

**Item 1**  
**Cover Page**

Form ADV Part 2A

**Firm Disclosure Brochure**

March 31, 2022



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This firm disclosure brochure (the “Brochure”) provides information about the qualifications and business practices of Arctis Global LLC (used herein as “Arctis Global” or the “Firm”) for purposes of Form ADV. If you have any questions about the contents of this Brochure, please contact us at the number listed above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Registration with the SEC does not imply any level of training or skill. Additional information about Arctis Global is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2**  
**Material Changes**

As of the last annual amendment, Arctis Global updated its primary business location as well as its form of organization.

**Item 3**  
**Table of Contents**

Item 1 Cover Page .....	1
Item 2 Material Changes.....	2
Item 3 Table of Contents .....	3
Item 4 Advisory Business.....	4
Item 5 Fees and Compensation .....	6
Item 6 Performance-Based Fees and Side-By-Side Management .....	8
Item 7 Types of Clients .....	9
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss .....	10
Item 9 Disciplinary Information.....	21
Item 10 Other Financial Industry Activities and Affiliations.....	22
Item 11 Code of Ethics, Participation or Interests in Client Transactions and Personal Trading.....	23
Item 12 Brokerage Practices .....	26
Item 13 Review of Accounts .....	29
Item 14 Client Referrals and Other Compensation.....	30
Item 15 Custody.....	31
Item 16 Investment Discretion.....	32
Item 17 Voting Client Securities.....	33
Item 18 Financial Information.....	34

## **Item 4**

### **Advisory Business**

**A.** Arctis Global LLC (“Arctis Global” or the “Firm”) is a Puerto Rican limited liability company formed in 2021 and is wholly owned by and controlled by Viraj Mehta. The Firm is an equity long short adviser which seeks to achieve its investment objective by utilizing a bottom-up, research intensive, security analysis process.

**B.** Arctis Global will provide discretionary investment advisory services, either directly or indirectly, to Arctis Global Master Fund Limited (the “Master Fund”) its offshore feeder fund, Arctis Global Fund Limited (the “Cayman Feeder”), and Arctis Global Orion SP (the “SP” and collectively with the Master Fund and Cayman Feeder, each a “Fund” or “Client” and the “Funds” or the “Clients”).

The Funds are exempted companies incorporated with limited liability under the Cayman Islands. The Cayman Feeder will invest substantially all of its assets into the Master Fund. The SP will seek to provide investors with long term absolute terms. Interests in the Cayman Feeder and SP are privately offered to qualifying US investors pursuant to Regulation D under the Securities Act of 1933, as amended (the “Securities Act”), and the Cayman Feeder and SP qualify for an exclusion from registration under Section 3(c)(7) of the Investment Company Act of 1940, as amended (the “Investment Company Act”).

An investment in a Fund is subject to the investment objectives, terms and conditions outlined in the applicable offering documents, which include but are not limited to the prospectus, confidential private placement memorandum, limited partnership or operating agreement, and subscription materials (collectively, “Governing Documents”). This Brochure does not constitute an offer to sell or the solicitation of an offer to purchase interests in a Fund and the disclosure contained herein shall not be relied on to determine whether an investor should purchase interests in a Fund. Any such offer or solicitation will be made solely to qualified investors by means of the Governing Documents. To the extent there is any conflict between the disclosures contained in this Brochure and the Governing Documents provided to investors, the Governing Documents will control.

While Arctis Global focuses on the strategies and asset classes discussed throughout this Brochure, the Firm does not necessarily limit the types of investments on which it advises.

**C.** To the extent set forth in the Governing Documents, Arctis Global tailors its investment advisory services to be consistent with the Funds’ investment strategies, return profile, concentration limits, time horizon, liquidity mandates and other related objectives, as defined therein. Underlying investors may not impose restrictions on investing in certain securities or types of securities.

**D.** Arctis Global does not participate as a sponsor of or serve as a portfolio manager to any wrap fee programs.

**E.** As of December 31, 2021, Arctis Global had managed approximately \$[713,000,000] in regulatory assets under management on a discretionary basis. Arctis Global did not manage any assets on a non-discretionary basis.

## **Item 5**

### **Fees and Compensation**

**A.** As an SEC registered investment adviser which provides services to private funds that exclusively accept “Qualified Purchasers,” as defined by the Investment Company Act, Arctis Global is not required to disclose its specific compensation terms in this Sub-Item.

**B.** Arctis Global receives an annualized management fee (“Management Fee”) equal to a percentage of the value of each investor’s capital account, subject to certain variations based on the class or series of Fund interest held by an investor. The Firm will also receive incentive-based compensation (“Incentive Allocation”) equal to a percentage of a Fund’s net profits per annum, subject to any applicable high-water marks and/or hurdle rates of return, as specified in the Governing Documents.

The Firm receives the prorated Management Fee directly from the Funds which are payable on a monthly basis for the Cayman Feeder and on a quarterly basis for the SP. The calculation of the Management Fee is derived from the most recent calculation of net asset value, as determined by the Funds’ administrator and confirmed by Arctis Global. The Incentive Allocation, if any, is calculated as of the end of each fiscal year and deducted directly from the Funds.

**C.** Arctis Global and the Funds generally bear their own expenses. Expenses, above and beyond the Management Fee and Incentive Allocation discussed above, are allocated on a case by case basis in accordance with the Governing Documents. Additional expenses the Funds will incur generally include but are not limited to Fund operating expenses and organizational expenses, which include (without limitation):

(i) all investment-related costs and expenses (i.e., expenses that, in the Firm’s sole discretion, are related to the investment of the Fund’s assets, whether or not such investments are consummated), including fees and expenses for appointed representative arrangements, depositary fees, commissions and charges, interest on margin accounts and other indebtedness, expenses relating to short sales, clearing and settlement charges, option premiums, custodial and service fees, research-related 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) the Funds’ legal, accounting (including fees associated with accounting software and systems), tax preparation and other tax-related expenses (including preparation and mailing costs of financial statements, tax returns and other reports to investors), auditing, consulting and other professional expenses;

(iv) 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, proxy voting vendors, class action servicers, data extraction and other types of reporting and any audit or accounting services provided by a third-party administrator);

(v) all fees and charges of custodians, depositaries, clearing agencies and banks;

(vi) compliance and reporting expenses and expenses attributable to regulatory filings that are made with respect to the Funds or assets of the Funds (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);

(vii) the Funds' pro rata share of Fund-related insurance costs (including the Funds' pro rata portion of director's and officer's insurance, errors and omissions insurance, fidelity insurance and other similar policies covering the Firm);

(viii) 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);

(ix) 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);

(x) any fees and expenses related to a Fund's liquidation, if applicable;

(xi) fees paid to proxy and securities class action advisory firms;

(xii) expenses relating to the offer and sale of Interests in the Funds, as applicable, and withdrawals/redemptions and transfers thereof;

(xiii) Each Fund's directors' fees and expenses;

(xiv) other reasonable expenses related to the purchase, sale, preservation or transmittal of the Funds' assets; and

(xv) any extraordinary expenses (e.g., indemnification expenses).

Certain expenses of the Master Fund that are specific to the Cayman Feeder may be specially charged to the Cayman Feeder, as applicable. As a result, the performance of each Fund may be different from the others.

The Funds do not have their own separate employees or offices, and they do not reimburse Arctis Global for salaries or office rent. The Firm is responsible for all of its overhead expenses and other similar expenses, except as provided for herein.

The fee and expense description in this Brochure does not purport to be complete or comprehensive and investors should refer to the Governing Documents for a more robust explanation.

**D.** Typically, the Management Fee and Incentive Allocation (to the extent such compensation is earned) is paid monthly in arrears.

**E.** Except as otherwise disclosed, neither the Firm nor any of its supervised persons receive, directly or indirectly, any compensation from the sale of securities or other investment products.

## **Item 6**

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

Generally, investors in the Funds pay the Firm a Performance Fee assessed at the end of each relevant period if there has been a net asset increase that is above any net asset decrease in each account of a Fund's value. Such investors of the Funds are subject to a Performance Fee. The Performance Fee is generally payable on a monthly, quarterly, or annual basis. The Performance Fees applicable to investors in the Funds have a loss carry forward provision. The existence of the Performance Fee may motivate the Firm to make investments that are riskier or more speculative than those which would be made under a different compensation arrangement. The Firm is committed to always acting in the best interests of its Funds. To this end, the Firm has implemented internal controls, which are further described in the Firm's compliance policies and procedures, to address the potential conflicts associated with performance-based fees.

**Item 7**  
**Types of Clients**

Arctis Global provides investment advisory services to pooled investment vehicles that are excepted from the definition of investment company under the Investment Company Act. As discussed in Item 4, interests in the Funds will be offered privately and generally available only to persons who are “Qualified Purchasers” as defined in Section 2(a)(51) of the Investment Company Act. The minimum initial capital contributions are \$1,000,000 and \$100,000, for the Feeder and SP, respectively, subject to waiver at the Firm’s discretion.



## Item 8

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

**A.** The investment objective of the Master Fund is to provide long-term compounded absolute returns that will generally be uncorrelated with those of the broad market averages. The Master Fund will also seek to protect capital by monitoring individual security risk and aggregations of risk (industry, geography, macroeconomic) throughout the portfolio. There can be no assurance that the Master Fund will achieve its investment objective.

The Firm will seek to achieve the Master Fund's investment objective by utilizing a bottom-up, research-intensive, individual security analysis process. Through this process Arctis Global will seek to establish expected value outcomes and accurately measure the asymmetry of individual security situations. Subsequently, position sizing will be largely correlated with this risk-adjusted return potential.

The Firm will seek to find investments, both long and short, where it believes a material disparity exists between the market price of a security and the intrinsic value of the underlying business. Arctis Global will also seek to identify specific catalysts that will objectively enable the convergence between the intrinsic value and the market price of each security.

The SP seeks to provide investors with long term absolute returns. The investment approach of the SP is to acquire a holding in the common stock of Alliance Data Systems Corporation (NYSE: ADS) ("ADS") either directly or indirectly through a derivative instrument or through a combination of both and including any holdings received because of the SP's holding of ADS. The Firm expects to maintain such position for a period of up to approximately one to two years unless it considers the position should be terminated sooner. There can be no assurance that the SP will achieve its investment objective.

***For a more complete description of the investment strategy and methods of analysis, please refer to the Governing Documents, which contain information about the investment objectives and approach, characteristics of the long and short portfolios, investment restrictions, borrowing and leverage, collateral and re-use arrangements, currency hedging, risk monitoring, use of securities financing transactions and total return swaps, and resolutions regarding changes to the investment objective, approach and restrictions.***

**B. and C.** The Funds may be deemed to be a highly speculative investment and is not intended as a complete investment program. It is designed only for sophisticated persons who are able to bear the economic risk of the loss of their entire investment in the Funds, who have a limited need for liquidity in their investment and who meet the conditions set forth in Governing Documents. There can be no assurances that the Fund will achieve its investment objective. The following risks should be carefully evaluated before making an investment in the Fund. The list of risks below does not purport to be an exhaustive list of the risks relating to an investment in the Fund.

#### Market Risks

The profitability of a portion of the Funds' investment program depends to a great extent upon correctly assessing the future course of the price movements of securities and other investments. There can be no assurance that the adviser will be able to predict accurately these price movements. With respect to the

investment strategy utilized by the Fund, there is always some, and occasionally a significant, degree of market risk.

#### Lack of Diversification; Concentration of Investments

The Funds' portfolios generally will not be diversified among a wide range of types of securities or issuers. Further, the Funds' portfolios may not be diversified among a wide range of industries, geographic areas, market capitalizations, sectors or other areas. Accordingly, the investment portfolios of the Funds will be subject to concentration risks and more rapid change in value than would be the case if the Funds were required to maintain a broader diversification among types of securities, issuers, investment themes, industries, geographic areas, market capitalizations, sectors or other areas. Limited diversity could expose the Funds to losses disproportionate to those incurred by the market in general if the areas in which the Funds' investments are concentrated are disproportionately adversely affected by price movements in those financial instruments or assets.

#### Use of Leverage

The Master Fund may utilize leverage. This results in the Master Fund controlling substantially more assets than the Fund has equity. Leverage increases the Master Fund's returns if the Fund earns a greater return on investments purchased with borrowed funds than the Fund's cost of borrowing such funds. However, the use of leverage exposes the Master Fund to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had the Master Fund not borrowed to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Master Fund's cost of borrowing such funds. In the event of a sudden, precipitous drop in value of the Master Fund's assets, the Master Fund might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying its losses.

In an unsettled credit environment, the adviser may find it difficult or impossible to obtain leverage for the Master Fund. In such event, the Master Fund could find it difficult to implement its strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in the adviser being forced to unwind the Fund's positions quickly and at prices below what the adviser deems to be fair value for such positions.

#### Equity-Related Instruments in General

The Funds will invest in equity securities and equity-related instruments, including but not limited to publicly listed equity securities in the U.S. or abroad, privately offered equity securities and financial instruments that may reference a single issuer, a specific sector or a broad equity index. Equity securities represent ownership interests in their respective issuers and are generally carry the most risk associated with a specific issuer's capital structure.

The price of equity securities and their related financial instruments vary for a variety of reasons, including but not limited to supply and demand of the equity securities, the actual or perceived business opportunities associated with the issuer, the current and potential future cash flow of the issuer, the issuer's management, their ability to execute on a specific business plan, the general economic environment, and the outlook for the overall economy. To the extent the Funds own an equity security or otherwise has exposure to an equity security or an equity-related financial instrument, this investment carries the risks associated with owning equities and may also carry risks associated with the form of financial instrument (e.g., options, derivative or securities-based futures contract). Any investment in equities or equity-related instruments entails a significant risk of loss.

### Short Sales

Short selling, or the sale of securities not owned by the Funds, necessarily involves certain additional risks. Such transactions expose the Funds to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and in the case of equities, without effective limit. The Funds may be unable to continue to borrow securities previously sold short, or the cost to borrow such securities may significantly increase, which may compel the Funds to cover such position, possibly at a loss. There is the risk that the securities borrowed by the Funds in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein the Funds might be compelled, at the most disadvantageous time, to replace borrowed securities previously sold short with purchases on the open market, possibly at prices significantly more than the proceeds received earlier. Further, there can be no assurance that securities necessary to cover a short position will be available for purchase. In addition to the foregoing risks, regulatory or legislative action taken from time to time by regulators around the world may restrict the ability of the Funds to enter short sales.

### Hedging Transactions

Hedging techniques involve one or more of the following risks: (i) imperfect correlation between the performance and value of the instrument and the value of the Funds securities or other objective of the advisers; (ii) possible lack of a secondary market for closing out a position in this instrument; (iii) losses resulting from interest rate, spread or other market movements not anticipated by the advisers; (iv) the possible obligation to meet additional margin or other payment requirements, all of which could worsen the Funds' position; and (v) default or refusal to perform on the part of the counterparty with which the Funds trade. Furthermore, to the extent that any hedging strategy involves the use of OTC derivatives transactions, this strategy may be affected by implementation of the various regulations adopted pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank").

The advisers will not attempt to hedge all market or other risks inherent in the Funds' positions, and will hedge certain risks, if at all, only partially. Specifically, the advisers may choose not, or may determine that it is economically unattractive, to hedge certain risks, either in respect of positions or in respect of the Funds' overall portfolios. The Funds' portfolio compositions will commonly result in various directional market risks remaining unhedged. The advisers may rely on diversification to control these risks to the extent that the advisers believe it is desirable to do so; however, the Funds are not subject to formal diversification policies.

The ability of the Funds to hedge successfully will depend on the ability of the advisers to predict relevant market movements, which cannot be assured. The advisers are not required to hedge and there can be no assurance that hedging transactions will be available or, even if undertaken, will be effective. In addition, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations. Moreover, it should be noted that the portfolios will always be exposed to certain risks that cannot be hedged, such as counterparty credit risk. Furthermore, by hedging a particular position, any potential gain from an increase in the value of this position may be limited.

### Commodity and Futures Contracts

The Funds may invest in commodity or futures contracts. Trading in commodity and futures contracts and options thereon are highly specialized activities which while they may increase the total return in the Funds' investments, may entail greater than ordinary investment risks.

Commodity futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events, and changes in interest rates. In addition, because of the low margin deposits normally required in commodity futures trading, a high degree of leverage may be typical of a commodity futures trading account. As a result, a relatively small price movement in a commodity futures contract may result in substantial losses to the trader. Commodity futures trading may also be illiquid. Certain commodity exchanges do not permit trading in particular futures contracts at prices that represent a fluctuation in price during a single day's trading beyond certain set limits. If prices fluctuate during a single day's trading beyond those limits, the General Partner could be prevented from promptly liquidating unfavorable positions and thus be subject to substantial losses.

Commodity options, like commodity futures contracts, are speculative, and their use involves risk. Specific market movements of the cash commodity or futures contract underlying an option cannot be predicted, and no assurance can be given that a liquid offset market will exist for any particular futures option at any particular time.

### Options

Trading options is highly speculative and may entail risks that are greater than investing in other financial instruments. Prices of options are generally more volatile than prices of other financial instruments. In trading options, the advisers speculate on market fluctuations of the underlying financial instrument (e.g., a security, an index, a commodity, exchange rate or other instrument), while only investing a small percentage of value relative to the Funds' potential exposure.

The price of any option is a function of direction (e.g., whether the option is a "put" – the right to sell – or a "call" – the right to buy), the time to expiry and the implied volatility of the underlying instrument. The Funds may "sell" an option, which means it receives a small payment, or premium, relative to a notional amount, or the Funds may "buy" an option, which means it pays a premium to receive exposure to a larger notional amount. A "seller" of options is generally exposed to the entire notional amount of the option contract and can be exposed to even more risk if it is selling a call option. A "buyer" of options risks losing all of its investment if the option expires "out of the money" (i.e., the trade goes against that option buyer).

Purchasing put and call options, as well as writing these options, are highly specialized activities and entail greater than ordinary investment risks. Because option premiums paid or received by an investor will be small in relation to the market value of the investments underlying the options, buying and selling put and call options can result in large amounts of leverage. As a result, the leverage offered by trading in options could cause an investor's asset value to be subject to more frequent and wider fluctuations than would be the case if the investor did not invest in options.

### Derivatives

Derivatives, such as futures contracts, options, forward contracts, swaps, caps, floors and collars, allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark, or index at no cost or at a fraction of the cost of investing in the underlying asset. The value of this type of instrument depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to trading derivatives related to this asset.

Use of derivative instruments presents various risks which include the following:

- Tracking – When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent the Funds from achieving the intended hedging effect or expose the Funds to the risk of loss.
  - Liquidity – Derivative instruments, especially when traded in large amounts, may not be liquid in all circumstances, so that in volatile markets the Funds may not be able to close out a position without incurring a loss. In addition, daily limits on price fluctuations and speculative position limits on exchanges on which the Funds may conduct transactions in derivative instruments may prevent prompt liquidation of positions, subjecting the Funds to the potential of greater losses.
  - Leverage – Trading in derivative instruments can result in large amounts of leverage. Thus, the leverage offered by trading in derivative instruments magnifies the gains and losses experienced by the Funds and could cause the Funds’ net asset value to be subject to wider fluctuations than would be the case if the Funds did not use the leverage inherent in derivative instruments.
- § OTC Trading – Derivative instruments that may be purchased or sold by the Funds may include instruments that are not traded on an exchange. The risk of non-performance by the obligor on these instruments may be greater and the ease with which the Funds can dispose of or enter into closing transactions with respect to these instruments may be less than in the case of an exchange-traded instrument. In addition, significant disparities may exist between “bid” and “ask” prices for derivative instruments that are not traded on an exchange. Derivative instruments not traded on exchanges are also not subject to the same type of government regulation as exchange traded instruments, and many of the protections afforded to participants in a regulated environment may not be available in connection with these transactions.
- Regulation of OTC Transactions – Dodd-Frank includes provisions that comprehensively regulate the OTC derivative market. The implementation of these regulations is ongoing as of the date of the respective Governing Documents. Although the effects of Dodd Frank on the OTC market have yet to be determined, dealers and other market participants are subject to additional clearing and margin requirements, as well as registration obligations and other regulatory requirements, such as business conduct standards, disclosure requirements, reporting and recordkeeping requirements and disclosures of conflicts of interest and other regulatory burdens. It is likely that these new and ongoing requirements increase the overall cost for OTC derivative dealers and other market participants, which may be passed along, at least partially, to market participants, such as the Funds, in the form of higher fees, decreases liquidity, less advantageous dealer marks and increased margin costs. The overall impact of Dodd Frank is highly uncertain, and it is unclear how OTC markets and markets generally have adapted to this regulation.

To the extent the Funds have entered into a derivative, the Funds will be exposed to the risks described above.

### Preferred Stocks

The Funds may invest in preferred stocks. Preferred stocks, like many debt obligations, are generally fixed-income securities. Shareholders of preferred stocks normally have the right to receive dividends at a fixed rate when and as declared by the issuer’s board of directors, but do not participate in other amounts available for distribution by the issuing corporation. In some countries, dividends on preferred stocks may be variable, rather than fixed. Dividends on the preferred stock may be cumulative, and all cumulative dividends usually must be paid prior to common shareholders of common stock receiving any dividends. Because preferred

stock dividends must be paid before common stock dividends, preferred stocks generally entail less risk than common stocks. Upon liquidation, preferred stocks are entitled to a specified liquidation preference, which is generally the same as the par or stated value and are senior in right of payment to common stock. Preferred stocks are, however, equity securities in the sense that they do not represent a liability of the issuer and, therefore, do not offer as great a degree of protection of capital or assurance of continued income as investments in corporate debt securities. Preferred stocks are generally subordinated in right of payment to all debt obligations and creditors of the issuer, and convertible preferred stocks may be subordinated to other preferred stock of the same issuer.

### Swaps

The Funds may enter into swap agreements or swaptions (defined below). Whether the Funds' use of swap agreements or swaptions will be successful will depend on the adviser's ability to select appropriate transactions for the Funds. Swap agreements and options on swap agreements ("swaptions") can be individually negotiated and structured to include exposure to a variety of different types of investments, asset classes or market factors. Depending on their structure, swap agreements may increase or decrease the holder's exposure to, for example, equity securities, long-term or short-term interest rates, non-U.S. currency values, credit spreads or other factors. Swap agreements can take many different forms and are known by a variety of names. Swap transactions may be highly illiquid and may increase or decrease the volatility of the Funds' portfolio. Moreover, the Funds bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or insolvency of its counterparty. The Funds will also bear the risk of loss related to swap agreements, for example, for breaches of such agreements or the failure of the Funds to post or maintain required collateral. It is possible that developments in the swap markets, including potential government regulation, could adversely affect the Funds' ability to terminate swap transactions or to realize amounts to be received under such transactions.

### Fixed Income Securities

The Fund may invest in fixed income securities and other debt securities. Certain of these securities may be unrated by a recognized credit-rating agency or below investment grade, which are subject to greater risk of loss of principal and interest than higher-rated debt securities. Accordingly, these securities tend to be more sensitive to economic conditions and tend to reflect individual corporate developments to a greater extent than do higher-rated securities, which primarily react to fluctuations in the general level of interest rates. Issuers of lower-rated debt securities are often highly-leveraged and may not have access to more traditional methods of financing. Furthermore, trading in these types of securities may be limited or disrupted by an economic recession, resulting in an adverse impact on the value of such securities. Moreover, it is likely that an economic downturn could affect the ability of the issuers to repay principal and pay interest thereon resulting in a high potential of default.

Additionally, the Fund may invest in debt securities that rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Fund may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. The Fund will therefore be subject to credit and liquidity risks. In addition, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments. Investment in a debt instrument will normally involve the assumption of interest rate risk.

### Non-U.S. Securities

Investing in securities of non-U.S. governments and non-U.S. companies which are generally denominated in non-U.S. currencies and utilizing derivatives involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the United States government or United States companies. Depending on the circumstances, these considerations may include, but are not limited to, changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, greater difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

### Currency Risks

The Funds may have exposure to fluctuations in currency exchange rates. It may, in part, seek to offset the risks associated with this exposure or enter into foreign exchange transactions to increase its returns. These transactions involve a significant degree of risk and foreign exchange markets are volatile, specialized and technical. Significant changes, including changes in liquidity and prices, can occur in these markets within very short periods of time. Changes in exchange rates over time are the result of many factors directly or indirectly affecting the economic and political conditions in the country or economic region associated with a specific currency. Exchange rates fluctuate for a number of reasons, including:

- existing and expected rates of inflation,
- existing and expected interest rate levels,
- the balance of payments between the relevant country and its major trading partners,
- political, civil, or military unrest in the relevant country or economic region; and
- monetary, fiscal, and trade policies of the relevant country or economic region (including pegging, de-pegging, flooring or capping an exchange rate relative to another currency).

Governments use a variety of techniques, such as intervention by their central banks or imposition of regulatory controls or taxes, to affect the exchange rate of their currencies. Foreign exchange rates can either be fixed by sovereign governments or floating. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to the value of other currencies. However, governments do not always allow their currencies to float freely in response to economic forces. Governments use a variety of techniques, such as intervention by their central bank or imposition of regulatory controls or taxes, to affect the trading value of their respective currencies. They may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by devaluation or revaluation of a currency. The value of the Funds could be affected by the actions of sovereign governments, which could change or interfere with theretofore freely determined currency valuation, fluctuations in response to other market forces, and the movement of currencies across borders. Additionally, market perceptions of the relative strength or cohesion of a specific political state or monetary union can dramatically affect the value of a currency. Fluctuations in exchange rates may negatively impact the value of an investment in the Funds to the extent the Funds have currency exposure in the form of a hedge, a non-U.S. dollar denominated instrument or as a standalone position.

### Currency Hedging

As described above, while the Funds are denominated in U.S. dollars, some of the underlying investments of the Funds may be denominated in multiple currencies. Accordingly, any hedging of currency exposure that is implemented by the Funds will primarily involve hedging back to the U.S. dollar, but in certain circumstances may involve other hedging activities. To the extent any such hedges are profitable during any month or quarter, the profits will be invested at the end of such month or quarter into the core investment portfolio of the Funds. Conversely, if such hedges generate losses in any month or quarter, the advisers may liquidate a portion of the Funds' core investment portfolio to cover such losses. While the Funds intend to hedge its overall currency exposure, there can be no assurance that such hedges will be effective.

### Portfolio Turnover

The investment strategy of the Funds may require the advisers to actively trade the Funds' portfolio, and as a result, turnover and brokerage commission expenses of the Funds may significantly exceed those of other investment entities of comparable size.

### Counterparty Risk

To the extent that the Funds invests in swaps, "synthetic" or derivative instruments, repurchase agreements, certain types of options or other customized financial instruments, or, in certain circumstances, non-U.S. securities, the Funds takes the risk of non-performance by the other party to the contract. This risk may include credit risk of the counterparty and the risk of settlement default. This risk may differ materially from those entailed in exchange-traded transactions that generally are supported by guarantees of clearing organizations, daily mark-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

### Business and Regulatory Risks of Hedge Funds

The regulatory environment for hedge funds is evolving, and changes in the regulation of hedge funds may adversely affect the value of investments held by the Funds and the ability of the Master Fund to obtain the leverage it might otherwise obtain or to pursue its trading strategies. In addition, securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of derivative transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial actions. The effect of any future regulatory change on the Funds could be substantial and adverse.

### Cybersecurity Risk

The Funds, Arctis Global and their service providers, including banks, broker-dealers, custodians and their affiliates, may be subject to operational and information security risks resulting from cyber-attacks. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information, unauthorized asset transfers, and various other forms of cybersecurity breaches. Cyber-attacks affecting the Funds, the advisers, or their service providers may adversely impact the Funds. For instance, cyber-attacks may interfere with the processing or execution of Fund transactions, cause the release of confidential information, including private



information about investors, the Funds, or the Firm to regulatory fines or financial losses, or cause reputational damage. Additionally, cyber-attacks or security breaches (e.g., hacking or the unlawful withdrawal or transfer of funds), affecting any of the Funds' key service providers, such as the advisers, banks, broker-dealers, custodians, or other counterparties holding assets of the Funds, may cause significant harm to the Funds, including the loss of capital. Similar types of cybersecurity risks are also present for issuers of securities in which the Fund may invest. These risks could result in material adverse consequences for such issuers, and may cause the Funds' investments in such issuers to lose value. While the advisers have instituted specific policies and has engaged specialized vendors to manage cybersecurity risk and disaster recovery, there are no assurances that these policies and vendors will mitigate risks associated with cybersecurity.

#### Allocation of Investment Opportunities

The advisers (or their members, principals, affiliates and employees) may give advice or take action with respect to the other Clients that differs from the advice given with respect to the Funds. To the extent a particular investment is suitable for multiple Clients (if and when this ever occurs), the adviser will have policies in place to determine which client should be allocated such investment. From the standpoint of the Funds, this will be deemed to limit the universe of potential investments in which the Funds may invest. In addition, in some cases the advisers may be exposed to material non-public information in connection with its review of potential investments for other Clients, which would then limit the Funds from investing in such companies until such information is either made public or is no longer material.

#### Business Disruption Due to Pandemics

The success of Clients' investment strategies could be significantly impacted by changing external economic conditions in the United States and globally. The stability and sustainability of growth in global economies may be impacted by terrorism, acts of war, pandemics or other unforeseen disasters. Changing economic conditions could potentially adversely impact the performance and valuation of portfolio holdings. In addition, the availability, unavailability, or hindered operation of external credit markets, equity markets, and other economic systems may have a significant negative impact on portfolio operations and profitability. There can be no assurance that such markets and economic systems will be available as anticipated or needed for Arctis Global to operate and manage portfolios successfully. The spread of COVID-19 in 2020 has shown such an ability to result in a broad-based economic decline and significant market volatility and continues to present material uncertainty and risk with respect to portfolios' performance and financial results. Aside from the broad effects on the economy, the pandemic may also have specific implications for Arctis Global's operations and activities of its personnel, which can range from employees working remotely to more significant impacts such as illness and restrictions on non-essential travel. Depending on the length and severity of the pandemic, Arctis Global is prepared to spend the necessary time and attention addressing implications from the pandemic, including minimizing its impact on its business, Clients, and/or specific investments as relevant.

**Item 9**  
**Disciplinary Information**

In the past ten years, there have been no legal or disciplinary events involving the Firm or any of its management persons that are material to the Firm's advisory business or to the integrity of the Firm's management.

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

- A.** Neither the Firm nor any of its management persons are registered, or have an application pending to register, as broker-dealers or registered representatives of a broker-dealer.
- B.** Neither Arctis Global nor any of its management persons are registered, or 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.
- C.** Neither the Firm nor any of its management persons have a relationship or arrangement that is material to the Firm's advisory business or its Clients.
- D.** Arctis Global does not recommend or select other investment advisers for the Funds.

## Item 11

### Code of Ethics, Participation or Interests in Client Transactions and Personal Trading

**A.** The Firm has adopted a Code of Ethics (“Code”), which describes the Firm’s fiduciary duties and responsibilities to its Funds, requires that the Firm’s employees act in the best interests of Funds to the exclusion of contrary interests, act in good faith and in an ethical manner, avoid conflicts of interest with the Funds to the extent reasonably possible, and identify and manage conflicts of interest to the extent that they arise. The Firm’s employees are also required to comply with applicable provisions of the federal securities laws and make prompt reports to the Firm or other appropriate party of any actual or suspected violations of such laws by the Firm or its employees. In addition, the Code sets forth formal policies and procedures with respect to the personal securities trading activities of the Firm’s employees. The Code requires employees to provide duplicate brokerage accounts statements, or their electronic equivalent, and trade confirmations to the Firm or to report all securities transactions on at least a quarterly basis; and requires employees to provide a summary of securities holdings on at least an annual basis. The Code also includes policies and procedures to prevent the misuse and disclosure of material nonpublic information (i.e., “insider trading”) and other confidential information and policies and procedures addressing conflicts of interest; outside activities of employees; gifts and business entertainment, including limitations and reporting requirements; and pre-clearance and reporting of political contributions. The Firm provides a complete copy of its Code to any Fund, investor, prospective Fund or prospect investor upon request to the Chief Compliance Officer. Investors may contact the Firm to receive a copy of the Firm’s Code.

**B.** From time to time, consistent with a Funds’ investment objectives and subject to satisfaction of the policies and procedures set forth in the Code and in the Firm’s compliance manual (“Compliance Manual”), the Firm may recommend that a Fund acquire or sell securities in which a related person of the Firm has a pre-existing direct or indirect interest. A potential conflict of interest could arise in that the interested related person of the Firm could benefit from such a purchase or sale of the applicable security by a Fund. However, the Firm has policies and procedures designed to identify and manage conflicts of interest to the extent they arise in connection with such transactions. These procedures are further detailed in the Firm’s policies and procedures. Certain terms of the Governing Documents and the equity participation of Arctis Global’s related persons in the Funds further mitigate such conflicts.

The Firm generally does not itself trade securities on a principal basis with the Funds. Certain related persons of the Firm, however, could be principals (and in the future other funds may be deemed principals), based on SEC staff guidance, due to an investment in any such fund or related person by the Firm and controlling persons exceeding 25% of that Fund’s or related person’s assets. To the extent that the Firm and/or its related persons engage (or are deemed to engage) in principal securities transactions, any such transactions will comply with applicable law. The Firm and/or its related persons may have interests in such transactions that are adverse to the Funds or other clients. In the event that the Firm decides to engage in a principal transaction, it will disclose to investors of the Funds the material terms of the transaction and receive approval from such investors, prior to engaging in the principal transaction.

To the extent permitted by applicable law and the applicable Governing Documents, the Firm may effect “cross transactions” with Clients, where the Firm may cause a Client to purchase investments from another Client, or it may cause a Client to sell investments to another Client. The Firm would recommend the Clients to enter into such transactions only if the transactions were consistent with the best interests of the Clients and at a

price that the Firm and/or its related persons believe constitutes best execution for Clients. Neither the Firm nor any related party receives any commission or commission equivalent in connection with these transactions.

**C.** From time to time, subject to satisfaction of the policies and procedures set forth in the Code, the Compliance Manual and the Governing Documents, the Firm or a related person of the Firm may invest in the same securities that are recommended to a Client. A potential conflict of interest could arise in that the Firm or the interested related person of the Firm could benefit from the Funds' ownership of, or subsequent sale of, the applicable security. However, the Code and the Compliance Manual are designed to identify and manage conflicts of interest to the extent they arise in connection with the personal securities transactions and other investment activities of Arctis Global's related persons. In particular, the Code requires that the Firm's related persons abide by policies and procedures, including a pre-clearance procedure, in connection with certain of their personal securities trading activities, and such activities are monitored under the Code to ensure compliance with such policies and procedures.

**D.** From time to time, in appropriate circumstances and subject to satisfaction of the policies and procedures set forth in the Code, the Compliance Manual and the Governing Documents, Arctis Global may in the future establish certain investment vehicles through which Arctis Global personnel and other related persons or business associates may invest alongside a Fund in one or more investment opportunities. Such vehicles, referred to as "co-investment vehicles," generally are contractually required, as a condition of investment, to purchase and sell each investment opportunity at substantially the same time and on substantially the same terms as the applicable Client that is invested in that investment opportunity. The Firm's Code and Compliance Manual are designed to identify and manage conflicts of interest to the extent they arise in connection with such transactions.

Certain service providers (or their affiliates), including administrators, lenders, brokers, attorneys, consultants and investment banking firms, that the Firm may retain or seek to have retained for the Funds or their portfolio companies (or with respect to the Funds' portfolio investments therein) may also have relationships with, or have provided goods or services to, the Firm or other organizations to which senior investment professionals of the Firm have been affiliated. The Firm may choose to engage or seek to have engaged the same service providers to provide services to the Funds, portfolio companies or the Firm. In some cases, these service providers may provide services for one or more of these parties on terms that are more beneficial than those afforded to other of these parties. There can be no guarantee that the Funds or any of their portfolio companies will receive the most beneficial terms offered by any particular service provider. These services and relationships, or more favorable terms offered by service providers, may influence the Firm in deciding whether to select such a provider to perform services for the Funds or portfolio companies.

The Governing Documents generally provide that the Clients will be responsible for all costs and expenses in connection with their operation, other than the costs and expenses that will be the responsibility of the Firm or other third parties. To the extent possible, third-party expenses incurred in connection with consummated transactions may be borne by the respective portfolio companies. The Firm's out-of-pocket expenses are generally reimbursed by the applicable portfolio company or the Funds. A conflict of interest could arise in the Firm's determination whether certain costs or expenses that are incurred in connection with the operation of the Clients meet the definition of Fund operational expenses for which the Clients are responsible, or whether such expenses should be borne by the Firm. The Funds will be reliant on the determinations of the Firm in this regard, and also in regard to the allocation of investment expenses and any common operating expenses as between the various funds advised by the Firm. There can be no assurance that errors will not arise in such allocations.

The Firm may, from time to time, be presented with investment opportunities that fall within the primary investment objective of a Fund and one or more other Fund. In these situations such investment opportunities will generally be allocated on a basis that the general partner of each such Fund, working with its affiliates, determines in good faith to be fair and reasonable taking into account the sourcing of the transaction, the history of the transaction (including the business interests and other requirements of third parties involved in the transaction), the relative amounts of capital available for investment and other relevant considerations such as the contractual and legal restrictions applicable to each such Fund. Notwithstanding the foregoing, the Firm shall not be obligated to offer a Fund any investment opportunity. The members of the Firm that are involved in the allocation process will be empowered to take into account other considerations as they deem appropriate to ensure a fair and equitable allocation of opportunities, and will be entitled to vary their approach to allocation from time to time in light of such factors as they consider relevant, including developing market practice. Similarly, the individuals responsible for allocation decisions may change in the future based on the personnel needs of the Firm and developing market practice.

Notwithstanding the allocation process described above, depending on the timing of the relevant transaction, a co-investment may begin as a purchase and subsequent sale transaction (e.g., where the Firm, a Client and/or one or more other Clients closes on an acquisition first, and then subsequently “sells” a joint venture interest to another of the Firm, a Client and/or the other Clients), where other procedures would otherwise apply. This may occur, for example, in circumstances where one or more conditions to the later-acquiring party’s investment need to be satisfied before it is able to participate. It will also be within Firm’s discretion to determine to co-invest one or more of its Clients in such opportunities or otherwise create shared economics. Such transactions would occur on terms that may not be arms-length, but that the general partner determines are reasonable for such Client.

## Item 12

### Brokerage Practices

**A.** Arctis Global relies on a third party to execute Fund transactions. Such third party is authorized to determine the broker or dealer to be used for each securities transaction for the Funds. In selecting brokers or dealers to execute transactions, the third party need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not Arctis Global's practice to ensure the third party negotiates "execution only" commission rates, thus the Funds may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate. Nevertheless, Arctis Global has an obligation to seek "best execution" for Clients' securities transactions and has implemented processes to ensure adherence to such principle and ensure its third party has proper protocols in place.

Section 28(e) of the Securities Exchange Act of 1934, as amended ("Section 28(e)"), is a "safe harbor" that permits an adviser to use commissions or "soft dollars" to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. Except for services that would be a Fund level expense or as otherwise described below, the Firm will limit the use of "soft dollars" to obtain research and brokerage services to services which constitute research and brokerage within the meaning of Section 28(e). Research services within Section 28(e) may include: research reports (including market research), certain financial newsletters and trade journals, software providing analysis of securities portfolios, corporate governance research and rating services, attendance at certain seminars and conferences, discussions with research analysts, meetings with corporate executives, consultants' advice on portfolio strategy, data services (including services providing market data, company financial data and economic data), advice from brokers on order execution and certain proxy services. Brokerage services within Section 28(e) may include: services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians), trading software operated by a broker-dealer to route orders, software that provides trade analytics and trading strategies, software used to transmit orders, clearance and settlement in connection with a trade, electronic communication of allocation instructions, routing settlement instructions, post trade matching of trade information and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

In some instances, Arctis Global may receive a product or service that may be used, in part, by the Firm for Section 28(e) eligible purposes and, in part, for other purposes (e.g., an order management system, trade analytical software or proxy services). In such instances, the advisers will make a good faith effort to determine the relative proportion of the product or service used to assist the advisers in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). The proportion of the product or service attributable to assisting the Firm in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by Arctis Global from its own resources unless otherwise a Fund level expense.

Although the Firm will make a good faith determination that the amount of commissions paid is reasonable in light of the products or services provided by a broker, commission rates are generally negotiable and thus, selecting brokers on the basis of considerations that are not limited to the applicable commission rates may result in higher transaction costs than would otherwise be obtainable. The receipt of such products or services and the determination of the appropriate allocation in the case of "mixed use" products or services create a potential conflict of interest between Arctis Global and its Clients.

In selecting brokers and negotiating commission rates, the Firm may take into account the financial stability and reputation of brokerage firms, creditworthiness, efficiency of execution and error resolution, the actual executed price and the commission, custodial and other services provided for the enhancement of the Firm's portfolio management capabilities, the size and type of the transaction, the difficulty of execution and the ability to handle difficult trades, and the operational facilities of the brokers and/or dealers involved (including back office efficiency) and the research, brokerage or other services provided by such brokers.

From time to time, Arctis Global may participate in capital introduction programs arranged by broker-dealers, including firms that serve as prime brokers to a private fund managed by the Firm or recommend investments in the Funds as investments to the clients of the broker-dealer. Arctis Global may place portfolio transactions with brokers who have made such recommendations or provided capital introduction opportunities, if the Firm determines that it is otherwise consistent with seeking best execution. In no event will Arctis Global select a broker-dealer as a means of remuneration for recommending the Firm or any other product managed by Arctis Global or affording the Firm with the opportunity to participate in capital introduction programs.

When appropriate, the Firm may, but is not required to, aggregate Client orders to achieve more efficient execution or to provide for equitable treatment among accounts. Clients participating in aggregated trades will be allocated securities based on the average price achieved for such trades.

The Funds will maintain accounts with prime brokers, through which the Fund may execute trades, borrow funds in connection with trades, clear and settle its securities transactions and maintain custody of its securities. Further, the Funds may also be required (or find it advantageous) to maintain custody of certain of its non-U.S. securities at brokers or financial institutions located in non-U.S. jurisdictions.

The Firm is responsible for selecting brokerage counterparts and the Firm generally does not permit Client directed brokerage.

**B.** As of the date of this Brochure, Arctis Global executes transactions at the Master Fund and SP. If the Firm determines that the purchase or sale of a security is appropriate with regard to multiple Clients, Arctis Global may, but is not required to, purchase or sell such a security on behalf of such Clients with an aggregated order, for the purpose of reducing transaction costs, to the extent permitted by applicable law. When aggregating Client orders, Arctis Global will follow the following guidelines:

- (i) no Client will be favored over any other Client;
- (ii) unless the timing of market orders is specified by Arctis Global to be different among Clients, each Client that participates in an aggregated order will participate at the average share price for all Arctis Global's transactions in that security on a given business day (or such shorter period, as applicable) or as specified in these procedures, and transaction costs will be shared *pro rata* based on each Client's participation in the transaction;
- (iii) if the aggregated order is filled in its entirety, it will be allocated among accounts in accordance with Arctis Global's investment allocation policy; and
- (iv) if the aggregated order is partially filled, (a) for situations involving only discretionary Clients, the order will generally be allocated among these Clients *pro rata* based on their relative net



asset values, or (b) for situations involving non-discretionary Clients, such allocations will be made in accordance with Arctis Global's investment allocation policy.

When orders are not aggregated, trades generally will be processed in the order that they are placed with the broker or counterparty selected by Arctis Global. As a result, certain trades in the same security for one Client (including a Client in which Arctis Global and its personnel may have a direct or indirect interest) may receive more or less favorable prices or terms than another Client, and orders placed later may not be filled entirely or at all, based upon the prevailing market prices at the time of the order or trade. In addition, some opportunities for reduced transaction costs and economies of scale may not be achieved.

**Item 13**  
**Review of Accounts**

- A.** The Firm's risk committee review the holdings and monitor the Funds' portfolios on a continuous and ongoing basis.
- B.** The Firm does not utilize any specific criteria to trigger a review of investments currently.
- C.** Written audited financial statements will be provided to investors in each Fund, generally within 120 days of the Fund's fiscal year end. Arctis Global will also distribute periodic written reports to investors which contain information such as attribution, holdings and performance, and market color, amongst other such topics.

**Item 14**  
**Client Referrals and Other Compensation**

**A.** No one other than the Funds provides an economic benefit to the Firm for providing investment advice or other advisory services to the Funds, unless otherwise disclosed in the Brochure and/or the Governing Documents.

**B.** As of the date of this brochure, neither Arctis Global nor any of its related persons compensates any person who is not a supervised person for advisory client referrals. However, from time to time, in the context of organizing a new investment vehicle, the Firm may compensate one or more third-party marketers for referrals of investors. A prospective investor solicited by a marketer or other third party will be advised of any such arrangement, including the receipt of fees. Similarly, if the Firm decides to engage a third party for separately managed account referrals, the relationship will be structured in accordance with the applicable cash solicitation rules and affected prospects will be informed of the arrangement, including the applicable fee share.

## **Item 15**

### **Custody**

Arctis Global is subject to Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended, also known as the “Custody Rule,” which sets forth specific requirements relating to Client securities or certain other assets over which the Firm has actual or constructive custody. The Funds’ assets are held for safekeeping by an independent qualified custodian – typically the Funds’ prime brokers. The Firm ensures that any pooled investment vehicles’ financial statements audited by an independent auditor that is registered with, and subject to regular inspection by, the US Public Company Accounting Oversight Board (PCAOB), in accordance with U.S. Generally Accepted Accounting Principles (GAAP), are delivered to the underlying US investors in the Funds within 120 days of each Fund’s fiscal year end.

**Item 16**  
**Investment Discretion**

Arctis Global provides investment advice directly to the Funds on a discretionary basis in accordance with the investment guidelines set forth in the Governing Documents. Such authority generally permits the Firm to determine, amongst other things, the securities to be bought and sold, the timing and nature of the transactions, the price at which a security is transacted, the brokers or dealers used to execute the transaction, and the custodians where Fund assets are held.

**Item 17**  
**Voting Client Securities**

Arctis Global will vote the securities (i.e., proxies) of the Funds on its behalf. When the Firm accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of the Funds. Absent special circumstances, proxies will generally be voted in line with company management, as the Firm believes these individuals are more appropriately suited to make decisions that impact the issuer. In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that the Firm maintains with persons having an interest in the outcome of certain votes, Arctis Global takes appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict. Clients may contact Arctis Global to request information about how the Firm voted proxies for that client's securities or to get a copy of the Firm's proxy voting policies and procedures.

**Item 18**  
**Financial Information**

- A. The Firm does not require or solicit prepayment of more than \$1,200 in fees from any Fund six months or more in advance.
- B. The Firm does not believe any financial conditions currently exist that are reasonably likely to impair its ability to meet contractual or other commitments to the Funds.
- C. The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.