



U.S. Capital Advisors®

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**FIRM BROCHURE
FORM ADV – PART 2A and 2B**

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This brochure provides information about the qualifications and business practices of USCA Asset Management LLC. If you have any questions about the contents of this brochure, please contact our Chief Compliance Officer, Courtney Bowling, at (512) 813-1122 and/or via electronic mail at cbowling@uscallc.com. Additional information about USCA Asset Management LLC is also available via the SEC's website at www.adviserinfo.sec.gov. 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.

Item 2. Material Changes

This summary of material changes is part of our annual amendment. Since our last update on September 16, 2020, this document has been amended as follows:

- Updated information regarding assets under management.
- Amended references to SHLDX to reflect the fund's name change, the fact that USCA Asset Management is now serving as a sub-adviser to the fund, and that transactions are no longer executed through USCA Securities, LLC.

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Item 4. Advisory Business

USCA Asset Management LLC (“USCA”) was formed in 2008 under the laws of the State of Texas. USCA (f/k/a Condera Advisors, LLC) was acquired by U.S. Capital Advisors, LLC (“US Capital”) on October 1, 2013. US Capital is a Houston-based wealth management firm, substantially owned by its employees. More information on US Capital can be found at www.uscallc.com. USCA manages the USCA All Terrain Fund (“ATF”), a closed-end mutual fund, and is a sub-adviser to the Ziegler FAMCO Hedged Equity Fund (“SHLDX”), an open-end mutual fund, each registered under the Investment Company of 1940, as amended (the “Investment Company Act”). USCA also manages USCA Absolute Return Strategies (“ARS”) a private, unregistered fund (collectively herein such USCA managed funds are referred to as the “USCA Funds”). ARS and ATF pursue their investment objectives through investments in other unaffiliated funds or with other unaffiliated advisers, and SHLDX pursues its investment objective through investments in publicly traded securities directly, in each case as more fully described below. As of December 31, 2020, USCA advised on approximately \$102 million in assets.

Throughout this Brochure, we disclose a number of conflicts of interest and provide summaries of a number of our policies and procedures designed to detect and address these conflicts and others. In addition, conflicts of interest and specific risks related to a USCA Fund are identified in the offering materials for that fund.

Item 5. Fees and Compensation

For its services to ATF, USCA receives an annual management fee of 0.75%, payable monthly in arrears, and for its services to ARS, an annual management fee of 1.0%, payable quarterly in advance, in each case as disclosed in the offering material for that fund. For its services to SHLDX, USCA receives 0.2574% on net assets over \$25 million in the fund. USCA may, in its sole discretion, waive or reduce the management fee payable by any investor in ARS.

Please note that where representatives of USCA or its affiliates recommend an investment in a USCA Fund, a conflict is present between the representative’s and firm’s obligation to act in the best interests of the client and the interest in generating fees for themselves and the firm or in otherwise promoting and raising assets for a USCA Fund. Portfolio managers of USCA Funds also provide advisory or brokerage services to clients of USCA or its affiliates. As such, each of these portfolio managers recommend that some clients invest in a USCA Fund, including a USCA Fund for which they act as the portfolio manager. Such recommendations present conflicts between a representative’s obligation to act in the best interests of his or her client and generating fees or otherwise promoting and raising assets for a USCA Fund. In an attempt to mitigate such conflicts, where a representative recommends that a client invests in any USCA Fund where such representative receives a portion of the USCA Fund fees associated with such investment, the representative will not charge the client an additional advisory fee. USCA Fund Fees may be higher than fees charged by similar, unaffiliated funds. Before investing in any USCA Fund, clients should carefully review all fees, expenses and charges involved with the fund, as disclosed in the offering material for the fund. Clients should also carefully review any conflicts involving their representative independently of the representative prior to making any investment decision regarding a USCA Fund.

The management fees received by USCA cover the provision of its services to the USCA Funds only. These fees do not include the fees, costs and expenses charged by any investment fund or other investment manager(s) to a USCA Fund or in which or with whom a USCA Fund invests, redemption charges and penalties, costs and expenses incidental to the operation, administration, dissolution, winding-up or termination of a USCA Fund, organizational costs and expenses of a USCA Fund, the costs associated with effecting transactions on behalf of a USCA Fund, including (without limitation) clearing and execution fees and commissions, “mark-ups”, “mark-downs” and “dealer spreads”, trade-away fees, exchange and SEC fees, transfer taxes, postage fees, auction fees, foreign clearing, settlement and custodial fees, margin interest, costs associated with exchanging foreign currencies, odd-lot differentials, account inactivity fees, wire transfer charges, other account fees, fees and taxes required by law, and any other fees that may be imposed by a third party, including, without limitation, any administrator, transfer agent, custodian, accountant, tax preparation firm or broker-dealer. These fees and charges will be directly or indirectly borne by each USCA Fund. Please refer to the section on “*Brokerage Practices*” for additional information.

USCA believes that its management fees are competitive with those charged by other investment advisors for comparable services. Comparable services may be available, however, from other sources for lower fees than those charged by USCA.

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

Not applicable.

Item 7. Types of Clients

USCA provides advisory services to pooled investment vehicles. USCA requires a minimum investment in ATF and ARS, ranging from \$10,000 to \$500,000; however, these minimums are subject to USCA's right to accept lesser amounts, in its sole discretion. USCA requires investors in ATF and ARS to make representations concerning their sophistication as investors and their ability to bear the risk of loss of their entire investment in the fund.

Item 8. Methods of Analysis, Investment Strategies and Risk of LossMethods of Analysis

Each USCA Fund is USCA's client and advice is not tailored for investors in a USCA Fund. With respect to its multi-manager funds, USCA invests with investment managers and/or in investment funds that invest in a range of securities issued by U.S. and non-U.S. issuers, including (but not limited to) equities, fixed income, commodities, and swaps, futures, forwards, options and other derivative instruments. These investments may be listed on an exchange, traded over-the-counter or not traded at all. In the case of other its other fund(s), USCA invests in equity, fixed income, options and other securities directly. In these instances, USCA's research is generally limited to public information about the issuer and the security in question, certain financial metrics (e.g., price-to-free cash flow, dividend yield, price-to-book, etc.), and research published by third parties (including, in the case of fixed income securities, rating agencies). Investing in securities involves risk of loss that clients should be prepared to bear.

USCA employs both a returns-based, quantitative process as well as a qualitative process in selecting managers and funds. The quantitative process is meant to identify managers and funds that have a potential ability to outperform their peers and/or the markets in which they invest. This process suffers from the risk that the historical returns being compared may not be indicative of future returns (past performance in no way guarantees future results) or may be fabricated, or that a change in investment personnel, investment strategy, opportunity set, the markets generally or other factors may result in the historical returns becoming irrelevant and potentially misleading in the context of future returns. Additionally, this process also suffers from the possibility that the managers/funds being compared may not be employing similar strategies and accordingly, the comparison is of little value. In these instances, this may result in the selection of a manager/fund whose performance is not repeatable in the future, or who did not perform well relative to its peers. In an attempt to address some of these risks, USCA employs a qualitative process which, through dialogue with the fund or manager, USCA attempts to discern their methods of analysis and investment strategies, and the risks associated with these analysis and strategies. Additionally, USCA will conduct a review of the relevant materials provided by the investment manager or fund (for example, legal documentation, marketing presentations, monthly/quarterly letters, regulatory filings and financial statements), and if necessary, conduct reference, service provider, background and other checks to ascertain the integrity of the manger/fund. While the qualitative process is meant to determine a manager's or fund's investment strategy and the risks associated therewith, as well as develop an assessment of the manager's integrity and the manager's/fund's operational and business risks, USCA may fail to accurately identify one or more of these or other risks, which may subject a USCA Fund to losses on these investments. It should be noted that there have been a number of high profile instances where investors in private investment funds have suffered material losses due to an act of fraud or negligence, which may or may not have been discoverable as part of the process employed by USCA in selecting these types of investments.

Investment Strategies***Ziegler FAMCO Hedged Equity Fund (SHLDX)***

SHLDX is a Delaware statutory trust that is registered under the Investment Company Act, as an open-end management investment company. SHLDX seeks growth of capital and income. SHLDX seeks to achieve its investment objective by investing in common stocks of large-cap companies and exchange-traded funds that invest primarily in large-cap common stocks. SHLDX defines large-cap as companies with market capitalizations in excess of \$5 billion. SHLDX sells (writes) call options on a majority of these stocks and exchange-traded funds to shield SHLDX from some of the risk associated with these investments and to generate additional returns to the extent of the call option premium received. Under normal circumstances, SHLDX

invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities and derivatives and other investments that have economic characteristics similar to equity securities.

SHLDX may also purchase and sell exchange traded put options, employing an option overlay known as a “Put/Spread” strategy in order to provide additional downside protection and risk-reduction. The options may be based on the S&P 500 Index or on ETFs that replicate the S&P 500 Index (S&P 500 ETFs). The combination of the diversified portfolio of equity securities, the downside protection from index put spread and the income from the call options is intended to provide SHLDX with a portion of the returns associated with equity market investments while exposing investors to less risk than traditional long-only equity strategies (strategies that do not employ call or put options).

USCA Absolute Return Strategies (ARS)

ARS is a Delaware limited partnership that is not registered as an investment company under the Investment Company Act. ARS seeks to achieve enhanced risk-adjusted returns that are uncorrelated to the U.S. equity and fixed-income markets (as measured by the Standard & Poor’s 500 Index and the Barclays Aggregate Bond Index, respectively), while preserving capital. ARS is invested in a small group of investment funds whose managers utilize one or more non-traditional investment or trading strategies, including, without limitation, relative value, event driven and long/short equity strategies. The investment strategy is designed to earn a positive return while guarding against significant loss. ARS is no longer offered to new investors.

USCA All Terrain Fund (ATF)

ATF is a Delaware statutory trust that is registered under the Investment Company Act, as a closed-end, non-diversified management investment company. ATF seeks long-term risk-adjusted returns that are attractive as compared to those of traditional public equity and fixed income markets. ATF pursues this investment objective using a multi-manager, fund-of-funds approach by investing predominantly in non-affiliated collective investment vehicles, including privately-offered investment funds commonly known as “hedge funds” and publicly traded funds, including exchange-traded funds and mutual funds, which utilize one or more investment or trading strategies, including, without limitation, long-only equity and/or fixed income, relative value, event driven, long/short equity and/or fixed income, managed futures and global macro strategies.

Set forth below is a description of six broad categories of investment strategies in which USCA may invest a multi-manager USCA Fund’s assets. In addition to the investment strategies and risks referred to below, USCA may elect to invest in investments employing different investment strategies with different risks. Investment managers may take a discretionary or systematic approach in executing their investment strategy, meaning that the decision to buy or sell an investment will ultimately be made by the manager (discretionary) or will be dictated by a quantitative or other process and not the manager (systematic).

The success of any strategy will generally depend on, among other things, the ability to identify overvalued and undervalued investment opportunities and trends in the marketplace, and exploit them in the capital markets. This involves a high degree of uncertainty, and no assurance can be given that an investment manager will be able to do so. Additionally, a reduction in the volatility and pricing inefficiency of the markets in which an investment manager may seek to invest, as well as other market factors, may limit the success of their strategy.

Relative Value

Relative value strategies attempt to take advantage of relative pricing discrepancies between various instruments, including equities, debt, options and futures. Investment managers may use mathematical, fundamental or technical analysis to determine mis-valuations. Securities may be mispriced relative to an underlying security, related securities, groups of securities, or the overall market. Relative value investments may be available only cyclically or not at all. Furthermore, if assumptions used in the research and analysis of relative value investments are incorrect or if the model used to evaluate investments is flawed, relative value strategies may be unsuccessful. Sub-strategies include the following:

- ***Equity Market Neutral or Statistical Arbitrage.*** Investment funds that employ equity market neutral or statistical arbitrage strategies purchase certain equity securities and simultaneously sell short other equity securities in an attempt to isolate risk to the relative value of one security or basket of securities as compared to another security or basket of securities and eliminate general market risk. Generally, investment managers who use fundamental analysis to establish

the relative values of the securities in their portfolios are categorized as equity market neutral, while those who use quantitative models to establish the relative values are categorized as statistical arbitrage.

- *Capital Structure Arbitrage* is utilized by investment managers to exploit perceived pricing inefficiencies within a company's capital structure. Investment managers employing capital structure arbitrage analyze the various securities issued by a company, including common and preferred equity, convertible securities, various forms of senior and junior (typically unsecured) debt, and then establishes a long position in a security that is more attractive on a relative basis to another security in which a short position is established. In a successful trade, the long security appreciates in price relative to the shorted security and the investment manager then closes the trade at a profit. This strategy is market neutral because it can be profitable even if both securities decline in value (as long as the shorted security declines more than the purchased security). Companies that are distressed are often targets of this strategy because of the potential for significantly different recovery values for different types of securities in the event of a bankruptcy, but healthy companies with complex balance sheets are also fertile ground for capital structure arbitrage trades.
- *Convertible Arbitrage* involves the purchase of a convertible debt or preferred equity instrument (an instrument that is effectively a bond or has a fixed obligation of repayment with an embedded equity option, non-detachable warrant or equity-linked or equity-indexed note) concurrent with the short sale of, or a short over-the-counter derivative position in, the common stock of the issuer of the debt instrument. Investment returns are driven by a combination of an attractive coupon or dividend yield, interest on the short position and the level of the underlying stock's volatility (which directly affects the option value of the security's conversion feature).
- *Volatility Arbitrage* entails the use of derivative investments and can be used on both a stand-alone basis and as a hedging strategy in conjunction with other investment strategies. As a stand-alone strategy, domestic or global index options and/or options on futures contracts are used to exploit anomalies in the pricing of volatility in related assets. There are several well-defined related securities and/or asset classes that volatility arbitrage investment managers typically follow to determine when they are out of their historical trading ranges. By continually monitoring these relationships, the manager can identify when the securities or asset classes trade out of their normal trading range and can put a trade on when there has not been a fundamental, or exogenous, change in the relationship. As an adjunct strategy, these same derivative instruments can be used to manage risk and enhance returns on investments made utilizing other strategies. Use of derivatives often relies on extensive quantitative modeling, volatility estimation and proprietary in-house trading models.
- *Fixed Income Arbitrage* is designed to identify and exploit anomalous (typically based on historical trading ranges) spreads in the prices of functionally equivalent or substitutable securities. Such disparities, or spreads, are often created by imbalances in supply and demand of different types of issues (for example, 5-Year Agencies relative to 5-Year U.S. Treasuries). An example of a fixed income arbitrage position consists of a long position in the higher yield, lower priced, security and a short position in the lower yield, higher priced security. For example, Agencies of a similar duration to U.S. Treasuries have over time established a relatively well-defined trading range and carry a higher interest rate or yield. When Agencies trade at a discount to this range (e.g., when there is discussion about whether Agencies should continue to receive a U.S. government guarantee), Agencies will trade at a higher than normal discount to U.S. Treasuries (reflected by a higher current yield in Agencies). Accordingly, an investment manager may buy the Agencies and then short the U.S. Treasuries. If the spread narrows or becomes more in line with historical norms, the manager generates a profit by closing its position. In general, these fixed income investments are structured with the expectation that they will be non-directional and independent of the absolute levels of interest rates. As this interest rate exposure is hedged out, these strategies generally exhibit little to no correlation to the broader equity and bond markets. There can be no assurance that any hedging techniques will be successful or that the hedging employed by an investment manager will not have the negative effect of lowering overall returns, or creating losses, in the portfolio or with respect to the applicable position. Investment banks may allow an investment fund to use significant leverage in these positions (particularly if the instruments are investment grade corporate securities or government securities). Depending on the level of leverage and the duration of the long position, the resulting loss of capital could be significant.

Event Driven

Event-driven strategies are designed to profit from price changes in securities of companies facing a major corporate event. The goal of an event-driven strategy is to identify securities, which may include common or preferred stock as well as many types of debt, with a favorable risk-reward ratio based on the probability that a particular event will occur. Such events include mergers and acquisitions as well as restructurings, spin-offs and significant litigation (e.g., tobacco or patent litigation). Sub-strategies include, without limitation, the following:

- *Merger or Risk Arbitrage* involves taking short and long investment positions, respectively, in the stock of acquiring and target companies upon the announcement of an acquisition offer. Acquisitions are typically paid for in stock, cash or a combination thereof. Thus, when an acquisition is announced, the acquiring company (“**Acquirer**”) will establish a price per share of the company being acquired (“**Target**”) in cash (per share cash price), stock (a share ratio is established) or a combination thereof. Typically, the Target traded for less than the price being paid (in either cash or stock) prior to the announcement. When the announcement is made, the Target’s stock price will typically increase but still trade at a discount to the price being offered by the Acquirer. This discount – and the size of the discount – is principally a function of three factors: (a) the risk that the acquisition will close, (b) the timeframe for closing (i.e., the time value of money) and (c) the amount of liquidity or capital being deployed by merger arbitrageurs and other investors. Accordingly, if a merger arbitrageur or investor believes that the risk of the acquisition not closing is not significant relative to the returns that can be generated by the “spread” between the current stock price of the Target and the price being offered by the Acquirer, the merger arbitrageur or investor will generally buy shares of the Target and short shares of the Acquirer in a stock for stock transaction. When the deal closes, the risk premium vanishes and the profit is the spread. This strategy is somewhat cyclical, since it requires a supply of corporate mergers and acquisitions to deploy capital.
- *Distressed or Special Situations.* Distressed investments include investments in securities issued by companies that are experiencing difficult business conditions, including bankruptcy. In many cases, securities issued by these types of companies over-correct and trade at levels below their value in a liquidation or acquisition scenario. Special Situations investments are similar to distressed investments in that they are typically made in securities that the buyer perceives to be undervalued for one reason or another; however, these companies are not in, and do not appear to be on the brink of, bankruptcy. An example of a special situations trade is the purchase of a security issued by a company that an investment manager believes is a likely acquisition target.

Substantial transaction failure risks are involved in event-driven strategies. Similarly, substantial risks are involved in investments in companies facing negative publicity or uncertain litigation. Thus, there can be no assurance that any expected transaction will take place, that negative publicity will not continue to affect a company or that litigation will be resolved in a company’s favor. Certain transactions are dependent on one or more factors to become effective, such as market conditions which may lead to unexpected positive or negative changes in a company profile, shareholder approval, regulatory and various other third party constraints, changes in earnings or business lines or shareholder activism as well as many other factors. No assurance can be given that the transactions entered into will result in a profitable investment or that it will not result in substantial losses.

Long/Short Equity and Fixed Income

Long/short equity/fixed income strategies generally seek to produce returns from investments in the global equity and/or fixed income markets. These strategies are generally focused on absolute returns and the trades implemented in the strategy generally capitalize on the Underlying Fund Manager’s views and outlooks for specific markets, regions, sectors, or securities. While these strategies involve both long and short positions in various equity and/or fixed income securities, the Underlying Fund Manager’s positions will generally reflect a specific view about the direction of a market. Unlike traditional equity or fixed income funds, the directional view relates less to the absolute direction of the market and more toward the specific positions (longs versus shorts) held within a portfolio (nonetheless, an Underlying Fund Manager may take a directional position that relates to the absolute direction of the market). In addition to making shifts in markets, regions, sectors or securities, Underlying Fund Managers have the flexibility to shift from a net long to a net short position, but in general will maintain a net long exposure. An exception is for those Underlying Fund Managers that are classified as short sellers, who maintain a consistent net short exposure in their portfolio, meaning that significantly more capital supports short positions than is invested in long positions (if any is invested in long positions at all). Unlike long positions, which one expects to rise in value, short positions are taken in those securities the portfolio manager anticipates will decrease in value. Long/short equity/fixed income Underlying Fund Managers may be generalists or may specialize in various areas, including, but not limited to, market sectors, geographies, or a certain

segment of the market. There can be no assurance that the valuation assumptions utilized in establishing a long and/or short position in a particular security will prove to be correct or that the strategy will be implemented correctly.

Long Equity and Fixed Income

Similar to long/short equity and/or fixed income described above, Underlying Fund Managers employing this strategy generally do not engage in short selling or hedging of the market risks associated with their investments, but rather inherent in these strategies is the risk associated with the equity and/or fixed income markets as a whole, in addition to the risks described in “Long/Short Equity and Fixed Income” described above. In certain instances, an Underlying Fund Manager may raise cash as a means of taking a negative view on the market in an attempt to mitigate a portion of the market risk associated with this strategy.

Managed Futures

Managed futures strategies involve speculative trading in futures, forwards and options thereon. Alternative Investment managers may trade portfolios of instruments in U.S. and non-U.S. markets in an effort to capture passive risk premiums, and attempt to profit from anticipated trends in market prices. These investment managers generally rely on either technical or fundamental analysis or a combination thereof in making trading decisions and attempting to identify price trends. They may attempt to structure a diversified portfolio of liquid futures contracts, including, but not limited to, stock index, interest rate, metals, energy and agricultural futures markets. Participation in a market that is either volatile or trendless could produce substantial losses for an investment fund. Failure to identify trends or to exit a market position after a trend matures could also produce substantial losses for an investment fund.

Global Macro

Global macro strategies typically seek to generate income and/or capital appreciation through a portfolio of investments focused on macro-economic opportunities across numerous markets and instruments. These strategies rely on the use of, among other things, cash and derivative markets, each of which bear their own risks, as well as certain assumptions about global macro-economic trends. There can be no assurance that these macro-economic assumptions will prove to be correct. Global macro managers may employ relative value, event driven, long/short and other strategies or trading approaches. Trading positions are generally held both long and/or short in both U.S. and non-U.S. markets. Global macro strategies are generally categorized as either discretionary or systematic in nature and may assume aggressive investment postures with respect to position concentrations, use of leverage, portfolio turnover, and the various investment instruments used.

Investment strategies will evolve over time due to, among other things, market developments and trends, the emergence of new or enhanced investment products, changing industry practice and/or technological innovation. As a result, the strategy descriptions discussed above may not reflect the investment strategies actually employed by any investment manager.

NO GUARANTEE OR REPRESENTATION IS MADE THAT THE INVESTMENT PROGRAM OF ANY INVESTMENT WILL BE SUCCESSFUL, THAT THE VARIOUS INVESTMENTS SELECTED WILL PRODUCE POSITIVE RETURNS OR THAT ANY INVESTMENT FUND WILL ACHIEVE ITS INVESTMENT OBJECTIVE.

Material Risks

The investment strategies employed by USCA involve significant risk related to: (i) the investments being made by the USCA Funds and the underlying investments made by the funds and managers in which or with whom the USCA Funds invest; (ii) the structure of the USCA Funds and risks associated with use of underlying investment funds and investment managers; and (iii) a variety of other significant risks. For a complete description of the risks involved with each strategy employed by a USCA Fund, please see the applicable offering documents which contain an expansive review of the risks involved. Each investor is provided with such risk disclosure in the offering documents prior to their investment in the relevant USCA Fund. In addition to the risks set forth in the offering documents, please note the following risks with respect to the multi-manager USCA Funds:

- *Manager Risk.* USCA’s multi-manager approach is subject to manager risk. Manager risk encompasses the possibility of loss due to an underlying manager’s fraud, intentional or inadvertent deviations from a predefined investment strategy (including excessive concentration, directional investing outside of predefined ranges, excessive leverage or new capital

markets), or simply poor judgment. During the lifetime of a USCA Fund, there could be material changes in one or more underlying managers, including changes in control, initial public offerings and mergers. The effect of such changes on an underlying manager cannot be predicted but could be material and adverse. Given the limited liquidity of the underlying investment funds, a USCA Fund may not be able to quickly alter its portfolio allocation in response to any such changes, resulting in substantial losses from manager risk.

There can be no assurance that what is perceived by USCA or the underlying managers in which USCA may invest a USCA Fund's assets as an investment opportunity will not, in fact, result in substantial losses due to one or more of a wide variety of factors. From time to time, the economic viability of an entire strategy may deteriorate, due to excessive concentration of investors implementing the same approach or general economic events that disrupt the source of profits which the strategy seeks to exploit. USCA can only be successful if the underlying managers are able to invest successfully, and there can be no assurance that this will be the case.

- *Multiple Levels of Fees and Expenses; Manager Performance Fees.* Each USCA Fund will incur management, performance, advisory, sponsorship and/or other fees and expenses when investing in or allocating assets to underlying managers. Further, if the underlying managers invest in exchange-traded funds or similar managed products, each USCA Fund will be subject to the fees and costs associated with such investments. In addition, an underlying manager's performance fees are generally paid on a quarterly or annual basis, and therefore, an underlying manager could receive performance fees for a period even though its trading for the year was unprofitable. Once a performance fee is paid, the underlying manager generally retains the fee regardless of subsequent performance. Performance fees will be calculated separately for each underlying manager, so a USCA Fund could pay substantial performance fees to an underlying manager whose performance has been positive even when such USCA Fund as a whole has a loss.

IT IS IMPORTANT THAT INVESTORS REFER TO THE RELEVANT GOVERNING DOCUMENTS FOR A COMPLETE UNDERSTANDING OF THE RISKS ASSOCIATED WITH THE APPLICABLE INVESTMENT STRATEGY EMPLOYED BY A USCA FUND. THE INFORMATION CONTAINED HEREIN IS A SUMMARY ONLY AND IS QUALIFIED IN ITS ENTIRETY BY SUCH DOCUMENTS. INVESTMENTS IN USCA FUNDS ARE MEANT FOR FINANCIALLY SOPHISTICATED INVESTORS WHO CAN BEAR A TOTAL LOSS OF THEIR INVESTMENT AND THE LIQUIDITY CONSTRAINTS OF THE APPLICABLE USCA FUND.

Item 9. Disciplinary Information

Not applicable.

Item 10. Other Financial Industry Activities and Affiliations

Other financial industry affiliates of USCA, under common control of the parent company, US Capital, include: USCA Securities LLC, a registered broker-dealer and member of FINRA and SIPC; USCA RIA LLC, an SEC registered investment advisor; USCA Investment Holdings LLC; USCA Insurance Agency LLC; USCA Municipal Advisors LLC; USCA LL&B Co-Investment GP LLC; USCA BPCAP GP LLC; USCA SEVGEN GP LLC; USCA LL&B Co-Investment II GP LLC; USCA CR Fund II GP LLC; USCA Badger Midstream Management Company LLC; USCA Resource Minerals Co-Investment I GP LLC, USCA Tailwater Midstream GP LLC, USCA Real Estate Ventures GP I LLC, and USCA Fifth Corner Property Fund GP LLC. USCA Investment Holdings LLC provides merchant banking services, and USCA Insurance Agency LLC facilitates the offering of certain limited insurance products from major carriers. It does not conduct any independent insurance business or offer its own insurance products. USCA Municipal Advisors LLC provides financial advisory services to municipalities and other governmental entities. The balance of the entities listed above are entities formed by US Capital to facilitate investments in select private equity and real estate deals.

Representatives of USCA are also registered representatives of USCA Securities. USCA Securities uses National Financial Services LLC, a Fidelity Investments Company ("NFS"), to execute portfolio transactions and custody client assets. USCA Securities receives compensation in connection with brokerage services provided either directly by USCA Securities or through its relationships with NFS. Accordingly, USCA and its representatives have an incentive to use USCA Securities over other similar service providers.

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

USCA has implemented a Code of Ethics as required by Rule 204A-1 under the Investment Advisers Act of 1940. The Code of Ethics contains provisions that remind employees of their obligations to clients and to comply with federal securities laws, set forth standards of conduct, restrict personal securities trading, require reporting of personal securities transactions and holdings, and prohibit the misuse of material non-public information. One of the fundamental principles of USCA's Code of Ethics is that USCA and its representatives have a fiduciary duty to place its clients' interests first and to conduct all personal securities transactions in a manner that does not interfere with client transactions or otherwise take unfair advantage of the relationship USCA and its representatives share with their clients. USCA provides all personnel with a copy of its current Code of Ethics who are required to provide USCA with a written acknowledgement of their receipt of the Code of Ethics and understanding of its requirements. Investors in USCA Funds may obtain a copy of the Code of Ethics by contacting Courtney Bowling at (512) 813-1122 and/or via electronic mail at cbowling@uscallc.com.

USCA does not buy and sell securities for its own account or engage in principal transactions with its clients. Representatives of USCA are permitted to buy or sell securities identical or related to those recommended to clients, and therefore they may have an interest or position in such securities, which creates a conflict of interest. USCA monitors employee trading to ensure that representatives do not trade ahead of their own clients to the detriment of the client. When USCA's representatives purchase or sell securities for their own account, priority is given to their clients' transactions. USCA reviews trades in order to identify and remedy situations in which a representative traded ahead of their client to the detriment of the client. Note that employees of USCA and its affiliates may unintentionally trade ahead of USCA clients that they or their teams do not serve because they are unaware of those clients' trades.

Item 12. Brokerage Practices

USCA seeks best execution for its clients. In selecting brokers-dealers to be used and the commission rates to be paid for its clients' transactions, USCA considers a number of factors, including, transaction costs, price, clearance, settlement, ease of execution and integration with existing USCA systems, systems for monitoring client investments and regulatory compliance, reputation, financial strength and stability, and other matters involved in the receipt of brokerage services generally. USCA does not solicit competitive bids and does not necessarily seek the lowest available transaction cost (e.g., commission cost); rather it seeks to obtain the best qualitative execution available to its clients. USCA does not receive "soft dollar" benefits in connection with the execution of client transactions.

USCA does not aggregate client orders with other clients or clients of its affiliated investment adviser, USCA RIA LLC. As a result, orders may produce disparate commission charges and result in USCA's inability to obtain volume discounts or best execution for some transactions.

Item 13. Review of Accounts

Each USCA Fund is reviewed periodically at the discretion of the portfolio manager(s) for that fund, but not less than monthly. Reviews generally involve verification of compliance with investment objectives for the USCA Fund, an assessment of diversification, a review of trade allocations, particularly those involving the same security traded across multiple accounts executed on the same day, and/or an assessment of the investment performance of the USCA Fund as compared to objective performance standards (i.e., benchmarks).

In the case of ATF and ARS, investors receive monthly and quarterly statements, respectively, of estimated changes to their capital accounts and audited year-end financial statements annually. For tax reporting purposes, USCA also provides each ATF and ARS investor with the requisite tax reporting forms. With respect to ATF and ARS, USCA will not receive tax information from all underlying investment funds in a sufficiently timely manner to enable it to prepare its information returns in time for investors to file their returns without requesting an extension of the time to file from the Internal Revenue Service or state taxing agencies. Accordingly, investors in ATF and ARS will be required to obtain extensions of time to file their tax returns.

Item 14. Client Referrals and Other Compensation

Not applicable.

Item 15. Custody

By virtue of its role as general partner and/or investment manager to ARS, USCA is deemed to have custody of ARS's assets. Assets of the USCA Funds that are registered as investment companies (the "RICs") under the Investment Company Act of 1940, as amended, are maintained with qualified custodians to the extent required under the Investment Company Act. An independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, audits the USCA Funds annually. The audited financial statements of ARS are distributed to investors within 180 days after the end of its fiscal year (60 days in the case of RICs). The following serves as notification to investors in writing of the RICs' qualified custodian's name and address.

The qualified custodian for the RICs currently is:

U.S. Bank, N.A.
1555 N. Rivercenter Dr., MK-WI-S302
Milwaukee, WI 53212

Item 16. Investment Discretion

USCA, acting through its representatives that are portfolio managers of the USCA Funds, has discretionary authority to manage securities accounts on behalf of each USCA Fund consistent with the stated investment strategy of each Fund. The investment strategy of each USCA Fund is set forth in detail in such fund's offering documents.

Investors in USCA Funds do not have the ability to impose limitations on USCA's discretionary authority. Prospective investors are provided with an offering document prior to their investment and are encouraged to carefully review the offering document and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective investors in ATF and ARS are required to execute a subscription agreement, in which they make various representations, including representations regarding their suitability to invest in a high-risk investment fund.

Item 17. Voting Client Securities

USCA has adopted and implemented written policies and procedures governing the voting of securities held by ATF (ARS does not hold securities subject to proxy solicitation and proxy voting for SHLDX is handled by Ziegler Capital Management). All such proxies that USCA receives will be treated in accordance with these policies and procedures.

In order to facilitate the proxy voting process, USCA has engaged Broadridge Investor Communication Solutions, Inc. ("Broadridge"). Votes are cast through the Broadridge ProxyEdge platform ("ProxyEdge"). With the assistance of Broadridge, Egan-Jones Proxy Services ("Egan-Jones") has been selected to provide vote recommendations based on its own internal guidelines. The services provided to USCA through ProxyEdge include receipt of proxy ballots, vote execution based upon the recommendations of Egan-Jones, access to in-depth proxy research provided by Egan-Jones, and access to the analysis and voting recommendations of Egan-Jones, as well as reporting, auditing, working with custodians, and consulting assistance for the handling of proxy voting responsibilities. ProxyEdge also maintains proxy voting records and provides USCA with reports that reflect the proxy voting activities of client portfolios. USCA uses this information for appropriate monitoring of its delegated responsibilities.

Generally, USCA follows the recommendations of Egan-Jones using the automatic execution capability in ProxyEdge. However, if during the monitoring process USCA receives information that indicates the recommended vote may not be in the client's best interest, it may vote in a manner different from that recommended by Egan-Jones. When USCA's interests conflict with the interests of its clients, the recommendation of the proxy voting service will generally be followed to mitigate the conflict. However, in some cases USCA may choose to seek outside guidance regarding how to best resolve a material conflict of interest.

The registered investment companies managed by USCA may rely on exemptions requiring them to "mirror" vote certain proxies. In such cases, USCA will instruct Broadridge to vote in that manner rather than in accordance with the Egan-Jones recommendations. Additionally, USCA may employ third-party managers for all or a portion of a client's assets, and such third

parties may handle proxy voting with respect to the securities that comprise those assets. The third-party managers' proxy voting policies will be disclosed to the client.

Copies of USCA's proxy voting policies and procedures, and those of its proxy voting service providers, as well as USCA's complete proxy voting record, are available for client review. Clients should contact USCA at the phone number on the front of this document if they have any questions or if they would like to review any of these documents.

Item 18. Financial Information

Not applicable.

Item 19. Requirements for State-Registered Advisers

Not applicable.



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Houston, TX 77027

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Fax: (713) 580-1820

www.uscallc.com

This Brochure Supplement provides information about the supervised persons of USCA Asset Management, LLC which supplements the information provided in the rest of this Firm Brochure. Please contact the Firm's Chief Compliance Officer if you have any questions about the contents of this Brochure Supplement.

Philip J. Pilibosian

David Harris

Kelly Rushing

Davis Rushing

This brochure provides information about the qualifications and business practices of USCA Asset Management LLC. If you have any questions about the contents of this brochure, please contact our Chief Compliance Officer, Courtney Bowling, at (512) 813-1122 and/or via electronic mail at cbowling@uscallc.com. Additional information about USCA Asset Management LLC is also available via the SEC's website at www.adviserinfo.sec.gov. 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.

Philip J. Pilibosian was born in 1968 and serves as the portfolio manager for the USCA Absolute Return Fund, L.P. He earned a B.A., cum laude, with a major in Economics and Spanish from Vanderbilt University in 1991, a M.B.A., Beta Gamma Sigma, with a concentration in Finance from the A.B. Freeman School of Business in 1999, and a J.D., summa cum laude, from Tulane Law School in 1999, where he was a member of the Tulane Law Review. Mr. Pilibosian joined USCA in 2013 as Managing Director. Mr. Pilibosian is the portfolio manager for USCA Absolute Return Strategies, L.P., and receives compensation in connection with that role, as well as his role in overseeing the management and operation of other USCA Funds. From 2007 through 2013, Mr. Pilibosian was the President of Condera Advisors, LLC. Effective October 1, 2013, USCA acquired Condera Advisors LLC and changed the name to USCA Asset Management LLC as of July 1, 2015. Prior to joining the securities industry, Mr. Pilibosian was an associate with Mayer Brown LLP, and with Cleary, Gottlieb, Steen & Hamilton.

David Harris was born in 1956 and did undergraduate studies at Swarthmore College and Kalamazoo College. Mr. Harris serves as the portfolio manager of the USCA All Terrain Fund. He earned a Certified Investment Analyst Management (“CIMA”) certification from the Wharton School of Business at the University of Pennsylvania in 2003. Mr. Harris joined U.S. Capital Advisors, LLC as a Senior Managing Director in December 2010, before that he was a Senior Vice President/Investments with UBS Financial Services from 2004 to 2010, Smith Barney from 1989 to 2004 and Drexel Burnham from 1985 to 1989. Mr. Harris receives compensation in connection with his role as the portfolio manager of the USCA All Terrain Fund.

Kelly Rushing was born in 1945 and earned a B.A. and an M.B.A. from the University of Texas at Austin. Mr. Rushing serves as a co-portfolio manager for the Ziegler FAMCO Hedged Equity Fund (“ZHEF”). He also served as a lieutenant in the U.S. Navy. He has over 40 years of financial services experience. Prior to joining U.S. Capital Advisors, LLC in June 2015, Mr. Rushing was Vice President Wealth Management and Senior Portfolio Manager at UBS Financial Services LLC. Mr. Rushing receives compensation in connection with his role as a co-portfolio manager of the Ziegler FAMCO Hedged Equity Fund.

Davis Rushing was born in 1975 and earned a B.A. from the University of Texas at Austin and an M.B.A. from Rice University. Mr. Rushing serves as a co-portfolio manager for the Ziegler FAMCO Hedged Equity Fund (“ZHEF”). He has eleven years of industry experience. Prior to joining U.S. Capital Advisors, LLC in June 2015, Mr. Rushing was Vice President Wealth Management at UBS Financial Services LLC. Mr. Rushing receives compensation in connection with his role as a co-portfolio manager of the Ziegler FAMCO Hedged Equity Fund.

Each of the persons listed above has no material legal or disciplinary events. Each of these persons are also registered representatives of USCA RIA LLC, USCA’s affiliated investment adviser, and USCA Securities LLC, USCA’s affiliated broker-dealer. Other than their role with USCA Asset Management and its affiliates, they are not engaged in any investment related business or occupation away from USCA and its affiliates and receive no additional compensation or economic benefits for providing advisory services to persons or entities that are not clients of USCA or its affiliates.

Supervision

USCA’s supervisory processes include review of client accounts, oversight of representatives’ activities, and knowledge and familiarity with the business conducted by the representatives. Ms. Bowling, the firm’s Chief Compliance Officer, and other designated supervisors review and monitor for compliance with the firm’s Code of Ethics, advertising, and other policies.

For questions regarding USCA’s supervisory processes please contact Ms. Bowling at (512) 813-1122 and/or via electronic mail at cbowling@uscallc.com.