances at its sole discretion.

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

A. Methods of Analysis

Separately Managed Accounts

AnchorPath employs its proprietary process for managing Client portfolios. AnchorPath primarily applies an indexing approach in fulfilling investment core allocations. Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

As noted above, AnchorPath generally employs a long-term investment strategy for its Clients, consistent with their stated goals. AnchorPath will typically direct all or a portion of a Client account to be invested in a core portfolio of broad-based index ETFs that is allocated and re-balanced over time to seek long-term growth. At times, AnchorPath may utilize actively managed ETFs or mutual funds, depending on the goals or requests of the Client.

AnchorPath will employ quantitative techniques that may result in more frequent trading and holding periods of less than one year.

Private Investment Funds

For Private Investment Funds, in its quantitative asset allocation strategy, AnchorPath constructs a diversified portfolio of ETFs, derivatives and cash equivalents. The total portfolio combines a core portfolio allocation, designed to generate long-term capital growth at an appropriate level of risk, and a derivative/cash allocation, designed to reduce short-term downside risk and safeguard long-term capital appreciation. While the Funds may use target ranges for the amount of leverage, they have no fixed limitation on the use or extent of leverage.

B. Risk of Loss

Investing involves risk. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. AnchorPath will assist Clients in determining if AnchorPath's proprietary strategies are appropriate, based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet his or its investment goals or that the account will produce its target objectives or avoid losses.

AnchorPath generally employs investment strategies that involve risk associated with the equity, bond and commodity markets. AnchorPath investment strategies include the use of index options and futures intended to effect downside protection. These instruments have investment risk and are subject to market volatility. The Advisor seeks to manage these risks while seeking investment returns. Clients should invest only the portion of their investment portfolio where a potential loss can be borne.

Specific risks include, among others, the following:

Dependence Upon Primary Portfolio Manager. The success of AnchorPath's services to a Client will depend to a significant extent upon the skills, judgment and efforts of its primary portfolio manager, Marshall C. Greenbaum. Although AnchorPath has other advisory personnel available to it, the loss of the services of Mr. Greenbaum could have a material adverse effect upon a Client.

Bearing the Risk of Loss Generally. Investing involves the risk of loss, including loss of capital. Clients should understand the risks involved in the Advisor's investment strategy and be prepared to bear such risk before investing. While AnchorPath endeavors to manage portfolio risks to mitigate the risk of loss, it can make no assurances regarding future investment performance. Past performance is not a guarantee of future results.

Market-Related Risks. Portfolios managed by AnchorPath involve general market risks, such as sensitivity to changes in the equity market, the bond market and other markets. The Advisor will attempt to monitor and manage these risks, but it may be wrong in its expectations and forecasts and Client portfolios may suffer losses as a result.

ETFs. AnchorPath may invest Client assets in ETFs or similar products. ETFs typically trade on securities exchanges and their shares may, at times, trade at a premium or discount to their net asset values (the value of the underlying assets in the portfolio). ETFs charge management fees and other expenses, and such costs are in addition to AnchorPath's advisory fees. To the extent AnchorPath portfolios invest in ETFs that focus on a particular asset class, market sector or

industry or country, the portfolios will also be subject to the risks associated with investing in those classes, sectors, industries or countries, including concentration risk.

Options. AnchorPath may invest Client assets in options or similar rights, such as warrants. Investments in option contracts have the risk of losing value in a relatively short period of time. Option contracts are leveraged instruments that allow the holder of a single contract to control many shares of an underlying stock. This leverage can compound gains or losses.

Futures Contracts. AnchorPath may trade futures, forward contracts, options on futures or other interests therein in Client accounts. Investments in futures contracts have the risk of losing value in a relatively short period of time. Futures are highly leveraged with a relatively small amount of money used to establish a position in assets having a much greater value. This leverage can compound gains or losses.

Derivatives. In addition to options and futures AnchorPath may invest Client assets in a variety of other derivative instruments, such as swaps and notional principal contracts, and may use derivative techniques for hedging and other trading purposes. The use of derivative instruments involves a variety of material risks, including the high degree of leverage often embedded in such instruments, the possibility of counterparty non-performance and material and prolonged deviations between theoretical and realizable value.

Other Instruments. Although investments for Client accounts are expected to consist predominantly of the foregoing types, subject to Client restrictions, AnchorPath typically has the authority to invest Client assets in a broad range of securities and other instruments, including those with their own characteristic risks.

Leverage. Certain AnchorPath strategies may utilize leverage. Leverage involves the use of borrowed funds, typically as margin, to increase the amount of invested capital in a portfolio's positions. The use of leverage may amplify both gains and losses roughly in proportion to the amount of leverage employed. For example, at a leverage ratio of two-to-one, a 10% loss in portfolio value can result in an approximately 20% loss of the Client's equity capital.

Short Selling. Short selling may be employed in some AnchorPath strategies. Selling securities short involves selling securities that were not previously purchased. Securities sold short must be bought later in order to close out the short position. Because there is no limit as to how high a security's price may climb, short selling involves a potential risk of loss greater than the initial investment.

Conflicts of Interest. Portfolio manager(s) have management responsibility for other accounts, which may create the potential for conflicts to arise. Even though all accounts in the same

investment style are managed similarly, portfolio manager(s) can make investment decisions for each account based on the investment guidelines, cash flows, and other factors that the manager believes are applicable to that account. Consequently, the portfolio manager(s) may purchase (or sell) the same security for multiple accounts at the same time or at different times. The portfolio manager(s) may also manage certain accounts whose style, objectives, and policies differ from other accounts. A potential conflict may also arise when the portfolio manager(s) is responsible for accounts that have different advisory fees – the difference in the fees may create an incentive for the portfolio manager(s) to favor one account over another. This conflict may be heightened where an account is subject to a performance-based fee. A portfolio manager's personal investing may also give rise to potential conflicts of interest. AnchorPath has adopted brokerage, trade allocation, personal investing and other policies and procedures that it believes are reasonably designed to address the potential conflicts of interest described above.

Specific risks relating to each Fund are more fully described in the Fund Summary and the 7/4 PPM furnished to the Investors.

Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with AnchorPath and their own financial advisors.

Please refer to AB Part 2: Item 8 for additional information.

Item 9 – Disciplinary Information

There are no legal, regulatory or disciplinary events involving AnchorPath or any of its employees. AnchorPath and its advisory personnel value the trust Clients place in us. As we advise all Clients, we encourage Clients to perform the requisite due diligence on any advisor or service provider. Backgrounds of AnchorPath's advisory personnel are on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

Please refer to AB Part 2: Item 9 for additional information.

Item 10 – Other Financial Activities and Affiliations

AnchorPath, in its fiduciary duty to its Clients, will seek to always act in the best interests of its Clients. Our controlling shareholder, AB, is an investment adviser registered with the SEC under the Advisers Act.

Please refer to AB Part 2: Item 10 for additional information.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

All AnchorPath employees are required to follow AB's Code of Business Conduct and Ethics (the "Code" and "Code of Ethics").

The Code summarizes the firm's values, ethical standards, and commitment to address potential conflicts of interest that arise from investment management activities. Policies and procedures have been designed to implement the principles in the Code.

Please refer to AB Part 2: Item 11 for more information.

The Code can be viewed at www.alliancebernstein.com or a copy may be obtained from AB-PCI by writing to the Chief Compliance Officer, 1345 Avenue of the Americas, New York, NY 10105.

Item 12 – Brokerage Practices

A. Recommendation of a Broker-Dealer or custodian

Separately Managed Accounts

AnchorPath does not have discretionary authority to select the broker-dealers and/or custodians for custodial and execution services for its Separately Managed Accounts. The Client will select the broker-dealer or custodian to safeguard Client assets and authorize AnchorPath to direct trades to that broker-dealer and custodian as agreed in its Investment Management Agreement. Further, AnchorPath does not have the discretionary authority to negotiate commissions on behalf of its Clients on a trade-by-trade basis. Clients are advised that their selection of a broker-dealer may involve higher commission charges than if another brokerage firm were employed.

Where AnchorPath does not exercise discretion over the selection of a broker-dealers and/or custodians, it may recommend broker-dealers and/or custodians to Clients for execution and/or custodial services. Clients are not obligated to use the recommended broker-dealer or

custodian and will not incur any extra fee or cost associated with using a broker or custodian not recommended by AnchorPath. AnchorPath may recommend a broker-dealer based on criteria such as, but not limited to, integrity and reputation, quality of execution, reasonableness of commissions, services made available to the Client, and location of its offices. AnchorPath does not receive research services, other products, or compensation as a result of recommending a particular broker that may result in the Client paying higher commissions than those obtainable through other brokers. Clients are advised, however, that a broker-dealer may be recommended by AnchorPath based upon a variety of factors, including those mentioned above, and accordingly such broker-dealer may not necessarily charge the lowest commission rates available. In recommending broker-dealer(s), AnchorPath is not obligated to select competitive bids on securities transactions or to seek the lowest available transaction costs. The broker-dealer(s) selected by the Client will determine these costs.

Private Investment Funds

AnchorPath has the authority to select broker-dealers to execute all securities transactions for Private Investment Funds. Interactive Brokers LLC currently acts as prime broker for Private Investment Funds (the “Prime Broker”) and as such is allocated a major portion of the Fund’s securities transactions. AnchorPath may utilize a number of broker-dealers, in addition to the Prime Broker, to effect transactions for the Funds. Broker-dealers are selected based upon, among other things, the amount of commission, quality of execution, expertise in particular markets, the reputation, experience and financial stability of the firm, investment research provided by the firm, availability of margin or other leverage, familiarity with the Fund’s investment strategy and techniques, special execution capabilities or other services provided to the Funds. All brokerage allocations are subject to principles of best execution.

B. Certain Brokerage Practices

Soft Dollars - Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services. Although AnchorPath has no current intention to do so, it reserves the right to enter into soft dollar arrangements with broker-dealers in the future (including the Prime Broker), provided, however, that the same comply with the “safe harbor” provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended.

Brokerage Referrals - AnchorPath does not receive any compensation from any third party in connection with the recommendation for establishing a brokerage account.

Directed Brokerage - All Separately Managed Account Clients are serviced on a “directed brokerage basis”, where AnchorPath will place trades with the broker-dealer(s) designated by the Client. Further all Client accounts are traded within their respective brokerage account(s). The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor’s own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client’s account(s)).

C. Aggregating and Allocating Trades

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results, taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the broker. AnchorPath will execute its transactions through unaffiliated broker-dealer(s) selected by the Client (or by unaffiliated broker-dealer(s) selected by AnchorPath, in the case of the Private Investment Funds). AnchorPath may aggregate orders in a block trade or trades when securities are purchased or sold through the same broker-dealer for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation. This must be done in a way that does not consistently advantage or disadvantage particular Client accounts. When executing a block trade, the trade order identifies the group of Client accounts participating in the order.

Please refer to AB Part 2: Item 12 for additional information.

Item 13 – Review of Accounts

A. Frequency of Reviews and Causes for Reviews

Accounts are monitored by AnchorPath personnel. Client reviews are conducted at the Client’s request.

Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client’s financial situation, and/or large deposits or withdrawals in the Client’s account. The Client is encouraged to notify AnchorPath if changes occur in his/her personal financial situation that might affect his/her investment objectives. Additional reviews may be triggered by material market, economic or political events.

B. Review Reports

The Client will receive brokerage statements no less than quarterly from the trustee or custodian. These brokerage statements are sent directly from the custodian to the Client. The Client may also establish electronic access to the custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account(s). AnchorPath may supplement brokerage statements with additional account and performance details.

Item 14 - Client Referrals and Other Compensation

A. Compensation Received by AnchorPath

AnchorPath is a fee-only advisor that is compensated solely by the Client for investment advisory services. AnchorPath does not receive securities commissions or other compensation from product sponsors, broker-dealers or any unrelated third party for securities transactions.

B. Client Referrals from Solicitors

AnchorPath may from time to time engage paid solicitors for Client referrals. Payment of referral fees by a registered advisor to persons who solicit advisory clients is permitted only in accordance with Rule 206(4)-3 of the Advisers Act (the "Cash Solicitation Rule"). The solicitation of new clients to the firm by third parties is subject to rules and conditions that will be followed by the Advisor. This includes ensuring that the Solicitor is not in violation of securities regulations, having the Advisor keep a copy of the solicitor agreement on file, and that the appropriate brochures and disclosure documents have been exchanged prior to, or at the time of, executing an advisory agreement. To the extent that the Advisor does engage a Solicitor, the Solicitor will be supervised by the Advisor's CCO, or another employee as directed by the CCO, to ensure the Advisor remains in compliance with the Advisers Act and applicable rules.

Please refer to AB Part 2: Item 14 for additional information on Solicitor Agreements.

Item 15 - Custody

AnchorPath does not accept or maintain physical custody of any Client accounts. All Clients must place their assets with a qualified custodian. Clients are required to select their own custodian to retain their funds and securities and direct AnchorPath to utilize that custodian for the Client's security transactions.

Interactive Brokers LLC currently acts as the Funds' clearing firm and custodian and will continue to do so for so long as it serves as their Prime Broker. However, on account of AnchorPath's ability to control Fund assets, it may be deemed to have "constructive custody" of such assets. In that regard, AnchorPath complies with an exemptive provision in the SEC's custody rule (Rule 206(4)-2 under the Advisers Act) that relieves it of certain custody obligations. Under this exemption, the Investors, as limited partners, will receive annual audited annual financial statements of the applicable Fund.

For more information as to custodians and brokerage practices, see "Item 12 - Brokerage Practices".

Please refer to AB Part 2: Item 15 for more information.

Item 16 – Investment Discretion

AnchorPath generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by AnchorPath. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an Investment Management Agreement containing all applicable limitations to such authority. All discretionary trades made by AnchorPath will be in accordance with each Client's investment objectives and goals. Similar to other Client accounts where AnchorPath has discretion over the securities to be bought and sold, AnchorPath as investment advisor to the Funds will exercise similar discretion over the selection and amount of securities to be bought and sold for the Funds.

Please refer to AB Part 2: Item 16 for more information.

Item 17 – Voting Client Securities

Separately Managed Accounts

AnchorPath does not accept proxy-voting responsibility for Clients. Each Client retains the sole authority and responsibility to determine if and how a particular proxy should be voted. Proxy materials will be sent directly to the Client from its custodian, as part of the Client's separate agreement with the custodian. Clients may contact AnchorPath with questions relating to proxies, but the Clients retain the sole authority for all voting matters.

Private Investment Funds

AnchorPath will vote proxies on behalf of the Funds. The Advisor receives notice of upcoming proxy votes, meeting and record dates, and other information on upcoming corporate actions. The Advisor shall review each proxy and vote such proxies in the best interest of the Funds and its partners and shall not subrogate the Funds' interest to its own. The Advisor votes each proxy on its specific merits and does not have default voting standards.

Please refer to AB Part 2: Item 17 for more information.

Item 18 – Financial Information

Neither AnchorPath nor its management is aware of any adverse financial situations that would reasonably impair the ability of AnchorPath to meet all obligations to its Clients. Neither AnchorPath, nor any of its advisory persons, has been subject to a bankruptcy or financial compromise. AnchorPath is not required to deliver a balance sheet along with this Disclosure Brochure as the firm does not collect advance fees of \$1,200 or more for services to be performed six months or more in advance.