

FULCRUM ASSET MANAGEMENT LLP

CRD Number 137661

March 2021

This Brochure provides information about the qualifications and business practices of Fulcrum Asset Management LLP.

If you have any questions about the contents of this Brochure, please contact us at +44(0) 20 7016 6450 or email joe.davidson@fulcrumasset.com. You may also visit our website at www.fulcrumasset.com.

The information in this Brochure has not been approved or verified by the US States Securities and Exchange Commission or by any state securities authority.

Additional information about Fulcrum Asset Management LLP also is available on the SEC's website at www.adviserinfo.sec.gov and on the Financial Conduct Authority's website at www.fca.org.uk.

Fulcrum Asset Management LLP
Marble Arch House
66 Seymour Street
London
W1H 5BT

Item 1: Table of contents

Item 2: Material changes	3
Item 3: Advisory Business	3
Item 4: Fees and Compensation	4
Item 5: Performance-Based Fees	6
Item 6: Types of Clients.....	7
Item 7: Methods of Analysis, Investment Strategies and Risk of Loss	8
Item 8: Disciplinary Information	11
Item 9: Other Financial Industry Activities and Affiliations.....	12
Item 10: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	13
Item 11: Brokerage Practices	14
Item 12: Review of Accounts	15
Item 13: Client Referrals and Other Compensation	16
Item 14: Custody.....	17
Item 15: Investment Discretion	18
Item 16: Voting Client Securities.....	19
Item 17: Financial Information.....	20

Item 2: Material changes**Summary of Material Changes**

Our company filed its initial disclosure brochure in February 2011. This ADV Part 2A Brochure, dated March 2021, constitutes an annual amendment to our previously-filed brochure dated February 2020.

There have been no material changes to Fulcrum's product offering to US investors. Similarly, there have been no material changes in the partners and employees who make up Fulcrum Asset Management LLP.

Item 3: Advisory Business

Fulcrum Asset Management LLP ("Fulcrum", "the Firm") is an asset management company founded by Gavyn Davies and Andrew D. Stevens in 2004. Mr Davies and Mr Stevens are the Firm's principal owners.

Fulcrum has been registered as an investment adviser with the US Securities and Exchange Commission ("SEC") since March 2011 and has been authorised and regulated by the Financial Conduct Authority ("FCA") in the United Kingdom since April 2004. Fulcrum has been registered as a Commodity Pool Operator ("CPO") with the Commodity and Futures Trading Commission ("CFTC") and is also a member of the National Futures Association since January 2013.

The Firm undertakes discretionary investment management services for a variety of clients comprising of funds and managed accounts ("accounts"). Fulcrum employs diverse investment management strategies, which are unified by a central research team and a focus on a global macro strategy and thematic equity investment. Fulcrum provides on-going discretionary investment management services to 9 clients (of which 8 are Non-US clients). The Fulcrum managed fund sold to US investors is established in the Cayman Islands. Fulcrum is also the investment adviser to a regulated investment company under the 1940 Investment Company Act Fund. Other funds, not sold in the US, are generally subject to either the European Union Undertakings for Collective Investment in Transferable Securities Directives (UCITS), the UK Alternative Investment Fund Directive (UK AIF), UK non-UCITS retail scheme (NURS), or as a managed scheme by the Australian Securities and Investments Commission.

The fund managed by Fulcrum and marketed within the US is shown below:

Fund	Short name	Type of fund
Fulcrum Risk Premia Fund	Fulcrum FRP	Private fund (Cayman Islands)

Each fund managed by the Firm may contain a number of different share classes, which differ as to matters such as reporting currency, minimum investment, redemption terms, treatment of income and fees.

Individual accounts managed by Fulcrum will typically be invested across various asset classes and geographies. Before determining an appropriate asset allocation, the Firm obtains a thorough understanding of each client's financial situation, return objectives and risk profile.

Should clients wish to impose restrictions on investing in certain types of securities, then the Firm discusses and documents these requirements at the outset of the relationship.

As at 31st December 2020, the Firm managed regulatory assets under management of US\$4.7 billion across all funds and managed accounts, all of which is managed on a discretionary basis.

The information contained in this brochure summarises the details contained within the prospectuses prepared for each of the funds. This brochure does not contain all the information which a prospective investor will require prior to making an investment. If you have any questions about us or our services that we did not answer in this document, please contact us at +44 (0) 20 7016 6450 or email info@fulcrumasset.com.

Item 4: Fees and Compensation

Management Fees

Fulcrum generally charges clients a management fee. For these funds, the fees are based on the Net Asset Value ("NAV") of each class within a fund and are deducted from the portfolio on a monthly basis.

The fee schedule for the funds varies from fund to fund and between classes in those funds. Part of the fees received may be rebated to clients.

A summary of the current fee schedule is set out below:

Fund	Management Fee
Fulcrum Risk Premia Fund	1.00% pa for A shares

For managed accounts the management fees charged are generally based on a fixed % of assets. This percentage will depend on the client type, the strategy and the size of the mandate.

Fees are payable in arrears and are charged only in respect of the period for which the fund or account was managed.

Other fees

Other fees that may be charged to fund clients are set out below:

Administrator fees

Fees are charged on a sliding scale depending on the amount of assets managed. The administrator will also be reimbursed any reasonable out-of-pocket expenses or costs necessarily incurred in the performance of its duties.

Prime broker and custodian fees

Prime broker and custodian fees will not exceed normal commercial rates. They may also levy transaction charges and other charges which can include Value Added Tax.

Other fees and expenses

Other fees and expenses charged may include the following:

(a) charges and expenses of legal advisers, accountants and independent auditors, (b) brokers' commissions, broker funding costs (c) all taxes or stamp duties and corporate fees payable to governments or agencies, (d) Directors' fees (if any) and expenses, (e) interest on borrowings if applicable, including borrowings from the Prime Broker and Custodian, (f) communication expenses with respect to investor services and all expenses of meetings of Shareholders and of preparing, printing and distributing financial and other reports, proxy forms, prospectuses and similar documents, (g) the cost of insurance for the benefit of the Directors, (h) litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, (i) the cost of obtaining and maintaining the listing of shares on a stock exchange (if applicable) and (j) some other organisational and operating expenses.

It is to be noted certain expenses to be borne by the Master Fund with respect to itself and its feeders will be capped under the fund terms (please see prospectus under "Expenses").

Please see the section on "Brokerage practices" for a description of other brokerage charges.

In the case of our managed account clients only additional custody fees are applicable, which are paid directly to the applicable custodian under the contract signed directly between the client and the custodian.

Item 5: Performance-Based Fees

Where performance fees are due, these are calculated in respect of discrete periods based on the increase in the NAV per share of each class within each fund. No performance fee is due unless it is specified that the NAV exceeds the previous high point reached (termed a high watermark) and performance fees are charged annually. Performance fees may not be chargeable to all of the sub classes within a particular fund. Performance fees are included in the NAV and are not charged separately.

Fulcrum does not receive performance related fees from the following funds:

Fund	Performance Fee
Fulcrum Risk Premia Fund	N/A

Performance fees may also be charged to managed accounts and these are agreed with each client. This will depend on the client type, the strategy and the size of the mandate.

No other hourly, flat or asset-based fees are charged to the funds and accounts.

Some accounts do charge performance fees and others do not. The Firm does not believe that this creates conflicts of interest since strategy will be determined by its investment committee without regard to fees, trades are implemented as soon as possible and there is no discretionary element to allocation.

Item 6: Types of Clients

Funds

The funds managed by Fulcrum are described under Item 4: “Advisory Business”.

Each fund where Fulcrum acts as investment adviser specifies minimum subscription limits and the subscription and redemption terms applicable. These may vary according to the sub fund and base currency of each individual share class. Minimum subscription limits and redemption terms by fund are as follows:

Fulcrum Risk Premia Fund

US Dollar	US\$ 5,000,000
Euro	€ equivalent of US\$ 5 million
Sterling	GBP equivalent of US\$ 5 million

Subject to the discretion of the fund directors, smaller subscriptions may be accepted, but not below \$100,000. Shares may be purchased on the first business day of each month.

Investors may redeem all or any portion of its Common Shares as on a weekly and monthly (end of the month) basis as set out in the Fund’s prospectus . Notice of any redemption must be received by the Administrator no less than 14 calendar days’ prior to the applicable redemption date. Investors generally have the right to redeem, on shorter notice, up to 10% of the total number of shares by giving at least 7 calendar days’ written notice.

Accounts

Fulcrum provides investment advisory services to individuals, trusts, endowments and institutions. Minimum account sizes vary.

Item 7: Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Methods of analysis are dependent on the differing Fund strategies with the overall focus on macro investment, or thematic equity investment. The Firm's investment decisions are based primarily on research completed internally by a research team of experienced economists, analysts and financial modeling experts. Investment decisions combine fundamental economic and behavioural finance approaches with short term trading strategies and longer term themes within equity sectors. The main research factors include;

- Analysis of fundamental factors including economic data, valuation and monetary policy from a number of sources
- Analysis of trends in markets
- Analysis of investors behavioral biases
- Focus on optimal hedging strategies
- Equity Sectoral analysis

The research team stays abreast of relevant publications in academia that could help improve existing strategies or lead to the development of new ones. Published academic work, therefore, forms an important pillar within the research process.

The Funds invest globally and, depending on the strategy, the typical investment horizon can be anything from a matter of days to 1 year or more.

Investment Strategies

The investment approaches adopted in respect of Fulcrum Risk Premia Fund is as follows:

Fulcrum Risk Premia Fund

The Fund will invest all of its investable assets in the ordinary shares in to Fulcrum Risk Premia Master Fund ("Master Fund").

The Master Fund seeks to deliver returns from diversified liquid risk premia and trading strategies which have a low correlation to the traditional asset classes of equities, bonds and commodities indices.

The Master Fund may leverage its capital by borrowing, including (but not limited to) margin lending agreements, and through the use of futures, forwards contracts, options and other derivative instruments.

Risk of Loss Factors

The following is an important discussion of the key risks relating to the strategies that Fulcrum might consider for a fund or account based on the client's objectives, circumstances and preferences. Not all of the risks described below will apply to every client and not all the risks that apply to each client have been listed below. This is

because not all of the strategies discussed below would typically be used in every fund or account.

Investing in securities involves risk of loss that clients should be prepared to bear. Investors should consider the following factors before investing in any of the funds referred to in this Brochure. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in each of the funds. Prospective investors are urged to consult their professional advisers and the fund prospectuses before deciding to invest in the funds.

Commodities

Trading in commodity and futures contracts and options are highly specialized activities, which may entail greater than ordinary investment risks. Commodity futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events and changes in interest rates. In addition, because of the low margin deposits normally required in commodity futures trading, a high degree of leverage may be typical of a commodity futures trading account. As a result, a relatively small price movement in a commodity futures contract may result in substantial losses to the trader. Commodity futures trading may also be illiquid.

Commodity-Related Securities

The production and marketing of commodities may be affected by the actions of and changes in governments. During periods of economic or financial instability, commodity-related securities may be subject to broad price fluctuations, reflecting volatility of energy and basic materials prices and possible instability of supply of various commodities.

In addition, commodity-related securities may experience greater price fluctuations than the relevant commodity. In periods of rising commodity prices, such securities may rise at a faster rate, and conversely, in times of falling commodity prices, such securities may suffer a greater price decline.

Systems and Operations Risk

Fulcrum will employ a number of quantitative models that involve assumptions based upon a limited number of variables abstracted from complex financial markets or instruments that it attempts to replicate. Any one or all of these assumptions, whether or not supported by past experience, could prove over time to be incorrect. The outputs of such models may differ substantially from the reality of the markets, resulting in major losses. These programs or systems may be subject to certain defects, failures or interruptions, including, but not limited to, those caused by worms, viruses, power failures and programming errors. Any such defect or failure could have a material adverse effect on the Fund.

Derivatives

The funds may utilise both exchange-traded and over-the-counter futures, options and contracts for differences as part of its investment policy. These instruments are highly volatile and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result,

depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited. Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk.

Funds may also sell covered and uncovered options on securities. To the extent that such options are uncovered, the funds could incur an unlimited loss.

Counterparty Risk

The funds are subject to the risk of the inability of any counterparty (including Prime Brokers and Custodians) to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes.

The Prime Brokers and Custodians of the funds may borrow, lend or otherwise use a fund's assets for its own purposes. In the event of insolvency of a Prime Broker or Custodian, the funds will rank as unsecured creditors in relation and may not be able to recover assets in full or at all. The funds will also rank as unsecured creditors in respect of any cash held with Prime Brokers and Custodians as cash is not held in segregated accounts.

An insolvency procedure entered into by the Prime Brokers and Custodians may last many years. During this time, the use by the funds of assets held by or on behalf of the relevant Prime Broker and Custodian may be restricted and accordingly (a) the ability of the Firm to fulfil the investment objective may be severely constrained, (b) the funds may be required to suspend the calculation of the Net Asset Value and as a result subscriptions for and redemptions of shares, and/or (c) the Net Asset Value may be otherwise affected.

Currency Exposure

The shares in the funds are denominated in US Dollars, and in some cases Sterling and Euro, and will be issued and redeemed in those currencies. Certain assets of the funds may, however, be invested in securities and other investments which are denominated in currencies other than US Dollars, Sterling or Euro. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. The funds may seek to hedge this foreign currency exposure but are not obliged to and may be subject to foreign exchange risks. In addition, prospective investors whose assets and liabilities are predominantly in other currencies should take into account the potential risk of loss arising from fluctuations in value between the US Dollar, Sterling or Euro and such other currencies.

Tax Considerations

Where the funds invest in securities that are not subject to withholding tax at the time of acquisition, there can be no assurance that tax may not be withheld in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The funds will not be able to recover such withheld tax and so any such change would have an adverse effect on the Net Asset Value of the shares. Where a fund sells securities short that are subject to withholding tax at the time of sale, the price obtained will reflect the withholding tax liability of the purchaser. In the event that in the future such securities cease to be subject to withholding tax, the benefit thereof will accrue to the purchaser and not to the fund.

US Tax-Exempt Investors

Certain prospective investors may be subject to US federal and state laws, rules and regulations which may regulate their participation in a fund or their engaging indirectly through a fund in investment strategies of the types which a fund may utilise from time to time. While a fund may believe that the investment programme is generally appropriate for US Tax-Exempt Investors for which an investment in the fund would otherwise be suitable, each type of such investor may be subject to different laws, rules and regulations and should consult with their own advisors as to the advisability and tax consequences of an investment in a fund. Investment in a fund by entities subject to ERISA and other tax-exempt investors requires special consideration. Trustees or administrators of such investors are urged carefully to review the matters discussed in the detailed fund Prospectus.

Item 8: Disciplinary Information

The Firm has not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no persons involved in the management of the Firm have been subject to such action.

Item 9: Other Financial Industry Activities and Affiliations

Fulcrum is authorised and regulated by the Financial Conduct Authority (FCA) in the UK as a BIPRU limited licence firm and an Alternative Investment Fund Manager (AIFM) under the Alternative Investment Fund Managers Directive. It is categorised as a Collective Portfolio Management Investment firm (“CPMI”), permitting it to manage Alternative Investment Funds (“AIFs”) and also to provide discretionary management and advisory services to segregated accounts held by professional clients. Its Firm Reference Number is 230683. The Firm is not permitted to deal with retail clients nor is the Firm permitted to hold client money, as defined within UK legislation.

The rules of the FCA also require all Senior Managers performing a strategic management roles to be registered with it individually as “Senior Managers”.

The Firm maintains a record of any external appointments held by all staff including management persons. This list is updated when necessary and completeness is confirmed on at least an annual basis. Except for the following, none of the relationships notified to the Firm by the individuals concerned create a material conflict of interest between the Firm and its clients or between clients.

Conflicts

Gavyn Davies is a senior advisor to PAAMCO Prisma which was purchased from KKR. He is also an executive for two private equity firms, Anthos Capital LP and Active Partners (was Active Private Equity Advisory LLP) (the latter includes some board directorships for portfolio companies). The Firm is of the opinion that this position does not create a conflict because Gavyn Davies provides only macro advice to both funds and does not sit on any committee that picks or recommends individual managers.

Item 10: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

The Firm has in place a Code of Ethics, which consists of three underlying principles:

All staff members at the Firm must at all times place the interests of clients first. They must scrupulously avoid serving their own personal interests ahead of the interests of the Firm's clients.

All staff members at the Firm must make sure that all personal securities transactions are conducted in compliance with the rules summarised below and in such a manner as to avoid any actual or potential conflicts of interest or any abuse of an individual's position of trust and responsibility.

All staff members at the Firm should not take inappropriate advantage of their positions, including investment opportunities, prerequisites, or gifts from persons seeking business with the Firm.

The Code of Ethics is available to clients or prospective clients upon request. It sets out, *inter alia*, the procedures in place governing personal trading.

- All personal brokerage accounts used by staff and their spouses and dependent children ("related persons") must be notified to the Firm.
- Prior approval may be required before a trade can be executed.
- Copies of contract notes are received by the Firm.
- Initial and at least quarterly holdings reports are submitted to the Firm by all staff. These are checked back to the original approvals and contract notes where appropriate.

The Firm may promote Funds to clients in which related persons may also have an investment. This is disclosed to the client at the time of investment. No other securities are bought or sold for client accounts in which the Firm's related persons have a material financial interest. Such activity is considered to be an alignment of interest between the related persons and the client.

Personal trading rules do not permit related persons to purchase securities for their own accounts at times when the funds or accounts managed are actively trading in such securities.

Item 11: Brokerage Practices

General arrangements

The rules to which the Firm is subject in the UK forbid it from paying commission except where there would be a benefit to the client from doing so. Where any commissions are to be paid for research services receivable, such services would only be permitted if they:

- A research payment account has been set up with the client;
- Are capable of adding value to the clients' portfolios by providing new insights;
- Represent original thought;
- Have intellectual rigour; and
- Involve analysis or manipulation of data to reach meaningful conclusions which are substantive.

The FCA forbids the payment of commission to brokers for research services which it does not see as meeting the requirements.

The Firm's investment approach is in the main to use quantitative techniques when deciding upon securities to be traded for the funds and accounts it manages. Such techniques involve the use of published data rather than qualitative techniques such as the use of research notes and opinions.

The Firm maintains a list of brokers with whom it may deal for the funds managed. Brokers are added or deleted according to the Firm's view of the quality and cost of the service provided. Brokers are used by the Firm at its own discretion.

Funds and accounts

Quantitative analysis is performed by the Firm and as such no payments are made to brokers for research or other benefits to be paid for out of commissions or costs associated with each transaction. If the Firm decides to pay for research from brokers it will do so using its own profit and loss accounts which will be wholly unconnected to trading. The approach described in this section applies to each of the funds and accounts managed, including where the fund invests in single stocks rather than collective investment schemes. All brokerage costs paid by the Firm are paid in respect of execution services received only. Brokers with whom the Firm trades are therefore selected on the basis of the following execution factors, with particular emphasis being given to the price:

- Price
- Costs
- Speed
- Likelihood of execution and settlement
- Size
- Nature
- Other considerations relevant to the execution of an order

The Firm is not incentivised to select a more expensive broker over another when executing trades. When trading in collective investment schemes, the Firm will typically transact with the specific administrator for that particular fund and will trade at the prevailing net asset value of the fund.

Trades are pre-allocated on a client by client basis. Where possible trades will be bulked for execution and average pricing, alternatively the client trades will be randomised to ensure that pricing across clients is as equitable as possible.

Item 12: Review of Accounts

Each fund or account that Fulcrum manages is subject to periodic review in order to ensure that it remains within the investment guidelines agreed with the client. The frequency of the review can be summarised as follows:

Client	Frequency of review	Reviewed by (state job title only)
Fulcrum Risk Premia Fund	Daily	Investment team

The managed accounts are reviewed weekly by the Investment Committee.

In addition all funds and accounts are reviewed daily on an informal basis. Further reviews may also be triggered by a notification of a change in a client's circumstances, such as an injection or redemption of capital.

The Firm reports to the boards of the funds on a quarterly basis. These reports comprise of analysis of risk and return drivers during the period in question, major asset allocation changes, benchmark or peer analysis as well as a review of any trading or operational factors.

Clients invested in funds are sent a statement on a monthly basis by the Custodian or fund Administrator. The statements contain holdings at the reporting date and transactions during the period. In addition the manager sends a report on a monthly basis which analyses the risk and return characteristics along with commentary on the market and the portfolio itself.

Item 13: Client Referrals and Other Compensation

Fulcrum is not remunerated by any party other than its clients. The Firm receives no economic benefit for providing investment advice or other advisory services to its clients whether directly or indirectly.

Item 14: Custody

All segregated accounts managed by the Firm use external custodians and with whom the clients have a direct agreement. Fulcrum does not send out account statements.

Custody services are provided to the funds managed by the Firm as follows:

Fund	Custodian
Fulcrum Risk Premia Fund	J.P. Morgan Chase Bank N.A.

Item 15: Investment Discretion

Fulcrum has discretionary authority to manage accounts on behalf of all its funds and accounts.

The investment guidelines governing the Firm's management of the funds marketed in the US are typically widely drafted and contain no specific limitations.

With the managed accounts, clients may request from time to time that the Firm must not invest in specific assets or utilise specific investment techniques. Fulcrum is able to customise its approach to each individual client.

Prior to accepting an appointment to act as a discretionary manager for a client, Fulcrum conducts a full "know your customer" assessment. This is performed so that the Firm understands each client's investment objectives and is then able to manage the portfolio in a suitable manner.

Item 16: Voting Client Securities

The majority of the securities Fulcrum invests in for its clients are held within collective investment schemes, including exchange traded funds. As single stock equities play an important role in many of the strategies, the Firm will exercise its vote in respect of shares in collective investment schemes when appropriate.

Fulcrum will aim to act in the best interests of all stakeholders by engaging with the companies that it invests in, and by exercising voting rights with care in order to manage, acquire and dispose of clients' assets.

Fulcrum will vote proxies in a prudent and diligent manner and in the best interests of clients, consistent with the objective of maximising long-term investment returns.

Information on how the Firm has voted, together with a copy of its proxy voting policies and procedures, are available on request.

Item 17: Financial Information

Registered investment advisers are required in this item to provide you with certain financial information or disclosures about Fulcrum's financial condition.

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