

Item 1: COVER PAGE

Cartenna Capital LP

Part 2A of Form ADV: FIRM BROCHURE

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This Brochure provides information about the qualifications and business practices of Cartenna Capital LP (“**Cartenna**”, the “**Firm**”, or the “**Investment Manager**”). If you have any questions about the contents of this brochure, please contact Sean McDuffy, the Firm’s Chief Compliance Officer at (475) 466-2003 or by email at smcduffy@cartennacapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“**SEC**”) or by any state securities authority.

Any reference to Cartenna as a registered investment adviser does not imply any level of skill or training.

Additional information about Cartenna Capital LP is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: MATERIAL CHANGES

This is an annual amendment for the year ended December 31, 2021. Since the last other-than-annual amendment filed on May 12, 2021, there have been no material changes to this brochure. But in this annual amendment, Item 4 has been revised to update to the Firm's assets under management. In the future, a summary of any material change will be listed here, as applicable.

Investors and Clients are encouraged to review this brochure in its entirety. The information set forth in this brochure is qualified in its entirety by the applicable offering and governing documents. In the event of a conflict between the information set forth herein and the applicable offering and governing documents, the information set forth in the applicable offering and governing documents shall control.

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Item 4: ADVISORY BUSINESS

Item 4.A. General Description of Advisory Firm

Cartenna Capital LP (“Cartenna”) is an investment advisory firm organized as a limited partnership under the laws of the State of Delaware with its principal place of business in Stamford, Connecticut. Cartenna was founded in December 2019 by Peter Avellone, the Firm’s owner and managing partner. The Firm provides advisory services to private funds as further described in this Brochure.

Item 4.B. Description of Advisory Services

Cartenna currently manages assets on a discretionary basis for an affiliated pooled investment vehicle client, Cartenna Master Fund LP (the “**Partnership**” or the “**Fund**”). Cartenna also provides discretionary portfolio management and investment sub-advisory services to unaffiliated privately offered pooled investment vehicles (the “**Sub-Advisory Clients**”, and together with the Fund, each a “**Client**” and collectively the “**Clients**”) which are advised by investment advisers registered with the SEC (the “**Adviser**”). In providing such advisory services to the Clients, Cartenna has discretion to formulate investment objectives, direct and manage the investment and re-investment of the Clients’ assets pursuant to an agreement between Cartenna and each individual Client (the “**Portfolio Manager Agreements**”).

Item 4.C. Availability of Customized Services for Clients

Terms of investments, limitations and strategies are governed exclusively by the terms of the private placement memorandum, operating agreement, and/or a Portfolio Manager Agreement (collectively, the “**Governing Documents**”) with each Client. Specific Client investment strategies and their implementation are dependent upon the Client’s investment objectives. Advisory clients of Cartenna, may impose restrictions on investing in certain securities or types of securities. Investors in the Funds to which Cartenna serves as an adviser (“**Investors**”) cannot generally place such investment restrictions upon Cartenna and may not tailor Cartenna’s advisory services to their individual requirements.

Item 4.D. Wrap Fee Programs

Not applicable. Cartenna does not participate in, nor does it sponsor, wrap fee programs.

Item 4.E. Regulatory Assets Under Management

As of December 31, 2021, Cartenna Managed approximately \$376,774,773 of client assets on a discretionary basis.

Item 5: FEES AND COMPENSATION

Items 5.A., 5.B., and 5.C.

Cartenna receives fees from the Clients in connection with the Firm’s portfolio management and investment advisory services on behalf of the Clients. Fees for Cartenna’s portfolio management and

investment advisory services are negotiable. The fees are typically billed to the Client account and paid from the assets of such account.

An overview of Cartenna's fee schedule is summarized below.

Management Fee

Cartenna Partners LP.

The Fund is a privately offered pooled investment vehicle structured as a "master-feeder" structure with a master fund (the "Master Fund"), an onshore feeder fund (the "Onshore Feeder") and an offshore feeder fund (the "Offshore Feeder"). For the Investment Manager's services to the Fund, the Investment Manager is entitled to receive a quarterly Management Fee (as defined below) and an annual Incentive Fee (as defined below), calculated in accordance with the following definitions and subject to the following conditions: (a) the Investment Manager shall receive a quarterly management fee calculated at an annual rate of (i) 1.25% of each limited partner's capital account attributable to Founders' Interests in the Onshore Feeder and each of the Founders' Sub-Class Shares in the Offshore Feeder and (ii) 1.5% of each limited partner's capital account attributable to Series A Interests in the Onshore Feeder and each of the Sub-Class A Shares in the Offshore Feeder (the "Management Fee").

The Management Fee shall be paid quarterly in advance based on the value of each limited partner's capital account as of the first calendar day of each calendar quarter, adjusted for contributions and withdrawals (or redemptions, as applicable) made during the quarter. To the extent that the Investment Manager receives the Management Fee at the Master Fund level, no management fee will be paid at the Feeder Fund level. The Investment Manager, in its sole discretion, may change the level at which it receives the Management Fee. The Investment Manager may waive or modify the Management Fee for certain limited partners of the Onshore Feeder that are members, principals, employees or affiliates of the Investment Manager or the general partner of the Fund (the "**General Partner**"), relatives of such persons, and for certain large or strategic investors. The Investment Manager may waive or modify the Management Fee for certain shareholders of the Offshore Feeder that are members, principals, employees or affiliates of the Investment Manager or the General Partner, relatives of such persons, and for certain large or strategic investors.

The Sub-Advisory Clients.

In consideration for its services to the Sub-Advisory Clients, Cartenna is entitled to receive reimbursement of an agreed upon amount representing a pro-rata portion of the Sub-Advisory Clients' operating expenses. The management fee is a flat fee to be paid monthly on a prorated basis.

Performance Fee

Cartenna Partners LP

At the end of each fiscal year, the Investment Manager will receive, at the Master Fund level, an annual incentive fee of the Master Fund's net profits equal to (i) 17.5% of each limited partner's share of net profits attributable to Founders' Series Interests of the Onshore Feeder and Founders' Sub-Class Shares of the Offshore Feeder as of that fiscal year and (ii) 20% of each limited partner's share of net profits

as of that fiscal year attributable to Series A Interests of the Onshore Feeder and Sub-Class A Shares of the Offshore Feeder as of that fiscal year (such allocations, the "Incentive Fee"); in each case, the Incentive Fee will be subject to a loss carryforward provision as described in the Offering Memoranda. When calculating the Incentive Fee at the Master Fund level with respect to a Feeder Fund, net profits will be reduced by the Management Fee and all items of income, loss and expense incurred at the Feeder Fund level will be taken into account. The Investment Manager, in its sole discretion, may change the level at which it receives the Incentive Fee. To the extent that the Investment Manager receives the Incentive Fee at the Master Fund level, no Incentive Fee will be made at the Feeder Fund level. A special limited partner of the Master Fund may in the future become entitled to a special allocation interest in the Management Fees payable and such amount will offset what otherwise would be paid to the Investment Manager.

The Sub-Advised Clients

Subject to the terms and limitations of the investment agreement between Cartenna and the Advisers, Cartenna may receive a performance fee as a percentage of the Sub-Advisory Clients' profits. Performance fees are typically paid in arrears.

Other Fees and Expenses

Cartenna Partners LP.

The Investment Manager is responsible for its overhead expenses of an ordinary and recurring nature, such as rent, supplies, secretarial expenses, its direct compliance expenses, stationery, charges for furniture and fixtures, salaries and bonuses of its employees, employee insurance, employee benefits and payroll taxes. The Master Fund generally will bear all expenses relating to its ongoing structure and operation (including direct expenses of the Feeder Funds), including: (i) the Management Fee and the Incentive Fee; (ii) all investment-related costs and expenses (i.e., expenses that, in the Investment Manager's sole discretion, are related to the investment of the Master Fund's assets, whether or not such investments are consummated), including commissions and charges, interest on margin accounts and other indebtedness, expenses relating to short sales, clearing and settlement charges, option premiums and custodial and service fees, research-related expenses (including research-related travel expenses), expenses relating to consultants, attorneys, brokers or other professionals or advisors who provide research, advice or due diligence services with regard to investments; (iii) fees and expenses related to portfolio exposure and performance management systems, risk management services and software related to trade reconciliation, treasury, margin, financial and counterparty management, risk monitoring, performance reporting, valuation quotation services (e.g., Bloomberg terminals, historical and live financial data and other similar services and data feeds) and trade order management systems (including systems that facilitate trade compliance, commission management, stock locates and transaction cost analysis, and third party service providers used for implementation, custom reporting, updates, consultations, support, maintenance, monitoring and data extracts); (iv) the Funds' legal, accounting, tax preparation and other tax-related expenses (including preparation and mailing costs of financial statements, tax returns and other reports to shareholders of the Offshore Feeder and limited partners of the Onshore Feeder), auditing, consulting and other professional expenses; (v) third-party administration costs, fees and expenses (including any costs, fees and

expenses related to investor communications, relations, reporting or other investor materials, tax preparation and related reporting, performance information, data extraction and other types of reporting and any audit or accounting services provided by a third-party administrator); (vi) all fees and charges of custodians, clearing agencies and banks; (vii) compliance and reporting expenses and expenses attributable to regulatory filings that are made with respect to the Master Fund (including Section 13, Section 16, Form D, Form PF, FATCA, anti-money laundering compliance, state security filings, general regulatory compliance and non-U.S. position reporting filings, if applicable, and non-U.S. filings, if any); (viii) the Master Fund's pro rata share of Master Fund-related insurance costs (including the Master Fund's pro rata portion of director's and officer's insurance, errors and omissions insurance, fidelity insurance and other similar policies covering the General Partner, the Investment Manager and/or the members of the Governance Committee); (ix) independent Governance Committee members' and Advisory Board members' (if any) fees and expenses; (x) any taxes (including but not limited to any withholding taxes, transfer taxes, stamp duties and other governmental or self-regulatory agency-related charges or duties); (xi) all costs and expenses incurred in attempting to protect and enhance the value of a Fund investment (including any fees and expenses associated with any pending or threatened litigation, audit, investigation, administrative or other proceeding, as well as any settlement costs); (xii) the Feeder Fund's pro rata portion of the Master Fund's expenses; (xiii) any fees and expenses related to the Master Fund's liquidation, if applicable; (xiv) fees paid to proxy and securities class action advisory firms; (xv) Director's fees; (xvi) expenses relating to the offer and sale of interests and withdrawals and transfers thereof; (xvii) other reasonable expenses related to the purchase, sale, preservation or transmittal of the Master Fund's assets and (xviii) any extraordinary expenses (e.g., indemnification expenses). The Master Fund does not have its own separate employees or offices, and it does not reimburse the Investment Manager for salaries or office rent. Each Feeder Fund will bear its *pro rata* share of the Master Fund's expenses. To the extent that an expense relates only to the Onshore Feeder, the Offshore Feeder or any other investment vehicle that invests in the Master Fund, generally it will be allocated to and solely paid by such vehicle. The organizational expenses of the Funds (including expenses of the initial offer and sale of limited partnership interests in the Onshore Feeder and common shares of the Offshore Feeder) (the "Organizational Expenses") will be paid by the Funds. Organizational Expenses, for net asset value purposes and in the sole discretion of the General Partner, may be amortized over a period of up to 60 months from the date the Funds commence operations, although, if the Funds deem appropriate, such amounts may be accelerated.

The Sub-Advised Clients.

In addition to the management fee and, if applicable, performance fee described above, Cartenna receives a fixed annual fee to pay for certain personnel of Cartenna. Such annual fee is payable monthly in arrears on a *pro rata* basis and subject to adjustment for personnel turnover.

In addition to paying the foregoing fees, the Sub-Advisory Clients will also be subject to other expenses in accordance with the Portfolio Manager Agreement such as brokerage and related expenses associated with investments made in respect of assets held by the Sub-Advisory Clients, expenses relating to the establishment, organization and maintenance of the Sub-Advisory Clients, expenses related to the investment of the assets held in by the Sub-Advisory Clients, trading expenses, directors fees, registration fees, registered agents fees and fees paid to domiciliary agents, costs associated with gaining access to non-U.S. markets, interest, borrowing, margin expense or other financing fees or

expenses charged to the Sub-Advisory Clients to fund capital, costs related to anti-money laundering and other compliance (including costs associated with regulatory and other reporting obligations of the Sub-Advisory Clients), brokerage commissions and other transaction charges, fees and expenses in borrowing and lending of securities, custodial and trustee fees, bank fees, transfer taxes and other taxes, administration fees, accounting fees, tax preparation fees, professional fees (including, without limitation, expenses of consultants and experts) relating to investments, research fees and expenses (including Bloomberg and similar financial data services), reasonable legal fees paid to outside counsel related to the investment or prospective investment and/or trading of securities and audit fees.

Please refer to Item 12 of this *Brochure* for a discussion of the Cartenna's brokerage practices.

Item 5.D. *Timing of Fee Payments*

Not applicable. Cartenna does not collect fees in advance.

Item 5.E. *Receipt of Compensation for Sales*

Not applicable. Neither Cartenna nor any of its supervised persons accept compensation for the sale of securities or other investment products.

Item 6: PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As discussed in Item 5, Cartenna is entitled to receive a performance fee from its Clients. These payments are subject to Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (the "**Advisers Act**"), in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3.

Performance-based fees or compensation, in general, may create an incentive for Cartenna or its supervised persons to make investments that are riskier and more speculative than would be the case in the absence of a performance-based fee. The Firm provides investment advisory services to more than one Client, each with its own fee arrangement. Such fee arrangements may create an incentive to favor higher fee-paying clients over other clients in the allocation of investment opportunities. To the extent that any such conflict was to arise, in order to address such conflict(s), Cartenna will implement policies and procedures to ensure that all Clients receive equitable and fair treatment consistent with Cartenna's fiduciary duty.

Item 7: TYPES OF CLIENTS

Cartenna provides investment advisory services to the Fund and to the Sub-Advisory Clients, as described in Item 4 above. Interests in the Fund and in the Sub-Advisory Clients are offered only to sophisticated and qualified investors, including but not limited to: high-net-worth individuals, family offices and institutions.

With respect to the Fund and to the Sub-Advisory Clients, any initial and additional subscription minimums are disclosed in the offering documents for the respective Client.

The minimum initial investment for the Fund is \$5,000,000, subject to reduction at the discretion of the Fund's General Partner. Cartenna does not have a set minimum investment to accept a Sub-Advisory Clients.

Item 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Item 8.A. Methods of Analysis and Investment Strategies Generally

Methods of Analysis and Investment Strategies

Cartenna Partners LP.

To achieve the investment objective of the Partnership, the Investment Manager will use an iterative process that includes using all available filings and resources to project a company's financials as accurately as possible. The investment process seeks to create primary research related to both individual companies and sub-sectors where favorable risk-reward opportunities may exist.

The Investment Manager will aim to identify variables that it can use to help analyze 1) revenue inflection points, 2) margin trajectories, 3) market share shifts, 4) modeling discrepancies versus a company's guidance or consensus estimates. The Investment Manager will also use public data as well as third party data sets that it believes is useful in predicting future outcomes for various sectors.

The Investment Manager will invest primarily in equities and equities-related securities, however, the Partnership's investments may at any time include, without limitation, long or short positions in U.S. or non-U.S. publicly-traded or privately issued common stocks, preferred stocks, stock warrants and rights, convertible securities, restricted securities, futures, swaps (including credit default swaps and total rate of return swaps), "custom baskets", options (purchased or written), bonds and other fixed income securities, partnership interests and other securities or financial instruments including those of investment companies. The Partnership may also purchase put and call options, write uncovered put and call options and invest in bonds or other fixed income securities, when deemed appropriate by the Investment Manager. In addition, the Partnership may invest in spot foreign exchange, foreign exchange deliverable and non-deliverable forward contracts, commodity investments, derivatives and other "over-the-counter" instruments. While the Partnership's portfolio is generally expected to comprise relatively liquid securities, the Partnership (through its investment in the Master Fund) may, at times, invest in securities which are not readily marketable, including private and over-the-counter securities.

The Partnership may also invest in new issues, provided that the Partnership first complies with all of the rules and regulations pertaining to such investments, including the Rules of the Financial Industry Regulatory Authority, Inc. (the "FINRA Rules"). Finally, the Investment Manager may cause the Partnership to utilize leverage.

The Partnership has complete flexibility to create or organize (alone or in conjunction with others, including the Investment Manager, the General Partner or other affiliates) or otherwise utilize special purpose subsidiaries, affiliates, co-investment vehicles, feeders or other special purpose investment or financing vehicles, swaps or other derivatives or structured products, particularly in instances where the Investment Manager, in its sole discretion, determines that there is a potential strategic, tax, regulatory or similar advantage to such structured product, instrument or entity.

The Sub-Advised Clients.

Cartenna provides investment advisory services to the Sub-Advisory Clients pursuant to the particular investment objectives, policies and strategies described in the applicable Governing Documents. For the Sub-Advised Clients, Cartenna invests in a long-short portfolio that primarily invests in U.S. equities. Cartenna may invest in equities, options, over-the counter (“OTC”) derivatives, futures contracts, as well as cash and cash equivalents. Cartenna’s security selection process incorporates fundamental and quantitative methods, together with a proprietary portfolio construction process which balances alpha and risk.

Items 8.B. and 8.C. *Material Risks Involved for Cartenna’s Strategies*

Cartenna’s investment strategies involve a high degree of business and financial risk that can result in substantial losses and is suitable only for investors prepared to bear such risk. The risk factors below are not intended to be exhaustive. Prospective Clients and investors in Clients should also carefully review the risks described in the applicable Governing Documents for the pooled investment vehicles in which it is investing.

The following is a brief summary of certain of the more significant risks associated with Cartenna’s investment strategies. For the specific risks of a particular Client, see the applicable offering documents for that Client.

General Investment Risks

Possibility of Losses. Cartenna’s investment program is speculative. The value of a Client’s investments will fluctuate based upon a multitude of factors, including the financial condition, results of operations, and prospects of the issuers of the underlying securities acquired by the Client, governmental intervention, market conditions, and local, regional, national, and global economic conditions. Therefore, the Client may lose all or a portion of their principal invested if Cartenna’s investment strategies pursuant to the respective Client’s Governing Documents are not successful.

Not a Complete Investment Program. If Cartenna’s strategy is not successful, or if Cartenna is unable to implement the strategy effectively, a Client could lose some or all of its capital. For these reasons an investment with Cartenna may be deemed speculative and is appropriate only for sophisticated and experienced investors who are able to bear the risk of loss of their entire investments.

Market Conditions and Disruptions; Interconnected Markets. Developments and disruptions in financial and securities markets generally, including aspects and attributes such as interest rates, the availability of credit, the liquidity of particular types of investments, as well as changes in general economic conditions, including unemployment and inflation, can significantly affect the prospects of a Client’s investments, Cartenna’s ability to assess those prospects, and its ability to adapt its portfolio and market exposures. For example, in 2007 and 2008, a global “credit crisis” caused rapid and violent swings in all markets. In the summer and early fall of 2011 global economic disruptions caused additional dramatic swings in securities prices. In 2012 and 2015, developments in Europe caused significant price swings. And the first month of 2016 saw historic levels of price volatility and declines across international markets, in addition to illiquidity in the high yield debt markets. Other types of disruptions could emerge, including as a result of political or economic developments outside the

markets in which a Client mainly invests, that have similar, or even more dramatic, effects on the markets in which the Client invests. Market disruptions could cause a Client to incur major losses, particularly if they cause historical pricing relationships to become materially distorted or previously liquid positions to become illiquid. Market disruptions can result in otherwise historically low-risk strategies performing with unexpected volatility and risk.

Counterparty and Custody Risk. Cartenna must place most of the Clients' assets in the custody of institutions, such as brokerage firms and banks, which may hold those assets on the books of depositaries and other intermediaries in the institutions' own name (*i.e.*, in "street name"). The Clients are subject to the risk that these firms, as well as other brokers, counterparties, clearinghouses or exchanges with which Cartenna deals, may default on their obligations to a Client. Any such default could result in material losses to the Client. Bankruptcy or fraud at one of these institutions could also impair a Client's operational capabilities or capital position. Securities and other assets a Client deposits with custodians or brokers may not be clearly identified as being the Client's assets, causing the Client to be exposed to credit risk with regard to those custodians or brokers. A Client generally will only be an unsecured creditor of its trading counterparties in the event of bankruptcy or administration of those counterparties and in some jurisdictions the same may be true of the Client's relationship to its brokers. The Client's attempts to limit its brokerage and custody transactions to well capitalized and established banks and brokerage firms in an effort to mitigate these risks, but the collapse in 2008 of the seemingly well-capitalized and established firms, Bear Stearns and Lehman Brothers demonstrates that there are limits to the effectiveness of this approach in avoiding counterparty losses.

Governmental Intervention in Markets. Since 2008, financial crisis and market disruptions have led to extensive new governmental intervention in financial markets and the structure and operation of financial institutions. Many governmental interventions have been unclear in scope and application and have included apparent inconsistencies, at times causing losses for market participants who assumed either no intervention or intervention consistent with past precedent, contributing to confusion and uncertainty as to important market forces, and in some cases contributing, at least temporarily, to illiquidity in some markets.

It is impossible to predict what additional interim or permanent governmental restrictions or other actions may be imposed on financial markets, particularly if new disruptions occur, and it is impossible to predict the effect those restrictions or other actions may have on Cartenna's strategies or a Client's portfolio when implemented. Those effects could create or exacerbate market disruptions and further expose a Client to risks of the kinds described above.

Risks Arising from Broad Discretion and Dependence on Cartenna

Subject to the terms of the relevant Governing Documents, Cartenna has discretion to invest the Clients' assets. The following describes some of the risks that arise from relying on an investment adviser with such broad discretion and on Cartenna in particular.

Investment Selection; Subjective Judgment. Cartenna will select investments based on its analysis and subjective assessment of a wide variety of factors that it considers, from time to time, relevant to the prospects of those investments. Failures of that analysis or those assessments, for particular investments or for strategic direction and construction of a Client's portfolio as a whole, may cause the Client to incur losses or to miss profit opportunities. Areas in which Cartenna's skill and potentially subjective judgment may be particularly important include the following:

Market Judgment. Cartenna's personnel will apply judgment as to overall market conditions and directions as a core part of implementing a Client's strategy at any particular time. The greater the role such judgment plays during any particular period, the more unpredictable and inconsistent a trading strategy is typically expected to be.

Fundamental Analysis. Fundamental analysis, based on the theory that market prices do not always incorporate all knowable economic and other relevant data, is subject to the risk of inaccurate or incomplete market information, as well as faulty analysis of known information. In addition to the risk of shortcomings in analysis, investments made based upon fundamental analysis are subject to significant losses when market sentiment leads to material discounting of market prices from the prices indicated by fundamental analysis (as in the case of "flights to quality" when the demand for certain risky investment instruments plummets) or when technical factors, such as price momentum encouraged by trend following, dominate the market.

Risk Management. Cartenna actively causes the Clients to take risks, directly exposing them to potential loss under a wide variety of market conditions. It attempts to identify, measure, and monitor risks associated with the investment activities and may choose to hedge or otherwise mitigate risks it identifies. However, Cartenna may fail to identify or anticipate a wide variety of risks that may adversely affect a Client, or the hedging or other risk mitigation techniques may not have the desired effect, potentially exposing it to material losses.

Technical Analysis. Cartenna may incorporate elements of technical analysis —analysis of historical and current market data — into its investment decision making. Technical analysis is subject to the risk that unexpected fundamental factors or other factors that were not present during the periods from which historical data were generated on which decisions are based may arise and become dominant, at least for a time. Among other things, an influx of new participants in a particular market, structural changes in the markets, the introduction of new financial products, and other developments could materially adversely affect the validity of inferences from historical data and thus the profitability of investments based on technical analysis.

Reliance on Cartenna. A Client's success depends on the ability of Cartenna and, particularly, Peter Avellone, to develop and implement investment strategies to achieve its investment objectives. A Client's performance could be materially and adversely affected if Mr. Avellone were to die, become ill or disabled, or otherwise cease to be involved in the active management of its portfolio.

Limited Operating History. Cartenna is a recently formed entity with limited operating history for prospective investors to evaluate prior to making an investment in a Client. Further, because, among other things, market conditions and investment approaches are continually changing, prior investment performance of Cartenna's key personnel does not necessarily indicate the Clients' prospects for profitability. Past results do not necessarily predict future performance. Cartenna cannot give any assurance that the Clients will achieve profits or will not incur substantial losses.

Investment Concentration. The Client's portfolios may not be broadly diversified. To the extent the portfolio is not diversified, a Client may be subject to increased performance volatility and risk.

Conflicts of Interest. In managing the Clients' portfolios, Cartenna faces conflicts between its interests and the interests of its Clients. Such conflicts can arise from the nature of the Client's activities and

common business practices (e.g., relationships with brokerage firms and other service providers) or from Cartenna's other activities, such as managing other accounts and engaging in personal and proprietary investing and trading activities.

Information Sources. Cartenna relies heavily on the accuracy and completeness of information on which it bases investment decisions, but as to much of that information it is not in a position to confirm that completeness or accuracy: critical, and apparently reliable, information may be inaccurate or incomplete. Reliance on erroneous or incomplete information could cause Cartenna to make investments that lead to losses in the Clients' portfolio or to refrain from making investments that would have resulted in gains.

Risks Arising from Particular Activities or Types of Securities

All investing and trading activities risk the loss of capital. While Cartenna attempts to moderate these risks, there can be no assurance that the Clients will not suffer losses. The following discussion sets forth some of the more significant risks to which the Clients' portfolios will, or may, be subject.

Portfolio Leverage. Leverage in a Client's portfolio could increase both the possibilities for profit and the risk of loss. If the Client were to borrow to leverage its investments (i.e., margin borrowing), that borrowing would probably be secured by the Client's securities and other assets. Margin borrowings typically allow the lender to demand an increase in the collateral that secures the Client's obligations, and if the Client were unable to provide additional collateral, the lender could liquidate the collateral to satisfy its obligations. Forced liquidation could have extremely adverse consequences, including sales at disadvantageous times and prices and the acceleration of tax consequences.

Short Selling. Cartenna, on behalf of a Client, may sell securities short as a regular part of its investing activities. In a short sale, the Client sells securities it does not own, in the expectation that the market price will decline and Cartenna will be able to buy replacement securities later at a lower price. To accomplish this, Cartenna borrows the securities from a broker or other third party. It "closes" the position by "returning" the security (buying a replacement security on the lender's behalf). This "return" obligation does not typically have a specified "maturity" date and the lender generally may require replacement of the securities whenever it chooses. A short sale theoretically involves the risk of unlimited loss; the price at which Cartenna must buy "replacement" securities could increase without limit. The Client may experience losses on short positions that are not offset by gains on long positions.

As collateral for its return obligation, Cartenna must leave the proceeds of its short sales with the lender—generally a prime broker. Ordinarily all the Client's assets held by a prime broker will serve as collateral not only for the Sub-Advisory Client's short sale return obligation, but also for any other credit the prime broker extends and any other obligations the Client owes the prime broker. If the amount of the Client's return obligation were to increase significantly due to increases in a short-sold security's price, or if the value of collateral were to decrease, the Client could be required to deliver additional cash or other collateral to the relevant prime broker. But, if substantially all the Client's assets were already serving as collateral, it is unlikely that Cartenna would be able to meet such a demand, and the prime broker would likely cause the Client to "buy-in" or "close" some or all of its short positions. Such a "buy-in" could well be at a time and on terms that are adverse to the Client. Less dramatically, market-driven increases in short-sale-related liabilities and reductions in collateral value could also reduce the Client's ability to effect transactions or distribute cash to fund Client or investor withdrawals. Lenders such as the prime brokers have great discretion in their decisions regarding adequacy of collateral, and the Client's short-selling

activities, and actions that depend on availability of assets not being relied on for collateral (*i.e.*, distributing cash) could be curtailed, potentially significantly and without notice.

Hedging. Cartenna may employ hedging strategies to the extent it considers appropriate in light of current circumstances and portfolio composition. It may do so using short positions in one instrument to hedge long positions in another instrument, and vice versa. Hedging strategies in general are intended to limit or reduce investment risk, but they can also be expected to involve transaction costs and may inherently limit or reduce the potential for profit. Hedges are often imperfectly inversely correlated with the underlying exposure a Client seeks to hedge and, to the extent that is the case, can subject the Client to additional risk, if prices involved in the hedging position move against the Client. Other risks that may be involved in hedging include: (i) possible illiquidity in the market for closing out a hedging position; (ii) interest rate, spread, or other broad market movements unanticipated by Cartenna; (iii) the Client's obligation to meet margin or other payment requirements; (iv) a counterparty's default or refusal to perform; and (v) impact that required segregation of the Client's assets to cover hedge-related obligations may have on portfolio management or its ability to meet short term obligations. The Client will not attempt to hedge all market or other risks inherent in its positions and will hedge certain risks, if at all, only partially. The Client's portfolio composition may result in various directional market risks remaining unhedged. In addition, Cartenna may trigger events of default or termination events under various counterparty agreements due to, among other things, reductions in net asset value of the Client's portfolio. If the Client is unable to obtain waivers from the relevant counterparties, such counterparties could exercise numerous remedies under the affected agreements, including liquidation of posted collateral and termination of outstanding trades.

Risk of Derivatives, Generally. A Client may trade and invest in a variety of derivative instruments. Derivatives are financial instruments or arrangements, the risk and return of which are related to changes in reference rates, indices, or the value of securities or other assets. They can provide a form of "leverage" in that they permit the Client to speculate on fluctuations in the reference rates, indices, or prices of securities or other assets while investing only a small percentage of the value of those assets. Trading and investing in derivatives can be highly speculative and can entail risks that are greater than the risks of investing directly in securities or other assets. Prices of equity derivatives are generally more volatile than indices, rates, or asset prices on which they are based. A change in the rates or indices or a change in the market price of assets underlying a derivative will cause a much greater relative change in the price of the derivative. The Client's ability to profit or avoid risk through trading or investing in derivatives will depend largely on Cartenna's ability to anticipate changes in the underlying reference rates, indices, or asset prices.

Options. Among the derivatives in which a Client may invest or trade are options on specific securities and options on securities indices. The Client may buy or sell (write) both call options and put options, and it may do so on a "covered" or an "uncovered" basis. The Client's options transactions may be part of a hedging tactic (*i.e.*, offsetting the risk involved in another securities position), a form of leverage in which the Client has the right to benefit from price movements in a large number of securities or other assets with a small commitment of capital, or an attempt to obtain profits through premiums received on options the Client writes. These activities involve risks that may be substantial. In general, the fundamental risks involved in options trading can be described as follows. For the most part, these descriptions do not take into account other positions or transactions the Client may enter into. Combinations of options positions, or combinations of options positions with positions in stocks or other securities, can mitigate or can increase the risks inherent in each component option position.

When Cartenna *buys* a call option, it will pay a premium for the right to *buy* a security at a specified exercise price through a specified expiration date. If, at the expiration date, the market price of the underlying security is equal to or lower than the exercise price, the option will expire worthless and the Client will lose its entire investment in the option (the premium plus commissions). When the Sub-Advisory Client buys a put option, it will pay a premium for the right to *sell* a security at a specified exercise price through a specified expiration date. If at expiration the market price of the underlying security is equal to or higher than the exercise price, the option will expire worthless and the Sub-Advisory Client will lose its investment.

When Cartenna *sells* (writes) an option, the risk can be substantially greater than when it buys one. When it sells a call option, it will receive a premium and grant the option's buyer the right to buy the underlying security from the Client at a specified exercise price. If the market price of the underlying security does not increase above the exercise price, the premium the Client receives will represent a profit. However, if the market price does increase above the exercise price, the Client will lose the amount of the difference (less the premium it received when it sold the option). This risk is theoretically unlimited (similar to the risk of selling a security short) in that the price of the underlying security could theoretically increase without limit. When Cartenna sells a put option, and grants the holder the right to force the Client to buy the underlying security at the exercise price, it will bear the risk of a decline in the price of the underlying security below the exercise price. Thus, if the underlying security were to become valueless, the Client theoretically could lose an amount equal to the entire aggregate exercise price of the option (minus the premium the Client received when it sold the put). The Client can limit its risks in writing options by writing them on a "covered" basis—*e.g.*, owning securities of the same class and in the same amount as the securities underlying a call option it writes, or having a short position in the securities underlying a put option it writes. Although covering reduces the risks of selling options, as with all hedging strategies, it can involve transaction costs and may inherently limit the potential for profit from the option position.

Futures Activities. Cartenna may cause the Clients to engage in trades involving futures, commodities, and/or commodity interests (*e.g.*, futures contracts on commodities, securities indices, or currencies). As with some other derivatives, futures trading can provide a form of leverage, allowing the Clients to participate in market price fluctuations of securities indices or commodity interests underlying futures (or options on futures), while only investing a small percentage of the value of those underlying securities indices or commodity interests. Trading in futures is highly speculative and may entail risks that are greater than investing in securities, including: increased volatility relative to other securities; increased exposure resulting from the leverage aspects of futures trading; and the potential illiquidity of futures positions.

The Clients' futures and options activities may include futures and options traded in non-U.S. markets. The risks of these activities may be greater than those of trading in futures and options on U.S. exchanges. For example, foreign futures and options are cleared on and subject to the rules of a foreign board of trade. Neither the CFTC nor the National Futures Association ("*NFA*") regulates activities of any foreign board of trade, including transaction execution, delivery, and clearing. Moreover, these agencies have no enforcement authority over foreign boards of trade. In addition, funds provided for foreign futures and options may not be provided the same protections as funds received in respect of U.S. transactions.

Cartenna expects that, if a Client invests in futures or other commodity interests, it will do so without registering as either a "commodity pool operator" or a "commodity trading adviser."

Counterparty and Settlement Risk. Cartenna may enter into OTC derivative contracts or transactions (*i.e.*, transactions in options or other derivatives that are not cleared through the facilities of an exchange or clearing organization such as the Options Clearing Corporation). These may include security-based swaps, swaps, contracts for differences, forward contracts, and other OTC derivative arrangements involving or relating to, among other things, specific securities (including total return swaps), interest rates (including caps and floors), or currencies. A swap transaction or contract for differences is an individually negotiated, non-standardized agreement between two parties to exchange cash flows (and sometimes principal amounts) measured by different rates or prices with payments generally calculated by reference to a principal (“notional”) amount or quantity. Swap contracts, contracts for differences, currency forward contracts, and other OTC derivatives are not traded on exchanges; rather banks and dealers act as principals in these markets. As a result, the Clients will be subject to the risk that a counterparty is unable or refuses to perform. OTC derivatives may also expose the Clients to additional liquidity risks.

Crowded Trades. Cartenna may acquire long or short positions that become crowded trades. With respect to a given investment, a crowded trade occurs when investors in the aggregate have unusually large exposure (either as a result of a large number of participants or outsized positions), and a similar belief regarding the direction of the trade (*i.e.*, long or short). Investments in crowded trades are subject to the risk that there will be insufficient liquidity and significant volatility if investors seek to unwind their positions at or around the same time. Investments in crowded trades could lead to significant losses by the Clients. There can be no assurance Cartenna will be able to avoid significant losses if a position becomes a crowded trade.

Item 9: DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to an evaluation of Cartenna’s advisory services or the integrity of management.

Item 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Items 10.A. *Broker-Dealer Activities*

Cartenna and its management is not registered, and does not have an application pending to register, as a broker-dealer or registered representative of a broker-dealer.

Items 10.B. *Commodity or Futures Industry Affiliations*

Cartenna and its management is not registered, and does not have 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.

Item 10.C. *Affiliate Relationships*

Not applicable. Except as otherwise disclosed in this Brochure, neither Cartenna nor any of its management persons has a relationship or arrangement that is material to its advisory business or to its Clients with any related person.

Item 10.D. *Investment Adviser Recommendations*

Not applicable. Cartenna does not recommend other investment advisers to its Clients.

Item 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Cartenna has adopted a written Code of Ethics (the “**Code**”) predicated on the principle that Cartenna owes a fiduciary duty to its Advisory Clients. The Code is designed to address and avoid potential conflicts of interest, and is applicable to all officers, directors, investors, partners or employees of Cartenna (collectively, the “**Access Persons**”). Cartenna requires its employees to act in the best interest of its Clients, abide by regulations, and avoid any action that is, or could even appear to be, legally or ethically improper.

The Code generally prohibits transactions in certain publicly traded equity securities. In addition, transactions in new issues (IPO’s) and private placements or limited offerings require pre-approval from the Chief Compliance Officer. The Code requires periodic reporting of Access Persons’ personal securities transactions and all holdings; places other restrictions on Access Person’s personal trading; and requires prompt internal reporting of Code violations. Cartenna endeavors to maintain current and accurate records of all personal securities accounts of its Access Persons in an effort to monitor all such activity. A copy of Cartenna’s Code is available for review upon written request.

Certain transactions in which Cartenna engages may require, for either business or legal requirements that no Access Person trade in the subject securities for specified time periods. Such securities will appear on a list (the “Restricted List”) that will be circulated to all Access Persons. No Access Person may engage in any sort of trading activity with respect to a security or a derivative thereof on the Restricted List without obtaining prior written approval from the Chief Compliance Officer.

Item 12: BROKERAGE PRACTICES

Item 12.A.

Cartenna has discretion in deciding what brokers, dealers, and other financial intermediaries and counterparties to use for portfolio transactions (collectively, “Transacting Parties”) from a list of approved counterparties per the Portfolio Manager Agreement. It also has discretion to negotiate compensation arrangements and transaction terms with Transacting Parties, including not only commissions for transactions effected on any agency basis, but also markups, markdowns, and other compensation implicit in prices of transactions effected directly with Transacting Parties acting as principal. The Client may incur substantial brokerage commissions and other transaction expenses.

In choosing Transacting Parties for its Clients, Cartenna is not required to consider any particular criteria. It generally seeks “best execution” of each Client’s transactions and considers a range of factors which may include: historical net prices (after markups, markdowns, and other transaction-related compensation); Transacting Parties’ execution, clearance, and settlement and error correction capabilities generally and in connection with instruments of the type and in the amounts to be bought or sold; their willingness to commit capital; their reliability and financial stability; the size of the transaction; the availability of securities to borrow for short sales; the market for the instrument in question; and the nature, quantity, and quality of research and other services and products the

Transacting Party provides. A Client may at times pay more than the lowest transaction cost available in order to obtain services and products other than the execution of securities transactions.

Item 12.A.1. *Research and Other Soft Dollar Benefits*

Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)") provides a "safe harbor" to advisers who use "soft dollars," *i.e.*, commissions generated by their advised accounts, to obtain investment research and brokerage services from brokers that provide lawful and appropriate assistance to the manager in connection with the investment decision-making process. Conduct outside of the safe harbor afforded by Section 28(e) is subject to the traditional standards of fiduciary duty under state and federal law. Cartenna intends to use soft dollars only to acquire services and products that constitute "research" and "brokerage" within the meaning of Section 28(e).

Research and brokerage services obtained by the use of commissions arising from the Clients' portfolio transactions may be used by Cartenna in its other investment activities. A Client may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided in consideration of the "soft dollar" service generated by the trading of the Client itself. Cartenna is specifically authorized to direct brokerage to firms that provide such services.

Cartenna need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Commission rates are generally negotiable and selecting brokers on the basis of considerations that are not limited to commission rates may result in higher transaction costs than would otherwise be obtainable. Brokers may provide research and brokerage services directly or by paying service providers engaged by Cartenna. In addition, Cartenna may, subject to its best execution policy, trade with certain brokers primarily in consideration for providing research services. In any such case, Cartenna will determine in good faith that the amount of commissions charged is reasonable in relation to the value of the brokerage and research products or services provided by the broker.

Cartenna may, but is not obligated to, enter into arrangements under which certain direct expenses of a Client are paid with "soft dollars." Cartenna will enter into such arrangements in situations in which Cartenna believes that such arrangements are administratively or operationally more expedient and more favorable to the Fund than arrangements under which the Fund pays for the products or services in question with cash. However, such arrangements make it more difficult for Investors to evaluate the cost structure of the Fund because the costs of such products or services are not broken out separately.

In addition to any "soft dollar" arrangements that Cartenna enters into with brokers, brokers may provide certain research or other products or services to all of their customers, including Cartenna, without being requested to do so. Similarly, brokers may refer investors to Cartenna. Cartenna may take advantage of the products or services provided rather than producing or paying for them from another provider. Similarly, Cartenna may accept investor referrals from brokers in appropriate circumstances. In these situations, Cartenna receives a benefit because it does not have to pay for the products or services, such as research, or because it will receive additional compensation if the Fund accepts new investments.

Item 12.A.2. *Brokerage for Client Referrals*

Not applicable. Cartenna does not participate in selecting or recommending broker-dealers in exchange for Client referrals.

Item 12.A.3. *Directed Brokerage*

Not applicable. Cartenna does not permit its Clients to provide directed brokerage instructions and does not recommend, request or require its Clients execute transactions through specified broker-dealers.

Item 12.B. *Aggregation and Allocation*

Cartenna provides investment advisory services to the Fund and to the Sub-Advisory Clients. At such time that the Firm must execute a transaction on behalf of more than one Client account, it is Cartenna's policy to aggregate trades whenever possible to achieve equal pricing across the Client accounts and to reduce transaction costs. Cartenna may choose not to aggregate trades in avoidance of a perceived or actual conflict of interest, provided that Clients are treated fairly and equitably over time.

Item 13: REVIEW OF ACCOUNTS

Cartenna performs various daily, monthly and quarterly reviews of its Clients' portfolios. These reviews will be conducted by Peter Avellone, Managing Partner of Cartenna, and certain other professionals of the Firm.

Item 14: CLIENT REFERRALS AND OTHER COMPENSATION**Item 14.A. *Other Compensation***

Cartenna does not receive any economic benefit, from any third party for providing advisory services to the Clients.

Item 14.B. *Client Referrals*

Cartenna utilizes the services of an unaffiliated third-party marketer, Butler Capital Partners, to solicit prospective investors on behalf of certain Funds, as disclosed in Part 1A of the Firm's Form ADV. The Firm does not receive a benefit from anyone who is not a client for providing advisory services to clients.

Item 15: CUSTODY

Cartenna has custody of the Fund's assets. Cartenna does not have custody of the Sub-Advised Clients' assets.

Item 16: INVESTMENT DISCRETION

Cartenna exercises discretion in managing the Clients' investments based on the investment objectives, policies, and strategies disclosed in the applicable Governing Documents.

Cartenna generally will manage client accounts and make investment decisions without consultation with Clients as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

Item 17: VOTING CLIENT SECURITIES

Cartenna's authority generally includes proxy voting on behalf of the Clients. When Cartenna accepts such responsibility, it will cast proxy votes in a manner consistent with the best interests of its Clients and in accordance with its policies and procedures. If Cartenna identifies conflicts of interest when voting proxy, Cartenna will document the conflicts and take steps to resolve them. In resolving a conflict, Cartenna may decide to take one of the following courses of action: (1) determine that the conflict or potential conflict is not material, (2) request that disclosure be made to Clients for whom proxies will be voted to disclose the conflict of interest and the recommended proxy vote and to obtain consent from such Clients, (3) engage an independent third-party or fiduciary to determine how the proxies should be voted, (4) abstain from voting or (5) take another course of action that, in the opinion of the Chief Compliance Officer, adequately addresses the potential for conflict.

Clients may contact Cartenna to request information about how Cartenna voted proxies for that Client's securities or to obtain a copy of Cartenna's proxy voting policies and procedures.

Item 18: FINANCIAL INFORMATION

Item 18.A. *Balance Sheet*

Cartenna does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance.

Item 18.B. *Financial Condition*

Cartenna does not believe it has any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to its Clients.

Item 18.C. *Bankruptcy Petitions*

Cartenna has not been the subject of a bankruptcy petition at any time during the past ten years.