

## **Item 1: Cover Page**

### **SEC Form ADV Part 2A: Firm Brochure (“Brochure”)**

March 31, 2023

**Resolute Capital Asset Partners LLC  
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Denver, CO 80237  
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This brochure provides information about the qualification and business practices of Resolute Capital Asset Partners LLC. If you have any questions about the contents of this brochure, please contact us at (303) 209-4125, or by email at [afalicia@icapllc.net](mailto:afalicia@icapllc.net). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any states securities authority.

Resolute Capital Asset Partners LLC is an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”). Registration with the SEC does not imply a certain level of skill or training.

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

## **Item 2: Material Changes**

There have been no material changes to the Brochure since the filing on March 31, 2022.

Other changes were made that to this Brochure that are not specified in this summary. We encourage you to read the Brochure in its entirety.

## Item 3: Table of Contents

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## Item 4: Advisory Business

Resolute Capital Asset Partners LLC (the “Advisor”), was formed in 2018. The principal owner of the Advisor is James A. Hillary.

The Advisor provides investment advisory and portfolio management services to its advisory clients (each, an “Advisory Client” and collectively, the “Advisory Clients”), currently the Resolute Capital Asset Partners Fund I L.P. (the “Resolute Fund”).

Subject to the Advisory Clients’ stated investment objectives, restrictions and policies, or the terms of the Advisor’s investment management agreement, the Advisor generally has the sole responsibility for determining which general investment strategies are to be employed in managing the portfolios of the Advisory Clients to achieve the Advisory Clients’ investment objectives. Additionally, the Advisor is responsible for the management of the portfolios of the Advisory Clients, including the selection of the portfolio securities and specific purchase and sale decisions.

The Advisor’s investment advisory and portfolio management services are tailored to each Advisory Client, generally through the Advisor’s assessment of the Advisory Client’s particular characteristics, investment objectives, and investment limitations.

Investment advice for the Resolute Fund is provided by the Advisor directly to the fund, and not to its limited partners or investors.

Limitations on investments, if applicable, for the Resolute Fund can be found in the Limited Partnership Agreement (“LPA”) and Private Placement Memorandum.

As of December 31, 2022, the Advisor manages approximately \$197.3 million in Regulatory Assets Under Management (RAUM) all of which is currently managed on a discretionary basis.

## Item 5: Fees and Compensation

Fees charged by the Advisor are generally not negotiable. Fees may be waived by the Advisor at our discretion. Resolute, in its role as General Partner to the Resolute Fund, has the discretion to waive the fees of a Limited Partner.

### Management Fees

The Advisor receives a management fee equal to 1.00% per annum of the net asset value of each Limited Partner of the Resolute Fund. The amount due each month is one twelfth of 1.00% of the Limited Partner's capital account at the beginning of each month.

Fees are collected from the Resolute Fund upon approval by the General Partner.

### Refundable Fees

Upon termination of an agreement, any prepaid, unearned fees will be promptly refunded, subject to any transaction expenses associated with the liquidation of an account.

### Performance Fees

The Advisor may charge a performance-based fee in addition to the advisory fees in accordance with any agreements in place. Please see Item 6 for further details on performance fees.

### Other Fees and Expenses

In addition to the management fees and performance fees paid to the Advisor, each Limited Partner of the Resolute Fund is responsible for certain operating expenses related to their account. The Limited Partner Agreement for the Resolute Fund specifies the operating expenses to be paid.

In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, any transaction charges imposed by a broker-dealer with which an investment manager effects transactions for the client's account(s).

## Item 6: Performance Fees and Side by Side Management

The Advisor receives a performance fee (incentive allocation) from the Resolute Fund. The calculation of the performance fee is disclosed in the Limited Partner Agreement.

Performance fees are deducted from each individual Limited Partner account of the Resolute Fund upon calculation by the Administrator and approval by the General Partner.

### Conflicts Related to Performance Fees

Certain conflicts are inherent to the existence of performance fees. These conflicts may become more prevalent when certain accounts are charged performance fees while others are not. The Advisor has established a Code of Ethics in which the Advisor outlines its fiduciary duty to act in the best interest of its clients at all times. The Advisor further seeks to mitigate these risks whenever possible through policies and procedures.

### *Incentive to Take More Risk Where Performance Fees are Available*

One risk inherent to the existence of performance fees is the incentive for the Advisor to take greater risks in hopes of earning greater performance fees.

The Advisor seeks to mitigate this risk in a variety of ways. The use of a high water mark by the Advisor creates an incentive to balance risk and reward potential as any losses by clients will need to be regained before incentive fees are received. The Advisor also regularly monitors the risk of individual investments and the portfolio of each Advisory Client as a whole and has established general guidelines for reviewing investments that have lost value.

## Item 7: Types of Clients

The Advisor generally serves pooled investment vehicles.

### Pooled Investment Vehicles

The Advisor provides advisory services to a pooled investment vehicle that is: (i) structured to operate under exclusions from registration under the 1940 Act; or (ii) otherwise not subject to registration under the 1940 Act. Interests in the pooled investment vehicle is typically exempt from registration under the Securities Act of 1933, as amended (the “1933 Act”), in accordance with private placement exemptions that are available under Regulation D and Section 4(2) of the 1933 Act.

As a consequence, investors in the particular pooled investment vehicle must typically meet certain financial criteria. Investors in the particular pooled investment vehicle must demonstrate that they are “accredited investors,” and, may also have to establish their status as “qualified clients” or “qualified purchasers.” The precise financial criteria associated with these requirements are set forth in more detail in the subscription agreement of the investment vehicle.

Investors in the pooled investment vehicle is subject to an account minimum of \$5,000,000, which may be waived in certain circumstances at the sole discretion of the Advisor in its role as General Partner to the Resolute Fund.

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

### Investment Strategy

The Advisor seeks to generate long-term compounded annual returns. The Advisor seeks to achieve this objective with a traditional hedge fund approach, investing both long and short in a portfolio consisting primarily of publicly -traded common stocks. This strategy discussion is qualified in its entirety by the LPA and private offering memorandum of the Resolute Fund which provides, among other things, that the Advisor has the ability to depart from its stated strategies from time to time.

### Investment Process

The Advisor views information management as an important component of the investment process, and divides the management of information into two broad categories: (i) information access, or acquisition, and (ii) information processing, or management. The Advisor will seek to acquire the best and most timely information it is able to access, from a wide variety of sources, including public company SEC filings, company managements, suppliers and competitors, financial publications and trade journals, databases for quantitative screening, internet-based resources, and the Advisor's network of industry and professional contacts and associations, etc. The information that the Advisor seeks will vary case by case, depending on what the Advisor believes it needs in order to reach a profitable investment decision in each case. The Advisor believes that maximizing the quality of information at the front end of its research process, especially with respect to information that is not widely available or understood, may help create an advantage for the client.

However, the Advisor believes that a greater opportunity to create competitive advantage lies with the quality and efficiency of its information management process. Under normal circumstances, the Advisor will bring focused disciplines and experience to bear, first, at the front end, to ferret out from the virtually unlimited quantity of available information that which the Advisor believes is most useful and relevant; then, in the analytical stage of the research process, to assess and qualify investment ideas in terms of their appeal as long or short positions; and finally, at the back end, to reach productive investment decisions that satisfy the Partnership's investment criteria and fulfill an understood role in the portfolio overall that may be actively monitored during the holding period of the position. Quantitative tools will be employed at the front end of the investment process to screen for investment ideas, and, at the back end, for portfolio construction and risk management purposes. However, bottom-up fundamental research will be the primary driver of the investment decision-making process.

### Risk of Loss

#### *General Risk of Investing*

Investing in securities involves a substantial risk of loss to the value of investments. Each client or investor should be prepared to bear the risk of losing a substantial amount of their investment



up to and including all assets invested. The Advisor recommends both long and short investments. Long securities risk a loss equal to the amount invested, short securities have a risk of unlimited loss. The Advisor seeks to manage risk on several levels but does not attempt to hedge against all possible exposure nor does the Advisor attempt to maintain neutrality to the market, sector, industry or any other risk factor. Performance is subject to numerous factors that are neither within the control of or predictable by the Advisor including economic, political, competitive and other conditions. A non-exhaustive list of the significant risks related to the method of analysis and the investment strategies of the Advisor is outlined below. A more thorough listing of risks associated with the Fund can be found in the offering documents specific to the investment vehicle.

#### *Lack of Diversification*

The portfolio recommended by the Advisor will hold concentrated positions and will not be diversified in all stock market sectors or industries, and will not be diversified across asset classes. As such, the portfolio may be exposed to wider fluctuations in portfolio value than otherwise would be the case if the portfolio were required to maintain a high degree of diversification among its investments. The portfolio will have no restrictions on the amount of assets that can be invested in the securities of any single issuer, issuers in a single industry, or in securities in the same asset class. Therefore, in general, the portfolio may be subject to greater concentration risk and greater issuer risk than a well-diversified portfolio.

#### *Short Sales*

Certain of the Advisory Clients may engage in short sales. Selling securities short risk losing an amount greater than the proceeds received. Theoretically, securities sold short are subject to unlimited risk of loss because there is no limit on the price that a security may appreciate before the short position is closed.

#### *Small Cap Stocks*

These securities are often lesser known and may be rather illiquid which may result in greater risks than larger companies.

#### *Options*

Although option techniques may increase investment return, they may also involve a relatively higher level of risk. The expiration of unexercised long options effectively results in loss of the entire cost, or premium paid for the option. The writing of an uncovered put or call option can involve, similar to short selling, a theoretically unlimited risk of an increase in the Client's cost of selling or purchasing the underlying securities in the event of exercise of the option.

#### *Exchange Traded Funds ("ETF")*

The market price of an ETF may be above or below the net asset value. An active trading market might not always exist for an ETF. Trading of an ETF's shares may be halted if the listing exchange's officials deem such actions appropriate, the shares are delisted or in the event that "circuit breakers" are activated.

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

Non-U.S. investments include investments denominated in non-U.S. currencies or traded outside the United States. Risks specific to these investments include unfavorable currency exchange rate developments, restrictions on repatriation of investment income and capital, imposition of exchange control regulation, confiscatory taxation, and economic or political instability in foreign nations.

#### *Leverage*

While leverage could increase the opportunity to achieve higher returns on the amounts invested, it also could increase the risk of loss. The level of interest rates generally, and the rates at which such funds may be borrowed in particular could affect the results of investments using leverage.

#### *Systematic Risk*

World events and/or the activities of one or more large participants in the financial markets and other events or activities of others could result in a temporary systematic breakdown in the normal operation of financial markets.

#### *Geopolitical and Public Health Crisis Risks*

Geopolitical and other events (e.g., war or terrorism) may disrupt securities markets and adversely affect global economies and markets, thereby decreasing the value of an account's investments. Sudden or significant changes in the supply or prices of commodities or other economic inputs such as oil may have material and unexpected effects on both global securities markets and individual countries, regions, sectors, companies, or industries, which could significantly reduce the value of an account's investments. War, terrorism and related geopolitical events have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally.

#### *Risks of Investments in Securities Issued by the Russian Federation*

The United States Treasury's Office of Foreign Assets Control ("OFAC") has prohibited United States persons, which includes investment advisors, from engaging in transactions with the Russian Federation due to the invasion of Ukraine. The Resolute Fund holds a security that is restricted from trading due to OFAC's prohibition on trading. As a result of the trading restriction, the security is illiquid and there is a risk that the security will not recover any value.

#### *Limitations on Liquidity/Transferability*

An investment in a private limited partnership such as the Resolute Fund typically provides for limited liquidity relative other investments, such as securities purchased on a national exchange. Interests in such entities are also typically subject to restrictions on transfer.

#### *Dependence on Key Employees*

The Advisor relies heavily on the services of key employees, particularly Mr. James A. Hillary. The Advisor and the Advisory Clients would likely be impacted if the services of key employees were not available.

#### *Conflicts of Interest*

There may exist certain inherent and potential conflicts of interest between the Advisor and its affiliates and Advisory Clients. Conflicts may include, but are not limited to, time commitment by the Advisor, management of other clients and fees charged to clients, including incentive and management fees. To mitigate the risks of such conflicts, the Advisor relies on policies and procedures that it believes are reasonably designed to emphasize its fiduciary duties to all its

clients, and that seek to monitor the allocation of time, opportunities and other resources between clients.

### *Frequent Trading*

The Advisor may recommend purchases and sales of securities as necessary to achieve the objectives of the clients without regard to the frequency of trading. Consequences of frequent trading include greater portfolio turnover, brokerage commissions, expenses and other trading costs. These increased expenses will impact the return clients receive on their investments.

### *Risks Related to Electronic Communication*

The Advisor may provide directly or indirectly to Advisory Clients and/or their investors statements, reports and other communications in electronic form, such as email or via a password protected website. Electronic communications may be modified, corrupted, or contain viruses or malicious code, and may not be compatible with a client or investor's electronic system. In addition, reliance on electronic communications involves the risk of inaccessibility, power outages or slowdowns for a variety of reasons. These periods of inaccessibility may delay or prevent receipt of reports or other information.

### *Force Majeure Event Risk*

A Force Majeure Event ("Event") means any act of God, terrorist, failure of utilities, pandemic virus outbreaks such as the novel coronavirus (COVID-19) or other similar circumstances not within the reasonable control nor predictable by the Advisor. An Event may result in trading limitations including but not limited to the temporary closure of markets of anywhere between a few minutes to a few weeks which may cause the Advisor to be unable to buy and sell securities in a clients' account and provide cash to a client. The Event may cause volatility in the markets, which may adversely affect the ability of the Advisor to realize profits on behalf of its clients.

### *Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues*

Our business activities could be materially adversely affected by pandemics, epidemics and outbreaks of disease in Asia, Europe, North America and/or globally or regionally, such as COVID-19, Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome (SARS), and/or other epidemics, pandemics, outbreaks of disease, viruses and/or public health issues. Specifically, COVID-19 spread rapidly around the world since its initial emergence in China in December 2019 and negatively affected (and may continue to materially adversely affect) the global economy and equity markets (including, in particular, equity markets in Asia, Europe and the United States). Although the long-term effects or consequences of COVID-19 and/or other epidemics, pandemics and outbreaks of disease cannot be predicted, previous occurrences of other pandemics, epidemics and other outbreaks of disease, such as H5N1 flu, H1N1 flu, SARS and the Spanish flu, had a material adverse effect on the economies and markets of those countries and regions in which they were most prevalent. Any occurrence or recurrence (or continued spread) of an outbreak of any kind of epidemic, communicable disease or virus or major public health issue could cause a slowdown in the levels of economic activity generally (or cause the global economy to enter into a recession or depression), which would adversely affect the business, financial condition and operations of the Advisor. Should these or other major public health issues, including pandemics, arise or spread farther (or continue to spread or materially impact the day to day lives of persons around the globe), the Advisor could be adversely affected by more stringent travel restrictions, additional limitations on the Advisor's operations or business and/or governmental actions limiting the movement of people between

regions and other activities or operations (or to otherwise stop the spread or continued spread of any disease or outbreak).

#### *Cybersecurity Risks*

In connection with the increased use of technologies such as the Internet and the dependence on computer systems to perform necessary business functions, the markets and exchanges on which securities in which the Advisor invests may be susceptible to operational, information security, and related risks due to the possibility of cyber-attacks or other incidents. Cybersecurity incidents may result from deliberate attacks or unintentional events. In the case of a cybersecurity incident relating to a securities market or exchange, trading may be suspended.

## **Item 9: Disciplinary Action**

Neither the Advisor nor any of its supervised persons have been the subject of any legal or disciplinary events that would be material to your evaluation of the Advisor or the integrity of the Advisor's management.

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

The Advisor serves as General Partner to the Resolute Fund, a Delaware limited partnership. The Resolute Fund is structured to rely on exclusions from the definition of an “investment company” under the Investment Company of 1940 and is not required to register with the SEC as a registered investment company. The Advisor, in its capacity as General Partner, has the right to enter into agreements, such as side letters, with certain investors in the Resolute Fund that may, in each case, provide for terms of investment that are more favorable to the term provided to other investors in the Resolute Fund.

The Advisor has an affiliated entity, Fios Capital LLC. Fios Capital LLC is the managing member of a private fund, Fios Partners, LLC and Fios Venture Holdings LLC that invests in private equity investments. Fios Partners LLC and Fios Venture Holdings LLC are closed to new investors.

Independence Capital Asset Partners, LLC (“ICAP”) provides administrative services to the Advisor, and to Fios Capital LLC . ICAP is owned by James A. Hillary.

Other than the relationships disclosed above, the Advisor and its employees do not have any affiliations or arrangements with other financial services companies that pose material conflicts of interest.

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

### Code of Ethics

The Advisor has adopted a Code of Ethics that it believes is reasonably designed to protect against conflicts between the personal securities transactions (if any) of the Advisor and its affiliates' principals, officers and employees (and members of their families) and transactions effected on behalf of the Advisory Clients. The Code of Ethics is based on the principle that the Advisor and its employees owe a fiduciary duty to the Advisor's Advisory Clients and to the individual investors in such Advisory Clients. Thus, employees of the Advisor must (i) place the interests of Advisory Clients and their investors first, (ii) avoid taking inappropriate advantage of their positions within the advisor, and (iii) conduct their personal securities transactions (if any) in full compliance with the Code of Ethics. Personal investing by the Advisor's principals, officers, and employees, if any, in securities in which the Advisor's Advisory Clients are planning to invest or have investments, may only occur after such Advisory Client's purchases or sales have been effected. A copy of the Advisor's Code of Ethics is available to any client or prospective client upon request by notifying our office at 5050 South Syracuse Street, Suite 795, Denver, Colorado 80237.

Other policies adopted by the Advisor with which certain principals, officers, and employees (and in some cases, members of their families) must comply include, but are not limited to, pre-approval of personal securities transactions by the Advisor's Chief Compliance Officer or delegate, annual certification of compliance with the Code of Ethics, and directing brokers to supply the Advisor with duplicate confirmations and periodic statements of personal securities transactions.

### Participation in Client Transactions

Principals, officers, and employees (and members of their families) of the Advisor, if any, and its related persons and affiliates may participate directly or indirectly as investors in the Advisor's Advisory Clients, including the Partnerships. In addition, the Advisor may buy and sell on behalf of its Advisory Clients securities of issuers or other investments in which the Advisor and its related persons and affiliates have a confidential relationship or in which the Advisor's or its affiliates' principals, officers and/or employees (and members of their families) own securities or otherwise have an interest.

The Advisor may give advice and take actions in the performance of its duties to its Advisory Clients that differ from advice given, or the timing and nature of actions taken, with respect to other Advisory Clients' accounts. The Advisor has adopted policies and procedures that prohibit the use of material nonpublic information, and as a result, the Advisor and its related persons and affiliates, from time to time, may not be free to divulge or act upon certain material nonpublic information in their possession on behalf of their clients.

## Personal Trading

The Advisor's personal trading policy seeks to address possible conflicts of interest that may arise between investment recommendations in the interests of clients and employees' personal investments for their own accounts. The Advisor's policies and procedures generally seek to address such issues by imposing reporting requirements and other restrictions on employees' investments in reportable securities, with the exception of a limited number of highly liquid, index based ETFs that are unaffiliated open-end funds registered in the United States. While the Advisor's employees and Advisory Clients may both be investing in these ETFs, the Advisor believes that, given the liquidity of these ETFs, employee transactions are not materially impacting the markets for these securities, and that consequently there is no substantial risk of conflicts of interest in this regard.

Employees hold investments beyond the permitted ETFs. These holdings may include securities that are also held by Advisory Clients. Holdings also include investments in illiquid securities that do not fall within the Advisor's recommendations to clients. Holdings by employees create a conflict where the employee has interests in competition with the interests of Advisory Clients. The Advisor seeks to mitigate this conflict through its Code of Ethics and policies and procedures. The Advisor's Code of Ethics outlines the Advisor's duty to put the interest of its clients first. Policies and procedures further mitigate the conflict by requiring pre-clearance approval by the CCO or a designee of transactions in any of these securities. Approval is only given when the transaction can be completed without competing with the interests of the Advisory Clients.

## Item 12: Brokerage Practices

### Brokerage Selection

The Advisor has discretionary authority to determine the type, amount, price and timing of securities being bought and sold on behalf of each of its Advisory Clients, including the selection of and commissions paid to brokers, subject to each Advisory Client's investment policies and goals.

Subject to the rest of this Item 12, the Advisor, in seeking to obtain the best execution of portfolio transactions, may consider the quality and reliability of brokerage services. The Advisor may also consider brokerage, research and investment information provided by the brokers and dealers. Factors considered by the Advisor in selecting brokers and dealers may include the following: price; the broker's or dealer's facilities, reliability and financial stability; the ability of the broker or dealer to effect securities transactions, particularly with regard to such aspects as complexity of the trade, timing, order size and execution of the orders; and the brokerage and research products and services provided by that broker or dealer to the Advisor that are expected to enhance the Advisor's general portfolio manager capabilities, notwithstanding that an Advisory Client may not be the direct or exclusive beneficiary of such services.

### Research and Soft Dollars

Commission rates, being a component of price, are one factor considered together with other factors. The Advisor may cause a client's account to pay a broker or dealer a commission for effecting a transaction for the client's account that may be higher than a commission charged by another broker, in exchange for brokerage and/or research services. This is a benefit to the Advisor because the Advisor does not directly produce or pay for the research or services. This may create an incentive to select a broker based on the research or other services provided rather than the client's interest in best execution. Under Section 28(e) of the Securities Exchange Act of 1934 (the "Exchange Act"), the Advisor may do this if it determines in good faith that the amount of commission charged was reasonable in relation to the value of brokerage and/or research services provided by such broker.

To mitigate and address any conflicts of interest that may arise, the Advisor has adopted policies and procedures to evaluate, on an ongoing basis, the value of a broker's research and brokerage services and the reasonableness of any commissions charged.

The products and services that the Advisor received with client brokerage commissions within the last fiscal year include, but are not be limited to: economic/market/industry data, trading, market and research software.



The Advisor has made no attempt to put a specific dollar value on the brokerage or research products or services of any broker or dealer or to allocate the relative costs or benefits of those products or services, because the Advisor believes that the products and services received are, in the aggregate, of assistance in fulfilling the Advisor's overall responsibilities to its clients. Products and services that are generated by third parties are provided by or through the brokerage Advisor to which commissions are paid. In instances where the Advisor chooses to utilize soft dollars for the procurement of eligible brokerage and research services from a trading intermediary or a third party in connection with the execution of client securities transactions, we will do so in accordance with the safe harbor under Section 28(e) of the Exchange Act. When we use soft dollar credits to obtain research or other products or services, we receive a benefit because we do not have to produce or pay for the research, products or services.

The Advisor has entered into a soft dollar agreement with one of its prime brokers where an account has been established for the specific purpose of aggregating and maintaining "soft dollar credits" generated by the portfolio transactions described above in the Brokerage Selection section, provided that the particular Advisory Client relationship permits the use of "soft dollar credits." The Advisor uses these credits to purchase research or brokerage products and services that the Advisor does not have to produce or pay for. Selecting a broker-dealer based on the receipt of soft dollar credits is a conflict of interest because the client may not receive favorable execution. The Advisor mitigates this conflict of interest by implementing policies and procedures that monitor the commissions paid and the execution received by client accounts.

The Advisor may also use step-out transactions in order to receive brokerage and research products and services. In a step-out transaction, the Advisor directs trades to a broker-dealer with the instruction that the broker-dealer execute the transaction, but "step-out" a portion of the transaction or commission in favor of another broker-dealer that provides such products and/or services. Given the Advisor's receipt of such products and services in connection with step-out transactions, the Advisor has an incentive to continue to engage in such transactions; however, the Advisor only intends to utilize step-out transactions when it believes that doing so would not hinder best execution efforts.

## **Item 13: Review of Accounts**

The portfolio of the Fund is generally under ongoing review by the Advisor. Responsibility for review of accounts lies with the portfolio manager, who reviews holdings for consistency with clients' investment objectives and limitations, if any. The Advisor's CCO reviews account information for administrative and compliance purposes.

In addition to the ongoing review, the Resolute Fund is subject to annual audit by the fund's independent auditors. Investors in the Resolute Fund receive annual written audit reports following the completion of the independent auditor's audit.

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

The Advisor does not pay compensation for client referrals.

## **Item 15: Custody**

Under Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended, the Advisor is deemed to have custody of the funds and securities of the Resolute Fund due to the Advisor's role as General Partner to this entity. All Client funds and securities are held at qualified custodians. The Resolute Fund administrator provides account statements to each investor on a periodic basis, generally monthly, to their address of record. Additionally, Resolute Fund is audited annually by an independent public accountant that is registered with, and subject to regular inspection by the Public Company Accounting Oversight Board and audited financial statements prepared in accordance with generally accepted accounting principles are sent to all investors within 120 days of the end of the Resolute Fund's fiscal year. Investors are urged to carefully review such audited financial statements and other statements and reports received from such qualified custodians and to compare them to any reports received from the Advisor.

## **Item 16: Investment Discretion**

The Advisor has discretionary authority over the accounts of its clients. Please see Item 4 above for further details on the discretionary authority of the Advisor. The Advisor receives this discretionary authority pursuant to, and in accordance with the terms of the advisory agreement and/or subscription agreements entered into by clients and investors.

## **Item 17: Proxy Voting**

The Advisor currently has authority to vote proxies for its Advisory Clients. With respect to proxies voted by the Advisor, the Advisor has adopted written proxy voting procedures. Under those procedures, the Advisor generally votes with management, except in certain circumstances. Any conflicts of interest that arise in the context of voting proxies are evaluated by our Chief Compliance Officer, and handled in accordance with how the Chief Compliance Officer deems appropriate, given consideration to the type and materiality of the conflict. A copy of the Advisor's proxy voting procedures is available upon request. Clients may obtain information about how the Advisor voted that client's proxies by contacting the Advisor in writing at its principal place of business.

## **Item 18: Financial Information**

The Advisor does not require or solicit prepayment of advisory fees six months or more in advance. The Advisor does not have any financial commitments that might impair our current or future ability to meet our contractual commitments to clients and the Advisor has not been the subject of a bankruptcy petition at any time during the past ten years.