



**Item 1 - Cover Page**

**Altior Capital Management, LP**

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**March 2022**

This Brochure provides information about the qualifications and business practices of Altior Capital Management LP ("ACM", "us", "we", "our"). If you have any questions about the contents of this brochure, please contact us at (321) 335-2555. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. ACM's IARD firm number is 316734.

We are a registered investment adviser. Our registration as an investment adviser does not imply any level of skill or training. Additional information about ACM is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (click on the link, select "investment adviser firm" and type in our firm name). The results will provide you with access to both Parts 1 and 2 of our Form ADV.

## Item 2 - Material Changes

There are no material changes since our initial filing of our Form ADV Part 2 (“Disclosure Brochure”) dated October 2021. However, we updated Items 5 and 6 as it relates to performance fees, our custodial agreement (for the separately managed accounts) under Item 12 of this Disclosure Brochure and we have terminated our affiliation with Triad Advisors LLC. In addition, we are no longer eligible for SEC registration.

In future filings, this section of the Disclosure Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this Brochure on the SEC’s public disclosure website (IAPD) at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

When an update is made to this Disclosure Brochure, we will send you a copy including a summary of material changes, or a summary of material changes that includes an offer to send you a copy [either by electronic means (email) or in hard copy form]. You may contact our Chief Compliance Officer, Edward A. McDonough (321) 335-2555 or via email at [e.mcdonough@altior.capital](mailto:e.mcdonough@altior.capital) if you have any questions about this Disclosure Brochure.

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## Item 4 - Advisory Business

### Our Firm & Ownership

Altior Capital Management LP (“ACM”) is a limited partnership organized under the laws of the State of Delaware on July 2, 2021. ACM is equally owned by Timothy Cross and Edward A. McDonough. We are an investment adviser registered with the State of Florida.

### Advisory Services Offered

We serve as the investment manager to Altior Capital Partners, LP (“ACP” or the “Fund”) and are responsible for managing the Fund’s portfolio. Altior Capital Partners GP LLC (“ACP-GP”), a Delaware limited liability company, is the general partner of the Fund. Messrs. Cross and McDonough are the managing members of ACP-GP. ACP-GP has delegated authority to invest and reinvest the Fund’s assets to ACM, as well as to make all other decisions regarding the Fund’s operations, including distribution policies, valuation of assets, fund expenses, amounts of indebtedness, admitting limited partners, and engaging necessary service providers. In addition to serving as the investment manager of the Fund, we may manage separately managed accounts.

This Disclosure Brochure provides you with information regarding our qualifications, business practices, and the nature of advisory services that should be considered before becoming our advisory client.

Individuals associated with us who provide our investment advisory services are appropriately licensed and qualified to provide advisory services on our behalf. Such individuals are known as Investment Adviser Representatives (“IARs”).

Below is a description of the investment advisory services we offer. For more detail on any product or service please reference the appropriate advisory agreement or speak with our Chief Compliance Officer.

### ***Altior Capital Partners, LP***

As discussed above, we are the investment manager of the Fund and we offer for sale to investors limited partnership interests in the pooled investment vehicle that the Fund meets the exclusion from the definition of an investment company under Section 3(c)(1) of the Investment Company Act of 1940 (“Investment Company Act”), and is offered only to persons who are “accredited investors” as that term is defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the “Securities Act”) and, who are also “qualified clients” as that term is defined in the Rule 205-3 of the Investment Advisers Act of 1940 (the “Advisers Act”). The interests offered will not be registered with the Securities and Exchange Commission under the Securities Act, in reliance on the

exemption from registration under Rule 506 of Regulation D promulgated under Section 4(a)(2) of the Securities Act.

The investment objective of the Fund is to generate superior returns from a cross-sector long/short strategy that invests in concentrated, net-return equity opportunities.

For long positions, we expect to focus on idea sourcing to identify opportunities within expanding markets with the ability to deliver long-term growth potential. In reviewing the competitive landscape, we intend to invest in quality compounding companies at reasonable valuations with attributes that include favorable market structure and consistent market share gains, significant competitive moats, robust earnings, long runways for growth, and positive earnings momentum. The above characteristics will serve to form the investment strategy, and we expect to be tax-efficient with long-term holding periods.

For short positions, we expect to focus on tactical index positions or single name, absolute return opportunities. While the short book may be predominantly anchored in index opportunities, we can seek additional exceptional returns in single name shorts, including companies facing changing market structures and escalating competitive intensity, industries that are over-earning due to temporary supply/demand imbalances or fads, suspicious event-based occurrences, and companies facing adverse regulatory change.

While it is anticipated that the Fund will invest primarily in equities, equity-related securities and cash and cash equivalents that reference these underlying financial instruments, the Fund has broad, total, and flexible investment authority. However, we have broad discretion in making investments for the Fund.

This Disclosure Brochure provides only broad summaries of the information provided in the offering documents for the Fund. Investors should refer to the relevant Fund Offering Memorandum, Subscription Application and Limited Partnership Agreement (the “Offering Documents”) for definitive and more comprehensive information regarding a specific investment concept and the matters described in this Disclosure Brochure.

The “Subscription Agreement” describes the terms and conditions related to the specific purchase and sale of each investor’s interest in a Fund in addition to disclosures related to the risks of investing in a Fund, among other things.

### **Fund Investor Guidelines and Restrictions**

Our advice with respect to the Fund is, and will be, made in accordance with the investment objectives and guidelines as set forth in the respective Fund’s Offering Documents. Fund Investors may not impose restrictions (with the exception of agreements or “side letters” illustrated in the Fund Offering Memorandum) on investing in

certain securities or certain types of securities. However, we have the right to enter into agreements, such as side letters, with certain underlying investors of the Fund that may, in each case, provide for terms of investment that are more favorable than the terms provided to other underlying investors of the Fund.

### ***Separately Managed Accounts***

In addition to serving as an investment manager of the Fund, we may manage separately managed accounts for a management fee. If we provide such services, we will manage and direct the investment of these accounts on a discretionary basis in accordance with the written investment objectives and restrictions you provide. We will make sales, exchanges, commitments, contracts, investments or reinvestments, or take any action which we deem necessary or desirable in connection with the assets held in your account, in accordance with our own judgment and discretion.

Most clients choose to have ACM manage their assets in order to obtain ongoing in-depth advice and life planning. All aspects of the client's financial affairs are reviewed. Realistic and measurable financial goals are set and objectives to reach those goals are defined. As financial goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

Your portfolio will be tailored to meet your specific needs. You will have the opportunity to place reasonable restrictions on investing in certain securities or the types of securities to be held in your portfolio. You shall have the responsibility to advise us in writing of the investment objectives of your account and any specific investment restrictions applicable to your account. Such restrictions may affect the composition and performance of your account. For this reason, performance of the account may not be identical with our average client.

The scope of work and fee for an Investment Advisory Agreement is provided to the client in writing prior to the start of the relationship. The client is provided with ongoing investment advice and monitoring of securities holdings. The IAR will manage the account on a discretionary, provided certain qualifications are met, according to the client's investment objectives.

### ***Wrap Accounts***

We do not participate in wrap fee programs.

### **Assets Under Management**

As of February 1, 2022, we had total discretionary assets under management of approximately \$500,000.

## Item 5 - Fees and Compensation

### Compensation

#### ***Altior Capital Partners, LP***

The Fund is currently issuing limited partnership interests divided into two series (each, a “Series”): founders limited partnership interests (the “Founders Interests”) and regular limited partnership interests (the “Regular Interests”, and together with the Founders Interests, the “Interests”). The Founders Interests have special capacity rights as further described in the Offering Documents. We will be paid a quarterly fee calculated at a rate equal to (a) 0.375% (i.e., 1.5% per annum) of the value of each Founders Capital Account and (b) 0.5% (i.e., 2.0% per annum) of the value of each Regular Capital Account (collectively, the “Management Fee”). The Management Fee will be paid quarterly in advance, based on the value of each Limited Partner’s Capital Account as of the first Business Day of each quarter. The Management Fee will be adjusted for contributions and withdrawals made during a quarter. A “Business Day” is any day on which banks are open in New York.

### **Incentive Allocation**

With respect to investors who are qualified clients in the Fund, the General Partner receives a quarterly incentive fee of 15% of the net profits (including realized and unrealized gains and losses), if any, attributable to each Founders Capital Account and 20% of the net profits (including realized and unrealized gains and losses), if any, attributable to each Regular Capital Account (the “Incentive Allocation”); provided, however, that no Incentive Allocation with respect to a particular Capital Account will be made until the net profits for the year exceed such Capital Account’s loss carryforward amount. The loss carryforward amount for a particular Capital Account shall be the sum of all prior net losses allocated to such Capital Account that have not been subsequently offset by net profits; provided, however, that the loss carryforward amount shall be reduced proportionately to reflect any withdrawals made from such Capital Account. If a Limited Partner has both a Founders Capital Account and a Regular Capital Account, the Incentive Allocation and loss carryforward will be calculated separately for each Capital Account and such amounts will not be netted against each other.

The management fee for Limited Partners that are members, principals, employees or affiliates of the General Partner or the Investment Manager, relatives of such persons, and for certain large or strategic investors, may be changed at our discretion.

Please refer to the Fund’s Offering Documents for details on the Fund’s fees and on methods used to determine the value of the Fund’s assets and liabilities.

## ***Separately Managed Accounts***

ACM bases its asset management fee on a percentage of assets under management.

### **Asset Management Fees**

Generally, the annualized fees for managed accounts are based on the following blended fee schedule:

<u><i>Assets Under Management</i></u>	<u><i>Maximum Annualized Fee</i></u>
<i>First \$200,000</i>	<i>1.50%</i>
<i>Next \$300,000</i>	<i>1.25%</i>
<i>Next \$4,500,000</i>	<i>1.0%</i>
<i>Over \$5,000,000</i>	<i>Negotiable</i>

Lesser fees are available elsewhere. In its discretion, we may allow related accounts, such as those of members of the same household, to be aggregated for the purpose of determining the advisory fee or for meeting the previously stated minimum. We also offer clients an annualized fixed fee for managed accounts. The annualized fixed fee is applied to the total value of the client's assets under management and ranges from 1.25% to 0.75% on the value of assets under management. The final fee is negotiable based on the size, asset composition and complexity of the client account. Older client relationships may be subject to a lower fee schedule. In any case, the fees, fee-paying arrangements, and terms will be set forth in the executed Investment Advisory Agreement.

We, in our sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

### **Payment of Fees**

#### ***Altior Capital Partners, LP***

Fees and compensation paid or allocated to us by the Fund are generally deducted from the assets of such Fund at the times and in the manner discussed above.

## ***Separately Managed Accounts***

Asset management fees are billed quarterly, in advance, as outlined in the Investment Advisory Agreement. The asset-based fee is calculated on the account asset value on the last business day of the preceding calendar quarter. Fees will be assessed pro rata



in the event the Investment Advisory Agreement is executed at any time other than the first day of a calendar quarter.

Payment of our asset management fees will be made by the qualified custodian holding the client's funds and securities provided the client supplies written authorization permitting the fees to be paid directly from the client's account. We will not have access to client funds for payment of fees without written consent by the client. Further, the qualified custodian agrees to deliver an account statement directly to the client, at least quarterly, showing all amounts disbursed from client's account, including fees paid to us. The client is encouraged to review all account statements for accuracy. We will receive a duplicate copy of the statement that was delivered to the client.

### **Other Fees or Expenses**

#### ***Altior Capital Partners, LP***

The Investment Manager is responsible for its overhead expenses of an ordinary and recurring nature such as rent, supplies, secretarial expenses, stationery, charges for furniture and fixtures, employee insurance, its compliance expenses, payroll taxes and compensation of employees. The Fund will bear all other expenses, including the Management Fee, legal, accounting (including third-party accounting services), administration fees and expenses, audit, and other professional fees and expenses, organizational expenses, out-sourced trading expenses, research expenses (including research-related travel), investment expenses such as commissions and trading and support services (including payments to assisting brokers), trading-related technology software costs deemed by the Investment Manager to benefit the Fund such as portfolio, order and risk management systems, compliance expenses of the Fund (including expenses related to various filings (or portions thereof) the Investment Manager is required to make as a result of managing the Fund's portfolio), premiums for professional liability insurance for members and employees of the Investment Manager, custodial fees, bank service fees, interest on margin accounts and other indebtedness and other expenses related to the purchase, sale, preservation or transmittal of the Fund assets.

Organizational expenses may be amortized over a period of up to 60 months from the date the Fund commences operations.

The forgoing list is not all inclusive and only highlights primary Fund expenses. Fund Investors are directed to the applicable disclosures in the Offering Documents for a complete listing and description of the fees and expenses.

## **Withdrawals**

Upon at least 60 days' prior written notice, a Limited Partner may withdraw all or any portion of its Capital Account as of the last Business Day of each calendar quarter; provided, however, that any withdrawal made prior to the two-year anniversary of the date on which the Fund receives its first capital contribution from the Limited Partner, other than Charitable Withdrawals, will be subject to a withdrawal fee of 5%, payable to the Fund; and provided, further, however no withdrawals, other than Charitable Withdrawals, will be permitted by the Limited Partner prior to the one-year anniversary of the date on which the Fund receives the Limited Partner's first capital contribution.

## ***Separately Managed Accounts***

For non-IRA/ERISA managed accounts, the client's IAR may elect to absorb all or a portion of the Processing Fee, if any, but not less than 10% per trade. In addition to assessing management fees, certain open-end mutual funds may internally assess a distribution fee pursuant to section 12(b)-1 of the Investment Company Act of 1940, or an administrative or service fee ("trail"). Such fees are included in the calculation of operating expenses of a mutual fund and are disclosed in the fund prospectus. If received by ACM, these fees will be used to offset Advisory Fees incurred by the client. However, if the IAR elects to absorb at least 10% of the Processing Fees in non-IRA/ERISA accounts, they may also elect to receive trails paid by the fund company, if any, to defray the cost of the Processing Fees they absorb. If such an election is made, there may be a conflict of interest where the IAR may have an incentive to absorb a portion or all of the Processing Fees in consideration of the actual or anticipated trails they will receive.

Clients should understand that the annual advisory fees charged in the asset management program are in addition to the management fees and operating expenses charged by open-end, closed-end and ETFs. To the extent that a client intends to hold fund shares for an extended period of time, it may be more economical for the client to purchase fund shares outside of these programs. Clients can purchase mutual funds directly from their respective fund families without incurring our advisory fee. However, clients may incur a front-end or back-end sales charge when purchasing directly from fund families.

Custodians may charge transaction fees on purchases or sales of certain mutual funds and ETFs. These transaction charges are usually small and incidental to the purchase or sale of a security. We believe the selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

We believe the charges and fees offered within each fee-based program are competitive with alternative programs available through other firms and/or investment sources yet

makes no guarantee that the aggregate cost of a particular program is lower than that, which are available elsewhere.

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

### ***Altior Capital Partners, LP***

As noted in Item 5, we receive performance-based compensation or incentive fees from the Fund. Fund Investors should be aware that performance-based compensation may create a conflict of interest as there can be an incentive to make investments that are riskier or more speculative than would be the case in the absence of performance compensation. In addition, in situations where the Fund pays smaller performance compensation (due to the existence of a loss carryforward, a higher preferred return, different compensation rates and structures or otherwise), there can be an incentive for ACM to favor the Fund that pay higher performance compensation. To seek and mitigate this inherent conflict of interest even further for the Fund, we will implement allocation policies and procedures (when necessary) that seek to ensure that strategy appropriate investments are allocated among the Fund on an equitable basis.

### ***Separately Managed Accounts***

#### **Sharing of Capital Gains**

ACM does not charge performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) on separately management accounts. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

## Item 7 - Types of Clients

### ***Altior Capital Partners, LP***

As described in Item 4, we provide investment advice to a private investment fund that meet the exclusion from the definition of an investment company under Section 3(c)(1) of the Investment Company Act.

In addition, the Offering Document will set minimum amounts for investment by prospective investors (each, a "Fund Investor"). We may modify or waive such minimum investment requirements from time to time; however, investors in the Fund must generally be: (i) "accredited investors"; (ii) "qualified clients"; and (iii) meet other suitability requirements.

The Fund's stated minimum initial capital contribution is \$250,000.

### ***Separately Managed Accounts***

ACM generally provides investment advice to individuals including high net worth individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

Client relationships vary in scope and length of service.

### **Account Minimums**

ACM generally imposes a minimum of \$250,000 to open and maintain an advisory account. However, this account minimum may be waived at the discretion of ACM if, for example, the client appears to have significant potential for increasing assets under management. In its discretion, we may waive this minimum or may allow related accounts, such as those of members of the same household, to be aggregated for purposes of determining the advisory fee or for meeting the previously stated minimum.

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

### ***Altior Capital Partners, LP***

#### **Methods of Analysis and Investment Strategy**

The Fund's Offering Documents contain a complete description of the Fund's investment strategy.

#### **Description of Principal Risks**

An investment in the Fund is speculative and involves significant risks not associated with other investment vehicles and is suitable only for persons of adequate financial means who have no need for liquidity in this investment and can afford to lose the entirety of their investments. There can be no assurances or guarantees that (i) a Fund's investment objectives will prove successful, or (ii) investors will not lose any portion or all of their investment in a Fund.

You should consider the Fund as a supplement to an overall investment program and should only invest if you are willing to undertake the risks involved. In addition, investors who are subject to income tax should be aware that an investment in a Fund is likely (if the Fund is successful) to create taxable income or tax liabilities in excess of cash distributions to pay such liabilities. You should therefore bear in mind the risk factors before purchasing an interest in any Fund. Any or all of such risks could materially and adversely affect investment performance, the value of any such investment or any security held in such investment and could cause investors to lose substantial amounts of money.

There are general risks (i.e., General Economic and Market Conditions), Operating Risks (i.e., Reliance on the General Partner management team, Conflicts of Interest), Regulatory Risks (i.e., Absence of U.S. Regulatory Oversight). The risks also include, but are not limited to, non-diversification of the Fund's investments resulting from a limited number of peer-to peer and/or peer-to-business lenders, the unsecured nature of the Notes, limited transferability of the Notes, interest rate risk and the use of leverage. All of these and other important risks are outlined in great detail in the Offering Documents.

The foregoing list of risk factors does not purport to be a complete explanation of the risks involved in this offering. Potential investors should read the Offering Documents carefully in its entirety, and to consult their own legal, tax and investment advisers before deciding whether to invest in any Fund.

## **Separately Managed Accounts**

### **Methods of Analysis**

Security analysis methods include charting, fundamental analysis, technical analysis, and cyclical analysis.

*Charting analysis* strategy involves using and comparing various charts to predict long- and short-term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be assuming that past performance will be indicative of future performance. This may not be the case.

*Fundamental analysis* concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

*Technical analysis* attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long-term.

*Cyclical analysis* involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

The main sources of information include financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Other sources of information that we use include Morningstar Principia mutual fund information, Morningstar Principia stock information, TradeStation, and the World Wide Web.

### **Investment Strategies**

The primary investment strategy used on client accounts is active trend-following and tactical asset allocation. This means that we use actively and passively managed equities (individual stocks), mutual funds, as well as ETFs to invest in areas where we believe there are greater opportunities to make a difference based on market conditions and trend analysis. Trend analysis can also be referred to as following market momentum. We actively attempt to find trends or momentum that occurs in the market and try to capitalize on those trends.

The risk tolerance and investment strategy for a specific client is based upon the investment objectives stated by the client during consultations. The client may change these investment objectives at any time.

While trend-following is the primary investment strategy, other strategies include:

- *Long-term purchases*: purchases designed to be held for long term time horizons (usually more than 1 year). These investments are designed to be held with long term capital appreciation in mind.
- *Short-term purchases*: purchases designed to be held for short term time horizons (usually less than 1 year). These investments are designed to experience capital appreciation or income in a short period of time.
- *Trading*: these transactions are designed to capitalize on market changes without regard to any specified holding period.
- *Margin transactions*: client accounts may purchase more in security value than the available cash in their accounts. In these situations, the client bears a higher degree of risk due to the leveraged nature of the accounts.

### Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- *Interest-rate Risk*: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risk*: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- *Inflation Risk*: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk*: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.



- *Reinvestment Risk*: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.
- *Business Risk*: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk*: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Financial Risk*: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- *Leveraged Risk*: Utilizing leverage can increase the potential return on a client account. If a client account is leveraged, the account controls more in value than would ordinarily be attainable based on cash readily available within the account. Leverage can be accomplished by borrowing funds from a custodian (margin) or utilizing option contracts that control a larger number of shares than would normally be available based on purchasing the underlying security. In these situations, the degree of risk and potential for loss is much higher than a typical non-leveraged account.
- *Legal and Regulatory Matters Risks*: Legal developments which may adversely impact investing and investment-related activities can occur at any time. "Legal Developments" means changes and other developments concerning foreign, as well as US federal, state and local laws and regulations, including adoption of new laws and regulations, amendment or repeal of existing laws and regulations, and changes in enforcement or interpretation of existing laws and regulations by governmental regulatory authorities and self-regulatory organizations (such as the SEC, the US Commodity Futures Trading Commission, the Internal Revenue Service, the US Federal Reserve and the Financial Industry Regulatory Authority). Our management of accounts may be adversely affected by the legal and/or regulatory consequences of transactions effected for the accounts. Accounts may also be adversely affected by changes in the enforcement or interpretation of

existing statutes and rules by governmental regulatory authorities or self-regulatory organizations.

- *System Failures and Reliance on Technology Risks:* Our investment strategies, operations, research, communications, risk management, and back-office systems rely on technology, including hardware, software, telecommunications, internet-based platforms, and other electronic systems. Additionally, parts of the technology used are provided by third parties and are, therefore, beyond our direct control. We seek to ensure adequate backups of hardware, software, telecommunications, internet-based platforms, and other electronic systems, when possible, but there is no guarantee that our efforts will be successful. In addition, natural disasters, power interruptions and other events may cause system failures, which will require the use of backup systems (both on- and off-site). Backup systems may not operate as well as the systems that they back-up and may fail to properly operate, especially when used for an extended period. To reduce the impact a system failure may have, we continually evaluate our backup and disaster recovery systems and perform periodic checks on the backup systems' conditions and operations. Despite our monitoring, hardware, telecommunications, or other electronic systems malfunctions may be unavoidable, and result in consequences such as the inability to trade for or monitor client accounts and portfolios. If such circumstances arise, the Investment Committee will consider appropriate measures for clients.
- *Cybersecurity Risk:* A portfolio is susceptible to operational and information security risks due to the increased use of the internet. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include, but are not limited to, infection by computer viruses or other malicious software code, gaining unauthorized access to systems, networks, or devices through "hacking" or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cybersecurity failures or breaches by third-party service providers may cause disruptions and impact the service providers' and our business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement, or other compensation costs, and/or additional compliance costs. While we have established business continuity plans and risk management systems designed prevent or reduce the impact of such cyberattacks, there are inherent limitations in such plans and systems due in part to the everchanging nature of technology and cyberattack tactics.

- *Pandemic Risks:* The recent outbreak of the novel coronavirus rapidly became a pandemic and has resulted in disruptions to the economies of many nations, individual companies, and the markets in general, the impact of which cannot necessarily be foreseen at the present time. This has created closed borders, quarantines, supply chain disruptions and general anxiety, negatively impacting global markets in an unforeseeable manner. The impact of the novel coronavirus and other such future infectious diseases in certain regions or countries may be greater or less due to the nature or level of their public health response or due to other factors. Health crises caused by the recent coronavirus outbreak or future infectious diseases may exacerbate other pre-existing political, social, and economic risks in certain countries. The impact of such health crises may be quick, severe and of unknowable duration. These pandemic and other epidemics and pandemics that may arise in the future could result in continued volatility in the financial markets and could have a negative impact on investment performance.

The above list of risk factors is not intended to be a complete list or explanation of the risks involved in an investment strategy. You are encouraged to consult your financial advisor, legal counsel, and tax professional on an initial and continuous basis in connection with selecting and engaging in the services we provide. In addition, due to the dynamic nature of investments and markets, strategies may be subject to additional and different risk factors not discussed above.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

## **Item 9 - Disciplinary Information**

We are obligated to disclose any legal or disciplinary events that would materially impact a Fund investor's, the clients' or prospective client's evaluation of ACM or the integrity of our management. No such events have occurred at ACM.

## Item 10 - Other Financial Industry Activities and Affiliations

Neither ACM, nor any of our management persons (except as disclosed below), are registered, or have an application pending to register as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor or as an associated person of the foregoing entities.

In addition, neither ACM, nor any of our management persons, have any relationship or arrangement that is material to our advisory business, or to the Fund, with any related person that is, under common control and ownership, a:

- Broker-dealer, municipal securities dealer, or government securities dealer or broker,
- investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund),
- Futures commission merchant,
- banking or thrift institution
- Accountant or accounting firm,
- lawyer or law firm,
- Insurance company or agency,
- Pension consultant,
- real estate broker or dealer, and
- Sponsor or syndicator of limited partnerships.

As described in detail in Item 4 above, we manage ownership interests in limited partnerships in pooled investment vehicles to Fund Investors. We serve as the Investment Manager to the Fund, and each Fund investors will be deemed to be a limited partner of the Fund. Altior Capital Partners GP, LLC serves as the General Partner of the Fund. Altior Capital Management GP LLC is the general partner of ACM. Messrs. Cross and McDonough are the managing members of the General Partner of the Fund and General Partner of ACM.

McDonough Capital Management, Inc. (“MCM”) was founded in 1999 and has been registered as an investment adviser since 2008. MCM is an SEC registered investment

adviser. McDonough Wealth Management, LLC (“MWM”) is an investment adviser based in San Juan, Puerto Rico. MCM and MWM are 100% owned by Mr. McDonough.

Certain of our IARs are licensed to sell insurance products, including, but not limited to, annuities, life, and long-term care products, and will receive additional compensation, in the form of commissions, on the sale of such products.

As part of their fiduciary duty to clients, we and our associated persons endeavor at all times to put the interests of its clients first. However, clients should be aware that the receipt of additional compensation creates a potential conflict of interest.

#### *ACM's Other Investment Activities*

The Fund's governing agreements obligate ACM to devote only as much time and resources to the Fund as we consider necessary and appropriate to achieve the Fund's investment objective. We may act as investment adviser to other accounts, some of which may have investment objectives similar but not identical to the Fund's and others of which may have different objectives. We and/or our personnel may invest capital in those other or accounts. Other clients, particularly those whose objectives are similar to the Fund's, may invest in many of the same assets as individual Fund, but sometimes in different amounts, in different proportions, and at different times. Any such differences will be based on a variety of factors, including differences in objectives, including risk tolerances, and in cash availability.

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

### **Code of Ethics**

The Advisers Act imposes a fiduciary duty on investment advisers. As a fiduciary, we have a duty to act with utmost good faith and in your best interests. Our clients entrust us with their funds, which in turn places a high standard on our conduct and integrity. Our fiduciary duty compels all employees to act with the utmost integrity in all of our dealings. This fiduciary duty is the core principle underlying this Code of Ethics and Personal Trading Policy and represents the expected basis of all of our dealings with our clients.

Our firm has adopted a written Code of Ethics in compliance with federal and state regulations. All employees of ACM are subject to this Code of Ethics. In carrying on its daily affairs, ACM and all of our associated persons shall act in a fair, lawful and ethical manner, in accordance with the rules and regulations imposed by our governing regulatory authority. The Code of Ethics sets forth standards of conduct and requires compliance with federal and state securities laws. Our Code of Ethics also addresses personal trading and requires our personnel to report their personal securities holdings and transactions to our Chief Compliance Officer.

We have created a Code of Ethics which establishes standards and procedures for the detection and prevention of certain conflicts of interest including activities by which persons having knowledge of the investments and investment intentions of ACM might take advantage of that knowledge for their own benefit. We have in place Ethics Rules (the “Rules”), which are comprised of the Code of Ethics and Insider Trading policies and procedures. The Rules are designed to ensure that our personnel (i) observe applicable legal (including compliance with applicable state and federal securities laws) and ethical standards in the performance of their duties; (ii) at all times place your interests first; (iii) disclose all actual or potential conflicts; (iv) adhere to the highest standards of loyalty, candor and care in all matters relating to the Fund, the Fund’s Investors and clients; (v) conduct all personal trading consistent with the Rules and in such a manner as to avoid any actual or potential conflict of interest or any abuse of their position of trust and responsibility; and (vi) not use any material non-public information in securities trading. The Rules also establish policies regarding other matters such as outside employment, the giving or receiving of gifts, and safeguarding portfolio holdings information.

Under the general prohibitions of the Rules, our personnel may not: 1) effect securities transactions while in the possession of material, non-public information; 2) disclose such information to others; 3) participate in fraudulent conduct involving securities held or to be acquired by the Fund or any client; and 4) engage in frequent trading activities that

create or may create a conflict of interest, limit their ability to perform their job duties, or violate any provision of the Rules.

The Ethics Rules are available to you and prospective Investors from upon request. In the event that you request a copy of our Code of Ethics, we will furnish to you a copy within a reasonable period of time at your current address of record.

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

As explained in this Disclosure Brochure, we serve as the Investment Manager to the Fund. Our related persons have financial ownership interests in the Fund. ACM and our principals, employees and affiliates, and their respective family members, may invest directly in the Fund, which investments generally are not subject to management fees or performance-based compensation. Investments by these persons are subject to the same liquidity terms as all other Investors. We recognize the potential conflicts of interest that arise when its related persons invest in a Fund. We address these potential conflicts through our Code of Ethics, which sets forth a fiduciary standard that requires access persons to act in the best interests of the Fund and to place the interests of Fund ahead of their own interests and those of our access persons.

We address all potential conflicts through regular monitoring of the Fund's portfolios for consistency with the Fund's objectives, strategies and target capacity. We also subject principals, employees and affiliates, and their respective family members who invest in a Fund to the same liquidity constraints as other Investors.

As the investment manager to the Fund, our clients will be solicited to invest in the Fund. Due to the relationship between the Fund, ACM and the General Partner, a conflict of interest exists which may cause personnel of these entities to suggest investments in the Fund over other investment alternatives. This conflict of interest could also lead an IAR to suggest switching assets from a separately managed account to the Fund, or vice versa, if the IAR perceives a higher level of compensation will result from the other investment.

Additionally, we, or a related person, may recommend to our clients, or may buy or sell or hold the same securities in which we (or a related person) also recommend to the Fund. We, or a related person, may also recommend securities to our clients, or buy or sell securities for client accounts, at or about the same time that we (or a related person) buy or sell the same securities for our own (or the related person's own) account.

Client transactions will always take precedence over our own or any related persons' transactions. Records will also be maintained of all securities products bought or sold by



us, the related persons or related entities. Such records will be available for inspection upon request.

Files of securities transactions effected for our related persons will be maintained for review should there be a conflict of interest. Our Chief Compliance Officer will review all securities transactions of our related persons to ensure no conflicts exist with client executions. To mitigate conflicts of interest, all our employees must comply with our Written Supervisory Procedures, which imposes restrictions on the purchase or sale of securities for their own accounts and the accounts of certain related persons.

We do not effect any principal or agency cross securities transactions.

### **Personal Trading**

Our personnel are required to conduct their personal investment activities in a manner that we believe is not detrimental to the Fund, the Fund's Investors or clients. Our personnel are not permitted to transact in securities except under circumstances specified in the Code of Ethics. The policy requires all personnel to report all personal transactions in securities not otherwise exempt under the policy. Access persons must provide to our Chief Compliance Officer with a list of their personal accounts and the initial and annual holdings report. We also require our access persons to report their securities transactions on a quarterly basis. All access persons are provided with a copy of the Code of Ethics and are required to acknowledge receipt and understanding of the Code of Ethics on at least an annual basis. All reportable transactions are reviewed for compliance with the Code of Ethics.

## Item 12 - Brokerage Practices

### ***Altior Capital Partners, LP***

We are authorized to determine the broker or dealer to be used for each securities transaction for the Fund. Although we 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 creates a potential conflict of interest between us and the Fund.

In selecting brokers and negotiating commission rates, we will take into account the financial stability and reputation of brokerage firms, and the research, brokerage or other services provided by such brokers. We may place transactions with a broker or dealer that (i) provides us (or an affiliate) with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers investors to the Fund or other products advised by us (or an affiliate), if otherwise consistent with seeking best execution; provided we are not selecting the broker-dealer in recognition of the opportunity to participate in such capital introduction events or the referral of investors.

We do not need to solicit competitive bids, nor do we have an obligation to seek the lowest available commission cost in selecting brokers or dealers to execute transactions. It is not our practice to negotiate “execution only” commission rates, thus the Fund may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate. However, all transactions will be made on a “best execution” basis.

Section 28(e) of the Securities Exchange Act of 1934 is a “safe harbor” that permits us 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 expense or as otherwise described below, we 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, but are not limited to, 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 experts through expert networks; 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, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an investment manager 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. The use of commissions arising from the Fund's investment transactions for services other than research and brokerage will be limited to services that would otherwise be a Fund expense. The use of commissions to obtain such other services would be outside the parameters of Section 28(e). In some instances, we may receive a product or service that may be used only partially for functions within Section 28(e) (e.g., an order management system, trade analytical software or proxy services). In such instances, we will make a good faith effort to determine the relative proportion of the product or service used to assist us in carrying out our 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 us 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 us from our own resources .

Research and brokerage services obtained by the use of commissions arising from the Fund's portfolio transactions may be used by us in our other investment activities and thus, the Fund may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided.

### ***Separately Managed Accounts***

#### **Selecting Brokerage Firms**

We do not have any affiliation with product sales firms. Specific custodian recommendations are made to clients based on their need for such services. We recommend custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

Associated persons of ACM will recommend Interactive Brokers LLC, member FINRA/SIPC/NYSE/NFA ("IB") to advisory clients for brokerage services. Clients are advised that the associated persons may be limited to conducting certain securities transactions through IB. IB may charge a higher fee than another broker charges for a

particular type of service, such as transaction fees. Clients may utilize any broker dealer they choose and have no obligation to purchase or sell securities through IB. However, we may not be able to execute certain securities transactions away from IB.

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

We participate in the institutional advisor program (the “Program”) offered by Interactive Brokers LLC. IB offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from IB through its participation in the Program.

As disclosed above, we may participate in IB’s institutional customer program and may recommend IB to clients for custody and brokerage services. There is no direct link between our participation in the program and the investment advice it gives to our clients, although we receive economic benefits through our participation in the program that are typically not available to IB retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving ACM participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third-party vendors. IB may also have paid for business consulting and professional services received by our related persons. Some of the products and services made available by IB through the program may benefit us but not benefit its client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at IB. Other services made available by IB are intended to help us manage and further develop its business enterprise. The benefits received by us or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to IB. As part of its fiduciary duties to clients, we endeavor at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by us or our related persons in and of itself creates a conflict

of interest and may indirectly influence our choice of IB for custody and brokerage services.

Although we may receive research or other products or services from a custodian or a third-party in connection with client securities transactions (“soft dollar benefits”), we currently do not receive soft dollar benefits.

### **Best Execution**

ACM believes that TD Ameritrade provide “best execution” in effecting transactions for client accounts. “Best execution” means obtaining for the client the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer. In determining whether a broker/dealer and/or custodian provides best execution for its clients, we consider all factors that it deems relevant to the execution capability, including, for example, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction in light of market prices and trends, the reputation, experience and financial stability, and the quality of services rendered by the broker dealer and/or custodian.

### **Brokerage for Client Referrals**

We do not consider, in selecting or recommending broker-dealers, whether we or any of ACM’s related persons receive client referrals from a broker-dealer or third-party.

### **Directed Brokerage**

We do not have directed brokerage arrangements.

### **Trade Aggregation**

Orders for the same security entered on behalf of multiple clients will generally be aggregated, if it is consistent with achieving best execution for various client accounts and if it is deemed to be in the best interests of participating clients. All clients participating in each aggregated order shall receive the weighted average price and pay a trade commission based on the account agreement with the custodian. Smaller accounts may bear higher charges if they fail to meet the minimum account sizes set by the broker.

The appropriate share amount of each buy or sell of a particular security is determined prior to placing the trade. Allocations of orders among client accounts must be made in a fair and equitable manner. Each participating client in an aggregated trade receives the predetermined number of shares in the trade allocation process. In the unusual event of a partial fill of an aggregated order, the originally anticipated allocation will be altered in a fair and equitable manner.

As a rule, allocations among accounts with the same or similar investment objective are made pro rata based upon account size. There is no allocation to an account or set of

accounts based on account performance or the amount or structure of management fees. When allocating a partially filled aggregated order, the objective will be to allocate the executions in a manner that is deemed equitable to the accounts involved. However, the following factors may justify an allocation that deviates from the general rule.

- (1) Specific allocations may be chosen in order to adjust or maintain the overall ratios of specific securities held by client accounts.
- (2) Specific allocations may be chosen based upon an account's existing positions in securities.
- (3) Specific allocations may be chosen because of the cash availability of one or more particular accounts.
- (4) Specific allocations may be chosen for tax reasons.
- (5) An account's allocation may be eliminated, reduced, or increased because of investment policies and restrictions, account guideline limitations, or investment objectives. Clients with specific investment policies, restrictions, or limitations may not be able to participate in certain aggregated transactions, and therefore, may not benefit from averaged pricing.

Aggregated orders may include proprietary or related accounts. Such accounts are treated as client accounts and are neither given preferential nor inferior treatment versus other client accounts.

### **Trading Errors**

On infrequent occasions, an error may be made in a client account. For example, a security may be erroneously purchased for a client account instead of sold. In such situations, we seek to rectify the error by placing the client account in a similar position as it would have been had there been no error. Depending on the circumstances, various corrective steps may be taken, including but not limited to, canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, it remains in the error account of the executing broker/dealer or account custodian and is not allocated to the client account.

## Item 13 - Review of Accounts

### ***Altior Capital Partners, LP***

The Fund's respective portfolio is regularly reviewed by our Portfolio Managers. The Investment Committee will meet formally at least monthly to review the investment and with regard to the Fund's investment policy, the suitability of the investments used to meet policy objectives and the investment objectives of the Fund. These portfolios are also reviewed to evaluate and assess, among other things, investment performance, sensitivity to market changes and whether the Fund continue to meet certain established investment criteria.

Investors will receive unaudited reports of the performance of the Fund, typically within 25 days following quarter-end.

We will distribute to each Limited Partner following the end of the fiscal year in which the Initial Closing occurs and, each fiscal year thereafter, audited year-end financial statements annually, within 120 days of the Fund's fiscal year end. We will also have prepared and filed all Federal, state and local income, franchise, gross receipts, payroll and other tax returns that the Company is obligated to file. Copies of all Company tax returns, information returns, or reports shall be available to all Limited Partners as soon as possible after the close of the Company fiscal year at the offices of the Company. Copies of Schedule K-1 of the Company Tax Return (Form 1065) shall be distributed to all Limited Partners by April 15 of the following year.

You are encouraged to review all reports from us and compare them against your Subscription Agreement and the Limited Partnership Agreement for the Fund you are invested in. You should immediately inform us of any discrepancy noted between these documents and the K-1 you receive from us.

### ***Separately Managed Accounts***

Our Chief Compliance Officer, or other qualified associates of ACM will monitor client accounts on a continuous basis and encourage clients to schedule quarterly meetings with their IAR to ensure the advisory services provided are consistent with the client's investment needs and objectives. Triggering factors that stimulate a review include, but are not limited to, significant market corrections, large deposits or withdrawals from an account, and the client's request for an additional review.

The custodian holding the client's funds and securities will send the client a confirmation of every securities transaction in their account and a brokerage statement at least quarterly. We will also provide clients with written quarterly performance reports.



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

### **Client Referrals**

We do not receive an economic benefit for providing investment advice or other advisory services, other than through accounts we manage, the Fund we manage and their respective Fund Investors. We do not have any arrangement under which we, or a related person, directly or indirectly compensate any person, who is not our supervised person for client referrals. Additionally, we do not have any arrangement under which we, or a related person, directly or indirectly receive compensation from another for client referrals.

### **Other Compensation**

Certain of our IARs are licensed to sell insurance products, including, but not limited to, life, health, and long-term care products, and will receive additional compensation, in the form of commissions, on the sale of such products. They may also receive commissions on the sale of securities, including 12b-1 distribution fees from investment companies (mutual funds) in connection with the placement of clients' funds into investment companies.

As part of its fiduciary duties to clients, we endeavor at all times to put the interests of its advisory clients first. However, clients should be aware that the receipt of economic benefits by us or our related persons in and of itself creates a potential conflict of interest.

## Item 15 - Custody

### ***Altior Capital Partners, LP***

As the investment manager of the Fund, we are deemed to have custody of Fund assets. In order to protect Fund assets, investment accounts are held at third-party qualified custodian which verifies the Fund assets. In addition, to ensure compliance with Rule 206(4)-2 under the Advisers Act, Fund investors will be provided audited financial statements, prepared by an independent accounting firm that is registered with and subject to review by the Public Company Accounting Oversight Board, in accordance with U.S. Generally Accepted Accounting Principles, within 120 days of the end of the Fund's fiscal year. Fund investors should carefully review the audited financial statements of the Fund upon receipt. Furthermore, each Limited Partner of the Fund will receive a Schedule K-1 for any given calendar year by April 15 of the following year.

### ***Separately Managed Accounts***

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly. The account statements show all securities holdings, transactions, activities (including fees paid to ACM), and the account balances. Clients should review those statements carefully.

On a quarterly basis, we will give instructions to the custodians to deduct the asset management fees directly from the client accounts. We will not have access to client funds for payment of fees without written consent by the client. Although clients have the option, we prefer to deduct asset management fees directly from client accounts in order to help minimize administrative costs.

Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by ACM.

## Item 16 - Investment Discretion

### ***Altior Capital Partners, LP***

We manage a Fund's investments and shall have the power and authority to determine in respect of, the purchase, retention and disposition of investments and to execute agreements relating thereto, in accordance with the Fund's investment objectives, policies and restrictions as stated in the Fund's Offering Documents.

Item 8 above describes the Fund's investment strategies and further detail is found in the Fund's Offering Documents. Prospective Fund Investors are provided with Offering Documents prior to their investment and are encouraged to carefully review these documents, and to be certain that the proposed investment is consistent with their investment goals and tolerance for risk. Prior to making any investment, prospective Investors should also consult with their legal, tax or other advisors. Prospective Investors must also execute a subscription agreement, in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool, and the Limited Partnership.

### ***Separately Managed Accounts***

#### **Discretionary Authority for Trading**

Clients may grant us discretion over the selection of and the amount of securities to be bought or sold for their account, and the custodian to be used without obtaining their prior consent or approval. However, our investment authority may be subject to specified investment objectives, guidelines, and/or conditions imposed by the client. For example, a client may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry. Clients may amend these limitations as required and such amendments must be submitted in writing.

The client approves the commission rates paid to the custodian. We do not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

A limited power of attorney is a trading authorization for this purpose. Discretionary trading authority facilitates placing trades in your accounts on your behalf. You sign a limited power of attorney so that we can execute the trades on a discretionary basis.

## Item 17 - Voting Client Securities (i.e., Proxy Voting)

### ***Altior Capital Partners, LP***

As a matter of policy and practice, we do not vote proxies on behalf of the Fund.

### ***Separately Managed Accounts***

#### **Proxy Voting**

As a matter of policy and practice, we do not vote proxies on behalf of our advisory clients. Our agreement, or other client documents, provides that our advisory clients expressly retain the authority and responsibility for voting proxies of portfolio securities. We may provide advisory clients with administrative assistance regarding proxy voting or issues; however, the clients have the responsibility to receive and vote any proxies.

#### **Class Actions**

In addition, as a general policy, we do not elect to participate in class action lawsuits on behalf of a client. Rather, such decisions shall remain with the client or with an entity the client designates. We may assist in determining whether they should pursue a particular class action lawsuit by assisting with the development of an applicable cost-benefit analysis, for example. However, the final determination of whether to participate, and the completion and tracking of any such related documentation, shall rest with the client.

## **Item 18 - Financial Information**

We do not require or solicit prepayment of fees in excess of \$500 per Fund, Fund Investor, or client and six months or more in advance. However, we do have custody of Fund assets, and any misappropriation of these funds or securities could impair our ability to meet contractual obligations to the Fund or the Fund Investors. We have established policies and procedures designed to protect Fund assets, including those described in Item 15 above.

In addition, we are not currently, nor at any time in the past ten years have been the subject of a bankruptcy petition.

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

Each of our principal executive officers and management persons, identified as Timothy Cross, Managing Member/Chief Executive Officer (CRD no. 6035775), and Edward A. McDonough, CFP®, Managing Member/ Chief Investment Officer/Chief Compliance Officer (CRD no. 1701165) will provide the Form ADV Part 2B Supplements which describes their formal education and business background including any business in which they are actively engaged (other than giving investment advice) and the approximate amount of time spent on that business.

We do not, nor do any of our supervised persons receive performance-based fees compensation for advisory services.

We do not, nor do any of our management persons, have any legal, financial, or other “disciplinary” items to report.

We do not, nor do any of our management persons, have any relationship or arrangement with any issuer of securities that is not listed in Item 10 of this Brochure.