

Form ADV Part 2A

Brochure Cover Page

**Artemis Wealth Advisors, LLC**  
(Named Investment Adviser)

Delaware Limited Liability Company registered with the Securities and Exchange Commission  
as an Investment Adviser (SEC File No. 801-71019)

and

**Artemis FP LLC**  
(Relying Investment Adviser)

and

**Orion Capital Management II LLC**  
(Relying Investment Adviser)

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**March 25, 2023**

This brochure (“brochure”) provides information about the qualifications and business practices of Artemis Wealth Advisors, LLC, Artemis FP LLC, and Orion Capital Management II LLC. If you have any questions about the contents of this brochure, please contact us at 212-838-9000 or [clients@artemiswa.com](mailto:clients@artemiswa.com).

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Registration as an investment adviser does not imply a certain level of skill or training. Additional information about the firm is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Material Changes**

Our Brochure was last updated on June 3, 2022. This section will note any material changes that may have been made since our last printed Brochure. Please note the following changes that have occurred:

- The Firm does not have any material changes regarding our brochure at this time.

We will further provide you with a new Brochure or a Summary of Material Changes, free of charge, as necessary.

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**Item 4: Advisory Business**

**General Description:**

Peter Rup is the Managing Member, Chief Executive Officer, Chief Investment Officer and majority owner of Artemis Wealth Advisors, LLC (formed in 2009) (“Artemis”), Mr. Rup (65%), Mr. J. David Duebendorfer (25%) and Mr. Michael Farmar (10%) are the owners of Artemis. Mr. Duebendorfer serves as the President, Chief Operating Officer and Chief Compliance Officer for Artemis and Mr. Farmar is a passive owner only. Mr. Rup (75%) and Mr. Duebendorfer (25%) are the owners and officers of Orion Capital Management II LLC (formed in 2016) (“Orion”) and Sirius II GP LLC (“Sirius”). Orion is a relying adviser to Artemis. Moreover, Artemis FP LLC (“Artemis FP”) (formed in 2020) is a relying adviser to Artemis and is owned by Ronald Zdrojeski (49%) and Epsilon Alpha Partners, LLC (51%) (“Epsilon”). Mr. Rup and Mr. Duebendorfer are the equal owners of Epsilon. Mr. Zdrojeski is also a full-time employee of Artemis. Collectively the above entities were formed under the laws of Delaware and will be referred to herein as the “Firm”).

Artemis is a registered investment adviser offering discretionary and non-discretionary advisory services to managed accounts utilizing a variety of securities such as exchange-traded funds (ETF’s) and individual equity securities, that may also include the use of third-party portfolio managers that invest in both traditional and alternative assets (“Underlying Manager”). Artemis is a wealth management firm providing investment management services to high net worth and ultra-high net worth families, foundations, pooled investment vehicles, and other clients. Artemis provides a variety of services to its clients including asset allocation, manager selection and monitoring and performance reporting.

The services of Artemis FP involve primarily discretionary management services to separate accounts that are Qualified Clients, as defined under SEC Rule 205-3 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

Orion provides advisory services to Orion Constellation Partners II LP (the “Fund” or the “Partnership”). All of the investors in the Fund shall also be Qualified Clients, as defined under Rule 205-3 of the Advisers Act.

**Description of Advisory Services**

Artemis combines its asset allocation and manager selection process with sophisticated macro-economic analysis, which allows Artemis to tailor its portfolio construction based upon such economic analysis. We focus on providing our clients with comprehensive financial management of their accounts. Artemis utilizes long term investment strategies that are tailored to address a client's individual circumstances and goals to include their:

- Risk Tolerances
- Capital Appreciation Objectives
- Income and Liquidity Requirements
- Tax Implications
- Transfer of Wealth Considerations
- Philanthropic Goals

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- Investment Horizon
- Separately Managed Accounts
- Alternative Investments

Artemis uses several different types of investment products to help our clients achieve their goals. We meet with each client individually to discuss what types of investment products are best for them, which may include:

- Equity securities such as exchange listed, foreign issues, over-the counter, Closed End Funds and ETF's
- Investment company securities such as mutual fund shares
- US Government securities
- Corporate debt securities
- Municipal securities

Artemis's investment policy process is centered on the client. We work with our clients to understand their financial circumstances and goals. Clients may stipulate if they would like to restrict us from purchasing certain products or securities in their account. The overall investment objectives and process are then presented to the client in the investment advisory agreement.

### **Third-Party Managers (Underlying Managers)**

When utilizing a third-party manager, Artemis arranges for the investment of client assets with one or more Underlying Managers that in turn make direct investments across a range of strategies, including diversified and sector-specific long only equity and fixed income strategies as well as strategies such as long/short equity strategies focused on G8 countries, event driven arbitrage strategies, distressed debt strategies and global macro-economic trend investments. In general, client arrangements with Underlying Managers are structured as separately managed accounts or limited partnership interests. Artemis can assist clients in establishing relationships with law firms and other service providers in order to structure family partnerships, trust and similar vehicles through which the underlying investments are made.

Once Artemis elects to invest all or a portion of a client's assets with an Underlying Manager, the relevant client must then execute advisory, custody and other agreements (collectively, the "Underlying Agreements") directly with such Underlying Manager pursuant to which the Underlying Manager will manage that portion of the client's assets. Artemis is not a party to the Underlying Agreements. Clients are permitted to choose the custodian to be utilized in connection with the underlying investments. Please note Fund Managers may have established a custodian and the client may not have the option to choose a custodian.

The services offered to the clients of Artemis FP will be similar to the services offered by Artemis, but the clients shall generally have assets under management ranging from approximately \$2 million to \$10 million. Moreover, the portfolio management services will likely involve an allocation of Exchange Trade Funds ("ETFs"), in addition, to individual bonds and equities, as discussed with each client prior to implementing the relevant investment strategy.

### **Assets under Management**

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As of 12/31/2022, The Firm had approximately \$1.515 billion in assets under management (\$1.324 billion of which represents discretionary assets, the remaining \$191 million of which represents non-discretionary assets).

Investment management services to clients are provided in accordance with the investment objectives, guidelines and restrictions that are developed in consultation with the client or in accordance with a particular mandate selected by the client at the outset of Artemis's relationship with the client. At the outset of the relationship, Artemis prepares an asset allocation plan for each client, based on the foregoing. As part of its services to a client, Artemis can assist, if requested by the client, in the liquidation of some or all of an existing portfolio in order for the client to invest in opportunities presented to it by Artemis (the "Legacy Positions"). Artemis typically determines, in consultation with the client, the assets in the existing portfolio that will be liquidated or retained.

### **Wrap Fee Programs**

The Firm currently does not participate in wrap fee programs.

### **Item 5: Fees and Compensation**

#### **Artemis:**

Pursuant to advisory agreements entered into between Artemis and its clients (each an "Advisory Agreement"), Artemis charges a flat fee, billed quarterly in advance based on the market value of the assets. Fees are calculated based on the value of the assets under management in the account at the end of the previous quarter or, for newly established accounts, fees are calculated based on the assets under management in the account upon inception, prorated for the time remaining in the quarter. The rates at which fees are charged are individually negotiated with each client. Such Advisory Agreements generally remain in place until terminated by either party.

Advance fees that are paid for any period other than a full quarterly period will be adjusted on a pro rata basis according to the actual number of days elapsed and reimbursed to the extent appropriate if an account is terminated before the end of a quarter.

Our standard fee schedule is as follow:

\$5m - \$25m	80 - 100 BP
\$25m - \$100m	50 - 75 BP
\$100 - ....	40 - 50 BP

### **Fees may be adjusted based on the composition of assets managed.**

In general, Artemis' fees are payable by clients by check or bank wire upon receipt of an invoice prorated for the time remaining in the quarter on a quarterly basis.

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Any refund due to client from a pre-paid fee will be reflected at next quarterly billing cycle if applicable. The amount of the refund is based on the approved final calculation of assets of that quarter.

Artemis' Advisory Agreements provide for a performance-based fee in special situation investment opportunities based on a percentage of the aggregate net profits attributable to such special situation investments. See additional details in Item 6 below.

Artemis' staff does not receive compensation from Underlying Managers, or mutual funds.

Other than the fees outlined above, clients are not charged any additional fees by Artemis. All other fees incurred by clients in connection with their relationship with Artemis are charged at the Underlying Manager level at rates negotiated with each Underlying Manager. Such fees may include, but are not limited to, management fees, performance allocations, custody and administration fees and expenses, execution, clearing, brokerage and transaction costs and expenses, delivery, escrow, and custody expenses, bank fees, interest and borrowing charges on margin accounts, acquisition costs and legal and accounting costs.

### **Relying Advisers:**

Orion charges the Fund a quarterly management fee ("Management Fee") equal to 0.25% (1.0% annually) of each investor's share of the Fund's net asset value (before deduction of that quarter's Management Fee and any accrued performance allocation(fee)). The Management Fee will be calculated and payable to Orion quarterly, in advance, as of the first day of each quarter. A pro rata Management Fee will be charged to investors by Orion on any amounts accepted by Sirius, the general partner to the Fund, during a quarter. No part of the Management Fee will be refunded in the event that an investor withdraws, whether voluntarily or involuntarily, all or any of the value in such investor's capital account during any quarter.

Artemis FP collects quarterly management fees in arrears. It may also charge performance fees, subject to negotiation with each client.

Our standard fee schedule is as follow:

\$2m - \$25m	80 - 100 BP
\$25m - \$100m	50 - 75 BP
\$100 - ....	40 - 50 BP

Fees may be adjusted based on the composition of assets managed.

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

#### **Generally:**

A full description of all performance-based allocation arrangements are disclosed to the client in the applicable governing documents.

**Artemis:**

Artemis' Advisory Agreements provide for a performance-based fee in "special situation investment opportunities" based on a percentage of the aggregate net profits attributable to such special situation investments.

**Relying Adviser:**

Orion oversees the investment decisions and monitors conflicts of interest related to fee structures pertaining to the Fund. A performance allocation equal to 10% of net profits above a Hurdle Rate (defined below) is charged to the Fund by Sirius. Investors in the Fund must be Accredited Investors (as defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933) and Qualified Clients (as defined in Rule 205-3 promulgated under the Advisers Act.).

The Hurdle Rate shall be equal to the 3-Month Treasury Bill Rate plus 4.0% per annum. The Hurdle Rate will be appropriately prorated with respect to periods less than a fiscal year due to subscriptions or withdrawals other than the beginning or end of year.

Artemis FP reserves the right to charge performance fees, which will likely be subject to the Hurdle Rate above, if applicable and subject to each client's consent.

**Item 7: Types of Clients**

Artemis provides investment advisory services to managed accounts on behalf of high net worth individuals, ultra-high-net worth families, family offices, pooled investment vehicles and foundations in accordance with the investment guidelines and restrictions that are developed in consultation with the client or in accordance with a particular mandate selected by the client at the outset of Artemis' relationship with the client. Artemis also provides advisory services to additional U.S. tax exempt institutions such as endowments.

Investors typically must have a minimum of \$25 million in investable assets. However, the clients of Artemis FP will have smaller amounts of investable assets, ranging from \$2 million to \$10 million, on average.

Orion manages the Fund only.

In no event should this Brochure be relied upon in determining to invest with the Firm. It is not an offer of, or agreement to provide, advisory services directly to any recipient. Rather, this Brochure is designed solely to provide information about the Firm for the purpose of compliance with certain obligations under the Advisers Act and, as such, responds to relevant regulatory requirements under the Advisers Act. To the extent that there is any conflict between discussions herein and similar or related discussions in any Advisory Agreement, the Advisory Agreement shall govern and control.

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

The Firm's investment objective is to achieve for its clients long-term capital appreciation while attempting to provide reduced risk and volatility. It allocates assets primarily to a select group of



Underlying Managers that manage separately managed accounts or commingled vehicles that in turn make direct investments across a range of strategies, including diversified and sector-specific long only equity and fixed income strategies as well as long/short equity strategies focused on G8 countries, event driven arbitrage strategies, distressed debt strategies and global macro-economic trend investments. The process below regarding manager selection for funds applies primarily to Artemis and Orion only.

**Manager Process Selection:**

The Firm utilizes traditional and alternative asset strategy selection as the principal investment consideration and utilizes both in-house fundamental research as well as analysis from external sources. The investment approach focuses on long-term investment trends and not short-term trading or individual security selection strategies.

The Firm conducts a due diligence process on all managers being considered, and the due diligence is ongoing for all Underlying Managers. Managers are sourced through referrals, commercial data bases, firms already known to the market, and capital introduction services from (non-compensated) financial institutions. Typically, the Firm evaluates the performance characteristics of a large number of traditional and alternative asset managers on an annual basis. The first screen of these potential Underlying Managers is historical absolute and risk adjusted performance vs. industry benchmarks. Only about 25% of potential Underlying Managers evaluated make it through this initial screening process.

The second screen is also performance-based: all potential Underlying Managers are evaluated against the managers currently employed within that specific asset class/sector by Artemis. Typically, a potential Underlying Manager needs to be among the top four (versus Underlying Managers in place at that time) to warrant further consideration by the Firm.

The final step for consideration is a personal meeting, either in the Firm's office followed by an on-site meeting, or directly an on-site meeting. Telephone interviews may be held in advance to get clarification of any open issues. The Firm meets with approximately 20-40 prospective Underlying Managers each year. This stage of the screening process goes beyond the performance returns and comprises:

- Inquiries regarding specific return periods that are not consistent with industry returns or returns of other managers
- Review of marketing material, offering memorandum, DDQ's (both firm-provided and Artemis -sourced)
- Meeting with key staff members
- SEC and NFA website checks and internet checks on firm and principals.
- A thorough understanding of the manager's demonstrable "edge" in the marketplace, and whether that edge is sustainable.
- Review of staff and client turnover.

Once a manager is accepted onto the Firm's platform, the due diligence and risk analysis continues. All steps above continue to be carried out on a periodic basis. In addition, the Firm receives performance reviews, if offered attend quarterly conference calls, and conducts at least one annual visit with respect to each Underlying Manager. Periodically the Annual Meeting may be a conference call in lieu of physical visit. An Underlying Manager can be dropped from the platform due to (without limitation): sustained underperformance, a significant loss of investor assets through withdrawals, being improperly sized for their asset class, or other considerations.

From a risk management perspective, the Firm tracks publicly traded securities held by the Underlying Managers periodically.

Regarding Artemis FP, the selection of ETFs and/or individual bonds and equities, will be based on independent research and will also be generated from in-house fundamental research as well as analysis from external sources. All investment approaches focus on long-term investment trends and not short-term trading or individual security selection strategies.

**Risks associated with Investments with the Firm:**

Investment in securities involves risk of loss that clients should be prepared to bear. The Firm seeks to reduce this risk by investing in a diversified portfolio of assets and take a long-term investment perspective; however, there is no guarantee that such approach will be successful. Investors may lose all or a substantial portion of their investment. Investors should consider the risks inherent in investing in the strategies employed by the Underlying Managers, which include, but are not limited to, leveraged and speculative investments, limited liquidity, higher fees and expenses, and complex tax structures and limited reporting capabilities. In addition to these general risks, there are specific risks that apply to each portfolio manager that are outlined in such portfolio manager's offering documents (if applicable).

**Concentration of Investments.** While the Firm currently intends to allocate to a diverse group of Underlying Managers, the Advisory Agreements do not formally limit the amount of the Firm's assets that may be invested in a single Underlying Manager, and the Firm does not subject client portfolio to any formal policies regarding diversification. The concentration of client portfolios would subject clients to a greater degree of risk with respect to the failure of one or a few investments. Although the Firm seeks to obtain some diversification by investing in a number of different Underlying Managers, it is possible that several Underlying Managers may take substantial positions in the same security or group of securities at the same time. Thus, there is the risk that one of the strategies or techniques utilized by portfolio managers of the Underlying Managers may have a disproportionate share of the Partnership's assets.

**Underlying Manager Conflicts.** Conflicts of interest may arise from the fact that Underlying Managers can carry on investment activities for their own accounts and for other clients in which Firm clients have no interest. The Underlying Managers have discretion, consistent with best execution, to execute security transactions through brokerage firms selected by them, including brokerage firms affiliated with such Underlying Managers.

**Independence of Underlying Managers**

Generally, the clients do not and will not control any of the Underlying Managers, their choice of investments and other investment decisions, all of which are entirely within the control of such

Underlying Managers. It is possible that an Underlying Manager could use different investment strategies than those described in the offering documents of such Underlying Manager, which could lead to a loss of all or part of a client's investment with such manager.

### **Investments in Non-U.S. Investments**

The Firm can invest and trade a significant portion of the relevant Underlying Manager's assets in non-U.S. securities and other assets, which will give rise to risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and non-U.S. issuers and markets are subject. Such risks may include:

- Political or social instability, the seizure by foreign governments of company assets, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels, and limitations on the use or transfer of portfolio assets.
- Enforcing legal rights in some foreign countries is difficult, costly and slow, and there are sometimes special problems enforcing claims against foreign governments.
- Non-U.S. securities and other assets often trade in currencies other than the U.S. dollar, and the Underlying Managers may directly hold foreign currencies and purchase and sell foreign currencies through forward exchange contracts. Changes in currency exchange rates will affect an Underlying Manager's net asset value, the value of dividends and interest earned, and gains and losses realized on the sale of investments. An increase in the strength of the U.S. dollar relative to these other currencies may cause the value of an Underlying Manager's investments to decline. Some foreign currencies are particularly volatile. Foreign governments may intervene in the currency markets, causing a decline in value or liquidity of an Underlying Manager's foreign currency holdings. If an Underlying Manager enters into forward foreign currency exchange contracts for hedging purposes, it may lose the benefits of advantageous changes in exchange rates. On the other hand, if an Underlying Manager enters forward contracts for the purpose of increasing return, it may sustain losses.
- Non-U.S. securities, commodities and other markets may be less liquid, more volatile and less closely supervised by the government than in the United States. Foreign countries often lack uniform accounting, auditing and financial reporting standards, and there may be less public information about the operations of issuers in such markets.

### **Developing and Emerging Markets**

Investing in developing and emerging markets involves additional risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include, among others: (i) increased risk of nationalization or expropriation of assets or confiscatory taxation; (ii) greater social, economic and political uncertainty (including war); (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalization of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for U.S. dollars; (viii) increased likelihood of governmental involvement in and control over the economies; (ix) governmental decisions to cease support of economic reform programs or to impose centrally planned economies; (x) differences in auditing and financial reporting

standards, which may result in the unavailability of material information about issuers; (xi) less extensive regulation of the securities markets; (xii) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors; and (xiv) certain considerations regarding the maintenance of the Underlying Managers' securities and cash with non-U.S. brokers and securities depositories.

**Illiquid Investments by Underlying Managers**

All or a portion of the investments made by an Underlying Manager may be in illiquid securities or direct loans which are difficult to value and, therefore, could affect the ability of such Underlying Manager to meet withdrawal requests from the Partnership.

**Cyber Security Breaches and Identity Theft**

The Firm's (or its affiliates') information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Firm has implemented various measures 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, the Firm may have to make a significant investment to repair or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Firm's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to client/investors (and beneficial owners of investors). Such a failure could harm the Firm's reputation or subject it or its affiliates to legal claims and otherwise affect their business and financial performance. Additionally, any failure of the Firm's information, technology or security systems could have an adverse impact on the Firm's ability to manage investments which may negatively impact the value of such investments.

**ETF Related Risks**

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs have a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

Each Fund investor and separately managed account client ("SMA Client") is required to complete and execute subscription agreements and other ancillary documents of the Fund and/or with respect to each Underlying Manager with which a SMA Client invests.

***Investing in securities involves risk of loss that you should be prepared to bear.***

**Item 9: Disciplinary Information**

There are no legal or disciplinary events against the Firm.

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

As stated in Item 4 above, Mr. Rup is a Managing Member, Chief Executive Officer and of Chief Investment Officer of Artemis and Orion.

Mr. Duebendorfer is a member, President and Chief Operating Officer/Chief Compliance Officer for Artemis and Manager for Orion.

Additionally, Mr. Rup is the Managing Member of Sirius which is the general partner to the Fund and is responsible for the management of the Fund's affairs.

Additionally, Mr. Duebendorfer is a Member of Sirius which is the general partner to the Fund and is also responsible for the management of the Fund's affairs.

Finally, Mr. Rup and Mr. Duebendorfer, via Epsilon, are the 51% owners of Artemis FP and the 48% owner Tandem Consultants LLC ("Tandem"). Tandem is a bookkeeper that may service certain clients of the Firm. However, any revenue collected by Tandem from clients of the Firm will not be shared with Epsilon or Messrs. Rup and Duebendorfer.

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

The Firm stands in a position of trust and confidence with respect to its clients. Accordingly, the Firm has a fiduciary duty to its clients, including a duty to make full and fair disclosure of any potential conflicts of interest that may arise. This requires not only actual good faith on the Firm's part, but the appearance of good faith as well. In order to achieve and maintain this high level of trust and confidence, the Firm has adopted this Code of Ethics.

The Firm's policies and procedures are based on the general concepts of fiduciary duty, the specific requirements of the Advisers Act and other U.S. federal securities laws relating to the operations of investment advisers, as well as the Firm's internal policies. All officers, directors, partners and employees of the Firm and any other person who provides advice on behalf of the Firm and is subject to the Firm's control and supervision (collectively referred to as "Supervised Persons") must adhere to Code of Ethics. Moreover, all Supervised Persons must comply with the applicable federal securities laws.<sup>1</sup> Technical compliance will not insulate anyone from scrutiny of any actions that create the appearance of a violation.

All officers, directors, and employees of the Firm are subject to the provisions contained in Artemis's Code of Ethics. The Code of Ethics, which is reviewed annually, outlines Firm policies and procedures regarding standards of conduct, personal investment transactions, and handling of

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<sup>1</sup> For the purposes of this Policy, the term "federal securities laws" means the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Advisers Act, Title V of the Gramm-Leach-Bliley Act, any rules adopted by the SEC under any of these statutes, the Bank Secrecy Act as it applies to funds and investment advisers, and any rule adopted thereunder by the SEC or the Department of Treasury.

material non-public information. The Code of Ethics contains several restrictions and procedures designed to eliminate or manage conflicts of interest.

All employees' personal trading are disclosed, and records of personal brokerage statements are retained on file for each employee. The Firm maintains a restricted list (the "Restricted List") that includes, among other things, the names of issuers whose securities are subject to a complete ban on sales or purchases because Artemis has knowledge of material non-public information regarding the issuer. For securities that do not appear on the Firm's Restricted List, employees and related persons are allowed to invest in the same securities that are recommended, bought and sold for our client accounts.

The Firm will provide a copy of its Code of Ethics to any client or prospective client upon request. Our contact information appears on the cover page of this Brochure.

### **Item 12: Brokerage Practices**

The Firm does not provide the custody of client assets or accounts. Charles Schwab and Morgan Stanley Smith Barney provide all custody services for advisory accounts. Factors considered in selecting these firms include stability, reputations, trading platforms, and product availability.

The Firm may recommend that clients establish brokerage accounts with Charles Schwab or Morgan Stanley Smith Barney in order to maintain custody of clients' assets and to effect trades for their accounts. The final decision to custody assets with either Schwab or Morgan Stanley is at the discretion of the clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. Services provided include custody of securities, trade execution, clearance, and settlement of transactions.

In the event that a client requires the Firm to assist in the disposition of legacy positions, such securities will generally be disposed of through the financial institution at which the relevant security is held. Cash received is typically transferred into the new account(s) created with respect to the client. In addition, at the request of a client, the Firm can also arrange for positions to be transferred to a discount broker for disposition.

When working with a Third-Party Manager (Underlying Manager) in connection with securities transactions for clients, the Underlying Managers have the authority to determine, generally without obtaining specific client consent, the securities or other investments and the amount thereof to be bought or sold, and the brokers or dealers to be used. There are generally no limitations on the Underlying Managers' authority in this regard. Underlying Managers generally also have full discretion to negotiate and determine any commission rates to be paid for such transactions.

Underlying Managers may consider a number of factors when selecting a broker or dealer to effect a transaction. Criteria used for the selection of a brokerage or other firms may include one or a combination of the following:

1. General execution capability;

2. Commission or other compensation rates;
3. Operational capability to clear and settle transactions;
4. Historical trading experience in the security;
5. Integrity of personnel;
6. Quality of research and brokerage services and products;
7. Importance to the client of speed, efficiency or confidentiality;
8. Financial strength and stability;
9. Access to the markets for the security being traded;
10. Access to new investment opportunities.

Due to the consideration of these factors, Underlying Managers may not always select the broker or dealer offering the lowest commission or compensation rates. However, it is the Firm's policy to invest client assets with Underlying Managers that undertake to make a good faith determination that the commission or other compensation rates paid are reasonable in relation to any services or products provided.

Underlying Managers may select a broker or dealer that charges a commission or compensation in excess of that which another firm might have charged for effecting the same transaction in recognition of the value of the factors listed above, including research and brokerage services and products provided by the broker, and research services provided by a third party but delivered through the broker.

Research services obtained by use of brokerage commissions arising from one account may be used by Underlying Managers in the management of other client accounts and proprietary investment activities and may not in all cases benefit the relevant account directly. Research services and products received by Underlying Managers may include, among other things, industry publications and periodicals, company research, analyses and recommendations, quotation and market information services, economic forecasts, access to industry/market information, trading and risk management tools and research and modeling related software.

Services, other than research and brokerage services, and other benefits obtained by the use of brokerage commissions arising from an account may be used by an Underlying Manager only for the benefit of the relevant account, and such services will be limited to services that would otherwise constitute an expense borne by such account.

Under the foregoing policies, Underlying Managers may allow an account to pay higher brokerage commissions than might be obtainable if transactions were affected through brokers that do not provide research or other services.

### **Best Execution**

Depending on specific client needs, one broker-dealer or custodian may offer better transaction costs/order processing than another, and those differences are evaluated by the Firm prior to opening a client account. The Firm, as an investment adviser, owes a fiduciary duty to its clients, including a duty to seek best execution of client transactions and to make full and fair disclosure to clients about any soft dollar arrangements. While the best execution policies of the custodians are monitored, they are not the only determining factor that would influence opening an account at one custodian or another. Important items like stability, reputation, research, trading platforms, administrative efficiencies, client friendly statements, and other service-oriented tasks are also considered in the evaluation and selection of a custodian. The lowest cost trade execution is not always the determining factor for the selection of a custodian. However, the client has the right to inquire about opening accounts at these various institutions. The Firm does not receive nor does it provide any soft dollar benefits.

**Aggregation**

In placing orders to purchase or sell securities in accounts, the Firm may elect to aggregate orders (i.e., consolidate smaller orders for the same security into a large order, which generally results in transaction cost savings). The Firm will not aggregate transactions unless aggregation is consistent with its duty to seek best execution. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all transactions executed by the Firm in that security on a given business day, with transaction costs shared pro-rata based on each client's participation in the transaction.

**Item 13: Review of Accounts**

The President / Chief Operating Officer and Controller of Artemis review accounts on a monthly basis.

Written account statements are prepared on a monthly basis internally or a third party firm, who receives statements directly from the Underlying Managers' custodians. This is based on client's requirements. The account statements are formatted into reports following GIPS Standards (previously AIMR Performance Presentation Standards - AIMR-PPS) by the Firm and sent to the clients the following calendar month or quarterly (dependent on client's preference). A standard client statement would typically include the following:

- Current asset allocation of the client account vs. target asset allocation
- Monthly and year to date ("YTD") return for each asset class of the client account (absolute and relative to the applicable benchmark, if any)
- Statement of changes in the client account (monthly and YTD)
- Individual security holdings for traditional managed accounts
- Individual Underlying Manager returns during the relevant month
- Summary of account liquidations during the relevant month



Quarterly summaries containing the above information with respect to the relevant quarter are also provided to clients including Artemis FP and Orion. In addition, the Firm's management also conducts quarterly meetings with clients. Each client may request additional reports or information regarding its account. The Firm also receives monthly performance reports directly from the Underlying Managers. Underlying Managers also provides similar reports to clients.

Artemis FP Clients receive Quarterly Statements.

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

It is the Firm's current policy not to engage solicitors or to pay related or non-related persons for referring potential clients to the Firm. It is also the Firm's policy not to accept or allow related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services the Firm provides to its clients.

The Firm is under common control and ownership of Orion Capital Management II which manages our private fund, Orion Constellation Partners II LP (the 'Fund'). In addition to the management fee, if a client is invested in our Fund, a client will also pay a performance allocation (fee) of 10% of the annual net profits of the Fund a 'Hurdle Rate'. The Hurdle Rate shall be equal to the 3-Month Treasury Bill Rate plus 4.0% per annum. The Hurdle Rate will be appropriately prorated with respect to periods less than a fiscal year due to subscriptions or withdrawals other than the beginning or end of year. The Fund may also pay brokerage fees or the management and performance fees of the underlying funds that we invest on the client's behalf. If the client is invested into our Fund and are also a separately managed account, we only charge the client fees based on their investment in the Fund. Moreover, a performance fee creates an inherent conflict of interest, as it may incentive us to make riskier investments since our compensation is based on the net profits generated in the Fund.

**Item 15: Custody**

The Firm generally does not custody assets. Clients' assets are typically held with either Morgan Stanley Smith Barney or Charles Schwab or when managed by the Underlying Managers, held with banks or registered broker dealers that are "qualified custodians". Clients may receive statements directly from the foregoing custodians on a monthly or quarterly basis.

The Firm recommends that clients carefully review the account statements they receive from such qualified custodians and compare them to any reports received with respect to their underlying assets.

Sirius II is deemed to have custody of Orion Constellation Partners II LP Fund assets, but provides audited financial statements to Fund investors within 180 days of the Fund's fiscal year end in accordance with the Fund of Fund Rule 206(4)-2(b)(4) and maintain all cash and securities with qualified custodians. Should Sirius II no longer meet the requirements of Rule 206(4)-2(b)(4), the audited financial statements will be provided to the Fund investors within 120 days of the Fund's fiscal year end.

**Item 16: Investment Discretion**

The Firm may provide discretionary or non-discretionary investment advisory services to its clients, in accordance with the client's stated investment objectives, guidelines and restrictions and pursuant to the terms of the relevant Advisory Agreement entered into with such client. When a client opens a discretionary account, the Firm has discretion over how or when to allocate certain client assets among Underlying Managers, however each client enters into separate documentation with the Underlying Managers pursuant to the terms of the Underlying Documents. As part of its services to a client, The Firm can assist, if requested by the client, in the liquidation of some or all of an existing portfolio in order for the client to invest in opportunities presented to it by the Firm. The Firm typically determines, in consultation with the client, the assets in the existing portfolio that will be liquidated or retained. When a client opens a non-discretionary account, the Firm must receive the client's consent prior to making any transactions with in the client's account. The nature and terms of the client's account will be agreed upon and memorialized in the investment advisory agreement ("IMA") with the Firm.

In advance of allocating assets to any Underlying Manager, the Firm will typically discuss its determination with the client, including the rationale for selecting an Underlying Manager, and the manner in which the Underlying Manager fits within the overall asset allocation model designed for client. If a client expresses any objections to a proposed allocation, the Firm will work with the client to select another manager. The Firm monitors the performance of each Underlying Manager and will make changes by rebalancing among managers, adding or elimination managers for a variety of reasons, including among other, (i) ongoing due diligence with respect to the Underlying Managers, (ii) performance of an Underlying Manager, (iii) strategic macro-economic determinations made by the Firm, and (iv) changes in a client's preferences, needs or investment objective.

**Item 17: Voting Client Securities**

The Firm does not generally vote proxies on behalf of its clients, as it only invests assets under management with the Underlying Managers.

Each Underlying Manager votes proxies in accordance with its own proxy voting policies.

**Item 18: Financial Information**

1. The Firm does not solicit fees six months in advance and does not take custody of assets.
2. The Firm is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments of its clients.
3. The Firm has not been the subject of a bankruptcy petition with the preceding ten years.