

## Item 1 Cover Page

### **Align Private Capital, LLC**

One Sarasota Tower  
2 N Tamiami Trail  
Suite 312  
Sarasota, FL 34236

**Telephone: 917-365-9073**

**March 23, 2022**

#### **FORM ADV PART 2A BROCHURE**

This brochure provides information about the qualifications and business practices of Align Private Capital, LLC. If you have any questions about the contents of this brochure, contact us at 917-365-9073. 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.

Additional information about Align Private Capital, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Align Private Capital, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## **Item 2 Summary of Material Changes**

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

There have been no material changes since the annual updating amendment dated March 25, 2021.

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## Item 4 Advisory Business

### Description of Firm

Align Private Capital, LLC (hereinafter "Align") is a registered investment adviser based in Sarasota, Florida with offices in Naples, Florida. We are organized as a limited liability company ("LLC") under the laws of the State of Florida. Align is majority owned by Ghent LLC, which is wholly owned by Robert Blabey and Anna Nekoranec, along with Sirena Management, LLC, which is a minority non-controlling investor in Align.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to Align Private Capital, LLC and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

### Advisory Services

Align serves as General Partner and Investment Manager to pooled investment vehicles (hereinafter, the "Funds"), and separately managed accounts. The Funds will have the ability to invest on a non-discretionary basis (based on terms of the Governing Documents) across asset classes and industries with a focus on opportunistic investments in both the private and public markets, including other funds or portfolios managed by third-party investment advisors. In addition, Align may invest through outside managed funds. Align's advisory services consist of: (a) identifying and evaluating investment opportunities, (b) structuring, negotiating and consummating investments on behalf of the Fund, (c) managing and monitoring such investments, and (d) disposing of such investments. The Fund is offered only to investors meeting certain sophistication and financial requirements and only by applicable offering documents. In providing services to the Fund, we direct and manage the investment of Fund assets and provide periodic reports to investors in the fund.

Align's advice is not tailored to the individual needs of investors in the Funds or investment vehicles. Rather, when managing assets for its clients (i.e., the Funds), Align remains subject to the investment guidelines and restrictions included in the applicable offering documents, limited partnership agreements, organizational documents and/or investment management/advisory agreements, as applicable, for each client (the "Governing Documents"). Once invested in the Funds, investors do not generally have the contractual right to impose additional restrictions on the types of securities or investments in which the Funds may invest.

In certain cases, Align may provide investment advice on a non-discretionary basis to separately managed account clients ("SMA Clients") pursuant to an Investment Management Agreement ("IMA"). Investment advice provided to SMA Clients is typically limited to opportunities to invest alongside a Fund in private markets. Prior to recommending an investment, Align will meet with the SMA Client to determine the SMA Client's objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, Align will also review and discuss a SMA Client's prior investment history and background prior to making an investment recommendation. Align will use this information in its assessment of whether or not a particular recommendation is suitable for the SMA Client. Align will supervise the SMA Client's investment.

Align does not build or establish overall wealth portfolios for SMA Clients; services are limited to recommendation of specific investment opportunities, generally in private markets and generally in an investment alongside the Funds.

This Part 2A Disclosure Brochure contains a summary of information relevant to the subject headings as stated herein, and no disclosure or other statement contained herein serves as a substitute or shall supersede any of the terms and conditions as outlined in the Funds' Governing Documents or an SMA Client's IMA. To the extent any of the statements herein conflict with the Fund's Governing Documents or an SMA Client's IMA, such Governing Documents or IMA shall govern, and investors in such fund will be bound by the terms, conditions, risks and other relevant information contained therein.

### **Types of Investments**

Align will serve as an adviser to pooled investment vehicles with a focus on investments across asset classes and industries with a focus on opportunistic investments in both the private and public markets. In addition, Align may invest through outside managed funds.

Align will also recommend investments, typically in private markets, to SMA Clients on a non-discretionary basis.

### **Assets Under Management**

As of December 31, 2021, Align managed approximately \$216,564,343 in investment advisory client assets, with \$216,538,226 managed on a non-discretionary basis, and \$26,117 managed on a discretionary basis.

## **Item 5 Fees and Compensation**

Align's compensation for its investment advisory service to pooled investment vehicles is through management fees, carried interest and performance fees. Management fees paid by the Funds are borne by investors in the Funds. The precise amount of, and the manner and calculation of the management fees are set forth in the Governing Documents received by each investor prior to investment in the Funds. The performance fee is collected if certain investment goals are met and consists of a specified carried interest percentage in the profits and cash distributions of the Funds after the investors in the partnership receive a specified return on their investment. Investments in the Funds are only suitable for certain "qualified clients", meeting certain financial requirements.

Align's compensation for investment advisory services to its SMA Clients is through management fees and performance fees. The precise amount of, and the manner and calculation of the management and performance fees are set forth in the SMA Client's IMA. Performance fees are only charged to those SMA clients who meet the "qualified client" standard.

Further details on Align's fees will be set forth in the Funds' Governing Documents and in the SMA Client's IMA.

### **Additional Fees and Expenses**

In addition to compensation for Align's advisory and management services, the Funds will typically bear certain out-of-pocket expenses incurred by Align or its affiliates in connection with services provided to the Funds. The payment of such expenses by the Funds does not represent a source of profit for Align or its affiliates; rather it is a reimbursement of expenses paid on behalf of the Funds or incurred in connection with services provided to the Funds. Such expenses may include, but are not limited to: all reasonable out-of-pocket fees and expenses incurred in connection with the formation and organization of a fund, fees and expenses related to the acquisition, holding and disposition of Fund investments (including legal, regulatory and accounting fees and related expenses incidental thereto), legal fees and expenses, accounting, diligence fees/expenses, travel/entertainment related to the investments, tax preparation and compliance fees, financial statement audit fees, and insurance premiums. Expenses paid or reimbursed by the Funds may include allocations of expenses between Clients and other funds as reasonably determined by Align. Further details on Align's fees will be set

forth in Funds' Governing Document and the SMA Clients' IMA.

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

Align is the General Partner of the Funds and will be entitled to receive performance-based fees in the form of distributions of a portion of the profits of each Funds', if any, as "carried interest" (the "Carried Interest") based on parameters set forth in the Governing Documents (for example, certain funds include investment performance hurdles that must be met before Carried Interest is earned). Each General Partner of a Fund is a related person of the Adviser. Distributions from the Funds in respect of Carried Interest reduce amounts that would otherwise be available for distribution to the investors in the Funds and certain affiliated investors may not pay carried interest. All performance-based fees and carried interest distributions are structured in accordance with Rule 205-3 promulgated under the Investment Advisers Act of 1940.

We charge performance-based fees to "qualified clients" having a net worth greater than \$2,200,000 or for whom we manage at least \$1,100,000 immediately after entering into an agreement for our services. Performance-based fees are fees based on a share of capital gains or capital appreciation of a Client's account. The Funds may have unique investment and fee terms as defined in the Governing Documents. Refer to the *Fees and Compensation* section above for additional information on this topic.

Performance-based fees create an incentive for our firm to make investments that are riskier or more speculative than would be the case absent a performance fee arrangement. We periodically review current and prospective fund investments against the investment goals and restrictions for the Funds as set forth in the respective Governing Documents.

Performance-based fees may also create an incentive for our firm to overvalue investments which lack a market quotation. In order to address such conflict, we have adopted policies and procedures that require our firm to "fairly value" any investments, which do not have a readily ascertainable value.

Given that Align may simultaneously manage multiple clients with similar investment strategies, side-by-side management might provide an incentive for our firm to favor accounts for which we receive a performance-based fee. For example, we may have an incentive to allocate limited investment opportunities, such as initial public offerings, to Clients which are charged performance-based fees over clients who are charged asset-based fees only.

Notwithstanding the above, the Funds, for which Align has non-discretionary management authority, has a right of first refusal on all investments that are suitable for the Funds based on their Governing Documents. If a Fund chooses not to proceed with an investment or to only partially invest in an opportunity, then Align has the ability to offer the investment to any of its other Client relationships.

Refer to the Funds' Governing Documents for further details about Align's Carried Interest performance fees allocations.

## **Item 7 Types of Clients**

We offer investment advisory services to pooled investment vehicles (other than investment companies). The minimum investment amount is outlined in each of the Funds' Governing Documents. The General Partner of the Funds may, in its sole discretion, permit investments below the minimum amounts set forth in the Governing Documents of such fund. Additionally, we

offer non-discretionary investment advisory services to SMA Clients. There is no stated minimum investment for SMA Clients.

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

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

**Technical Analysis** - involves studying past price patterns, trends and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

*Risk:* The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

**Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

*Risk:* The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Cyclical Analysis** - a type of technical analysis that involves evaluating recurring price patterns and trends. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions.

*Risk:* The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

*Risk:* Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

**Short-Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

*Risk:* Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can

affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

Our investment strategies and advice may vary depending upon the Funds' requirements as set forth in the Governing Documents. As such, we determine investments and allocations based on the investment guidelines and investment restrictions for the Funds that is a Client of our firm. Your restrictions and guidelines may affect the composition of your portfolio. It is important that you notify us immediately with respect to any material changes to the Fund's Governing Documents.

### **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

### **Other Risk Considerations**

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

- *Liquidity Risk:* The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.
- *Credit Risk:* Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.
- *Inflation and Interest Rate Risk:* Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.
- *Horizon and Longevity Risk:* The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired, or are nearing retirement.

### **Underlying Fund Risk**

A portfolio investing in funds (underlying funds), includes, but is not limited to the performance of the underlying fund and investment risk of the underlying funds' investment, as the underlying funds could involve highly speculative investment techniques, including extremely high leverage, highly concentrated portfolios, workouts and startups, control positions and illiquid investments. In particular,



the risks for a portfolio operating under a fund of funds structure include, but are not limited to, the following: the performance of the portfolio will depend on the performance of the underlying funds' investments; there can be no assurance that a multi-manager approach will be successful or diversified, or that the collective performance of underlying fund investments will be profitable; one or more underlying funds will be allocated a relatively large percentage of the portfolio's assets; there can be limited information about or influence regarding the activities of the underlying fund's investment advisors and underlying funds, like any other asset, will be subject to trading restrictions or liquidity risk. Portfolio investments in underlying funds will generally be charged the proportionate share of the expenses of investing in the underlying fund(s).

### **Recommendation of Particular Types of Securities**

We recommend various types of securities, chiefly in private markets based on the different needs, investment guidelines and restrictions, and tolerance for risk of the Funds and our SMA Clients. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment. A description of certain types of securities we may recommend to you and some of their inherent risks are provided below.

**Real Estate:** Real estate is increasingly being used as part of a long-term core strategy due to increased market efficiency and increasing concerns about the future long-term variability of stock and bond returns. In fact, real estate is known for its ability to serve as a portfolio diversifier and inflation hedge. However, the asset class still bears a considerable amount of market risk. Real estate has shown itself to be very cyclical, somewhat mirroring the ups and downs of the overall economy. In addition to employment and demographic changes, real estate is also influenced by changes in interest rates and the credit markets, which affect the demand and supply of capital and thus real estate values. Along with changes in market fundamentals, investors wishing to add real estate as part of their core investment portfolios need to look for property concentrations by area or by property type. Because property returns are directly affected by local market basics, real estate portfolios that are too heavily concentrated in one area or property type can lose their risk mitigation attributes and bear additional risk by being too influenced by local or sector market changes.

**Limited Partnerships:** A limited partnership is a financial affiliation that includes at least one general partner and a number of limited partners. The partnership invests in a venture, such as real estate development or oil exploration, for financial gain. The general partner has management authority and unlimited liability. The general partner runs the business and, in the event of bankruptcy, is responsible for all debts not paid or discharged. The limited partners have no management authority and their liability is limited to the amount of their capital commitment. Profits are divided between general and limited partners according to an arrangement formed at the creation of the partnership. The range of risks are dependent on the nature of the partnership and disclosed in the offering documents if privately placed. Publicly traded limited partnerships have similar risk attributes to equities. However, like privately placed limited partnerships their tax treatment is under a different tax regime from equities. You should speak to your tax adviser in regard to their tax treatment.

**Lack of Liquidity of Fund Assets/Restricted Securities.** The Funds and SMA Client portfolios may, at any time, have illiquid investments, which include restricted securities purchased directly from an issuer in a private placement with no guarantee of when such securities will be available for public resale through a registration of such securities or securities exempt from registration. Such investments may be thinly traded or not traded at all, making their purchase or sale at desired prices or in desired quantities difficult or impossible. With respect to restricted securities, unless and until registration of such securities occurs, there may be no market for the securities, the sale of any such securities may be possible only at substantial discounts, and it may be extremely difficult at times to value any such investments accurately.

**Investments in Private Funds.** The Funds and SMA Client accounts may make investments in private funds which may be hedge or trading vehicles, private equity funds, or real estate funds. Investments in private funds will require it to bear a pro rata share of the vehicles' expenses, including management and performance fees. The performance fees charged by certain private funds may create an incentive for its manager to make investments that are riskier and/or more speculative than those it might have made in the absence of a performance fee. Furthermore, private funds are subject to specific risks, depending on the nature of the vehicle, and also may employ leverage such that their returns are more than one times that of their benchmark which could amplify losses suffered by the client account when compared to unleveraged investments. Certain closed-end funds do not offer liquidity to investors and client accounts may be required to hold such investments for many years before receiving assets, if any, in return.

## **Item 9 Disciplinary Information**

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

## **Item 10 Other Financial Industry Activities and Affiliations**

### **Business Consulting Services**

We offer business consulting services to ultra-high net worth clients. Our business consulting services are designed to assist ultra-high net worth clients and may include, but are not limited to, tax planning, estate planning and trustee oversight, lifestyle management, succession planning, family philanthropy, third-party coordination (ex: attorneys and CPAs), attendance at quarterly meetings of our clients' investment committees and financial education. Our business consulting services are separate and distinct from the compensation received from our Advisory Services.

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

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### **Participation or Interest in Client Transactions**

Align and its related persons are engaged or may engage in investment activities for private investment companies, other registered investment companies, other accounts that may pursue

investment strategies similar to those of Align or for its clients. These accounts may from time to time purchase, sell or hold certain investments which are also being purchased, sold or held by Align for its clients.

There may be instances in which Align or its affiliates may make co-investments with a Fund that is a Client. Any such investments are generally disclosed to the investors in the Governing Documents for the Fund, and may be subject to certain limitations contained therein. To mitigate any potential conflict of interest associated with co-investments, generally co-investors will participate with the Fund in any co-investment on the same terms and conditions as the Fund.

Align's advisory role and related compensation is disclosed in the private placement memorandum or accompanying Governing Documents for the Funds, and those documents are provided to each prospective investor prior to investment in a Fund.

Align and its associated persons serve as the general partner or are affiliated with one or more private funds (private pooled investment vehicles) in which you may be solicited to invest. Persons associated with our firm may have significant investments in the private funds or have other financial interests (e.g. General Partner, Officers, Board Members, etc.) in the private fund(s). This is a conflict of interest because we have investments and/or are compensated by the private fund(s). If you are an investor in a private fund(s), please refer to the private fund's offering documents for detailed disclosures regarding the private fund(s) and conflicts of interest.

### **Personal Trading Practices**

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. Because the fund's limited partner holds final discretion to either invest or not-invest, it is our firm's policy that we notify any and all investors if we already hold ownership in any securities that we might be recommending. At this point, the limited partner can make a fully informed decision based on the fact that we may have received favorable prices based on the timing of our investment.

## **Item 12 Brokerage Practices**

We maintain relationships with several custodians which may be banks, broker-dealers or similar entities. While you are free to choose any custodian or other service provider as your custodian, we recommend you establish an account with a custodian with which we have an existing relationship. Such relationships may include benefits provided to our firm including, but not limited to, market information and administrative services that help our firm manage your account(s). We believe the recommended custodian provides quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the service provided by recommended custodians, including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services recommended custodians provide, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Investments made by individual investors in the Funds will be held on deposit with a qualified custodian such as a bank, trust company, or other qualified financial institution.

### **Research and Other Soft Dollar Benefits**

We do not have any soft dollar arrangements.

## Item 13 Review of Accounts

### Oversight and Monitoring

The investment portfolios of our Funds and SMA Clients are generally private, illiquid and long-term in nature. Align closely monitors the portfolio investments of the Funds and generally maintains an ongoing oversight position in such portfolio companies. The portfolios are reviewed by investment professionals on an on-going basis.

### Reporting

Align will typically furnish to the investors in the Funds: (i) audited financial statements annually; (ii) unaudited financial statements quarterly; (iii) annual tax information necessary for each investor's tax returns; and (iv) investment information for each portfolio company semi-annually. The Governing Documents of the Funds of an investment vehicle may provide for alternative, or less detailed, reporting than the foregoing. Align may from time to time, in its sole discretion, provide additional information relating to a fund to one or more investors in such fund as deemed appropriate.

## Item 14 Client Referrals and Other Compensation

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

Refer to the *Brokerage Practices* section above for disclosures on research and other benefits, we may receive resulting from our relationship with your account custodian.

## Item 15 Custody

### Private Investment Companies

We serve as the General Partner and Investment Manager to private pooled investment vehicles organized as a limited partnership. The Funds are offered to certain sophisticated investors, who meet certain requirements under applicable state and/or federal securities laws. Investors to whom a Fund is offered will receive a private placement memorandum and/or other offering documents. Generally, the fees charged by the Funds we advise or manage are separate and apart from our advisory fees. You should refer to the Governing Documents for a complete description of the fees, investment objectives, risks and other relevant information associated with investing in the Fund. Persons affiliated with our firm may have made an investment in the Funds and may have an incentive to recommend the Funds over other investments.

In our capacity as the General Partner and Investment Manager to the Funds, we will have access to the Funds' funds and securities, and therefore deemed to have custody over such funds and securities. We provide each investor in the Funds with audited annual financial statements within 120 days (of 180 days for "fund of funds") of the fund's fiscal year end.

### Separately Managed Accounts

In our capacity as Agent for an institutional client, we are deemed to have custody of client assets. We engage an independent auditor to perform an annual surprise examination of the client's assets to satisfy the Custody Rule.

## **Item 16 Investment Discretion**

Align has non-discretionary authority to manage the Funds, and may enter into arrangements with other funds or SMA Clients giving us non-discretionary authority to make decisions with respect to which investments are bought and sold. Non-discretionary authority is provided through the Funds' execution of an advisory agreement with Align. Any limitations on authority are included in each Fund or SMA Client's offering documents, advisory agreements, other Governing Documents, and/or organizational documents.

## **Item 17 Voting Client Securities**

We do not vote proxies or make determinations in corporate actions regarding securities owned by the Funds or any SMA client. Any such proxies or corporate actions are forwarded to the sole investor in the Funds or the SMA client for resolution.

We keep certain records required by applicable law in connection with our proxy voting activities. The Funds may obtain information on how we voted proxies and/or obtain a full copy of our proxy voting policies and procedures by making a written or oral request to our firm.

## **Item 18 Financial Information**

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. Therefore, we are not required to include a balance sheet with this brochure.

We have not filed a bankruptcy petition at any time in the past ten years.

## **Item 19 Requirements for State-Registered Advisers**

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

## **Item 20 Additional Information**

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

### **Class Action Lawsuits**

In our capacity as General Partner, we will assist the Funds, in conjunction with legal counsel or other professionals, in filing claims with the claims administrator to participate in any settlement proceeds related to class action settlements involving a security held in a Fund's portfolio. However, we will not assist in class actions in our capacity as an adviser or manager to the Funds. We may also work with a Fund's legal counsel to determine whether the fund is eligible to participate in class action litigation to recover damages on its behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held in a Fund's portfolio.