

LoneTree Capital, LLC

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FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of LoneTree Capital, LLC. If you have any questions about the contents of this brochure, contact us at 212-844-9150. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about LoneTree Capital, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

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

Item 2 Summary of Material Changes

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

This is our first annual updating amendment since our registration approval on June 10, 2022 and we have the following material changes to report:

- The ownership of the firm has changed. Please refer to Item 4 for details.
- Matthew Koven was appointed Chief Compliance Officer of the Firm on January 1, 2023.
- We have engaged a firm to assist with introductions for the private funds we manage. Please refer to Item 14 for further details.

Item 3 Table of Contents

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

Item 4 Advisory Business

Description of Firm

LoneTree Capital, LLC is a registered investment adviser based in New York, NY. We are organized as a limited liability company ("LLC") under the laws of the state of Delaware. We are owned by Robert Koven and Matthew Koven.

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

Portfolio Management Services

LoneTree Capital, LLC provides discretionary investment advisory services to private investment funds. The detailed terms, strategies and risks applicable to the Funds are described in each Fund's organizational and offering documents regarding the investment of client funds based on the individual needs of the client. Details of the guidelines, parameters and restrictions on investments relating to the Fund clients may be found in the applicable fund's Private Placement Memorandum, Limited Partnership Agreement, Subscription Agreement or Offering Memorandum.

Such funds are available for investment only by institutional investors and other sophisticated, high-net-worth investors, who meet the eligibility requirements of the applicable fund set forth in its Governing Documents. Each such fund will be exempt from registration as an investment company under the U.S. Investment Company Act, as amended (the "Investment Company Act"), under Section 3(c)(1) or 3(c)(7) thereof.

Assets Under Management

As of December 31, 2022, we provide continuous management services for \$56,000,000 in assets on a discretionary basis.

Item 5 Fees and Compensation

As outlined in our Investment Management Agreement with the Fund(s), our annual management fee for management of the Fund(s) will be equivalent to two percent (2%) of the committed capital paid quarterly in advance. The fee will be calculated based on the capital commitments at the end of the prior quarter.

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

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

We provide investment management services to private funds. As stated in Item 4, such funds are available for investment only by institutional investors and other sophisticated, high-net-worth investors, who meet the eligibility requirements of the applicable fund set forth in its Governing Documents.

We have no minimum fund size requirement.

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

Private Funds

We tailor our advice to each private fund based on the investment objective and restrictions (if any) set forth in the applicable offering memorandum, organizational documents, investment management agreement, limited liability agreement, limited partnership agreement and/or subscription agreements. Please refer to the Fund's offering documents for further information regarding methods of analysis, investment strategies and risk of loss.

Cash Management

We do not manage cash balances.

Risk of Loss

Investing in securities involves risk of loss that investors in private funds should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully insulate clients from losses due to economic conditions that may result in changes to the valuation of the portfolio companies owned by the Fund. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Item 9 Disciplinary Information

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

Item 10 Other Financial Industry Activities and Affiliations

We serve as the adviser and managing member to private investment funds.

The Fund is offered to certain sophisticated investors, who meet certain requirements under applicable state and/or federal securities laws. Investors to whom the Fund is offered will receive a private placement memorandum and other offering documents.

Any fees charged by the Fund, unrelated to our advice or management of the Fund, are separate and apart from our advisory fees. You should refer to the offering documents for a complete description of the fees, investment objectives, risks and other relevant information associated with investing in the Fund. Persons affiliated with our firm may have made an investment in the Fund and may have an incentive to recommend the Fund over other investments.

Arrangements with Affiliated Entities

We are affiliated with Leonis Securities through common control and ownership. The affiliate is a securities broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation.

Referral arrangements with an affiliated entity present a conflict of interest for us because we may have a direct or indirect financial incentive to recommend an affiliated firm's services. While we believe that compensation charged by an affiliated firm is competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use the services of any firm we recommend, whether affiliated or otherwise, and may obtain comparable services and/or lower fees through other firms.

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

Description of Our Code of Ethics

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

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

Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Item 12 Brokerage Practices

Given the nature of private equity investing, the Firm does not utilize any brokerage platform or trade on any security exchange. Portfolio companies are purchased and sold through a formal legal closing process.

Item 13 Review of Accounts

Matthew Koven, Chief Compliance Officer, monitors the investment in the funds on a quarterly basis to ensure they are consistent with the investment objectives of the funds. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- year-end tax planning;
- market moving events; and/or
- security specific events.

Item 14 Client Referrals and Other Compensation

We directly compensate non-employee (outside) consultants, individuals, and/or entities (solicitors) for introducing investors for the Funds. In order to receive a cash referral fee from us, solicitors must comply with the requirements of the jurisdictions in which they operate. If you were referred to us by a solicitor, you should have received a copy of this brochure along with the solicitor's disclosure statement at the time of the referral. If you become an investor, the solicitor that referred you to us will receive either a one-time fixed referral fee at the time you enter into an advisory agreement with us or a percentage of the advisory fee you pay us for as long as you are our client, or until such time as our agreement with the solicitor expires. You will not pay additional fees because of this referral arrangement. Referral fees paid to a solicitor are contingent upon your completing a fund subscription agreement and committing capital. Therefore, a solicitor has a financial incentive to recommend our funds for your investment. This creates a conflict of interest; however, you are not obligated to invest in any of our Funds. Comparable services and/or lower fees may be available through other firms.

Solicitors that refer business to more than one investment adviser may have a financial incentive to recommend advisers with more favorable compensation arrangements. We request that our solicitors disclose to you whether multiple referral relationships exist and that comparable services may be available from other advisers for lower fees and/or where the solicitor's compensation is less favorable.

Item 15 Custody

The Funds invest in preferred securities of private companies and therefore do not reside with a custodian.

If the funds were to purchase public securities, the Firm would ensure that they were custodied with a qualified custodian.

Item 16 Investment Discretion

We provide discretionary investment advisory services to private equity funds under our agreement with each fund.

Item 17 Voting Client Securities

We will not vote proxies on behalf of investors/limited partners related to the securities held by the funds.

Item 18 Financial Information

Under Rule 206(4)-4 of the Investment Advisers Act of 1940, investment advisers are required to disclose certain financial information about their business practices that might serve as material to the client's decision in choosing an investment adviser.

As of the date of this filing, we do not require the pre-payment of any fees of \$1,200 or more 6 or more months in advance or maintain any financial hardships or other conditions that might impair our ability to meet our contractual obligations to clients.