

Form ADV, Part 2A
Firm Brochure

Light Capital LLC

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This brochure provides information about the qualifications and business practices of Light Capital LLC (the “Adviser”) an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”). If you have any questions about the contents of this brochure, please contact us via email at edward@lightcap.llc.

The information in this brochure has not been approved or verified by the SEC or by any state securities authority. Registration with the SEC or with any state securities authority does not imply any level of skill or training.

Additional information about Light Capital LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 1. Cover Page

Please refer to previous page.

Item 2. Material Changes

Light Capital LLC is a newly registered investment adviser with the Securities and Exchange Commission. As such, no material changes are noted here. Our prospective clients are strongly encouraged to read this brochure in its entirety prior to engaging Light Capital LLC for any advisory services.

Pursuant to applicable rules, Light Capital LLC will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of Light Capital LLC's fiscal year. Additionally, as the firm experiences material changes in the future, we will send you a summary of our "Material Changes" under separate cover. Light Capital LLC's Brochure is available upon request and may be requested by contacting the firm's Chief Compliance Officer, Edward McGlasson at 714-931-1523.

Additional information about the firm and its investment adviser representatives is available on the SEC's website at <https://www.adviserinfo.sec.gov>.

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Item 4. Advisory Business

Light Capital LLC (the “Adviser”) is an investment adviser with its principal place of business in Pacific Palisades, California. The Adviser is a Delaware limited liability company that was founded in September 2022 by Edward McGlasson, who serves as Chief Executive Officer and Chief Investment Officer. Mr. McGlasson is the principal owner of the Adviser.

The Adviser provides financial planning services and portfolio management for individuals, small business, private funds, and business and institutional clients on an ongoing discretionary basis.

The Adviser typically manages accounts in accordance with its overall investment objective and strategy which seeks long-term growth of capital. The Advisor seeks to meet this objective and strategy by investing primarily in public and private equity securities of issuers the Adviser identifies through its fundamental, bottom-up analysis of companies/issuers. Separate account clients may impose restrictions on investing in certain securities or certain types of securities.

The Adviser’s financial planning services range from comprehensive financial planning to more focused consultations, depending on the needs of each Client. Generally, The Adviser evaluates the Client’s financial, business, and investment information and makes recommendations designed with the intention of achieving the Client’s overall goals and objectives. Clients have the option of utilizing the Adviser to implement certain investment recommendations but are under no obligation to do so. Advice and recommendations may also be given on non-securities matters and any implementation of the Adviser’s recommendations is entirely at the Client’s discretion. Clients are always free to accept or reject any or all recommendations made by the Adviser and Clients retain the authority and discretion on whether or not to implement any recommendations.

Clients should understand that a potential conflict of interest exists if the Adviser recommends its own portfolio management services. Financial planning recommendations are based on the Client’s financial situation at the time the recommendations are provided and are based on the information provided by the Client. In addition, certain assumptions may be made with respect to interest and inflation rates, use of past trends, and performance of the market and economy.

For more information on the risks associated with investing, please refer to Item 8, below.

The Adviser does not participate in any wrap fee programs.

As of the date of this Brochure, the Adviser had \$0 in assets under management.

Item 5. Fees and Compensation

The Adviser charges each separately managed account client an investment advisory fee based on the market value of the account’s assets under management and this fee includes financial planning services.

For managed account clients, the Adviser typically charges an advisory fee at an annual rate and range from 0.30% to 1.00%:

- First \$5m 1.00%
- Next \$5m 0.75%
- Next \$15m 0.50%

- Next \$25m 0.40%
- Over \$50m 0.30%

The fee is charged each quarter based upon a percentage of the market value of the account's assets under management as of the last day of each quarter. Fees are billed in arrears, following the end of the quarter for which services were rendered. Alternatively, the fee will be calculated on a pro-rata basis in the event that the first or last quarter during which the agreement is in effect is less than a complete calendar quarter or in those instances where there is a significant principal addition or withdrawal during the quarter.

The Adviser reserves the right to determine the annual advisory fee rate and/or the manner of payment with any managed account client or prospective managed account client. As a result, fees may be negotiable under certain circumstances or for certain managed accounts. The Adviser bills managed account clients and deducts the fee automatically from their accounts when agreed upon with the clients.

Advisory contracts typically provide for termination effective 30 days after written notice by the client or the Adviser. In the event of termination, the Adviser is entitled to fees earned through the effective date of termination.

It should be noted that the Adviser's fees are exclusive of brokerage commissions, transaction fees and/or other related costs and expenses which may be incurred by the Client. Clients may also incur charges imposed by custodians, brokers and/or other third parties, such as: custodial fees, transfer taxes, wire transfer and electronic fund fees.

Item 6. Performance – Based Fees

The Adviser does not currently charge performance-based fees.

Item 7. Types of Clients

The Adviser's clients consist of ultra-high net worth, high net worth, individuals, family offices, private funds, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. There are no minimum investment requirements for opening or maintaining a managed account.

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

The Adviser typically manages accounts in accordance with its overall investment objective and strategy which seeks long-term growth of capital.

The Adviser's investment process and research efforts employ a fundamental, bottom-up stock selection approach that emphasizes high quality companies selling at attractive valuations. This fundamental analysis involves analyzing a company's competitive advantages, the attractiveness of their end market, strength of their financial attributes, management quality, and ability to intelligently allocate capital.

The Adviser employs the following investment approaches:

Equity. The Advisor utilizes a value investment philosophy in selecting equity and equity-like securities of U.S. issuers. It is characterized by the Adviser's intent to purchase securities at a discount to its assessment of a company's intrinsic value. The Adviser also focuses on growth of capital in selecting

equity securities. Specifically, the Adviser attempts to invest in companies with the ability to compound capital over long periods of time. The Adviser's investments span small, mid, and large cap companies.

ETF and Mutual Fund Risk. When investing in an ETF or mutual fund (or a close ended mutual fund), you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.

Buy and Hold. The Adviser typically buys securities and holds them in client accounts for a relatively long period of time, regardless of short-term factors such as fluctuations in the market or volatility of the stock price.

Focused/Non-Diversification. The Adviser manages concentrated portfolios and focuses its investments on a limited number of issuers and does not seek to diversify investments among types of securities, countries, or industry sectors.

Small-Cap and Mid-Cap Securities. The Adviser may invest in the securities of small-cap and mid-cap companies.

Private Fund Investments / Illiquid Investments. Some investments held by Clients (including investments in the Funds) may not be able to be sold except pursuant to a registration statement filed under the Securities Act of 1933 or in accordance with Rule 144 or another exemption under the Securities Act of 1933 (and other applicable securities laws). Furthermore, because of the speculative and non-public nature of some investments, the Firm may, from time to time, sell or otherwise dispose of investments (or recommend that Clients sell or dispose of investments) that later prove to be more valuable than anticipated at the time of such disposition. Any premature sales or dispositions may prevent Clients from realizing as great an overall return on investment as may have been realized if such sales or dispositions had been made at a later date, which may adversely affect investment results of Clients. A Client and underlying funds and managers may invest in securities that are subject to legal or other restrictions on transfer. Clients and underlying funds may be contractually prohibited from disposing of such investments for a specified period of time.

These methods and investments involve risk of loss to clients, and clients must be prepared to bear the loss of their entire investment. The material risks relating to the Adviser's investment strategy include the following:

Market and Manager Risks. Securities in which the Adviser invests on behalf of its clients will fluctuate as the markets for those securities fluctuate. The prices of these securities will decline, perhaps severely, over short-term and long-term periods. The market values of securities may fall, sometimes rapidly or unpredictably, or fail to rise for various reasons including changes or potential or perceived changes in U.S. or foreign economies, financial markets, interest rates, the liquidity of investments and other factors including terrorism, war, natural disasters and public events and crises, including disease outbreaks and epidemics. The resulting short-term and long-term effects and consequences of such events and factors on global and local economies and specific countries, regions, businesses, industries and companies cannot necessarily be foreseen or predicted. Performance of individual securities can vary widely. In addition, the investment decisions of the Adviser may cause the strategy or an account to underperform other strategies, investments or benchmark indices. The Adviser may be incorrect in assessing a particular industry or company, including the anticipated earnings growth of the company. The Adviser may not buy chosen securities at the lowest possible prices or sell securities at the highest possible prices.

Buy and Hold. Under a buy and hold investment strategy, the Adviser may not take advantage of short-term gains in a security that could be profitable to a client. Moreover, if the Adviser's predictions are incorrect, a security may decline sharply in value before the security is sold.

Focused Portfolio/Lack of Diversification. Client accounts will not be diversified among a wide range of types of securities, countries, or industry sectors. Accordingly, client portfolios may be subject to more rapid changes in value than would be the case if the Adviser were to maintain a wider diversification among types of securities and other instruments, countries, or industry sectors.

Issuer-Specific Changes. Changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in general economic or political conditions can increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's value. The value of securities of smaller, less well-known issuers can be more volatile than that of larger issuers. Smaller issuers can have more limited product lines, markets, or financial resources.

Illiquid Instruments. Certain securities or instruments may have no readily available market or third-party pricing. Reduced liquidity may have an adverse impact on market price and the Adviser's ability to sell particular securities when necessary to meet liquidity needs or in response to a specific economic event, such as the deterioration of creditworthiness of an issuer. Reduced liquidity in the secondary market for certain securities may also make it more difficult for the Adviser to obtain market quotations based on actual trades for the purpose of valuing a client's portfolio. In some cases, the relevant portfolio may be contractually prohibited from disposing of securities for a specified period of time.

The Adviser invests in equity securities of U.S. and non-U.S. issuers on behalf of its clients. The Adviser may also invest in fixed-income and debt securities on behalf of its clients. The following risks are those most commonly associated with the types of securities in which the Adviser primarily invests for its clients:

Equity Securities. The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. Issuer, political, or economic developments can affect a single issuer; issuers within an industry, economic sector, or geographic region; or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geo-political risks, natural disasters, and public health events and crises, including disease outbreaks and epidemics, have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

Small-Cap and Mid-Cap Securities Risk. Investing in the securities of small-cap and mid-cap companies generally involves greater risk than investing in larger, more established companies. Although investing in securities of small-cap and mid-cap companies offers potential above-average returns if the companies are successful, there is the risk that the companies will not succeed and the prices of the companies' shares could significantly decline in value. Securities of small-cap and mid-cap companies, especially those whose business involves emerging products or concepts, may be more volatile due to their limited product lines, markets, or financial resources. Securities of these companies often trade less frequently and in limited volume. Therefore, their prices are more likely to fluctuate than securities of larger companies. Securities of small-cap and mid-cap companies also may be more volatile than larger companies or the market averages in general.

Fixed-Income and Debt Securities. Investment in fixed-income and debt securities, such as asset-backed securities, residential mortgage-backed securities, commercial mortgage-backed securities, investment grade corporate bonds, loans, sovereign bonds and U.S. government debt securities, subject a client's portfolios to the risk that the value of these securities overall will decline because of rising interest rates. Similarly, portfolios that hold such securities are subject to the risk that the portfolio's income will decline because of falling interest rates. Investments in these types of securities will also be subject to credit risk created when a debt issuer fails to pay interest and principal in a timely manner or that negative perceptions of the issuer's ability to make such payments will cause the price of the debt to decline. The Adviser may also invest in debt securities on behalf of its clients which are not protected by financial covenants or limitations on additional indebtedness. Most fixed-income instruments trade in over-the-counter transactions and lack the benefit of transparent exchange pricing. Bid and asks for these instruments are generally wider than equity securities, and trading is less frequent. These factors may cause distortions and/or volatility in the prices of fixed-income related instruments. Lastly, investments in debt securities may fluctuate more in price, and be less liquid, than higher-rated securities because issuers of such lower-rated debt securities are not as strong financially and are more likely to encounter financial difficulties and be more vulnerable to adverse changes in the economy.

Interest Rate Risks. Generally, the value of fixed-income securities changes inversely with the changes in interest rates. As interest rates rise, the market value of fixed-income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed-income securities tends to increase. The risk is greater for long-term securities than for short-term securities. Very low or negative interest rates would likely magnify the risks associated with changes in interest rates. During periods of very low or negative rates, the performance of fixed-income securities would likely be adversely affected.

Non-U.S. Securities. Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory financial conditions in foreign countries. These risks include fluctuations in foreign currencies, withholding or other taxes, trading, settlement, custodial or other operational risks, and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments potentially more volatile and less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.

Excess Cash Risks. From time to time the Adviser may temporarily hold excess cash, cash equivalents, or cash-like securities during times when suitable equity investments, ones that are aligned with the Adviser's return and valuation discipline, are difficult to identify. Excess cash may also be a result of the Adviser's view on adverse market, political, economic, or other conditions. Holding excess cash is generally inconsistent with the Adviser's principal investment strategy and upon doing so, the Adviser may fail to achieve its investment objective. Cash positions may be comprised of cash or cash equivalents that may include, but are not limited to, money market funds, commercial paper, treasury bills, and short-term government bonds.

Additional Risks Relating to the Adviser

Key Person Risk: Edward McGlasson is the Chief Executive Officer and Chief Investment Officer of the Adviser and serves as portfolio manager for all of the Adviser's investment strategies. Although he is supported by other investment personnel, the performance of our strategies is largely dependent on his efforts and his experience in designing and implementing investment strategies. His temporary or permanent unavailability may have a material adverse effect on our ability to implement those strategies and achieve their investment objectives. We may be unable to replace Mr. McGlasson on a timely basis or

with appropriately qualified personnel, and such delay or inability may adversely affect the accounts we manage.

Cybersecurity Risk. The information and technology systems of the Adviser and of key service providers to the Adviser and its clients may be vulnerable to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Adviser has implemented various measures designed to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for the Adviser to make a significant investment to fix or replace them and to seek to remedy the effect of these issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of the Adviser or its client accounts and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information.

Systems and Operational Risk. The Adviser relies on certain financial, accounting, data processing and other operational systems and services that are employed by the Adviser and/or by third-party service providers, including prime brokers, third-party administrators, market counterparties, and others. Many of these systems and services require manual input and are susceptible to error. These programs or systems may be subject to certain defects, failures or interruptions. For example, the Adviser and its clients could be exposed to errors made in the confirmation or settlement of transactions, from transactions not being properly booked, evaluated or accounted for or related to other similar disruptions in the clients' operations. In addition, despite certain measures established by the Adviser and third-party service providers to safeguard information in these systems, the Adviser, clients and their third-party service providers are subject to risks associated with a breach in cybersecurity which may result in damage and disruption to hardware and software systems, loss or corruption of data and/or misappropriation of confidential information. Any such errors and/or disruptions may lead to financial losses, the disruption of the client trading activities, liability under applicable law, regulatory intervention or reputational damage.

Effects of Health Crises and Other Catastrophic Events. Health crises, such as pandemic and epidemic diseases, as well as other catastrophes that interrupt the expected course of events, such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, and the public response to or fear of such diseases or events, have and may in the future have an adverse effect on clients' investments and the Adviser's operations. For example, any preventative or protective actions that governments may take in respect of such diseases or events may result in periods of business disruption, inability to obtain raw materials, supplies and component parts, and reduced or disrupted operations for client portfolio companies. In addition, under such circumstances the operations, including functions such as trading and valuation, of the Adviser and other service providers could be reduced, delayed, suspended or otherwise disrupted. Further, the occurrence and pendency of such diseases or events could adversely affect the economies and financial markets either in specific countries or worldwide.

Item 9. Disciplinary Information

The Adviser does not have any such legal or disciplinary events and therefore has nothing to disclose with respect to this Item.

Item 10. Other Financial Industry Activities and Affiliations

The Adviser is not engaged in other financial industry activities and has no affiliations with other financial firms or persons.

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

The Adviser has adopted a Code of Ethics (the “Code”) pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 that obligates the Adviser and its supervised persons to put the interests of the Adviser’s clients before their own interests and to act honestly and fairly in all respects in their dealings with clients. All of the Adviser’s personnel are also required to comply with applicable federal securities laws. Clients or prospective clients may obtain a copy of the Code by contacting us by email at brad@marenccapital.com. See below for further provisions of the Code as they relate to pre-clearing and reporting of securities transactions by related persons.

The Adviser or its related persons, in the course of their investment management and other activities (e.g., board service), may come into possession of confidential or material nonpublic information about issuers, including issuers in which the Adviser or its related persons have invested, or seek to invest, on behalf of clients. The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is a client. The Adviser maintains and enforces written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information and to assure that the Adviser is meeting its obligations to clients and remains in compliance with applicable law. In certain circumstances, the Adviser may possess certain confidential or material, nonpublic information that, if disclosed, might be material to a decision to buy, sell, or hold a security, but the Adviser will be prohibited from communicating such information to the client or using such information for the client’s benefit. In such circumstances, the Adviser will have no responsibility or liability to the client for not disclosing such information to the client (or the fact that the Adviser possesses such information), or not using such information for the client’s benefit, as a result of following the Adviser’s policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

The Adviser or its related persons from time to time invests in the same securities (or related securities, e.g., warrants, options, or futures) that the Adviser or a related person recommends to clients. Such practices present a conflict where, because of the information an Adviser has, the Adviser or its related person are in a position to trade in a manner that could adversely affect clients (e.g., place their own trades before or after client trades are executed in order to benefit from any price movements due to the clients’ trades). In addition to affecting the Adviser’s or its related person’s objectivity, these practices by the Adviser or its related persons may also harm clients by adversely affecting the price at which the clients’ trades are executed. The Adviser has adopted the following procedures in an effort to minimize such conflicts:

- The Adviser requires its supervised persons to preclear transactions in their personal accounts with the Adviser’s Chief Compliance Officer or Managing Member, who may deny permission to execute the transaction if such transaction is likely to have any adverse economic impact on one of its clients; and
- All of the Adviser’s supervised persons are required to disclose their securities transactions on a quarterly basis and holdings on an annual basis.

Trading in supervised persons’ accounts will be reviewed by the Adviser’s compliance personnel and compared with transactions for the client accounts.

Item 12. Brokerage Practices

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The Adviser considers a number of factors in selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation. Such factors may include execution prices, financial stability of the brokerage firm, its commission rates, execution and settlement capabilities, research services, back-office efficiency, ability to handle difficult or block trades and various sizes and types of transactions, and prior performance in serving the Adviser. In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation, the Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is possible that the Adviser may not negotiate "execution only" commission rates, meaning that a client may be deemed to be paying for research, brokerage, or other services provided by a broker-dealer which are included in the commission rate. Portfolio management and trading personnel of the Adviser meet periodically to evaluate the broker-dealers used by the Adviser to execute client trades using the foregoing factors.

The Adviser does not receive brokerage and research products and services from broker-dealers and third parties in connection with client securities transactions.

Under certain circumstances, the Adviser may permit clients to direct the Adviser to execute the client's trades with a specified broker-dealer. When a client directs the Adviser to use a specified broker-dealer to execute all or a portion of the client's securities transactions, the Adviser treats the client direction as a decision by the client to retain, to the extent of the direction, the discretion the Adviser would otherwise have in selecting broker-dealers to effect transactions and in negotiating commissions for the client's account. Although the Adviser attempts to effect such transactions in a manner consistent with its policy of seeking best execution, there may be occasions where it is unable to do so, in which case the Adviser will continue to comply with the client's instructions. Transactions in the same security for accounts that have directed the use of the same broker will be aggregated to the extent practicable and determined to be in the best interest of the clients. When the directed broker-dealer is unable to execute a trade, the Adviser will select broker-dealers other than the directed broker-dealer to effect client securities transactions. A client that directs the Adviser to use a particular broker-dealer to effect transactions should consider whether such direction may result in certain costs or disadvantages to the client. Such costs may include higher brokerage commissions (because the Adviser may not be able to aggregate orders to reduce transaction costs), less favorable execution of transactions, and the potential of exclusion from the client's portfolio of certain foreign ordinary shares and/or small capitalization or illiquid securities due to the inability of the particular broker-dealer in question to provide adequate price and execution of all types of securities transactions. By permitting a client to direct the Adviser to execute the client's trades through a specified broker-dealer, the Adviser will make no attempt to negotiate commissions on behalf of the client and, as a result, in some transactions such clients may pay materially disparate commissions depending on their commission arrangement with the specified broker-dealer and upon other factors such as number of shares, round, and odd lots and the market for the security. The commissions charged to clients that direct the Adviser to execute through a specified broker-dealer may in some transactions be materially different than those charged to clients that do not direct the execution of their trades. Clients that direct the Adviser to execute trades through a specified broker-dealer may lose the ability to negotiate volume commission discounts on batched transactions that may otherwise be available to other clients of the Adviser, and their orders may be sequenced before or after orders for clients who have not directed the use of a specified broker-dealer.

The Adviser often purchases or sells the same security for more than one client at or near the same time and using the same executing broker. The Adviser may, but is not obligated to, aggregate client orders for the purchase or sale of the same security submitted at or near the same time for execution using the same executing broker. Such aggregation permits the Adviser to attempt to obtain for clients a more favorable

price or a better commission rate based upon the volume of a particular transaction than would be the case if the orders were not aggregated. The Adviser may determine not to include a client account in an aggregated order in certain circumstances such as when:

- the client has placed a trading or investment restriction on the account precluding the account from participating in an aggregated order; or
- the account is subject to trade away fees charged by the custodian for using a broker other than the custodian to execute securities transactions, and the Adviser determines that the imposition of such fees for participating in the aggregated order is disproportionate relative to the value of participating in the aggregated order.

In cases where the client has negotiated the commission rate directly with the broker, the Adviser will not be able to obtain more favorable commission rates based on an aggregated trade. In such cases, the client will be precluded from receiving the benefit of any possible commission discounts that might otherwise be available as a result of the aggregated trade. In cases where trading or investment restrictions are placed on a client's account and the Adviser is precluded from aggregating that client's transaction with others, the client may pay a higher commission rate and/or receive less favorable prices than clients who are able to participate in an aggregated order.

The Adviser seeks to avoid the imposition of multiple trade away fees for accounts participating in an aggregated order, including multiple trade away fees for orders which the Adviser believes may require more than one day to complete. Accordingly, in order to avoid multiple trade away fees, certain accounts subject to such fees may receive their full allocation of securities prior to or after other accounts that are not subject to such fees.

- If an aggregated order is completely filled, the Adviser allocates the securities purchased or proceeds of sale among the participating accounts based on the original allocation statement as determined by the portfolio manager at the time of the purchase or sale order.
- If the order at a particular broker is filled at several different prices, through multiple trades, generally all such participating accounts will receive the average price and pay the average commission, subject to odd lots, rounding, and market practice. If an aggregated order is only partially filled, the securities purchased or proceeds from securities sold are to be allocated pro rata among the participating client accounts in accordance with the initial order allocation or other written statement of allocation. Adjustments or changes may be made under certain circumstances, such as to avoid odd lots or excessively small allocations.
- If the order will be allocated in a manner other than that stated in the initial allocation statement, a written explanation of the change must be provided to and approved by the Compliance Officer.

As is consistent with its duty to seek to obtain best execution, occasionally the Adviser may cross trades for client accounts. A cross trade occurs when the Adviser purchases and sells a particular security between two or more accounts under the Adviser's management by instructing brokers to cross the trade. The Adviser generally utilizes "cross" trades to address account funding issues and when it specifically deems the practice to be advantageous for each participant. In no instance does the Adviser receive additional compensation when crossing trades for client accounts. The Adviser will seek to ensure that the terms of the transaction, including the consideration to be paid or received, are fair and reasonable, and that the transaction is done for the sole benefit of the clients.

Item 13. Review of Accounts

The Adviser continually reviews all separate accounts. The Chief Investment Officer makes investment decisions for the accounts, and reviews each account's performance, holdings and weightings of holdings on an ongoing basis.

Separate account clients will receive monthly statements and transaction confirmations from their respective custodian. The Adviser will send each separate account client quarterly account statements that include the cost and market value of securities positions and performance information, as well as quarterly letters. Such documents may be delivered electronically to the client in accordance with the client's agreement with the Adviser.

Item 14. Client Referrals and Other Compensation

The Adviser may compensate various firms for distribution and referral services. Third-party referral agents may receive a percentage of the advisory fee paid to us by clients who are solicited pursuant to written agreements between us and the particular referral agent.

Item 15. Custody

Pursuant to the Investment Advisers Act of 1940, the Adviser is deemed to have "constructive custody" of client funds because we have the authority and ability to debit our fees directly from the accounts of those clients receiving our services. Additionally, certain clients have, and could in the future, sign a Standing Letter of Authorization ("SLOA") (typically when a Client wishes to have standing instructions to have funds sent to their own bank accounts) that gives us the authority to transfer funds to a third-party as directed by the client in the SLOA. This is also deemed to give us custody. Custody is defined as any legal or actual ability by the firm to withdraw client funds or securities. Firms with deemed custody must take the following steps:

1. Ensure Clients' managed assets are maintained by a qualified custodian;
2. Have a reasonable belief, after due inquiry, that the qualified custodian will deliver an account statement directly to the Client at least quarterly;
3. Confirm that account statements from the custodian contain all transactions that took place in the Client's account during the period covered and reflect the deduction of advisory fees; and
4. Obtain a surprise audit by an independent accountant on the Clients' accounts for which the Adviser is deemed to have custody.

However, the rules governing the direct debit of Client fees and SLOAs exempts us from the surprise audit rules if certain conditions (in addition to steps 1 through 3 above) are met. Those conditions are as follows:

1. When debiting fees from Client accounts, we must receive written authorization from Client permitting advisory fees to be deducted from the Client's account.
2. In the case of SLOAs, we must: (i) confirm that the name and address of the third party is included in the SLOA, (ii) document that the third-party receiving the transfer is not related to our Firm, and (iii) ensure that certain requirements are being performed by the qualified custodian.

The qualified custodian that is selected by a Client maintains actual physical custody of Client assets. Client account statements from custodians will be sent directly to each Client to the email or postal mailing address that is provided to the qualified custodian selected by the Client. Clients are encouraged to compare information provided in reports or statements received by us with the account statements

received from their custodian for accuracy. In addition, Clients should understand that it is their responsibility, not the custodian's, to ensure that the fee calculation is correct.

If Client funds or securities are inadvertently received by us, they will be returned to the sender immediately, or as soon as practical.

We encourage our Clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

Item 16. Investment Discretion

The Adviser provides investment advisory services on a discretionary basis to clients. Please see Item 4 for a description of any limitations that clients may place on the Adviser's discretionary authority.

Prior to assuming full discretion in managing a client's assets, the Adviser enters into an investment management agreement or other agreement that sets forth the scope of the Adviser's discretion.

Unless otherwise instructed or directed by a discretionary client, the Adviser has the authority to determine (i) the securities to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) and (ii) the amount of securities to be purchased or sold for the client account. Because of the differences in client investment objectives and strategies, risk tolerances, tax status, and the timing of the receipt of cash for investment from a client or of a request for cash from a client, and the application of other considerations at the time of purchase or sale of securities, there may be differences among clients in invested positions and securities held. The Adviser considers the following factors, among others, in allocating investment opportunities to clients: (i) client investment objectives and strategies; (ii) client risk profiles; (iii) tax status and restrictions placed on a client's portfolio by the client or by applicable law; (iv) size of the client account; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; (viii) account liquidity, account requirements for liquidity, account limitations on the broker used to effect trades and timing of cash flows; and (ix) the cost of a trade relative to the size of the trade and security position in the client's account. The foregoing and other factors, which are relevant at the time of the allocation, may lead the Adviser to allocate securities to client accounts in varying amounts or to determine that an account should not receive an allocation of securities.

If it appears that a trade error has occurred, the Adviser will review the relevant facts and circumstances to determine an appropriate course of action. To the extent that trade errors occur, the Adviser seeks to ensure that its clients' best interests are served.

Item 17. Voting Client Securities

To the extent the Adviser has been delegated proxy voting authority on behalf of its clients, the Adviser complies with its Proxy Voting Policies and Procedures ("Procedures") that are designed to ensure that in cases where the Adviser votes proxies with respect to client securities, such proxies are voted in the best interests of each client.

The Adviser generally does not accept authority to vote proxies in accordance with individual client guidelines. Any client who wishes to arrange to vote proxies in accordance with their own guidelines may

elect to do so at any time by contacting us via email at edward@lightcap.llc so that appropriate arrangements can be made to forward proxies to the client.

If a material conflict of interest between the Adviser and a client exists, the Adviser will determine whether voting in accordance with the guidelines and factors set forth in the Procedures is in the best interests of the client or take some other appropriate action. Where the Procedures do not address the proposal presented, the Adviser will either request voting instructions or a waiver of the conflict of interest from the client, cast the vote in accordance with the recommendations of an independent proxy voting service, refrain from voting, or take other appropriate action to resolve the conflict. Clients may obtain a copy of the Adviser's Procedures and information about how the Adviser voted a client's proxies by contacting us via email at edward@lightcap.llc.

Item 18. Financial Information

The Adviser does not require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, the Adviser is not required to include a financial statement in this Brochure.

We are not aware of any financial condition that impairs our ability to meet contractual obligations to our clients. The Adviser has not been the subject of a bankruptcy petition at any time during the past ten years.