



Firm Brochure
(Part 2A of Form ADV)

Highmore Group Advisors, LLC

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Firm CRD # 174419

March 14, 2023

This Brochure provides information about the qualifications and business practices of Highmore Group Advisors, LLC. If you have any questions about the contents of this Brochure, please contact Brian Altenburg 212-255-2221 or brian.altenburg@highmore.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Please note, the use of the terms "registered investment adviser" and/or "registered", registration itself does not imply a certain level of skill or training.

Additional information about Highmore Group Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Material Changes

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

Since the filing of our last annual updating amendment, dated March 16, 2022 there have been no material changes made to this brochure.

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Item 4 Advisory Business

Highmore Group Advisors, LLC ("Highmore" or the "Firm") is an alternative asset management company founded in October 2014 and headquartered in New York City. Highmore is a limited liability company that was co-founded by Brian Altenburg and Dipak Jogia. The sole Member to the Firm is Highmore Group Holdings, LP, and the General Partner to Highmore Group Holdings, LP is Highmore Group, LLC. Highmore Group Holdings, LP is majority-owned by Brian Altenburg and Dipak Jogia.

Highmore is a diversified, global alternative asset management firm, acting both as principal investors and allocators on behalf of private and institutional clients. Highmore is focused on skills-based investing, which is defined as investments that are driven by idea specific (idiosyncratic) risk. The Firm aims to create profiles where idiosyncratic risk dominates over market risk through both direct and indirect investing.

Highmore provides investment advisory or sub-advisory services to high net worth individuals, businesses, and institutional clients including private funds. Clients may impose restrictions on investing in certain securities or types of securities. Highmore manages each Investment Company pursuant to the investment strategy and restrictions described in the prospectus of such Investment Company. Highmore does not provide tailored investment advisory services to the individual investors in an Investment Company. In addition to the services above, Highmore provides additional investment support in the following areas below.

Highmore Solutions

Highmore through Highmore Solutions as "Relying Advisers" in Part 1A of Highmore's Form ADV (see Sections 1.B. and 7.A of Schedule D thereof) also provides due diligence and propriety research services for investment advisers, including providing third-party support in the areas of quantitative support, risk management, investment monitoring, risk strategy and business development.

Highmore Impact

Highmore provides socially responsible investing options. Highmore looks to make investments that provide a positive social impact while also using the Highmore processes of skills based investing. Highmore defines Impact as the non-financial consequences of an investment. We seek to create investment opportunities that produce positive environmental, social, and/or governance (ESG) impact.

Highmore Cash Management

Highmore provides cash management services that are segmented by client time horizon and liquidity requirements.

Highmore Properties

Highmore provides commercial real estate advisory services and partners with experienced operators having highly specialized real estate teams across products and investment structures including direct and pooled investments. In addition, through Highmore Properties, Highmore offers its Opportunity Zone Fund, HOZF I, LP, HOZF II, and the AREC Highmore Real Estate Income Fund, LP.

Highmore Group Advisors Private Investment Funds

Highmore serves as the general partner, managing member, or manager of and/or the investment adviser to, certain private investment funds. As used in this section, the term "the Adviser" includes both Highmore; and Highmore Group, LLC, which are identified as "Relying Advisers" in Part 1A of Highmore's Form ADV (see Sections 1.B. and 7.A of Schedule D thereof).

The Adviser bases its advice to such private investment funds on the investment objective and restrictions (if any) set forth in the applicable offering memorandum, organizational documents, investment management agreement, and/or subscription agreements, as the case may be (each and collectively, the "Governing Documents").

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

Assets Under Management

As of December 31, 2022, Highmore Group Advisors LLC had assets under management of \$2,749,614,085 which was comprised of total regulatory assets under management of \$613,814,085, and advisory assets of \$2,135,800. The regulatory assets under management includes discretionary regulatory assets under Management of \$314,851,276 and non-discretionary assets under management of \$298,962,808.

Item 5 Fees and Compensation

Highmore charges a percentage of assets under management to clients. Certain clients are also charged a performance-based fee. Both asset-based and performance-based fee and account minimums are negotiable based on a number of factors including size, responsibilities involved, type of relationship, etc. For Highmore's Highmore Solutions services, Highmore designs project specific compensation models.

Portfolio Management Services

Our annual fee for portfolio management services varies depending upon the market value of your assets under our management, the type and complexity of the asset management services provided, as well as the level of administration requested either directly or assumed by the client. However, portfolio management services involving both discretionary and non-discretionary management are typically no more than 2% of asset under management and are generally payable monthly in arrears and deducted directly from the client's account. Under certain circumstances, Highmore may also charge a performance-based fee for qualified accounts based on a share of capital gains on or capital appreciation which is further described in Performance-Based Fees and Side-By-Side Management. However, services mentioned above, the fees charged, and the method by which fees are charged are negotiable and are detailed in each investment management agreement. Highmore's fees are separate from custodial fees, fund expenses and brokerage transactions which clients may pay in connection with the services that we provide. Please also see the Brokerage Practices section of this brochure.

Clients may terminate the portfolio management agreement upon written notice to our firm. However, client's invested in private funds or direct investments may be subject to a lock-up provision as described in the offering documents.

If a client's investment management agreement is terminated or a withdrawal is made from a client account during a period, the fee payable to the Firm will be calculated based on the value of the assets on the termination date or withdrawal date and prorated for the number of days during the period in which the investment management arrangement was in effect.

Highmore imposes a minimum of \$20,000,000 for personal accounts and \$50,000,000 for institutional accounts (these minimums are negotiable and can be waived at our discretion).

Advisory Services Offered to Private Funds (Hedge Funds, Private Equity, Real Estate)

Specific information regarding our advisory fees as it relates to private funds can be found in the applicable Private Offering Memorandum or offering documents. All fees and expenses assessed to the private funds are fully disclosed to investors in the respective hedge fund's Private Placement Memorandum or offering documents and in Investor Subscription documents.

In addition to advisory fees, the Firm may also receive a performance-based allocation based on a share of capital gains on or capital appreciation of the Hedge Fund's assets.

The Hedge Fund's minimum subscription amount is \$1,000,000 for individuals and \$5,000,000 for institutions (these minimums are negotiable and can be waived at the investment manager's discretion).

Investment advice we provide to private funds is under a separate agreement. We may recommend investments in the hedge funds we manage for our client accounts. Therefore, as a client of our firm, you are advised that we will receive compensation from private funds where we act as the adviser and that a conflict of interest exists when investing your assets in the hedge funds we advise. We will only make such investments where we believe it is consistent with our fiduciary duty and your investment objectives. We will earn fees from the private funds for investments made in the private funds we advise and may earn separate fees from you for asset allocation, monitoring, and other services. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by private funds. For tax-qualified accounts with assets invested in the hedge fund, the advisory fee on such assets will be offset by the amount of the management fee paid to us by the hedge fund.

Highmore Solutions

The Firm charges a fixed fee for its Highmore Solutions. Highmore Solutions provides services typically to other investment advisers and institutions including; due diligence, investment sourcing, investment monitoring, asset allocation, portfolio completion, behavioral analytics, philanthropic solutions, investment content, and sales support. Highmore may also serve as a sub-advisor in regard to some Highmore Solutions clients. These fees may be negotiated at the Firm's discretion based on a number of factors including size, responsibilities involved, and the type of relationship.

Highmore Cash Management

Highmore cash management services fees are negotiated based on a number of factors including size, responsibilities involved, type of relationship, etc.

Compensation for the Sale of Securities or Other Investment Products

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

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

Highmore provides investment management services to multiple clients and is paid performance-based compensation by certain client accounts, including the Private Funds and qualified clients. When Highmore manages more than one client account, a potential conflict of interest exists when clients are charged different types of fees. One client account may be favored over another client account and there is a greater incentive to favor client accounts that pay the Firm (and indirectly the investment team) performance-based compensation or higher fees.

The Firm has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple accounts, including accounts with multiple fee arrangements, and the allocation of investment opportunities. The performance of similarly managed accounts is also regularly compared to determine whether there are any unexplained significant discrepancies. Performance-based fees paid by private funds are described in the offering documents and qualified clients' fees are described in the investment management agreement. However, performance-based fees are typically based on a share of the capital gain on or capital appreciation. These fees are generally payable annually in arrears and are only paid after a high water mark has been achieved.

Item 7 Types of Clients

Highmore's clients consist of high net worth individuals, businesses, institutional clients including private funds. The Firm imposes a minimum of \$20,000,000 for individuals and \$50,000,000 for institutions to open an account (these minimums are negotiable and can be waived at our discretion see Item 5 - Fees and Compensation). Private fund minimum subscription amounts vary depending on the private fund. See the offering documents for more information.

As stated in Item 4 - Advisory Services, Highmore also provides due diligence services for investment advisers, including providing third-party support in the areas of quantitative support, risk management, risk strategy and business development.

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

Highmore is a private partnership that was co-founded by Brian Altenburg and Dipak Jogia. Highmore is focused on skills based investing, which is defined as investments that are driven by idea specific risk. The company aims to create profiles where idiosyncratic risk dominates over market risk through both direct and indirect investing.

Highmore recognizes that generating idiosyncratic returns is predicated on skill and therefore views human capital as the most important factor in achieving investment success. The investment approach is opportunistic and forward-looking with a global investment universe, across all asset classes and public and private markets. Highmore focuses on the alignment of interests with its investment teams, operating partners and management teams. This focus results in investments with highly specialized teams that are at an earlier stage in their business life-cycle. The Firm employs a highly disciplined process driven approach and is focused on partnership with investors through a solutions-driven approach, its research and analytics platform and a focus on transparency and communication with investors.

The Highmore approach focuses on:

- Proven solutions-driven approach;

- Generating long-term capital appreciation with downside protection;
- Solving for capital growth, yield, and diversification;
- Structure agnostic - multi- or single manager;
- Opportunistic and forward-looking: global focus, across a variety of asset classes and investment strategies, direct and indirect investing, liquid and illiquid;
- Investments teams aligned with business goals with a focus on early stage and specialized teams;
- Risk-based diversification and active management;
- Fee efficiency; and
- A particular emphasis on alternative investments including hedge funds, private equity, real assets, special opportunities, and direct investments.

Highmore defines an absolute return approach as one where idea specific risk dominates over market risk and which is executed through active long and short positions and the use of cash and derivatives to manage portfolio risk. While manager selection will be the dominant driver of performance over the long-term, Highmore's approach will also focus on global imbalances and be assessing the extent to which financial markets have priced these imbalances. As a result, Highmore will focus on the valuation relative to the imbalance along with an assessment of perceived versus actual risk and the catalysts required for the re-pricing of the imbalance.

Material Risks Relating to Investment Strategies

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in separately managed accounts advised by the Firm. These risk factors include only those risks the Firm believes to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by the Firm. The below risk factors may not be applicable to all clients. With respect to Highmore Fund's, prospective investors should carefully consider the risks of investing, which include, without limitation, those set forth below which are more fully described in the relevant Fund's offering document.

Convertible Arbitrage Strategies. The Firm may utilize, on behalf of client accounts, convertible arbitrage strategies, the success of which depends on the Firm's ability to identify and exploit price discrepancies in the market and such opportunities involve uncertainty. No assurance can be given that the Firm will be able to locate investment opportunities or to correctly exploit price discrepancies. A reduction in the pricing inefficiency of the markets in which the Firm will seek to invest will reduce the scope of the Firm's investment strategies. In the event that the perceived mis-pricings underlying the client's positions were to fail to materialize as expected by the Firm, the client could incur a loss.

Directional Strategies. The Firm may utilize, on behalf of client accounts, directional investing strategies, which is subject to all the risks inherent in correctly predicting future price movements. Often Firm's analysis of known factors may prove inaccurate €" in each case potentially leading to substantial losses.

Event Driven Strategies. The Firm may utilize, on behalf of client accounts, event-driven strategies, in which case the Firm will have to make predictions about (i) the likelihood that an event will occur, and (ii) the impact such event will have on the value of a company's securities. If the event fails to occur or it does not have the effect foreseen, losses can result. For example, the adoption of new business strategies, a meaningful change in management or the sale of a division or other significant assets by a company may not be valued as highly by the market as the Firm had anticipated, resulting in losses. In addition, a company may announce a plan of restructuring which promises to enhance value and fail to implement it, resulting in losses to clients and/or investors.

Fee Structure. Private funds managed by the Firm may utilize a so-called "hedge fund of funds" or "multi- manager" investment strategy, pursuant to which its assets are invested in Underlying Funds picked by the Firm. As such, investment management fees will be charged to the fund by both the Investment Manager and the investment managers of the Underlying Funds.

Fund of Funds Risk. Private funds managed by the Firm may accept investments from fund of funds. From time to time these fund of funds may change or rebalance underlying holdings. This could result in large inflows into the private fund or large redemptions from the private fund, which may increase transaction costs or portfolio turnover.

Geographic Risk: Performance could be closely tied to the market, currency, economic, political, regulatory, geopolitical, or other conditions in the countries or regions in which an underlying fund or direct investment is made and could be more volatile than the performance of more geographically diversified funds.

Hedging Transactions. The Firm may, on behalf of client accounts, utilize a variety of financial instruments, such as derivatives, options, interest rate swaps, caps and floors, and forward contracts, for investment purposes and for risk management purposes in order to: (i) protect against possible changes in the market value of its investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) enhance or preserve returns, spreads or gains (including unrealized gains) on any investments in its portfolio; or (iii) hedge the interest rate or currency exchange rate on any of its liabilities or assets.

The Firm may not anticipate a particular risk so as to hedge against it. In addition, hedging transactions may result in a poorer overall performance for the client than if it had not engaged in any such hedging transaction. The success of the hedging strategy of the client is subject to the Firm's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolios being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Firm's hedging strategy is also subject to the Firm's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner.

Liquidity Risk. Liquidity risk is the risk that holdings which are considered to be illiquid may be difficult to value. Illiquid holdings also may be difficult to sell, both at the time or price desired.

Merger Arbitrage Strategies. The Firm may utilize, on behalf of client accounts, merger arbitrage strategies, which may result in significant losses when proposed transactions are not consummated or consummated at a price different from the original price offered for the merger. The consummation of mergers, tender offers and exchange offers can be prevented or delayed by a variety of factors, including: (i) opposition of the management or shareholders of the target company, which often results in litigation to enjoin the proposed transaction; (ii) intervention of government agencies; (iii) efforts by the target company to pursue a defensive strategy, including a merger with, or a friendly tender offer by, a company other than the offer; (iv) an attempt by a third party to acquire the offer; (v) in the case of a merger, failure to obtain the necessary shareholder approvals; (vi) market conditions resulting in material changes in securities prices; (vii) compliance with any applicable legal requirements; and (viii) inability to obtain adequate financing.

Relative Value Strategies. The Firm may utilize, on behalf of client accounts, relative value strategies, the success of which depends on market values converging towards the theoretical values determined by the Firm, who may use various valuation models. If the perceived mis-pricings underlying the client's positions fail to converge toward or diverge further from, relationships expected by the Firm, the client may incur a loss. In the event of market disruptions, significant losses can be incurred which may

force the Firm, on behalf of its client, to close out one or more positions. Such disruptions have in the past resulted in substantial losses for funds employing relative value strategies. Furthermore, the valuation models used to determine whether a position is mispriced may become outdated and inaccurate as market conditions change. The Firm's relative value investment strategy may result in high portfolio turnover and, consequently, high transaction costs.

Risk of Loss. Investing involves a certain amount of risk of loss that clients should be prepared to bear. Questions regarding these risks and/or increased costs may be directed to Highmore and its management.

Short Selling. The Firm may engage, on behalf of client accounts, in short selling, which is inherently more risky than long positions. Short selling involves selling securities which may or may not be owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Although short selling allows the investor to profit from declines in market prices to the extent such declines exceed the transaction costs and the costs of borrowing the securities, it does involve greater risk than investments based on a leveraged long position. A short sale creates the risk of an unlimited loss, as the price of the underlying security could theoretically increase without limit, thus increasing the cost of buying those securities to cover the short position.

There can be no assurance that the securities necessary to cover a short position will be available for purchase. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Use of Leverage. The Firm may leverage its investment positions by directly or indirectly borrowing funds from securities broker-dealers, banks or others. The Firm also may "leverage" its investment return with options, swaps, forwards and other derivative instruments that are inherently leveraged, and other forms of direct and indirect borrowings.

The amount of borrowings which a client may have outstanding at any time may be large in relation to its capital. The cumulative effect of the use of leverage by the Firm in a market that moves adversely to a client's investments could result in a loss to the client that would be greater than if leverage were not used. These losses may, in turn, result in losses to the client. Although borrowing and use of leverage creates an opportunity for greater yield and total return, it increases the client's exposure. In general,

the Firm's use of short-term margin borrowings will result in certain additional risks to the client. For example, should the securities that are pledged to brokers to secure the client's margin accounts decline in value, or should such brokers increase their maintenance margin requirements (i.e., reduce the percentage of a position that can be financed), the client account could be subject to a "margin call," pursuant to which the client would be required to either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a precipitous drop in the value of the assets of the client account, it might not be able to liquidate assets quickly enough to pay off the margin debt and might suffer mandatory liquidation of positions in a declining market at relatively low prices, thereby incurring substantial losses.

General risks

Business Continuity - The Firm's business operations may be vulnerable to disruption in the case of catastrophic events such as fires, natural disaster, terrorist attacks or other circumstances resulting in property damage, network interruption and/or prolong power outages. Although the Firm has implemented, or expects to implement, measures to manage risks relating to these types of events, there can be no assurances that all contingencies can be planned for. These risks of loss can be substantial and could have a material adverse effect on the Firm and investments therein.

Outbreak Risks - An epidemic outbreak or pandemic, and reactions thereto could cause uncertainty in markets and businesses, including the Firm's business, and may adversely affect the performance of the global economy, including causing market volatility, market and business uncertainty and closures, supply chain and travel interruptions, the need for employees and vendors to work at external locations, and extensive medical absences. The Firm has policies and procedures to address known situations, but because a large epidemic or pandemic may create significant market and business uncertainties and disruptions, not all events that could affect the Firm's business and/or the markets can be determined and addressed in advance.

Item 9 Disciplinary Information

Rule 206(4)-4 of the Investment Advisers Act of 1940 requires investment advisors to provide clients with disclosures as to any legal or disciplinary activities deemed material to the client's evaluation of the advisor. Please note, neither the Firm nor its personnel has any disciplinary, regulatory, criminal, civil, or otherwise reportable history to disclose at this time.

Item 10 Other Financial Industry Activities and Affiliations

Highmore Properties is a division of Highmore. Highmore Properties provides debt and equity investment and asset management in multi-sector commercial real estate. By utilizing core, core plus, value add and opportunistic strategies combined with Macro and Micro economic analysis, Highmore attempts to deliver attractive risk adjusted returns.

Highmore partners with experienced operators having highly specialized real estate teams across products and investment structures including direct and pooled investments.

Typical transactions for equity ownership are from \$10 to \$150 million, senior loans range from \$25 to \$150 million plus, and mezzanine loans range from \$25 to \$75 million. Highmore does not believe that these services provide a material conflict of interest with its duty to its advisory clients.

Highmore Group Advisors UK Limited is an affiliated company that provides Highmore's services in the United Kingdom.

Mr. Jogia is Managing Member of D.P. Jogia & Co. LLC, an entity formed solely for the purpose of making personal investments.

Item 11 Code of Ethics

Highmore has adopted a code of ethics ("Code") pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 (the "Advisers Act"). The Firm's Code obligates all its partners and employees ("Access Persons") to put a client's interest over their own. The purposes of the Code are to (i) educate Access Persons about the laws governing their conduct, (ii) remind Access Persons that they are in a position of trust and must act with complete propriety at all times, (iii) guard against violation of the federal securities laws, (iv) protect the Firm's clients by deterring misconduct, and (v) establish procedures for Access Persons to follow so that we can assess whether our Access Persons are complying with our ethical principles. All Access Persons must certify that they have received, read and understand our Code, annually or as amended.

The firm and its associated persons may trade in the same securities as traded for clients. However, it is the policy of the firm not to give preference to orders for the firm and/or personnel associated with the firm regarding such trading. The firm and/or its employees and members may personally invest in

the same securities that are purchased for client trading accounts and may own securities that are subsequently purchased for client accounts. If a security is purchased or sold for client accounts and the firm and/or its employees or members on the same day, the firm and/or its employees or members will pay or receive the same price as the client account, or the client account will receive the more favorable price. If purchased or sold on different days, it is possible that the firm and/or employees' or members' personal transactions might be executed at more favorable prices than were obtained for clients. The firm and its associated persons may also invest in privately placed investment that it also recommends or invests on behalf of its clients. However, whenever trading such privately placed investments the firm and its associates shall seek to do so *pari passu* or on the same terms as the firm's clients. When associated persons trade privately placed investments at different times than clients a conflict or a perceived conflict of interest may exist. Investments in privately placed investments by associated persons is reviewed and approved in accordance with the firm's Code of Ethics.

The Firm's Chief Compliance Officer monitors compliance with the Code by reviewing the required initial, quarterly and annual reporting by Access Persons.

Potential or existing Firm clients may request a copy of the Code by contacting Brian Altenburg: brian.altenburg@highmore.com.

Item 12 Brokerage Practices

Highmore does not generally have discretionary authority to determine the broker or dealer to be used to purchase or sell securities for most client accounts. However, Highmore may exercise discretion over certain accounts including assets of registered investment companies for which it is an adviser.

The firm is not obligated to obtain the best net price or lowest brokerage commission on any particular transaction. Rather, applicable law requires investment managers to use their reasonable best efforts to obtain the most favorable execution for each transaction executed on behalf of client accounts. Therefore, the firm evaluates brokerage services offered on the basis of some or all of the following criteria:

- Execution capability
- Transaction fees and charges
- Effective communications
- Use of electronic efficiencies
- Whether the broker follows a particular security
- Ability to execute and settle trades efficiently
- Willingness to execute related or unrelated difficult transactions
- Client reporting capabilities
- Financial stability
- General reputation

Based upon an evaluation of some or all of these factors, the firm may execute client trades through broker-dealers that charge fees that are higher than the lowest available fees. The firm may select broker-dealers whose fees may be greater than those charged for similar investments if the firm determines that brokerage services and research materials provided by that broker-dealer warrant the payment of higher fees. The firm may aggregate orders of more than one client if it is determined that aggregation is in the best interests of the clients. Trade aggregation is usually sought to obtain lower commissions and costs or a better transaction price. The firm does not aggregate securities

transactions for client accounts unless it believes that aggregation is consistent with its duty to seek best execution and is consistent with the investment objectives and guidelines for the client accounts participating in the trade.

When orders are aggregated, the price paid by each account is the average price of the order. Transaction costs are allocated to each client on a pro rata basis, based upon the ratio of the amount of particular issue of securities allocated to the account to the overall amount of that issue purchased. It is the firm's policy that trades are not allocated in any manner that favors one group of similarly-situated clients over another. Client transactions may be aggregated according to the custodial relationship in consideration of execution charges that may be imposed if trades are directed to a non-custodial broker-dealer for execution. Aggregated trades placed with different brokers may be priced differently.

When clients control trading or direct the firm to place transactions with brokerage firms of the client's choosing, the client should note that the firm may be unable to achieve most favorable execution of client transactions. Directing brokerage may cost the client more money, since the client may pay higher brokerage commissions because the firm may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.

While Highmore does not participate in any formal soft dollar arrangements, the firm may receive services other than execution from brokerage firms when client trades are placed with brokerage firms. These services, as described below, are provided as a benefit to working with the brokerage firm and Highmore does not use client brokerage commissions to obtain these services. The firm may receive, without cost to the firm, online access to client accounts, which may include account analysis tools and research. These services allow the firm to better monitor client accounts maintained at the custodial firm. Additionally, the firm may also receive duplicate client confirmations, bundled duplicate statements, and access to a trading desk that exclusively services advisory firms who place client transactions through these brokerage firms.

Item 13 Review of Accounts

Each individual investment is generally reviewed at least quarterly by the Investment Committee which is Chaired by either Dr. Altenburg, Mr. Jogia, each a principal of the Firm, though significant events such as changes in assets, major market movements or macroeconomic events, legal or regulatory developments, a change in business structure, substantive personnel changes at the investment-level and revised investment terms can trigger an immediate review of an investment. Each client's account is monitored regularly for performance, adherence to investment strategy, changes in personnel, current positioning and outlook, and risk management.

Item 14 Client Referrals and Other Compensation

Highmore does not receive any economic benefit from any person that is not a client for providing advisory and management services to our clients. Highmore may compensate broker-dealers or other persons for client referrals in the form of asset-based fees or fixed referral fees.

Item 15 Custody

Highmore Group, LLC serves as the General Partner to Private Funds to which Highmore Group Advisors, LLC serves as the investment advisor including the: Highmore Credit Opportunities Fund, Highmore Credit Horizons Fund, LP, Highmore Trade Finance Fund, Highmore Equity Opportunities Fund LP, Highmore OZ Fund I, LP, Highmore OZ Fund II, LP and AREC Highmore Real Estate Income Fund, LP. The Company is deemed to have custody of the affiliated private funds.

The Company may be deemed to have custody of client funds and securities because it has the authority to obtain client funds or securities, for example, by deducting advisory fees from a client's account or otherwise withdrawing funds from a client's account.

Investors in the Private Funds receive audited financial statements prepared in accordance with U.S. Generally Accepted Accounting Principles within 180 days of each Fund's fiscal year-end.

Each Investment Company has made arrangements with qualified custodians as disclosed in the relevant Prospectus.

Item 16 Investment Discretion

Highmore provides investment advisory services on both a discretionary and non-discretionary basis to our clients. When discretion is authorized Highmore has the authority to determine (i) the securities to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement, offering document and any written investment guidelines) and (ii) the amount of securities to be purchased or sold for the client account. The Firm's discretionary authority is provided for in each client's investment management agreement or offering documents.

Item 17 Voting Client Securities

Highmore does not vote proxy solicitations received on behalf of clients from the issuers of securities held in client accounts. Clients will receive voting materials directly from the broker-dealer and/or the transfer agent of record. The proxy voting guidelines for an Investment Company can be found in its statement of additional information.

The proxy voting guidelines for registered investment company clients can be found in the respective statement of additional information and other similar documents.

Item 18 Financial Information

This Item 18 is not applicable to Highmore.