

**Firm Brochure: Part 2A of Form ADV**

**Vinci Partners USA LLC**

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This brochure provides information about the qualifications and business practices of Vinci Partners USA LLC. If you have any questions about the contents of this brochure, please contact us at [compliance@vincipartners-us.com](mailto:compliance@vincipartners-us.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.

Additional information about Vinci Partners USA LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2        Material Change**

Since we filed out last brochure on March 30, 2022, we have not made any material changes to our business.

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## Item 4      **Advisory Business**

Vinci Partners USA LLC (“Vinci USA” or the “Firm”), is part of the Vinci Group, which includes its Brazilian parent, Vinci Partners Investimentos Ltda. (“Vinci Partners”). Mr. Gilberto Sayão da Silva holds indirectly more than 25% of Vinci USA and is the controlling shareholder of Vinci Partners. Except for certain current and prior employees Vinci USA only provides advisory service to clients who are non U.S. Persons as defined in Securities Act Regulation S (Rule 902)(k)(1)). Similarly, the investors in the private funds advised by Vinci USA are also non-US Persons.

### *Fund-of-Funds*

Vinci USA’s fund-of-funds advisory services are focused on and primarily select investments managed by other investment managers. However, certain funds are advised by Vinci USA and its affiliates. As such, Vinci USA’s clients include certain pooled investment vehicles (“Pooled Funds”), private funds established for a single investor and/or their family (“Fund-of-One”), and certain accounts that are managed separately (“SMA”) (collectively referred to as “FOF Clients”. Vinci USA’s FOF Client offerings include (i) discretionary advisory services to the Pooled Funds and certain institutional SMAs, (ii) discretionary and non-discretionary advisory services to institutions, wealthy families and high net-worth individuals and their families, who may create a corporate SMA entity or Fund-of-One structure. The Pooled Funds are advised in accordance with their respective governing documents and are not tailored to the individual needs of investors. Vinci USA will tailor its advisory services to the needs of SMA and Fund-of-One clients, who may also impose certain investment restrictions on Vinci USA.

### *Thematic Macro*

Vinci USA provides discretionary thematic macro advisory services to two “macro funds”, each a Cayman Islands Exempted Company. One macro fund is sponsored by a Brazilian affiliate of Vinci USA and offered solely to non-US Persons (“Atlas Fund”). Vinci USA co-manages the Atlas Fund with a Brazilian affiliate. The other macro fund (“Reflation Fund”) is sponsored by and solely advised by Vinci USA and is also offered only to non-US Persons. Vinci USA has broad discretion to opportunistically trade themes or trends and choose what securities to trade. Although Vinci USA’s macro thematic trading mandates are very broad, in the case of the Atlas Fund it is constrained by the trading limits set by the co-manager and monitored by the co-manager’s Risk Management Group.

Vinci Partners provides certain services to Vinci USA in the form of legal support; research; certain back-office services such as data processing and Client accounting, and other general administrative services.

As of December 31, 2022, the Firm managed approximately USD \$257,248,322 on a discretionary basis and USD \$404,180,642 on a non-discretionary basis.

## **Item 5      Fees and Compensation**

The Firm charges most Clients a management fee. The Firm also is eligible to earn performance-based fees for the macro funds and certain FOF Clients, which are calculated as a percentage of the applicable Client's annual profits, including unrealized gains, subject to a "high water mark" provision. In the case of the Atlas Fund, the Firm only charges fees based on those assets advised by Vinci USA. The Firm does not have a standard fee schedule as fees are based on various factors. In the case of the Pooled Funds, the fees are based primarily on each fund's respective strategy, which is clearly defined in their respective governing documents. In the case of SMAs and Fund-of-One clients, fees are generally negotiable and based on various factors including strategy, a client's liquidity needs, any restrictions the client may have placed on the Firm, etc. Fees are generally not-negotiable in the case of Pooled Funds, although Vinci USA, at its sole discretion, may enter into "side-letters" with certain investors, which could grant those investors certain preferential terms including, but not limited to, reduced fees and certain information rights. In the case of the Pooled Funds, Fund-of-One clients and SMA clients, management fees do not exceed 1% per annum based on net assets and, if applicable, a 10% performance fee. In the case of the Atlas Fund and Reflation Fund, investors incur a 2% and 1.5% respectively management fee payable monthly in arrears. Certain non-discretionary clients may be offered and choose to pay Vinci USA a one-time fee at the time an investment is made instead of a paying an ongoing management fee.

Clients pay the Firm's fees in accordance with their respective advisory agreements or similar governing documents, which may be either invoiced by Vinci USA or debited directly from their accounts. The frequency with which fees are deducted may vary according to the type of service provided and Client.

In addition to the Firm's management and performance-based fees, Clients generally bear all expenses related to their investment program, including, but not limited to: brokerage commissions; expenses related to buying and selling securities; fees and expenses related to any custodians; interest and other borrowing expenses. In the case of Pooled Funds and certain Fund-of-One clients, additional expenses will be incurred in accordance with their respective governing documents. These additional expenses will include items such as travel expenses incurred by the Firm to perform research; legal, administrative, accounting, tax and audit expenses; systems expenses (trading and back-office), the cost of which may be spread among all Clients that utilize such services; expenses related to preparing and distributing reports, financial statements and notices to investors; and the cost of periodically updating the offering documents and any supplements or investment management agreements (as applicable). Clients should refer to their investment management or other similar agreements. Investors should refer to their respective fund's governing documents for a detailed discussion of the expenses allocated to and paid by their respective fund.

In the case where the Firm invests Client assets with other investment managers, Clients will incur additional investment management fees and, in certain cases, additional performance-based fees. Such fees are typically similar to those discussed above related to the Pooled Funds. Investors in these funds bear these layered fees and costs directly or indirectly, and the overall cost of investing in a fund-of-funds may be higher than investing directly in the underlying investment funds. In some cases, the underlying funds or strategies may only be available to the client through a fund-of-funds. This layering of fees and costs affects the overall performance of the investment, and is best suited to long-term investors. The Firm may invest Client assets in Pooled Funds advised by Vinci USA or its affiliates, which creates an incentive to make investments in such Pooled Funds to earn additional fees, which may not in the best interest of a Client. However, Vinci USA has adopted procedures to address such conflicts, which include a review to ensure the investments chosen have documentation supporting their selection.

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

As described in Item 5, Fees and Compensation, certain Clients also pay the Firm an annual performance-based fee, calculated as a percentage of net profits, including unrealized gains, subject to a high-water mark. In such cases, certain conflicts of interest exist as the Firm has a financial incentive to favor Clients paying performance-based fees or Clients paying higher fees by allocating investment opportunities in favor of such Clients.

Performance-based fees also create an incentive for the Firm to (i) make investments that may be considered riskier or more speculative in the hopes of generating greater returns, or (ii) allocate Client assets to affiliated investment advisers.

In order to address the conflicts of interest that exist, Vinci USA has adopted policies and procedures it believes are reasonably designed to mitigate the risks associated with such conflicts of interest. The Firm has a policy not to favor, over time, any strategy or Clients advised by it or its affiliates. The Firm also has a policy to ensure adequate disclosure has been made to Clients and investors concerning its conflicts of interest including that the Firm may recommend investments in pooled investment vehicles where an affiliate has an ownership interest or realizes an economic benefit.

## **Item 7            Type of Clients**

As discussed in Item 4, Advisory Business, in addition to the macro funds and Pooled Funds, Vinci USA's also advises Fund-of-One and SMA clients. Interests in a Pooled Fund are offered on a private placement basis. SMA or Fund-of-One clients are generally institutional or high net worth individuals. Except for certain current and prior employees who are accredited investors and , Vinci USA only provides advisory service to clients who are non U.S. Persons as defined in Securities Act Regulation S (Rule 902)(k)(1)). Similarly, the investors in the private funds advised by Vinci USA are also non-US Persons.

Vinci USA has not adopted a strict minimum investment requirement.

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

The Firm provides investment advisory services to Clients across numerous strategies and risk profiles. including, but not necessarily limited to thematic macro, fixed income, long-only, long-short and long-biased equity strategies. The Firm primarily focuses on Client investments in private funds of other investment advisers, including affiliates of the Firm with the exception of the macro funds, which invest in direct securities as part of its thematic macro strategy.

Vinci USA has broad advisory discretion over the macro funds concerning which themes/trends, markets and what securities to trade, although over time, themes are expected to focus on emerging markets, although Vinci USA can trade within developed markets for extended periods of time. The permitted securities that can be traded by Vinci USA are broad pursuant to the Macro-Fund's governing documents. However, the securities are expected to include commodities, Credit Default Swap indices ("CDX"), FX, ETF's and signal name equities, although this can and will change when Vinci USA believes opportunity exists and are within the mandates of the macro funds.

Investors and prospective investors in the Pooled Funds and macro-funds should refer to their respective offering documents for a detailed description of the investment strategy. Vinci USA will tailor strategies for SMA and Fund-of-One clients.

The following risk discussion is not a complete list or explanation of the risks associated with an investment with Vinci USA. When determining whether to invest with Vinci USA, a prospective investor/client should carefully consider the following risk factors, among others. For additional risk factors, including risk factors relating to the terms and structure of the relevant Pooled Fund, SMA, Fund-of-One Clients, and macro funds, Clients and investors should refer to the relevant governing documents including offering memorandum, limited partnership agreements and investment management agreements, as applicable.

### ***Overall Investment Risk***

Investing in securities involves risk of loss that clients should be prepared to bear. There may be increased risk due to the nature of the securities to be purchased and traded by a Client and the investment techniques and strategies used to achieve Clients' investment objectives and the Firm cannot provide any assurance that a Client will not incur losses. Security markets are often adversely affected by unforeseeable events including actions by various governments, agencies and domestic and international political events, may result in significant loss of capital and permanent impairment.

### ***Difficult Market for Investment Opportunities***

The activity of identifying, completing and realizing a gain on attractive investments is highly uncertain. There is no assurance that the Firm will be able to locate and complete investments that satisfy Client objectives; nor is there any assurance that a client will be able to fully invest its subscribed capital in a manner consistent with its investment strategy.

### ***Investments in Foreign and Emerging Markets***

Investments in foreign securities may be subject to greater risks due to a variety of factors including currency controls and currency exchange rate fluctuations, changes in governmental administration or economic or monetary policy or changed circumstances in dealings between nations. Dividends paid by foreign issuers may be subject to withholding and other foreign taxes that may decrease the net return on these investments. There may be less publicly available information about foreign issuers in certain countries, and such issuers may not be subject to uniform accounting, auditing and financial reporting standards and requirements comparable to those of the Firm or its Clients. Foreign securities markets may also be less liquid, more volatile and subject to lower levels of government supervision. Investment in less developed countries could be affected by other factors not present in more developed countries, including expropriation, confiscatory taxation and potential difficulties in enforcing contractual obligations. Foreign markets are often considered speculative and where brokerage commissions are often higher than in more developed markets with significant custody and clearance risks and delays in settlement.

### ***Brazilian Equity Investments***

Investments in Brazilian equity securities may involve certain risk factors not typically associated with investing in the United States or other more established markets, including risks relating to (i) currency exchange rate fluctuations and costs associated with conversion of investment principal and income from one currency into another; (ii) differences between the United States or other established markets and Brazilian securities markets, including the relative illiquidity and volatility of the Brazilian securities markets, the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less government supervision and regulation; and (iii) certain economic and political risks, including Brazil's historically high inflation rate, large external debt, political and economic instability and uncertainty, potential exchange control regulations, potential restrictions on foreign investment and repatriation of capital and risks relating to recent developments in Latin America.

In addition to the foregoing, the Brazilian government has exercised and continues to exercise a significant influence over many aspects of the private sector in Brazil. The Firm cannot provide assurance that future

developments in the Brazilian economy will not impair its operations or ability to achieve its clients' investment objectives involving investment in Brazil.

### ***Investments in other Investment Funds***

Clients may invest in other investment funds managed by an entity of the Vinci Group or third- party investment advisers (such fund, a “Portfolio Fund”). In following such investment strategy, the client will be required to rely on the valuations, choice of broker-dealers, custodians and counterparties, as well as tax and accounting procedures, of the investment adviser of such Portfolio Fund. In addition, the Firm will generally not have access to trade data relating to such Portfolio Fund's positions, but only to overall net asset values.

Clients will bear all direct and indirect costs associated with the investment management services of the various investment advisers of such Portfolio Funds. The Clients' ability to adjust their portfolio allocations will be limited by any limitations applicable to a Portfolio Fund and the clients' ability both to invest in and to withdraw capital from such Portfolio Fund.

### ***Misconduct or Bad Judgment of Investment Advisers of other Investment Funds***

The Firm may be unable to protect clients from the risk of misrepresentation or material strategy alteration by an investment manager of a Portfolio Fund. Clients as investors in the Portfolio Funds will have no direct dealings or contractual relationships with the investment adviser of the Portfolio Fund.

### ***Limited Liquidity and Limited Availability of Portfolio Funds***

Among the principal disadvantages and risks inherent in a fund-of-funds structure are the restrictions imposed on the Firm's asset allocation flexibility and risk control as a result of the limited liquidity of the Portfolio Funds, limited transparency, as well as restrictions on withdrawing investments in Portfolio Funds. Clients could be unable to withdraw their capital from a Portfolio Fund for some months despite having major losses being incurred or after the Firm has determined that the investment adviser of a Portfolio Fund has deviated from its announced trading policies and strategy.

### ***Illiquidity of Underlying Investments***

Clients may invest in illiquid instruments. Illiquidity increases risk and may make it impossible for the Firm to close out positions against which the market is moving. In case of a fund-of-fund structure, it may cause a Portfolio Fund to delay the payment of redemption proceeds to the client.

### ***Illiquidity of Shares of Investment Funds***

Securities issued by investment funds are usually not transferable without the approval of the funds' directors, and there may be no secondary market for such securities. Consequently, a holder of securities issued by such funds may only be able to dispose of its securities by having the respective fund redeem them, assuming that redemption is available. Even then, investors may receive securities rather than cash and/or the funds may suspend or limit payment of redemptions in certain circumstances. This risk applies to Pooled Funds and Fund-of-One Clients and their underlying Portfolio Funds.

### ***Possible Effect of Substantial Redemptions***

If a substantial number of investors in a Client or of a Portfolio Fund redeemed at the same time, the Client or Portfolio Fund may have to liquidate its positions more rapidly than otherwise desired in order to raise the cash necessary to pay for those redemptions and result in losses to the Client.

### ***Limited Rights of Investors in Funds Managed by the Firm***

An investment in an investment fund should be regarded as a passive investment. This is because investors usually hold securities that have no right to participate in the day-to-day operations of the fund, nor are they



entitled to receive notice of, attend or vote at general meetings of the fund, other than a general meeting to vote on a proposed variation of the rights attaching to their securities. Consequently, investors often have no control over the management of the fund or over the appointment and removal of its directors and service providers.

### ***Valuation of the Clients' Investments***

Valuation of the clients' securities and other investments may involve uncertainties and judgmental determinations. If a valuation is incorrect, the net asset value of such Clients may be adversely affected. Independent pricing information about some of the Clients' securities and other investments may not always be available. However, valuations will be made in good faith in accordance with the Clients' respective offering documents or investment management agreement.

If the value assigned by Clients to an investment differs from its actual value, the net asset value of the Clients may be either understated or overstated to the extent of that difference. Consequently, if the actual value of some of the Clients' investments is higher than the value assigned to them, an investor who redeems all or part of its shares of a particular Client while they are so undervalued may be paid less than if they were correctly valued. Conversely, if the actual value of some of a Client's investments is lower than the value assigned to them, the investor may, in effect, be overpaid at the expense of remaining investors.

Furthermore, an investment in a Client by a new investor (or an additional investment by an existing investor) may dilute the value of the Client's investments for the other investors if those investments are undervalued. Conversely, a new investor (or an existing investor who makes an additional investment) could pay too much if the underlying investments are overvalued by the Client.

Additionally, as the fees of a number of the Clients' service providers are usually tied to Clients' net asset value, any discrepancy in valuation may result in overpayment or underpayment to those service providers.

### ***In-Kind Distributions***

A redeeming investor may, at the discretion of a Client, receive securities owned by the Client in lieu of or in combination with cash. The value of securities distributed may increase or decrease before the securities can be sold, and the investor will incur transaction costs in connection with the sale of those securities. Additionally, securities distributed to an investor in connection with a redemption request may not be readily marketable. In those circumstances, the investor bears the risk of loss and delay in liquidating those securities, with the result that it may ultimately receive less cash than it would otherwise have received if it had been paid in cash alone for its shares on the date of redemption.

### ***Derivative Instruments***

The Firm or Portfolio Funds may use various derivative instruments, including futures, options, forward contracts, swaps and other derivatives. These may be volatile and speculative. Certain positions may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. Using derivative instruments has various risks. These include the following:

#### ***Tracking***

When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent the Firm from achieving the intended hedging effect or may expose the portfolio to the risk of loss.

#### ***Liquidity***

Derivative instruments, especially when traded in large amounts, may not always be liquid. Hence in

volatile markets, the Firm may not be able to close out a position without incurring a loss. In addition, exchanges on which the Firm conducts its transactions in certain derivative instruments may have daily limits on price fluctuations and speculative positions limits. These limits may prevent the Firm from liquidating positions promptly, thereby subjecting the portfolio to the potential of greater losses.

#### *Leverage*

Trading in derivative instruments can result in large amounts of leverage. The leverage offered by trading in derivative instruments may magnify the gains and losses. This could subject a Client's net asset value to wider fluctuations than would be the case if derivative instruments were not made.

#### *Over-the-counter trading*

Derivative instruments that may be purchased or sold may include instruments not traded on an exchange. Over-the-counter options/instruments, unlike exchange-traded options/instruments, are two-party contracts with price and other terms negotiated by the buyer and seller. The risk of non-performance by the obligor on an over-the-counter instrument may be greater than in the case of an exchange-traded instrument. In addition, significant disparities may exist between "bid" and "asked" prices for derivative instruments that are not traded on an exchange. Derivative instruments not traded on exchanges are also not subject to the same type of government regulation as exchange-traded instruments, and many of the protections afforded to participants in a regulated environment may not be available in connection with those instruments.

#### ***Short Sales***

Securities sold short create an opportunity to profit when the value of the security sold short declines in value. However, securities sold short also carry unlimited loss potential, as the market price of securities sold short may increase continuously. Under adverse market conditions Clients might have difficulty covering securities sold short and may have to sell other portfolio securities to raise the capital necessary to meet short sale obligations at a time when fundamental investment considerations would not favor such sales.

Short sales are often considered a speculative investment, but often may be used with the intention of hedging against the risk of declines in the market value of a Client's long portfolio. However, there is no guarantee that such hedging operations would be successful.

#### ***Market Risks and Liquidity***

Usually, the profitability of a significant portion of a Client's investment program depends in large measure on the Firm correctly assessing the future course of the price movements of securities and other investments. There is no assurance that the Firm will be able to accurately predict those price movements. Although the Firm may attempt to mitigate market risk through the use of long and short positions or other methods, there is always some and occasionally a significant degree of market risk.

Furthermore, the client may be adversely affected by a decrease in market liquidity for instruments in which it invests, which may impair its ability to adjust its position. The size of a client's positions may magnify the effect of a decrease in market liquidity for those instruments. Changes in overall market leverage, deleveraging as a consequence of a decision by a prime broker to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions may also adversely affect the client's portfolio. Some of the underlying investments of a client may not be actively traded and there may be uncertainties involved in valuing those investments. Potential investors in fund clients and managed account clients are warned that under those circumstances, the value of the fund or account may be adversely affected.

### ***Hedging***

Although the Firm on behalf of clients may attempt to hedge their exposure to specific arbitrage positions, it will not always be possible to fully hedge risk from such positions or any other position. In addition, clients may take positions based on the expected future direction of the markets without fully hedging the market risks.

### ***Currency risks***

Where an investment is denominated in a currency other than the US dollars, changes in rates of exchange may have an adverse effect on the value, price of, or income derived from an investment. Emerging market currencies can fluctuate significantly in relation to the US dollar. To the extent exposure to non-US dollar currencies are not hedged, the value of an investment will fluctuate with U.S. dollar exchange rates as well as with price changes of investments traded in the various local markets and currencies.

### ***Counterparty and Settlement Risk***

Due to the nature of some of the investments that a client may make, the client may rely on the ability of the counterparty to a transaction to perform its obligations. If that party fails to complete its obligations for any reason, the client may suffer losses and therefore be exposed to a credit risk on the counterparties with which it trades. The client will also bear the risk of settlement default by clearing houses and exchanges. A default by a counterparty or a default on settlement could have a material adverse effect on a client.

### ***Borrowing***

Clients may be permitted to finance their operations with secured and unsecured borrowing to the maximum extent allowable under applicable credit regulations. Clients may suffer losses if there are adverse changes in the level of market prices of the assets being financed with the borrowings.

More detailed information on risks relating to investments in our products is included in the offering memoranda of applicable Clients and in the investment management agreements of managed account clients.

### ***Trading Errors***

The Firm attempts to minimize trade errors by promptly reconciling confirmations with trade order information, and by reviewing past trade errors to understand if an internal control breakdown caused any error. If the Firm makes an error while placing a trade for a client, the Firm will seek to correct the error promptly in a way that mitigates any losses. The cost of errors, when permitted in a Client's investment advisory agreement, will be borne by such Client unless an error is the result of gross negligence, or willful misconduct by the Firm. Trade errors can result for various reasons including human error, technology error or malfunction in the computers, networks, and systems used by the Firm and its employees, agents, affiliates, counter-parties and service providers.

### ***Cybersecurity Risks***

The Firm is subject to risks associated with a breach in its cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from "hacking" by other computer users, other unauthorized access and the resulting damage and disruption of hardware and software systems, loss or corruption of data as well as misappropriation of confidential information. If a cybersecurity breach occurs, both the Firm and Clients may incur substantial costs, including those associated with: forensic analysis of the origin and scope of the breach; increased and upgraded cybersecurity; investment losses from sabotaged trading systems; identity theft; unauthorized use of proprietary information; litigation; adverse investor reaction; the dissemination of confidential and proprietary information; and reputational damage. Any such breach could expose both the Firm and Clients to civil liability as well as regulatory inquiry and/or action. In addition, any such breach

could cause substantial decrease in the Firm's assets under management. In addition, investors could be exposed to additional losses as a result of unauthorized use of their personal information.

#### ***Natural Disasters, Epidemics, Pandemics and Terrorist Attacks.***

Areas in which Vinci USA, the third-party investment advisers it selects for certain clients and its service providers, including certain Vinci affiliates (collectively, the "Affected Parties"), have offices or where they otherwise do business are susceptible to natural disasters (e.g., fire, flood, earthquake, storm and hurricane) and epidemics, pandemics or other outbreaks of serious contagious diseases (e.g., MERS, COVID-19, etc). The occurrence of a natural disaster, epidemic or pandemic could adversely affect and severely disrupt the business operations, economies and financial markets of many countries (even beyond the site of the natural disaster or epidemic) and could adversely affect Vinci USA's investment program and its ability to do business. In addition, terrorist attacks, or the fear of or the precautions taken in anticipation of such attacks, could, directly or indirectly, materially and adversely affect certain industries in which the third-party investment advisers Vinci USA invests or could affect the areas in which the Affected Parties have offices or where they otherwise do business. Other acts of war (e.g., war, invasion, acts of foreign enemies, hostilities and insurrection, regardless of whether war is declared) could also have a material adverse impact on the financial condition of industries or countries in which the third-party investment advisers Vinci USA selects for certain clients invest.

### **Item 9           Disciplinary Information**

The Firm does not believe that there have been any legal or disciplinary events that are material to its business. It should be noted however, that Mr. Gilberto Sayão da Silva, the Firm's primary owner was involved in a violation of Brazilian, investment-related regulations. As a result, Mr. Sayão was a party to an administrative proceeding in Brazil brought by the Brazilian Securities Commission ("CVM"). The proceedings involved actions being brought against Mr. Sayão's previous employer, Banco Pactual S.A. for unethical practices related to the creation of artificial demand conditions and fraud concerning options transactions involving an affiliate of Banco Pactual S.A. from 1999 through 2001. Mr. Sayão was named along with two other persons in the proceedings because they were officers of Banco Pactual S.A. at the time of the violations. The proceedings were concluded on September 9, 2010 with Mr. Sayão executing a Brazilian Termo de Compromisso with the CVM in which he was not found guilty nor did Mr. Sayão admit any guilt. In addition, Mr. Jose Grabowsky, a supervised person of the Firm has appealed a 2018 decision by the Brazilian Securities Commission ("CVM") concerning a 2014 matter when Mr. Grabowsky was an executive officer of a publicly traded company in Brazil. Specifically, Mr. Grabowsky was found by CVM to have violated 155, §1 OF LEI 6404/76 (Brazilian Corporate Law), which establishes a breach of duty of secrecy by a company's administrators and Article 13 of CVM Instruction 358/2002, which prohibits administrators of a public company to trade in the securities of the company before a material fact has been publicly communicated. As of the date of this brochure, the matter is still pending.

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

The Firm assists in the distribution of interests in private funds managed by affiliates of the Vinci Group in accordance with applicable exclusions from the definition as broker-dealer under the U.S. Securities Exchange Act of 1934.

The following Brazilian investment managers are affiliates of the Firm and are either directly or indirectly controlled by Vinci Partners. Each is registered with the Comissão de Valores Mobiliários (Brazil's Securities and Exchange Commission). The following briefly summarizes the primary business of each entity but does not necessarily describe the full scope of their activities.

- SPS Capital Gestão de Recursos Ltda. that manages preponderant distressed asset funds.
- Vinci Asset Allocation Ltda. is an investment adviser that manages medium and long-term investment strategies for Brazilian private pension products.
- Vinci Capital Gestora de Recursos Ltda. is an Exempt Reporting Adviser filing with the Securities and Exchange Commission that manages private equity pooled investment vehicles and also provides project financing.
- Vinci Equities Gestora de Recursos Ltda is an investment adviser that provides long-only investment advice.
- Vinci Soluções de Investimentos Gestora de Recursos Ltda is an investment adviser that provides wealth management services to high-net-worth individuals.
- Vinci Gestora de Recursos Ltda. is an investment adviser that provides macro trading strategies.
- Vinci GGN Gestão De Recursos Ltda. is an investment adviser that manages private equity pooled investment vehicles in particular through investments in securities of issuance of companies whose activities are carried out in Brazilian Northeast region.
- Vinci Infraestrutura Gestora De Recursos Ltda. is an investment adviser that manages infrastructure asset funds.
- Vinci Real Estate Gestora de Recursos Ltda. is an investment adviser that provides advisory services focused on real estate investing.

As noted in Item 4, Advisory Business, Vinci Partners provides certain services to the Firm in the form of legal support; risk management; research; certain back-office services such data processing and Client accounting, and other general administrative services. Some of the personnel providing such services are employed by the above mentioned affiliated entities of the Firm. To address the potential conflict of interests and confidentiality issues that may exist when persons perform functions on behalf of other affiliated entities, the Firm has implemented certain segregation procedures adopted by the Vinci Group, which are focused on information segregation designed to (i) physically segregate facilities, or where this is not possible to define practices designed for the efficient use of shared facilities; (ii) protect classified information; (iii) train affected Vinci Group employees concerning their obligations in respect to such segregation; (iv) restrict the access to files containing confidential information; and (v) establish policies related to the purchase and sale of securities by the Vinci Group employees, administrators and officers. As noted in Item 5, Fees and Compensation. The Firm has in the past and may in the future recommend that Clients invest in Pooled Funds advised by Vinci USA or its affiliates, when it believes that doing so is in the best interest of a Client. The Firm has also adopted a Code of Ethics as described below in Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

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

Vinci USA has adopted a comprehensive Code of Ethics (the “Code”) designed to promote high ethical standards and reflect Vinci USA’s fiduciary duty. The Code of Ethics establishes standards of business

conduct for all employees. The Code is designed to detect and prevent prohibited acts and mitigate potential conflicts of interest between Vinci USA, its affiliates, its employees and Clients. Vinci USA provides training at least annually to all employees which includes its Code of Ethics.

The Code of Ethics permits employees of Vinci USA, including their spouses, minor children, and/or any other person or entity over which the employee exercises control or investment discretion, to engage in limited personal investing that is generally in accordance with the Vinci Group's Personal Investment Policy, which only permits Firm employees and partners to transact for the benefit of their personal accounts, investments in: (i) sovereign and municipal bonds; (ii) savings accounts, certificates of deposit or other debt securities issued by a financial institution; (iii) shares of opened-end investment funds including those managed by the Vinci Group; (iv) shares of closed-end investment funds not listed on any stock exchange or on an organized, over the counter market including those managed by the Vinci Group; (v) shares of real estate investment funds ("REIF") listed on a stock exchange or an organized over the counter market, including those managed by the Vinci Group; (vi) Exchange Trade Funds, and (vii) special purpose acquisition companies ("SPAC"). Employees also invest alongside Clients in certain third-party advised funds, often with approval from the third-party investment manager to invest below their stated minimum investment amount. This creates certain conflicts of interest as Vinci USA and its employees have an incentive to allocate limited investment opportunities to the employee before a Client. To address the conflict-of-interest that exists when employees or persons affiliated with the Vinci Group make personal investments in Pooled Funds advised by Vinci USA its affiliates, or other investment advisers, pre-approval is required. The Firm's employees are generally prohibited from investing directly or indirectly in individual securities. However, the CCO may, after consultation with the Vinci Group's Legal Department, waive such restrictions.

The Code of Ethics provides guidelines for employees to identify instances when they might be exposed to material non-public information and compliance procedures when they believe they are in possession of material non-public information. The Code of Ethics strictly prohibits Vinci USA and its employees from engaging in market manipulation, the spreading of rumors and any sort of collusion with other market participants.

Other features of Vinci USA's Code of Ethics include:

- annual certification by employees that they have read, understand and agree to abide by Vinci USA's Code of Ethics and insider trading policies and procedures; and
- quarterly submission of securities transaction reports and annual securities holdings reports for each personal account of the employee and their spouse, minor children, and any other person or entity over which the employee exercises control or investment discretion.

Clients, investors and prospective clients may request a copy of the Code of Ethics by an email to [compliance@vincipartners.com](mailto:compliance@vincipartners.com).

## **Item 12      Brokerage Practices**

### *Best execution*

The Firm selects broker-dealers and counterparties to effect client transactions unless a Client or contractually the Firm is not authorized to select broker-dealers or counterparties for client transactions.

When the Firm is authorized to select broker-dealers, it seeks those broker-dealers who it believes can provide best execution. The principal factors determining this selection may include, but are not limited to: efficient services, credit risk, price, trading expertise, access to particular markets, reliability, reputation and availability of securities to borrow for short sales. Research services provided by such brokers are not taken into consideration when selecting brokers. “Best execution” is not synonymous with lowest brokerage commission. Consequently, in a particular transaction, a client may pay a brokerage commission in excess of that which another broker might have charged for executing the same transaction. It should be noted that under the investment management agreement with the Atlas Fund, the Firm does not select broker-dealers or counterparties and as a result is not responsible for ensuring best execution of transactions for the Atlas Fund.

The Firm does not have any formal soft dollar arrangement. However, if it decides to establish any soft dollar relationship, it plans that all soft dollar arrangements will be compliant with Section 28(e) of the Securities Exchange Act of 1934, as amended. Although research services provided are not taken into consideration when selecting brokers, the Firm does on occasion receive research and services from broker-dealers that it selects. Such research and other services are received by the Firm from the brokers free of charge. The types of research and services received from broker-dealers during the past fiscal year include reports or other information about particular companies or industries, economic analyses, recommendations of specific securities and financial publications, and invitations to meetings, conferences and events.

#### *Aggregation of orders*

If the Firm decides to purchase or sell the same securities for more than one client, the Firm may, but is not required to, aggregate or “bunch” orders in a block trade or trades that may facilitate obtaining the best price or transaction cost. Such aggregation will generally only occur within the same product line (e.g., wealth management, macro strategies, and others), and when the account is managed by the same portfolio manager, because the trading is done autonomously by the portfolio managers within each product line without consulting or requiring approval from portfolio managers of other product lines. Under this procedure, transactions will be averaged as to price and transaction costs and will be allocated among the clients in proportion to the purchase and sale order placed for each client on any given day.

If the Firm cannot obtain execution of all the combined orders at prices or for transaction costs that the Firm believes are desirable, the Firm will generally allocate the securities they do buy or sell on a pro rata basis among the client accounts, using daily average prices for the securities purchased or sold, and generally based, for each client, on net asset value of the client, current position size for the securities purchased or sold and target position size for the securities purchased or sold, unless the clients have differing investment strategies that require a different allocation, or the Firm believes in good faith a different allocation is appropriate. For further discussion of the Firm’s trade allocation policy, see Item 6 “Performance-Based Fees and Side-by-Side Management”.

The Vinci Group has established autonomous business units based on type of offering, the portfolio managers involved and/or investment strategy. Each business unit is authorized to effect transactions without consulting or requiring approval from portfolio managers of other product lines. Due to differences that may exist between Clients, such as having different investment objectives or risk profiles, it is not always possible to effect transactions for all Clients at the same time. However, when a specific business unit is effecting transactions on behalf of multiple Clients simultaneously, the business unit will strive to aggregate Client trades and allocate securities pro rata, based on the value of a Client’s account using the average price for the securities purchased or sold, unless the business unit believes in good faith a different allocation is appropriate.

## **Item 13      Review of Accounts**

Each Client portfolio is monitored on a continual basis under the direction of the respective portfolio manager in order to monitor and analyze holdings, exposure, concentration, specific risks and mandates of Client accounts.

Upon request, investors in FOF Clients can receive monthly or quarterly unaudited, written reports that have been reconciled to information provided by their custodian and/or third-party service provider. Audited financial statements are sent to investors annually.

Upon request, SMA Clients can receive monthly or quarterly unaudited, written reports that have been reconciled to information provided by their custodian and/or third-party service provider.

See also Item 15 - Custody.

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

The Firm does not receive any economic benefit from any party other than Clients as disclosed in Item 5, Fees and Compensation for providing advisory services to our Clients. The Firm or its affiliates do not compensate any person for client referrals.

## **Item 15      Custody**

For purposes of the custody rule under the U.S. Investment Advisers Act of 1940 (“Custody Rule”), the Firm is deemed to have “custody” of certain Client assets, such as when we have the ability to deduct fees from client accounts or the Firm or an affiliate serves as general partner to a FOF Client.

When the Firm is deemed to have custody with respect to cash or securities of a FOF Client, investors in such fund will generally receive annual audited financial statements prepared by an independent accounting firm that is registered with and subject to review by the Public Company Accounting Oversight Board, and the Firm will comply with all other requirements of the Custody Rule.

The Firm will generally not have custody of cash or securities of SMA Clients. All new investment management agreements for SMA Clients specifically state that the Firm will not have custody and that any power-of-attorney granted to any affiliated person of the Firm will not provide the power to operate or withdraw any funds from Client accounts. If the Firm is deemed to have custody with respect to cash or securities of a SMA, the investor will receive at least quarterly account statements from the account’s qualified custodian (which the client should carefully review), or the Firm will otherwise comply with all other applicable requirements of the Custody Rule, including obtaining a surprise examination in accordance with the Custody Rule. If investors also receive account statements directly from the Firm, such statements shall include an explanation urging the client to compare such statements with account statements received from the qualified custodian.

## **Item 16      Investment Discretion**

The Firm has discretionary authority to manage the portfolios of all Pooled Funds, the macro funds, and certain Fund-of-One and SMAs that have granted the Firm investment discretion pursuant to an investment management agreement or similar document. Investors in the Pooled Funds, and the macro funds may not impose any investment restriction on the Firm. Investors in Fund-of-Ones and SMAs may, with approval of



the Firm, impose investment restrictions on the Firm.

## **Item 17      Voting Client Securities**

The Firm has the authority to vote, in its sole discretion, all proxies solicited by or with respect to the issuers of securities held in Client accounts that it advises on a discretionary basis except for the Atlas Fund. Whenever any corporate action is required, the Firm shall consider and vote in the best interests of its clients.

Vinci USA will vote proxies relating to Client securities in the best interest of Clients, although it will generally vote client proxies only when the agenda and the size of a position are relevant, as well as when such exercise does not bring excessive costs to Clients. When voting proxies, Vinci USA will review on a case-by-case basis each proposal submitted for vote to determine its impact on the portfolio securities held by Clients. Although Vinci USA will generally vote against proposals that may have a negative impact on Client portfolio securities, it may vote for such a proposal if there exist compelling long-term reasons to do so.

The proxy voting decisions of Vinci USA are made, subject to oversight by assigned members of the investment team who are responsible for monitoring each of Vinci USA investments. To ensure that their respective votes are not the product of a conflict of interest, Vinci USA requires that: (a) anyone involved in the decision-making process disclose to Vinci USA's Chief Compliance Officer any potential conflict that he or she is aware of and any contact that he or she has had with any interested party regarding a proxy vote; and (b) Supervised Persons involved in the decision-making process or vote administration are prohibited from revealing how Vinci USA intends to vote on a proposal in order to reduce any attempted influence from interested parties.

Clients may obtain further information about votes at [compliance@vincipartners.com](mailto:compliance@vincipartners.com).

## **Item 18      Financial Information**

The Firm is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.