



Grand Alliance Asset Management Limited

**Form ADV Part 2A
Firm Brochure**

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This brochure provides information about the qualifications and business practices of Grand Alliance Asset Management Limited (“GAAM”, “we” or “our”).

If you have any questions about the contents of this brochure, please contact GAAM at the number or address provided above.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authorities.

An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

This brochure neither constitutes an offer to sell nor a solicitation of an offer to purchase any securities of any entities described herein.

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

ITEM 2. MATERIAL CHANGES

There has been no material change to GAAM's Form ADV Part 2A (Firm Brochure) since GAAM's first Firm Brochure filed in June 2021. The annual updating to this Firm Brochure does not contain any changes deemed to be material to GAAM's practices.

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ITEM 4. ADVISORY BUSINESS

A. General description

- Grand Alliance Asset Management Limited (“GAAM”) is a limited liability company incorporated in Hong Kong in May 1997.
- GAAM is licensed by the Securities and Futures Commission of Hong Kong (the “HK SFC”) pursuant to the Securities and Futures Ordinance (Chapter 571) of the laws of Hong Kong (the “SFO”) to carry out type 4 (advising on securities) and type 9 (asset management) regulated activities in Hong Kong.
- Currently, the sole principal owner (100%) of GAAM is Grand Alliance Asia Limited (“GAAL”), a company incorporated in the Republic of Seychelles in April 2017. GAAL neither carries on business nor does it have any other investment holdings.
- The principal owner of GAAL is Yuxiu Lin, who owns more than 25% (but less than 50%) of GAAL’s shares. GAAL’s other ultimate beneficiaries are GAAM staff and their family members, who (together with the principal owner) effectively own 100% of GAAL’s shares.

B. Type of advisory services offered

- GAAM provides investment advice with respect to equities and other related securities that are listed on a recognized exchange in Taiwan, Hong Kong, China and the U.S.
- GAAM offers advisory services to private funds (hedge funds or pooled investment vehicles, the “Private Funds”) intended for institutions and other sophisticated investors only (collectively, the “Investor” or “Investors”).
- GAAM can either provide advisory services to Private Funds on a discretionary basis (for GAAM-managed Private Funds) or a non-discretionary basis (for third-party private fund(s) managed by other regulated investment adviser(s)).
- GAAM’s investment strategies include: 1) a market neutral strategy, which invests in equities listed in Taiwan, Hong Kong, China and the U.S., and 2) a long-only strategy, which primarily invests in equities listed in Taiwan, Hong Kong and China.
- GAAM anticipates offering advisory services to separately managed accounts (“SMAs”) owned by certain specified institutional investors (together with Private Funds, the “Clients” or “advisory Clients” of GAAM). SMAs shall employ a long-only strategy, primarily investing in equities listed in Taiwan, Hong Kong and China. SMAs employing other investment strategies may also be considered on a case-by-case basis.

C. GAAM tailors its advisory services to the individual needs of Clients by stipulating specific investment objective(s), the types of securities that are eligible for (or prohibited from) investing, investment guideline(s) and risk management guideline(s) in the pertinent Private Fund document(s) or SMA agreement(s).

- Private Fund document(s) include an investment management (advisory) agreement (or other similar agreement), a private placement memorandum, Side Letters (as defined below), due diligence questionnaires, board resolutions of the Private Fund, etc.
- SMA agreement(s) include an investment management (advisory) agreement or other similar agreement signed with each SMA Client.
- A Client may impose restrictions on investing in certain securities or types of securities by providing restricted list(s) of securities to GAAM.

▪ Side Letters:

1. Any of the Private Funds may from time to time enter into an agreement (the “Side Letter”) with an Investor, which provides terms that are different from those described in the pertinent Private Fund document(s), without the approval of any other Investor.
2. Rights or terms that a Side Letter may alter include, but are not limited to: (1) rights or terms necessary in light of the particular legal, regulatory or public policy characteristics of an Investor, and (2) guidelines on reporting under enhanced transparency. Such Side Letters or similar agreements, however, will not combine preferential information rights with preferential redemption rights to the detriment of other Investors.
3. Generally, GAAM is not required to disclose the existence or terms of any such Side Letters to any other Investors, unless it offers a lower fee or preferential liquidity to a particular Investor.
4. GAAM does not offer preferential liquidity or lower fees to any Investors in any of the Private Funds that it manages unless such preferential treatment(s) are disclosed in the pertinent private placement memorandum available to all Investors in the respective Private Fund.
5. To exercise discretion with respect to a Private Fund entering into a Side Letter, GAAM will disclose all material terms of such a Side Letter to the board of directors of the Private Fund (and certain Investors) as appropriate, and seek the advance approval of the respective Fund’s directors (and certain Investors).

D. GAAM does not participate in any wrap fee programs.

E. As of July 31, 2021, GAAM manages US\$1,335,067,263 of Client assets in total.

ITEM 5. FEES AND COMPENSATION

A. GAAM charges the Investors in the Private Funds a management fee and a performance fee for the provision of advisory services. The fee schedule for each SMA is negotiated on an account-by-account basis and are set forth in the pertinent SMA agreement(s). GAAM’s fee schedule for Private Funds is omitted because this brochure is intended for “qualified purchasers” as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940 (the “Investment Company Act”) only.

B. Fees paid by the Clients:

Private Fund

- Deduct from the Private Fund assets: Management fees and performance fees calculated by the fund administrator (or the custodian), and verified by GAAM, are paid to GAAM by the fund administrator (or the custodian) after deducting the relevant fees from the Private Fund assets.
- Management fees are payable monthly or quarterly in arrears, as stipulated in the pertinent Private Fund document(s).
- The management fee payable by an Investor is generally 1% to 1.5% of the net asset value attributable to the shares owned by the Investor before the deduction of any management fees and performance fees. GAAM may waive or reduce the management fee (or the performance fee) in respect of a class of shares for certain Investors who are either employees or affiliates of GAAM or are otherwise certain large or strategic Investors, as disclosed in the private placement memorandum of the respective Private Fund.
- Performance fees are calculated in accordance with an agreed formula and paid at the end of each performance period as separately defined in the private placement memorandum of each Private Fund.

SMA

- Bill SMA Clients for fees incurred: Management fees and performance fees shall be calculated by GAAM, verified by the custodian, approved by the SMA Client, and ultimately paid to GAAM: 1) by the custodian after deducting the relevant fees from the SMA assets, or 2) by the SMA Client separately (without any deductions from the SMA assets), as stipulated in the pertinent SMA agreement(s).
- Fees are payable monthly, quarterly or annually in arrears, as stipulated in the pertinent SMA agreement(s).

C. Other types of fees or expenses the Clients may be bound to pay:

Private Fund

- Fees, operating expenses, transaction charges and other expenses directly charged to a Private Fund generally include:
 1. Broker commissions and all other costs relating to securities transactions
 2. Fees and expenses of advisers and consultants incurred in connection with fund operations
 3. Expenses of preparing and distributing reports, financial statements and notices to the Investors
 4. Fund administrator's fee
 5. Audit fee
 6. Legal fee
 7. Regulatory fee
 8. Directors' fee and the related service fee for board meetings
 9. Insurance fee
 10. Custody fee
 11. Management fee and performance fee
 12. Litigation and other extraordinary expenses
- All Investors in the Private Funds are advised to review the pertinent private placement memorandum for a full description of applicable fees, expenses and compensation to GAAM.

SMA

- SMA Clients may be bound to pay fees such as custodian fees, audit fees, brokerage and other transaction costs associated with maintaining their accounts, which are imposed by third parties independent from GAAM. Such fees and expenses are charged separately from the advisory fees that GAAM charges the SMA Client.
- Please refer to Item 12 (Brokerage Practices) below for additional information regarding brokerage fees.
- GAAM bears its own operating, general administration and overhead costs and expenses.

D. None of the Clients prepay any fees to GAAM.

- E. Neither GAAM nor its supervised persons accept compensation, including asset-based sales commission, distribution fee or service fee for the sale of Private Funds, other related investment products or securities.

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

- GAAM charges performance-based fees.
- Clients generally pay both a management fee and a performance fee.
- Managing assets for different Clients with different fee structures creates a potential conflict of interest for GAAM to favor certain Client(s) with the most profitable performance-based compensation structure, especially under the circumstances that access to a particular investment opportunity is limited.
- The investment objectives and guidelines of a Client may be similar to, or overlap with, the investment objectives and guidelines of the other Clients and, therefore, certain Clients regularly compete for investment opportunities with each other. As a result, the allocation of investment opportunities gives rise to possible conflicts of interest.
- GAAM has established a fair aggregation and allocation policy to address such potential conflicts. GAAM endeavors to allocate investment opportunities among Clients in a fair and equitable manner, taking into consideration the investment objective, investment horizon, investment guidelines, risk management guidelines and interests of each Client. These considerations give a certain degree of discretion to GAAM in allocating investment opportunities.
- Item 12 (Brokerage Practices) of this brochure describes our policy on trade aggregation and allocation.

ITEM 7. TYPES OF CLIENTS

- GAAM provides advisory services to Private Funds (hedge funds and pooled investment vehicles) and SMAs, which can be owned by any of the following:
 1. Non-U.S. pension or profit-sharing plan
 2. Non-U.S. state or municipal government entity
 3. Non-U.S. sovereign wealth fund or foreign official institution
 4. Endowment, foundation or charitable organization
 5. Corporation or other business not otherwise listed above
- Investors in the Private Funds are required to meet certain suitability and net worth qualifications, such as being: (1) an “accredited investor” as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended (the “Securities Act”), (2) a “qualified purchaser” as defined in Section 2(a)(51)(A) of the Investment Company Act or (3) a “knowledgeable employee” within the meaning of Rule 3c-5 under the Investment Company Act, depending on the applicable eligibility requirements of the respective Private Fund.
- Each Private Fund has a minimum subscription amount (US\$1 million in general) set out in the private placement memorandum of the respective Private Fund. The minimum asset under management per SMA is US\$150 million. GAAM may waive each of these minimum requirements at its sole discretion.
- GAAM intends to remain a relatively small firm, with a focus on the investment strategies and types of securities

that we specialize in. In particular, GAAM intends to provide investment advisory services to a limited number of Private Funds and SMAs. This decision will be reviewed annually.

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

A. Methods of analysis and investment strategies

- GAAM aims to deliver competitive long-term risk-adjusted returns.
- Method of analysis and competitive edges:
 1. A team of dedicated and experienced specialists in equities listed in Taiwan, Hong Kong and China (GAAM's predominant focus)
 - 1) Dedicated, comprehensive, in-depth research coverage of Taiwan and the broader China markets
 - 2) Stable and consistent development of a cohesive investment team
 2. Consistent and effective investment approach
 - 1) We believe our investment success is driven by in-depth fundamental research, which is fed into a disciplined and robust investment process
 - 2) Areas of differentiation:
 - a) Local expertise and long-term relationships with companies in our coverage universe
 - b) Early identification of opportunities arising from new product cycles
 - ✓ Well-established industry connections facilitate the early discovery of product cycle stories and industry trends
 - c) Consistent and long-term tracking
 - ✓ Tracking companies during industry down cycles
 - ✓ Tracking with a global perspective (not only the target company but also its competitors and the industry(ies) that it operates in)
 - d) Disciplined portfolio risk management
 - ✓ Disciplined, multi-period loss cutting
 - ✓ Thoughtful position sizing
- Investment Strategy 1 - Market Neutral Equity Strategy
 1. Our flagship Private Fund employs a market neutral equity strategy. Its long equity positions are hedged primarily by shorting index futures and swaps. Fund performance is mostly driven by our stock selection alpha as opposed to market beta.
 2. The strategy, which has a strong focus on Taiwan and China shares (Taiwanese and Chinese companies listed in Taiwan, Hong Kong, China and the US), aims to deliver consistent positive returns (10%+

annualized returns) in both bull and bear markets, with limited drawdowns and minimal exposure to directional market risk.

3. The investment approach integrates fundamental bottom-up research and top-down sector analysis. The investment team researches equities across all sectors. Stock selection is the primary source of returns.

- Investment Strategy 2 - Long-Only Equity Strategy

1. Our Private Fund (other than the one mentioned above) and SMA both employ a long-only equity strategy. Fund performance is driven by stock selection alpha, as well as market beta.
2. The strategy has a strong focus on Taiwan and China shares (Taiwanese and Chinese companies listed primarily in Taiwan, Hong Kong and China). Its investment approach is the same as that of the market neutral equity strategy's, i.e., a combination of fundamental bottom-up research and top-down sector analysis on equities across all sectors.

- Our investment strategies do not involve frequent trading of securities.

B. Risk of loss

- An investment in securities involves a high degree of risk, including a risk of loss of the entire principal and any profits that have not yet been realized - a risk that Clients and Investors should be prepared to bear.
- The disclosure in Item 8.C below does not purport to be a complete explanation of the risks involved. Clients or Investors should refer to the respective SMA agreement(s) or Private Fund document(s) for a more comprehensive and detailed description of the risks associated with an investment with GAAM.

C. Clients and Investors should carefully consider, among other factors, the following material, significant or unusual risks involved with: 1) our methods of analysis or investment strategies, and 2) the type of securities that we recommend primarily:

- **Overall investment risk.** All investments in securities have the risk of loss of capital. The nature of the securities to be purchased and traded by the Clients and the investment techniques and strategies to be employed in an effort to increase profits may increase such risk. While GAAM will devote its best efforts to the management of the Client accounts, there can be no assurance that the Clients will not incur losses. Many unforeseeable and unexpected events, including actions by various government agencies, and domestic and international political events, may cause sharp market fluctuations.
- **Reliance on key investment professionals.** The Clients' investment activities rely upon the experience and expertise of the investment team of GAAM. The risk of loss of any of the investment team members could have a material adverse effect on the performance of the Client accounts.
- **Limitation on available time.** GAAM and its investment team devote only as much time as is necessary or appropriate, in our own judgment, to the management activities of a particular Client account. Other activities and duties of GAAM and its investment team including but not limited to the management of other Private Funds or SMAs may limit the amount of time we devote to managing a particular Client account.
- **Counterparty risk.** Due to the nature of some of the investments that the Clients may make, the Clients may rely on the ability of a counterparty to effect a transaction or to perform its obligations. If that party fails to complete its obligations for any reason, the Clients may suffer losses and therefore be exposed to a credit risk on the respective counterparty with which it trades. The Clients will also bear the risk of settlement default by clearinghouses and exchanges. A default by a counterparty or a default on settlement could have a material adverse effect on the Clients.
- **Cybersecurity risk.** The operations of GAAM and the Clients are dependent on technology information and

communication systems. A failure of any such systems, a security breach or a cyber-attack could significantly disrupt GAAM's operations and those of the Clients. The service providers of GAAM and the Clients are subject to the same cyber-security threats as GAAM and the Clients. If a service provider fails to adopt, implement or adhere to adequate cyber-security measures, or in the event of a breach of its networks, information relating to the Clients, operations and personal information relating to the Clients and the Investors may be lost, damaged, corrupted or improperly accessed, used or disclosed.

Any system failures, security breaches or cyber-attacks on GAAM, the Clients, or any of their service providers, could cause GAAM and/or the Clients to suffer, among other things, financial loss, disruption to its business, including its trading capabilities and the ability of the Clients to transmit payments, increased operating costs, liability to third parties, regulatory intervention and reputational damage and could have a material adverse effect on the Clients and the Investors.

While GAAM has established business continuity plans and designed various systems to prevent cyber-attacks, there are inherent limitations in such plans and systems, including unidentified risks.

- **Investment strategy risk.** The investment strategies, techniques and risk analyses employed to enhance returns may not produce the desired results. The assessment of a particular security or assessment of the general market, interest rate or other trends is subject to uncertainties, which can result in losses.
- **Style-specific risk.** Different types of stocks tend to shift in or out of favor depending on the market and economic conditions. To the extent that GAAM emphasizes value investing, it runs the risk that undervalued companies' valuations will never improve.
- **Asset allocation risk.** A particular Client account's risks directly correspond to the risks of the asset classes in which it invests. Investing in multiple asset classes (either directly or indirectly, such as through pooled investment vehicles) can facilitate diversification, but also create exposure to the risks of many different areas of the market. Asset allocation strategies do not assure profit and do not prevent loss entirely.
- **Market risk.** Investment returns are influenced by the performance of the market as a whole. This means investments can be affected by macroeconomic and industry factors like changes in interest rates, market sentiment and global events, depending on the market(s) or asset class(es) the Client invests in.

The Clients invest a portion of their assets in the securities listed in China. The accounting, audit and reporting standards in China generally do not provide the same degree of investor protection or information as would generally apply in more established securities markets. Furthermore, the regulatory and legal framework for capital markets in China is still under development as compared to those of developed countries. This may lead to higher price volatility.

- **Security and investment-specific risk.** Each asset class, such as listed equity securities, swaps or futures, can be affected by risks that are specific to that particular investment or security. For example, the value of a company's shares can be influenced by changes in company management, its business environment or its profitability. These risks can also impact a company's ability to repay its debt, which inevitably affects the level of financial risk the company encounters.

Stocks generally fluctuate in value more than bonds and may decline significantly in price over a short period of time. Stocks typically will experience a decline in price because stock markets tend to move in cycles, with periods of rising prices and falling prices. The value of a stock may also decline due to general weakness in the stock market or factors that affect a particular company or industry. It is therefore possible that a company in which GAAM invests does not perform as successfully as anticipated.

- **Liquidity risk.** Liquidity risk refers to the difficulty in selling an asset for cash quickly without an adverse impact on the price received. Assets such as shares of large listed companies are generally considered liquid. Under abnormal or difficult market conditions, some normally liquid assets may become illiquid, restricting the ability to sell them and to make withdrawal payments or process switches for the Clients and the Investors

without a potentially significant delay or discount to value.

Liquidity risk exists when particular investments are difficult to purchase or sell (e.g., no market is currently available or may become less liquid as affected by the general market condition). It is difficult to value illiquid investments as their prices may fluctuate. As the size of the holding increases, the liquidity risk may also increase. Illiquid investments may (i) hinder GAAM's ability to sell the investment in a timely manner or at desired prices based on current market conditions and/or (ii) impact the Client's ability to receive proceeds in a timely manner.

- **Derivatives risk.** Certain Client accounts may use derivatives, specifically index futures contracts and currency forward contracts, to reduce exposure to market or foreign exchange risks.

The use of derivatives may entail risks different from, and possibly greater than, the risks associated with investing directly in traditional securities. The use of derivatives can lead to losses because of adverse movements in the price or value of the underlying asset, index or rate, which may be magnified by certain features of the derivatives.

Moreover, when the portfolios invest in certain derivative securities, they may be effectively leveraging their investments, which could result in exaggerated fluctuations in the net asset value of the accounts' shares and can result in losses that exceed the amount originally invested.

- **Short position risk.** A Client account may enter into a short position, through a forward commitment, or synthetically through derivative positions such as a futures contract or swap. If the price of the security or derivative has increased during this time, then the account will incur a loss corresponding to the increase in price from the time that the short position was entered into plus any premiums and interest paid to the third-party. There is no assurance that an account will be able to close out a short position at any particular time or an acceptable price. A Client account may also enter into a short selling transaction which involves the sale of a security that it does not own with the hope of purchasing the same security at a later date at a lower price ("short selling"). Risks of short selling include: (i) increased leverage, and its accompanying potential losses, (ii) potential inability to reacquire a security in a timely manner, or at an acceptable price; and (iii) potential loss of investment flexibility caused by the obligation to provide collateral to the lender and set aside assets to cover the open position.
- **Geographic concentration risk.** If a Client account concentrates its investments in a particular geographic region or country, the account's performance is susceptible to currency, social, political and economic factors, as well as developments in the law and regulations within that region or country. As a result, the Client account is likely to be more volatile than an account that is more geographically diverse.
- **Changes to laws and regulatory risk.** A government or governmental agency in a country in which a security is issued or an asset is held may amend, repeal, enact or promulgate a new law or regulation, or the government authority or the court may issue a new interpretation of the existing law or regulation that could substantially affect the security, resulting in a loss. In addition, changes in legal, tax and regulatory regimes within the jurisdictions of investments may materially affect the performance of a security.
- **Social, political and economic risk.** The regions where the Clients may invest are generally subject to a substantially greater degree of social and political instability than that of developed countries. Such instability may result from, among other things, authoritarian governments, unrest associated with demands for improved political, economic and social conditions and hostile relations with neighboring countries. This instability can impair the financial conditions of issuers or disrupt the financial markets in which the Clients invest.
- **Force majeure risk.** Force majeure is the term generally used to refer to an event beyond the control of any parties, including acts of God, fires, floods, earthquakes, wars, strikes and acts of terrorism. Some force majeure risks are uninsurable. If such events occur, they may adversely affect the value of a security.

- **Currency risk.** The books of the Clients will be maintained in U.S. dollars. However, the Clients hold significant assets and liabilities denominated in currencies other than U.S. dollars. The Clients may also undertake certain transactions denominated in foreign currency, hence, exposures to exchange rate fluctuations arise. In addition, converting and transaction costs may incur when converting investment proceeds from one currency to another, which the Clients or Investors are obliged to bear. While GAAM has established currency hedges to reduce or minimize the influence of foreign exchange movements on overall performance, there can be no guarantees that such hedging transactions will be effective.
- **Epidemic or pandemic risk.** The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activities and contributed to significant volatility in equity markets. As COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess. Any public health emergencies, including the outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the Clients' investments and could adversely affect GAAM's ability to meet the Clients' investment objectives.
- **Environmental, social and governance factors.** Although GAAM does not establish any specific environmental, social and governance ("ESG") objectives for Client accounts, GAAM may incorporate ESG factors into its fundamental company analysis, in the belief that ESG issues have the potential to materially impact future business prospects or earning power. GAAM's investment team may use ESG inputs to help identify the potential effect on certain investments. ESG factors may be considered as an input into the overall research process and therefore they may affect the investments in which the Clients may invest, but are not expected to be the primary factor in the selection or exclusion of an investment. As a result of including any such ESG factors in its analysis, GAAM's investment team may take actions (e.g., make or not make or dispose of or not dispose of an investment) when it would otherwise not have done so, which could adversely affect the performance of a Client account.

ITEM 9. DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a Client's or prospective Client's evaluation of GAAM's advisory business or the integrity of GAAM's management.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

- A. GAAM is not a registered broker and does not intend to register as a broker. None of GAAM's supervised persons is a registered representative of a broker, and none of them intends to register as a registered representative of a broker.
- B. GAAM (or any of its supervised persons) is neither registered, nor has an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.
- C. GAAM has no other financial industry activities or affiliations.
- D. GAAM or any of its supervised persons does not recommend or select other investment adviser(s) for the Clients. GAAM does not pay any fees or other forms of compensation, directly or indirectly, to other investment adviser(s) for recommending Private Funds or SMAs managed by GAAM to their advisory clients.

ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics

- As required by the applicable U.S. federal securities laws, as well as the applicable laws, rules and regulations in Hong Kong, we have adopted a Code of Ethics (the “Code”) for the purpose of governing a number of potential conflicts of interest we encounter when providing our advisory services.
- GAAM will provide a copy of the Code to all Clients or prospective Clients upon request.
- The Code is comprehensive and applies to all of our employees. The Code is distributed to each employee at the time of recruitment and semi-annually thereafter. We also conduct annual compliance training and monitor employee activities on an ongoing basis.
- The following are certain items of the Code adopted pursuant to Rule 204A-1 (the “Code of Ethics Rule”) under the Investment Advisers Act of 1940 (the “Advisers Act”):
 1. Requirements to:
 - 1) Protect the confidentiality of client information
 - 2) Comply with all applicable laws, rules and regulations
 - 3) Report promptly any violations or potential violations of the Code or applicable laws to the Chief Compliance Officer (the “CCO”)
 2. Prohibitions on insider trading (if GAAM or any of its supervised persons is in possession of material, non-public information (“MNPI”)):
 - 1) GAAM imposes restrictions on employee trading/investing including: (1) trading/investing based on insider information, (2) trading/investing that intends to manipulate the market, and (3) trading of/investing in securities on GAAM’s restricted list(s)
 - 2) GAAM strictly forbids all employees from (1) conducting trades, both personally or on behalf of others, including the Clients, while in possession of MNPI pertinent to the relevant company, and (2) improperly communicating MNPI to others
 3. Restrictions on the sending or receipt of gifts and gratuities;
 4. Requiring pre-approval of personal trading of securities;
 5. Reporting of personal securities transactions; and,
 6. On a semi-annual basis, GAAM requires all employees to re-certify their understanding and compliance with the Code and to report securities accounts in which they have a beneficial ownership (they “own” the account or have “authority” over the account).

B. Participation or interest in Client transactions

- GAAM is prohibited to have any securities account (or proprietary account).
- GAAM does not have any material financial interests in any securities that we recommend to any of our advisory Clients.

- GAAM or any of its supervised persons does not buy any securities from (or sell securities to) the Clients.
 - Any cross trade between Client accounts is prohibited by GAAM.
 - GAAM or any of its supervised persons does not act as a general partner in a partnership in which we solicit Client investments.
 - GAAM or any of its supervised persons does not act as an investment adviser to an investment company that we recommend to the Clients.
- C. Personal account trading. The Code does not prohibit personal trading by an employee. However, such employee is required to:
- Disclose existing holdings upon joining GAAM and on an ongoing basis thereafter;
 - Obtain prior written permission for personal account trading from his/her direct supervisor(s) and the CCO of GAAM. The permission should be valid for no more than ONE (1) trading day, and be subject to the following constraints:
 1. that he/she may not buy or sell an investment on a day in which GAAM has a pending “buy” or “sell” order in the same investment until that order is executed or withdrawn;
 2. that he/she may not buy or sell an investment for his/her personal account within ONE (1) trading day before (if he/she is an Access Person and is aware of a forthcoming Client transaction) or after trading in that investment on behalf of a Client;
 3. that he/she may not buy or sell an investment for his/her personal account within ONE (1) trading day before (if he/she is and Access Person and is aware of a forthcoming recommendation) or after a recommendation on that investment is made or proposed by GAAM (subject to any future rules that the CCO of GAAM may set down from time to time; restrictions (2) and (3) shall be lifted where Client orders have been fully executed and any conflicts of interest have ceased to exist);
 4. that he/she is prohibited from executing any cross trades between any Client accounts and his/her personal account;
 5. that he/she is prohibited from short-selling any securities;
 6. that he/she is prohibited from participating in initial public offerings available to the Clients of GAAM, and should not use his/her position to gain access to initial public offerings for himself/herself or any other persons;
 7. that he/she is required to hold all personal investments for at least 30 days, unless a prior written approval of the CCO of GAAM is given for an earlier disposal; and,
 8. that he/she is required to obtain approval from the CCO of GAAM for having broker account(s), and ensure that all broker statement(s)/trade confirmation(s) of his/her personal account(s) be e-mailed to or otherwise sent by post to the CCO or her designee, who shall review such record(s).
 - The above reporting requirements apply to all employees as well as their spouses, immediate family and household members, and other persons as further described in the Code.
 - The above reporting requirements apply to any accounts in which the employee or other person covered by the requirements has a direct or indirect beneficial, economic or financial interest or which the employee or other person covered by the reporting requirements has investment discretion or direct or indirect influence or control over.

ITEM 12. BROKERAGE PRACTICES

- A. Broker selection and best execution. GAAM is authorized to select brokers to be used for the execution of Client transactions. When doing so, GAAM seeks to achieve the best execution for those transactions, which generally means the most favorable cost or net proceeds reasonably obtainable under the circumstances, subject to the considerations noted below relating to soft dollar benefits and Client referrals.
- GAAM has a rigorous broker selection and counterparty approval process to ensure that we use suitable and reliable brokers and counterparties when we trade on behalf of Clients. We keep an approved list of brokers and counterparties which have been reviewed and considered appropriate.
 - In selecting brokers, GAAM will consider the following criteria (which are not intended to be exhaustive and are only indicative of the criteria we consider when selecting a broker):
 1. Client asset protection/financial strength (with due consideration of credit rating, financial standing, etc.)
 2. Execution costs (commission rates, transaction costs, etc.)
 3. Leverage/stock lending facilities and associated costs (the availability of leverage/stock lending facilities, whether these facilities are competitively priced, etc.)
 4. Execution efficiency (trade execution expertise and capabilities, accuracy and quality of execution, frequency of execution errors, IT security framework, reliability and speed of trading platforms, etc.)
 5. Types of product offerings (the ability to deal in specific financial instruments and markets, access to specific markets, etc.)
 6. Capital introduction services (potential client introductions and the quality of those potential clients, etc.)
 7. Operational support (administration and settlement capabilities, adequacy and accuracy of trade confirmations, broker statements or any other required reporting, timely remediation of trade errors, upward escalation and exception reporting, etc.)
 8. Research support (the quality and coverage of their research reports, the frequency that the reports are published, support in arranging company visits, etc.)
- B. Research and other soft dollar benefits. GAAM receives research reports or other products or services other than execution from a broker or a third party in connection with Client securities transactions (“soft dollars”). Our practices of handling the possible conflicts of interest include:
- GAAM is prohibited from entering into any soft dollar arrangements for any Client accounts unless the Client has approved such in writing and in advance.
 - GAAM has established a soft dollar policy to ensure that its practices regarding soft dollars are legally permissible and adequately disclosed:
 1. GAAM must ensure transaction execution is consistent with the best execution standards, the brokerage rates (inclusive of soft dollars) are not in excess of customary full-service brokerage rates and are reasonable in light of the value of the products or services received.
 2. With respect to each proposed payment by soft dollars, GAAM will make a good faith evaluation of whether:
 - (i) each product or service received is an eligible “research” or “brokerage” item under applicable laws; and
 - (ii) each product or service provides lawful and appropriate assistance in the performance of GAAM’s investment decision-making or brokerage processes.

3. “Investment decision-making process” refers to the investment processes in which related tools are used by GAAM in rendering investment advice to the Clients, including financial analysis, trading and risk analysis, securities selection, asset allocation and suitability analysis.
 4. GAAM will stop or reduce generating soft dollars in its discretion from time to time given the volume of soft dollars generated as compared to the firm’s annual research budget.
- GAAM primarily relies on our own internal research but believes that proprietary research received from brokers can assist our internal research and can provide additional information, insights and access to issuers that would not otherwise be available to GAAM.
 - GAAM may cause the Clients to pay commissions (or markups or markdowns) higher than those charged by other brokers in return for soft dollar benefits.
 - When we use Client brokerage commissions (or markups or markdowns) to obtain research or other products or services, GAAM receives a benefit because we do not have to produce or pay for the research, products or services.
 - We use research in connection with some or all of our Clients and not just the account(s) whose commissions may have generated such benefit. GAAM does not seek to allocate research solely with respect to the Clients whose commissions may have generated and paid for that research.
 - Travel and related expenses (e.g., meals and entertainment) associated with arranging trips to meet corporate executives or to attend seminars or conferences are not eligible to be paid by soft dollars.
 - Specific types of products and services GAAM acquired with soft dollars within our last fiscal year include:
 1. Market data (such as stock quotes, last sale prices and trading volumes), economic data, and company financial data;
 2. Commercially available economic, financial and industry databases used in making investment decisions;
 3. Market research received through order management systems or trade analytics software, including pre-trade analytics, software and other products that generate market research with market information available, including research on optimal execution venues and trading strategies;
 4. Traditional research reports;
 5. Discussions with the brokers’ research analysts;
 6. Proprietary written research or data produced by the broker or a regulated investment adviser (which is a third party to GAAM) regarding securities, financial markets or economies; financial analyses and financial models; advice regarding purchasing or selling securities;
 7. Meetings with corporate executives to obtain oral reports on the performance of the respective company (i.e., reports about the security, company, respective industry(-ies), relevant economic trends, political factors, etc.);
 8. Seminars or conferences that are related to research and provide substantive content relating to securities, companies, industries, economic trends, political factors, etc.; and,
 9. ESG/corporate governance research (including corporate governance analytics) and ESG/corporate governance rating services.

- GAAM considers all the above products or services are qualified for the safe harbor in Section 28(e) of the Securities Exchange Act of 1934, i.e., all the products and services aid in investment decision-making or trade execution.
- GAAM may have an incentive to select or recommend a broker based on our interest in receiving soft dollars or Client referrals (details see below), rather than on the Clients' interest in receiving the best execution. Our practices of handling possible conflicts of interest are as follows:
 1. Fiduciary principles require GAAM to seek the best execution for its Clients' trades and to refrain from using the Clients' assets for its own benefit. GAAM takes into consideration the fact that the broker may provide soft dollars or Client referrals, provided that GAAM determines in good faith that the commission paid is reasonable in relation to the value of the brokerage and/or research services provided.
 2. GAAM has similar soft dollar arrangements with all our approved brokers, and all our prime brokers have been introducing Investors or Clients to us; therefore, there is no incentive for GAAM to allocate more trade orders to a particular broker in return for soft dollars or Client referrals. All our approved brokers (including prime brokers) are independent third parties to GAAM.
 3. GAAM reviews broker performance regularly (at least quarterly) to ensure the best execution of trades that align with Client interests, and performs annual evaluation on all approved brokers, taking into account the selection criteria referenced above.
 4. GAAM executes orders on the best available terms. The trades executed via brokers are benchmarked using volume weighted average price ("VWAP"). This is used to evaluate the quality of trade execution and to establish a track record for each broker for broker evaluations. Commission rates are generally negotiated in advance of the time of the trade.

C. Brokerage for Client referrals

GAAM receives Client referrals from prime brokers or third parties. GAAM may have an incentive to select or recommend a prime broker based on our interest in receiving Client referrals, rather than on the Clients' interest in receiving most favorable execution. Our practices of handling possible conflicts of interest are described above.

D. Directed brokerage

- GAAM or any of its supervised persons is not an affiliate of any brokers and does not have any economic relationship with any brokers, which may create a material conflict of interest.
- GAAM does not permit a Client to direct brokerage.

E. Trade aggregation and allocation

- GAAM may purchase or sell the same security for multiple Client accounts. As a rule, all contemporaneous trades of the same security for all Client accounts managed by the same portfolio manager(s) will be batched in a single order ("batch trade order") if the terms are the same (e.g., orders "at market").
- GAAM strives to ensure that trade orders for all Client accounts are allocated fairly and equitably. We require that all batch trade orders be pre-allocated and documented.
- All Client accounts participating in a batch trade order must receive the average price for all transactions executed for that order during that trading day and all Client accounts must share the commissions and other transactional costs on a pro rata basis. The pro rata basis for these costs shall be determined in the same manner as trade allocation.

- Allocations for the batch trade order across Client accounts will be made on a pro rata basis. Pro rata allocation will generally consist of a weighted allocation based on order size whereby each of the Client accounts will receive a portion of the batch trade order based on the pre-allocated order size for each Client account participating in the transaction. If no other allocation method is selected, allocation (especially for “partial fill” batch orders) will be realized on a pro rata basis.
- Partial fills on a given day may be allocated to a selection of those Clients if such prorating would be uneconomic for one or more participating accounts, given the minimum board lot sizes and client transaction costs.
- GAAM attempts to ensure that such partial fills are allocated such that no Client or class of Clients is given preference.
- Permissible bases for us not to aggregate trade orders for the same security for Client accounts include:
 1. Trades that are initiated by the portfolio manager’s adhering to the specific needs of different Clients, each of which may pursue a different investment objective.
 2. Trade aggregation is not supported by the broker (where the Client accounts engage different brokers), or the financial instrument does not allow trade aggregation (such as in the case of listed futures).
 3. The portfolio manager(s) and the authorized trader(s) determine that the Client(s) would benefit from the spreading of orders across two or more brokers.
 4. The use of limit orders inhibits effective trade aggregation.
 5. Trade aggregation is reasonably expected to result in trading inefficiencies.
 6. Restrictions on trade aggregation imposed by foreign regulations and foreign market settlement practices (e.g., certain countries may prohibit trade aggregation).

F. Allocation of investment opportunities

- Differences in the advisory fees paid by Client accounts may create an incentive for GAAM to allocate investments viewed as having greater potential to Client accounts that pay higher advisory fees.
- If the demand expressed on behalf of Client accounts exceeds the number of securities made available for investment by the Clients, e.g., in a public offering, the available securities will be allocated among interested Client accounts using the same pro rata allocation method as that of partial fills’ (as discussed above).

ITEM 13. REVIEW OF ACCOUNTS

- A. GAAM reviews Client accounts on a daily basis. GAAM’s fund accounting team will perform daily valuations and reconciliations for all Private Funds/SMAs and prepare daily valuation reports, which will be reviewed and approved by the named portfolio manager(s), authorized trader(s), risk management team and the Fund Controller on a daily basis.
- B. GAAM’s fund accounting team also performs a detailed monthly reconciliation of our internal records against the official reports/records prepared by fund administrators/custodians, for all Private Funds/SMAs.
- C. All regular reports to Clients will be in written form and sent by email. Content and frequency of regular reports provided to Clients include:

Private Fund

- (Monthly) All Investors in the Private Funds receive monthly statements by email from the fund administrators, who are internationally recognized and are third parties independent from GAAM.
- (Monthly) All Investors in the Private Funds receive monthly newsletters by email from GAAM, which include performance reviews, investment breakdowns, as well as commentaries on market conditions and outlook.
- (Annually) Each Private Fund has engaged an internationally recognized, independent public accounting firm to conduct an annual audit on the Private Fund. Audited financial statements prepared in accordance with generally accepted accounting principles are made available to the Investors in the Private Funds on an annual basis.

SMA

An SMA Client will receive the following reports regarding their SMA, as stipulated in the pertinent SMA agreement(s):

- (Daily) Valuation report prepared by GAAM (upon request)
- (Monthly) Portfolio holding report or valuation report prepared by GAAM
- (Monthly) Performance review of the SMA against the designated benchmark index (if any)
- (Quarterly) Fee calculation (management fee and/or performance fee) and invoice to the SMA Client
- (Annually) Performance fee calculation and invoice to the SMA Client (if applicable)

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

- A. No person who is not a Client provides an economic benefit (incl. any sales awards or other prizes) to GAAM for providing investment advice or other advisory services to our Clients.
- B. Neither GAAM nor any of its supervised persons directly or indirectly compensates any person who is not a GAAM supervised person for Client referrals.
- C. If GAAM compensates any person for Client referrals, we will consider whether SEC rule 206(4)-3, similar state rules regarding solicitation arrangements and/or state rules requiring registration of investment adviser representatives apply.
- D. The Investors in the Private Funds managed by GAAM have no option to purchase them through other brokers or agents at present. However, certain regulated investment advisers may recommend our Private Funds to their advisory clients from time to time. GAAM does not pay any commissions, fees or other forms of compensation, directly or indirectly, to other investment advisers for recommending Private Funds or SMAs managed by GAAM to their advisory clients.

ITEM 15. CUSTODY

GAAM does not and will not have custody of any Client funds or securities.

Private Fund

- All assets of a Private Fund are held in custody by its prime broker(s), qualified execution broker(s) or custodian(s) under the name of the Private Fund.
- The fund administrator to a Private Fund is the authorized signer to the bank account of the Private Fund for the payment of redemption proceeds, settlement of fund fees and expenses, etc.

SMA

- SMA Clients appoint their own custodians and receive account records directly from their custodians.

ITEM 16. INVESTMENT DISCRETION

GAAM accepts discretionary authority to manage securities accounts on behalf of the Clients:

Private Fund

- GAAM will sign an investment management agreement (or investment advisory agreement, any other similar agreements) with the pertinent Private Fund before we assume any discretionary authority.
- Limitations a Private Fund may (or customarily do) place on this authority, such as investment guidelines, risk management guidelines and restricted list(s) of securities, will be disclosed in the pertinent Private Fund document(s). Key guidelines will be approved by the board of directors of the Private Fund by written board resolutions.

SMA

- GAAM will sign an investment management agreement (or investment advisory agreement, any other similar agreements) with the SMA Client before we assume any discretionary authority.
- Limitations the SMA Client may place on this authority, such as investment guidelines, risk management guidelines and restricted list(s) of securities, will be disclosed in the pertinent SMA agreement(s).

ITEM 17. VOTING CLIENT SECURITIES

- A. GAAM has, or will accept, authority to vote Client securities. GAAM votes securities on behalf of the Private Funds. GAAM may accept authority to vote securities on behalf of SMAs as set forth in the pertinent SMA agreement(s).
- GAAM has a fiduciary duty to: (i) adopt voting policies and procedures reasonably designed to ensure that proxies are voted in the best interests of the Clients; (ii) ensure that information is disclosed to the Clients about such policies and procedures; and (iii) inform Clients how they may obtain information about how such proxies have been voted.
 - Where proxy voting has been delegated to GAAM, GAAM endeavors to vote all proxies in accordance with GAAM's proxy voting policy and ESG policy (collectively, the "Policies").
 - GAAM will normally vote each proxy in accordance with the Policies. Where a deviation from the Policies occurs or when voting against a company management's recommendations, the respective reasons will be documented. These exceptions are reviewed on a periodic basis to ensure that the goals of the Policies are being met.
 - Our Policies, including those adopted pursuant to SEC rule 206(4)-6, are outlined below:

1. When GAAM accepts authority to vote on behalf of the Clients, GAAM's general policy is to vote in the best interests of the Clients on a "best efforts" basis, taking into account the information available to GAAM at the time.
 2. In determining how to vote for such securities, GAAM will take into account factors such as: (1) the impact on the value of the investments; (2) the anticipated associated costs and benefits; and (3) the general industry and business practices.
 3. In some circumstances, GAAM will refrain from voting Client securities where GAAM believes, among other potential reasons, that voting would be inappropriate, taking into consideration the cost of voting the securities, the anticipated benefit to the Client, whether the Client continues to hold the securities on the voting date, or where GAAM believes that resolution is irrelevant to the value of the investment.
 4. If GAAM has the authority to vote Client securities, then the Client cannot direct our vote to a particular solicitation.
 5. It is possible for conflicts of interest to arise when GAAM votes Client securities:
 - 1) A potential conflict of interest for GAAM could arise when given the opportunity to vote Client securities in its own interest, e.g., by agreeing to certain corporate actions for the purpose of getting or maintaining the soliciting issuer as a Client.
 - 2) GAAM requires all conflicts of interest to be recorded immediately and disclosed ahead of the applicable votes being cast.
 - 3) If an actual conflict of interest arises, the CCO of GAAM, together with an external legal counsel if necessary and as determined by GAAM in its sole discretion, would be involved in the process of that particular vote to help manage and mitigate any such conflicts of interest.
- GAAM maintains records, including: (1) the Policies, (2) the proxy statements relating to Client securities, (3) records of the votes cast on behalf of Clients, (4) records of Client requests for proxy voting information, and (5) any documents that were material to the voting decision-making process.
 - The Clients may obtain a copy of the Policies upon request. As part of the new Client onboarding process and annually thereafter, every Client is provided with a copy of the Policies.
 - The Clients may obtain information from us on how we voted their securities.
- B. A SMA Client may retain the authority to vote Client securities in their SMA. In such cases, the SMA Client will receive their proxies or other solicitations directly from their custodian, from a transfer agent or GAAM, and the SMA Client can contact GAAM with questions about a particular solicitation (or we can volunteer any such information or suggestions to the SMA Client).

ITEM 18. FINANCIAL INFORMATION

- A. GAAM is not required to include a balance sheet for its most recent fiscal year, as we do not require or solicit the prepayment of any fees from any Client.
- B. GAAM does not take custody of any Client funds or securities. We are not under any financial condition that is reasonably likely to impair our ability to meet our contractual commitments with any Client.
- C. GAAM has not been the subject of a bankruptcy petition at any time during the past ten (10) years and since its inception in 1997.