

Legacy Knight MFO, LLC

Part 2A of Form ADV

Firm Brochure

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ITEM 1: COVER PAGE

This Brochure provides information about the qualifications and business practices of Legacy Knight MFO, LLC ("***Legacy Knight***" or the "***Firm***") Information provided herein is provided in response to instructions and guidance issued in connection with Form ADV Part 2A. You should refer to those materials, including defined terms used therein, in reviewing this brochure. If you have any questions about the contents of this brochure, please contact us at (972) 327-5000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "***SEC***") or by any state securities authority.

Additional information about Legacy Knight is also available on the SEC's website at www.adviserinfo.sec.gov. An investment adviser's registration with the SEC does not imply a certain level of skill or training.

Important Note About This Brochure

This Brochure is not:

- an offer or agreement to provide advisory services to any person;
- an offer to sell interests or a solicitation of an offer to purchase interests in any investment product or vehicle advised by Legacy Knight;
- a complete discussion of the features, risks or conflicts associated with any account advised by Legacy Knight; or

As required by the Investment Advisers Act of 1940, as amended (the “***Advisers Act***”), Legacy Knight provides this Brochure to current and prospective clients and may also, in its discretion, provide this Brochure.

Persons who receive this Brochure (whether or not from Legacy Knight) should be aware that it is designed solely to provide information about Legacy Knight as necessary to respond to certain disclosure obligations under the Advisers Act. Therefore, the information in this Brochure may differ from information provided in the materials that govern an account or investor relationship such as an advisory contract or a private fund’s governing documents.

In no event should this Brochure be considered to be an offer of, or agreement to provide, advisory services directly to any recipient.

ITEM 2. MATERIAL CHANGES

Following is a summary of the material changes made to the annual amendment to this brochure filed in February 2022:

- We updated regulatory assets under management and assets under advisement as of December 31, 2022. See **Item 4, Advisory Business**.

The information set forth in this brochure is qualified in its entirety by the applicable offering and/or governing documents. In the event of a conflict between the information set forth in this brochure and the information in the applicable offering and/or governing documents, such documents will control.

We encourage all clients and investors to carefully review this document in its entirety.

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ITEM 4. ADVISORY BUSINESS

Legacy Knight MFO, LLC offers Family Office services and strategic investment advice to multigenerational families of significant net worth with the goal of building the families financial legacy. Legacy Knight is primarily owned by Matthew R. Ogle and David Sawyer.

Legacy Knight is an independent, family and partner-owned Multi-Family Office providing exclusive investment access and tailored advisory services to ultra-high net worth families and family offices. Our team focuses on managing risk and identifying investment opportunities through advanced financial technology and institutional quality investment relationships that align with the family's goals.

Legacy Knight's platform consists of two distinct service models: Multi-Family Office ("**MFO**") and Single-Family Office ("**SFO**") solutions.

Multi-Family Office (MFO) – we establish wealth management plans and investment portfolios for MFO clients that are consistent with their objectives. Our MFO clients gain access to investment and wealth management services that are typically available only to large Family Offices. We enable our families to combine forces with other like-minded families to create economies of scale in the areas of global asset management, outsourced trust and tax services, financial services suite, alternative and direct investment access, philanthropic services and human capital services. Our MFO clients have a minimum investment of \$20 million.

Single Family Office (SFO) – we provide services for SFOs that run their own family offices but look to partner with Legacy Knight to develop access, economies of scale, broader investment research mandates and access to Legacy Knight's investment professionals. Our SFO families typically have \$250 million or more in family net worth.

Investment Advisory Services

Legacy Knight gathers information regarding client goals, investment objectives, and risk tolerance through personal discussions with our families. Each family's unique situation is considered to create and manage an investment portfolio. Assets among different asset classes. These typically include equities, fixed income, exchange traded funds, hedge funds, private equity, venture capital, real estate, direct investment opportunities, or other alternative investments depending on their suitability with each family's investment objectives and risk tolerance.

Legacy Knight offers investment advisory services on a non-discretionary basis. The majority of the families that we work with will be on a non-discretionary basis and must be willing to accept that Legacy Knight cannot affect any account transactions without obtaining prior written consent to any such transaction(s) from the family. A qualified custodian such as a bank, trust company, or broker dealer maintains family assets.

Evaluations and Recommendations of Investment Managers

Depending on the nature of its engagement with each client, the Firm may evaluate and/or recommend to clients the investment advisory services of unaffiliated investment managers

(including pooled investment vehicles managed, sponsored or established by such unaffiliated investment managers). These investment managers are independent of the Firm and are evaluated by the Firm. The investment managers recommended by the Firm to each client are selected based on various factors and considerations deemed by the Firm to be relevant or appropriate in its sole discretion including, among other things, the investment objectives and risk tolerance of the client as well as the past performance of the manager. Subject to the arrangements with each client, the Firm actively involves such client in the evaluation process with respect to third-party investment managers.

Initial Evaluation and/or Due Diligence – Prior to recommending or referring a new investment manager (including managers to private funds) to manage client assets, the Firm generally conducts due diligence through telephonic and/or in-person meetings with such investment manager personnel and the review of key documents and information relating to such manager. This typically includes both a quantitative and qualitative analysis of the manager, with a focus on areas such as investment objectives and strategy, historical performance and risk, fees and expenses, transparency and reporting, background and continuity of key personnel, regulatory & disciplinary history, safety of client assets, and evaluation of gatekeepers and service providers, among other areas, as the Firm deems necessary or appropriate. The initial evaluation and/or due diligence process will vary depending upon the facts and circumstances of each situation (including the nature of the client relationship and the nature of the specific investment manager that is being reviewed). For example, fewer due diligence procedures may be warranted in situations where the Firm has a long-standing relationship with an investment manager. The Firm generally conducts a more limited review when simply evaluating a third-party investment manager or investment opportunity at the specific request of a client. Limited reviews may include one or more of the focus areas listed above, but the Firm generally will rely on information provided by the manager or sponsor of the investment (or the client).

Financial Services

Legacy Knight assists families with creating a comprehensive financial plan. Services offered include developing financial goals, cash flow management, income tax planning, education funding, debt review, insurance analysis, family operating company advisory, retirement planning, estate planning, bookkeeping, and consolidated reporting.

Human Capital Legacy Services

Legacy Knight's human capital legacy services focuses on growing and developing succeeding generations within a family. Services can include financial literacy and education, heir preparation and development, family dynamics assessment, succession planning, and family governance. Focusing on the human capital within the family allows for family office legacy planning.

Pooled Investment Vehicles ("Funds")

The Firm and certain of its affiliates establish and utilize the Funds (as defined below) for investment purposes on behalf of its clients and other persons, including to facilitate indirect investments by one or more of its advisory clients in pooled investment. The Firm regularly

recommends that certain of its advisory clients invest in the Funds, if and to the extent the Firm deems investments in one or more of the Funds to be suitable and appropriate for such clients (as determined by the Firm in its discretion). The recommendation of investments in the Funds to the Firm's advisory clients involves one or more actual or potential conflicts of interest. **See Item 10.**

Affiliated Pooled Investment Vehicles

The Firm provides investment management, advisory, administrative and other services to affiliated pooled investment vehicles (the "Funds") with respect to investments in securities, financial instruments and other assets, including co-investments alongside third-party investment managers and other persons and/or investments in pooled investment vehicles managed, sponsored and operated by third-party investment managers. The Firm, or an affiliate of the Firm, serves or acts as general partner, manager or in similar capacity with respect to the Funds and the Firm serves as investment manager with respect to the Funds.

Certain Funds are established for the purpose of investing substantially all of their assets in a single pooled investment vehicle managed or sponsored by a third-party (an "underlying fund") (to facilitate indirect investments in such underlying funds by advisory clients and other persons). Any such Fund may be referred to in this brochure as an "SPV". Interests in the Funds typically will be offered and made available primarily to applicable advisory clients of the Firm (subject to suitability and eligibility determinations and requirements), but interests in the Funds may also be offered or made available to other persons and entities (including non-advisory clients) in the sole discretion of the Firm.

Interests in the Funds are privately offered only to eligible clients and other investors pursuant to exemptions under the Securities Act of 1933, as amended, and the regulations promulgated thereunder, and other applicable securities laws. Such Funds are not registered as investment companies pursuant to or in accordance with one or more specific exclusions from the definition of investment company under the Investment Company Act of 1940, as amended.

The Firm recommends investments in the Funds to certain of its advisory clients and such clients may elect to subscribe for interests in the Funds. The Firm faces various conflicts of interest in connection with making such recommendations to clients. **See Item 6, Item 8 and Item 10.**

As a matter of practice, a private placement memorandum or a similar offering document with respect to each Fund typically will be provided or made available to prospective investors in such Fund, which generally includes various disclosures and information regarding the Fund, the investment objective and strategies of such Fund and other matters. Prospective investors should review the information and disclosures set forth in the applicable offering documents of a Fund for detailed information regarding such Fund, and any disclosures or information set forth in this brochure with respect to such Fund are qualified in their entirety by the information in such offering documents.

Each Fund is managed in accordance with the investment objectives, policies, strategies, guidelines and limitations set forth in the applicable private placement memorandum, limited partnership agreement and other governing documents of such Fund. An SPV pursues substantially the same investment objective and strategies as the underlying fund in which it was formed to invest.

Investors generally are not permitted to impose restrictions or limitations on the management or

operations of the Funds. Notwithstanding the foregoing, the general partner of a Fund may in the future enter into side letter agreements or similar arrangements with one or more investors in a Fund that have the effect of establishing rights under, or altering, modifying, waiving or supplementing the terms of, the governing documents of the Fund in respect of such investors. Among other things, these agreements may entitle an investor in a Fund to lower fees, information or transparency rights, most favored nations status, notification rights, rights or terms necessary or advisable in light of particular legal, regulatory or public policy considerations of or related to an investor and/or other preferential rights and terms. Any rights established or any terms of the governing documents of such applicable Fund altered or supplemented in or by a side letter or similar arrangement with an investor will govern solely with respect to such investor notwithstanding any other provision of the governing documents of such applicable Fund related thereto.

Philanthropic Services

Legacy Knight assists families with managing their charitable intentions. Services offered include assistance with a family foundation or the use of recommended donor advised funds. Legacy Knight assists with mission development, organization planning, and software systems that enable efficient execution of foundation operations.

Assets Under Management

As of December 31, 2022, Legacy Knight had approximately \$1.2 billion of total regulatory assets under management; \$723 million managed on a discretionary basis and \$478 million managed on a non-discretionary basis.

ITEM 5. FEES AND COMPENSATION

Legacy Knight charges investment advisory fees as a percentage of assets under management. Fees are payable quarterly, in advance, and are typically deducted directly from the families account, in line with standing instructions from the client. Fees are calculated by applying the applicable advisory fee rate to the assets in each tier of the fee schedule in the client's agreement. Asset values are provided by the Custodian(s) and are calculated on the close of business on the last trading day of the previous calendar quarter.

Legacy Knight's standard investment advisory fee schedule is as follows:

First \$50 million.....	0.68% Annually
Next \$50 million	0.55% Annually
Next dollars.....	0.50% Annually

When other investment managers are engaged to sub-advise on a portion of a client's assets, the other investment manager receives a portion of the advisory fees disclosed above.

MFO families are subject to minimum annual fees. The normal minimum annual fee for new families is \$75,000. Management has the discretion to waive the minimum. SFO fees depend on the services utilized.

Fees will be refunded on a pro rata basis if a Client terminates its agreement with the Firm during the quarter.

Some families will pay higher or lower rates than those shown in the current fee schedule depending on the complexity and nature of the services provided as well as particular family circumstances. Fees for special projects can vary from the stated schedule. All fees paid to Legacy Knight for investment advisory services are separate and distinct from the fees and expenses charged by third party manager and other securities, including but not limited to management fees, incentive fees, mutual fund expenses, and commissions on trades charged by broker dealers. These fees and expenses are described in each Fund's prospectus or offering memorandum.

ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Legacy Knight, or an affiliate, is entitled to receive carried interest distributions from the Funds, which generally are borne by the investors in such Funds. The Firm or affiliate thereof may also receive performance-based fees and compensation (including carried interest distributions) with respect to certain other clients in the future (including, without limitation, other affiliated pooled investment vehicles established or sponsored by the Firm or an affiliate thereof). The Firm regularly recommends investments in the Funds to certain of its advisory clients. By investing in a Fund, a client generally will become subject to additional fees (in the form of management fees and carried interest distributions) payable to the Firm and its affiliates by or with respect to such Fund (at the level of the Fund), which will be in addition to (and separate and apart from) the fixed or hourly advisory or other fees payable by such client pursuant to the advisory agreement between such client and the Firm. As a result of the potential for these additional fees, the Firm has a financial incentive to recommend investments in the Funds to its advisory clients and any such recommendation involves a conflict of interest. The Funds provide disclosures regarding material risk factors and conflicts of interest to all prospective investors and each investor is responsible for determining whether or not to subscribe for interests in the Funds. In connection with a subscription for an interest in a Fund, each client is required to specifically acknowledge and agree to these and other conflicts of interest. **See Item 10.**

ITEM 7. TYPES OF CLIENTS

Legacy Knight provides investment advisory services to single and multi-family offices and pooled investment vehicles, (“*clients*”). Families are subject to minimum investable asset requirements. Families should have minimum investable assets of \$20 million. Investable asset minimums are negotiable; thus, Legacy Knight may accept clients with smaller account balances depending on the complexity and nature of the services provided and family circumstances.

To invest in a Fund or any other pooled investment vehicle managed or sponsored by the Firm or an affiliate thereof, each investor generally is required to certify that it is, among other things, an “accredited investor” and a “qualified client”, as such terms are defined under applicable U.S. securities laws. In general, the minimum initial capital commitment for an investor in a Fund will be \$1 million, or such lesser amount accepted by the Fund’s general partner in its discretion.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis

The investment advice Legacy Knight provides is primarily driven by each family's personal investment profile. This profile is based upon numerous factors including the family's investment objectives and goals, personal risk assessment, asset class preferences, investment horizon, liquidity needs, generational requirements, charitable desires, estate planning and tax considerations. We consider these attributes in light of the current market landscape, including appropriate asset-classes, asset-class return (historical and projected) and correlations, various asset-class risk metrics, and general global and domestic economic conditions. Our investment team incorporates all such family/investment/economic data points and prepares an Investment Policy Statement and Asset Allocation Plan appropriate for each family's personal situation. Our family's generally have multiple generations of family members, existing illiquid assets, a need for complex estate planning and numerous types qualified and non-qualified accounts. We consider the location and nature of these various accounts and investments in developing an integrated plan for each Family.

Critical to formulating our Family's investment framework, we believe:

- Value-driven investment decisions offer a margin of safety that results in a lower probability of losing permanent capital, which may ultimately lead to long term wealth accumulation.
- Investment discipline structured around strategic asset allocation that is focused on Family's long-term objectives and tactical asset allocation that, from time to time, requires us to reduce overpriced assets and purchase underpriced assets, will naturally create a buy low, sell high framework to protect capital in down markets and reduce volatility.
- Capital allocation, when appropriately allocated to both traditional and alternative investment strategies, has potential to produce more consistent and less volatile returns.
- Allocating meaningful capital to highly qualified managers and ideas is better than over diversifying a portfolio.
- It is highly unlikely that a single investment firm can internally employ the best talent to trade all types of securities and strategies; therefore, we seek out highly qualified independent third-party managers within each asset class to manage our Family's capital.

Legacy Knight's investment manager search, selection, evaluation, and monitoring services assist our families in the identification of independent third-party managers that are consistent with the determined asset allocation plan for each family. Key factors we consider when evaluating third party managers are investment process, investment philosophy, risk management, historical

performance, investment strategy and style, fees and operating expenses, fund size, and tax-efficiencies.

In evaluating investment managers, we also incorporate both qualitative and quantitative fundamental analysis to validate and confirm a manager's investment style and skill, as well as compare them to other managers of similar style. We utilize various research databases, proprietary models, financial periodicals, prospectuses and filings with the SEC, industry contacts as well as other attributes as part of the research process.

Investment Strategies

Legacy Knight will recommend to family's investments in numerous asset classes and investment strategies, including, but not limited to, the following:

Cash – Short-term money market instruments, FDIC-insured certificates and US Treasury Bills, as well as other cash-equivalent holdings;

Fixed Income – Government, sovereign, corporate, municipal, agency, collateralized, domestic, international and other types of fixed income assets or multi-strategies, both investment-grade and non-investment-grade;

Global Equities – Common stock, preferred stock and real estate investment trusts of domestic and international companies, of various sectors, styles and sizes;

Hedge Funds – Private investment pools with sophisticated strategies that buy and sell equity and debt instruments, commodities and derivatives deemed appropriate and display characteristics intended to limit the Portfolio's downside risk profile.

Private Equity – Equity and debt of illiquid, privately-held companies.

Real Estate – Equity and debt in both public and private real estate.

Commodities – Physical assets and derivatives of assets such as energy, precious metals, industrial metals, agriculture and currencies.

Certain Risk Factors

There can be no assurance that the investment strategies that the Firm pursues will achieve their investment objective. The Firm's investment strategies involve a substantial degree of risk, including risk of complete loss. Nothing in this brochure is intended to imply, and no one is or will be authorized to represent, that investments recommended by the Firm are low-risk or risk-free. The investment strategies pursued by the Firm may be appropriate only for sophisticated persons who fully understand and are capable of bearing the risks of investment. Certain of the risks that may be associated with investments recommended by the Firm are set forth below. The various risks outlined below are not the only risks that may be associated with the Firm's investment strategies and processes.

General Investment and Portfolio Risks

General Economic and Market Conditions. The success of investment activities is affected by general economic and market conditions, such as changes in interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of client's investments), trade barriers, currency exchange controls and national and international political circumstances (including wars, terrorist acts, natural disasters or security operations). These factors may affect the level and volatility of securities prices and the liquidity of investments. Volatility and/or illiquidity could impair profitability or result in losses. Clients could incur material losses even if the Firm reacts quickly to difficult market conditions, and there can be no assurance that clients will not suffer material losses and other adverse effects from broad and rapid changes in economic and market conditions in the future. Markets for various financial instruments can correlate strongly with each other at times or in ways that are difficult for us to predict. Even a well-analyzed approach may not protect from significant losses under certain market conditions.

Investment Judgment; Market Risk. The profitability of a significant portion of client's investment program depends to a great extent upon correctly assessing the future course of the price movements of securities and other investments. There can be no assurance that the Firm will be able to predict accurately these price movements. With respect to the investment strategies utilized, there is always some, and occasionally a significant, degree of market risk.

Reliance on Key Person. The Firm will be substantially dependent on the services of the Manager and other future Investment Team members. In the event of the death, disability, or departure of the Manager, or the complete transfer of the Manager's interest in the Firm, client's investment activities may be adversely affected. The Manager will devote such time and effort as he deems necessary for the management and administration of the Firm's business. However, the Manager may engage in various other Legacy Knight MFO business activities in addition to managing client accounts, and consequently may not devote all his time to such activities.

Illiquidity. Investments may be illiquid, and consequently clients may not be able to sell such investments at prices that reflect the Firm's assessment of their value or the amount paid for such investments by clients. Illiquidity may result from the absence of an established market for the investments as well as legal, contractual or other restrictions on their resale by clients and other factors. Furthermore, the nature of investments may require a long holding period prior to profitability.

Large-Capitalization Companies. Large capitalization companies may lag the performance of smaller capitalization companies because large capitalization companies may experience slower rates of growth than smaller capitalization companies and may not respond as quickly to market changes and opportunities.

Small- and Mid-Capitalization Companies. Small- and mid-capitalization companies may be more vulnerable to adverse business or economic events than larger, more established companies. In particular, these small- and mid-capitalized companies may pose additional risks, including liquidity risk, because these companies tend to have limited product lines, markets and financial

resources, and may depend upon a relatively small management group. Therefore, small- and mid-cap stocks may be more volatile than those of larger companies.

Micro-Capitalization Companies. Micro-capitalization companies may be newly formed or in the early stages of development with limited product lines, markets or financial resources. Therefore, micro-capitalization companies may be less financially secure than large-, mid- and small-capitalization companies and may be more vulnerable to key personnel losses due to reliance on a smaller number of management personnel. In addition, there may be less public information available about these companies. Micro-cap stock prices may be more volatile than large-, mid- and small-capitalization companies and such stocks may be more thinly traded and thus difficult for clients to buy and sell in the market.

Preferred Stock. Preferred stocks are sensitive to interest rate changes, and are also subject to equity risk, which is the risk that stock prices will fall over short or extended periods of time. The rights of preferred stocks on the distribution of a company's assets in the event of a liquidation are generally subordinate to the rights associated with a company's debt securities.

Convertible Securities. The value of a convertible security is influenced by changes in interest rates (with investment value declining as interest rates increase and increasing as interest rates decline) and the credit standing of the issuer. The price of a convertible security will also normally vary in some proportion to changes in the price of the underlying common stock because of the conversion or exercise feature.

Warrants. Warrants are instruments that entitle the holder to buy an equity security at a specific price for a specific period of time. Warrants may be more speculative than other types of investments. The price of a warrant may be more volatile than the price of its underlying security, and an investment in a warrant may therefore create greater potential for capital loss than an investment in the underlying security. A warrant ceases to have value if it is not exercised prior to its expiration date.

Fixed Income Securities. Fixed income securities are subject to certain risks, including, among other things:

- *Issuer.* The value of fixed income securities may decline for a number of reasons which directly relate to the issuer, such as management performance, leverage, and reduced demand for the issuer's goods and services.
- *Interest Rate.* When market interest rates rise, the market value of fixed income securities generally will fall. During periods of rising interest rates, the average life of certain types of securities may be extended because of slower than expected prepayments. This may lock in a below-market yield, increase the security's duration and reduce the value of the security. Investments in debt securities with long-term maturities may experience significant price declines if long-term interest rates increase. Since the magnitude of fluctuations will generally be greater at times when the Firm's average maturity is longer, under certain market conditions the Firm may, for temporary defensive purposes, accept

lower current income from short-term investments rather than investing in higher yielding long-term securities.

- *Prepayment.* During periods of declining interest rates, the issuer of a security may exercise its option to prepay principal earlier than scheduled, forcing clients to reinvest the proceeds from such prepayment in lower yielding securities. This is known as call or prepayment risk. Debt securities frequently have call features that allow the issuer to repurchase the security prior to its stated maturity. An issuer may redeem an obligation if the issuer can refinance the debt at a lower cost due to declining interest rates or an improvement in the credit standing of the issuer.
- *Reinvestment.* Reinvestment risk is the risk that income from clients' portfolios will decline if the Firm invests the proceeds from matured, traded or called bonds at market interest rates that are below the portfolio's current earnings rate.
- *Valuation.* Unlike publicly traded common stock which trades on national exchanges, there is no central place or exchange for fixed income securities trading. Fixed income securities generally trade on an "over-the-counter" market which may be anywhere in the world where buyer and seller can settle on a price. Due to the lack of centralized information and trading, the valuation of fixed income securities may carry more risk than that of common stock. Uncertainties in the conditions of the financial market, unreliable reference data, lack of transparency and inconsistency of valuation models and processes may lead to inaccurate asset pricing. As a result, clients may be subject to the risk that when a security is sold in the market, the amount received by the client is less than the value of such security carried by the client.

U.S. Government Securities. U.S. government obligations may include securities issued or guaranteed as to principal and interest by the U.S. government, or its agencies or instrumentalities. Payment of principal and interest on U.S. government obligations may be backed by the full faith and credit of the United States or may be backed solely by the issuing or guaranteeing agency or instrumentality itself. There can be no assurance that the U.S. government would provide financial support to its agencies or instrumentalities (including government-sponsored enterprises) where it is not obligated to do so. In addition, U.S. government securities are not guaranteed against price movements due to changing interest rates.

Non-U.S. Sovereign Debt Securities. Non-U.S. sovereign debt securities are subject to the risks that: (i) the governmental entity that controls the repayment of sovereign debt may not be willing or able to repay the principal and/or interest when it becomes due, due to factors such as debt service burden, political constraints, cash flow problems and other national economic factors; (ii) governments may default on their debt securities, which may require holders of such securities to participate in debt rescheduling or additional lending to defaulting governments; and (iii) there is no bankruptcy proceeding by which defaulted sovereign debt may be collected in whole or in part.

Municipal Bonds. The value of municipal bonds could be impacted by events in the municipal securities market. Negative events, such as severe fiscal difficulties, bankruptcy, an economic

downturn, unfavorable legislation, court rulings or political developments could adversely affect the ability of municipal issuers to repay principal and to make interest payments.

Bank Obligations. Bank obligations are subject to risks generally applicable to debt securities, as well as to the risk of negative events affecting the banking industry. Obligations of foreign banks and foreign branches of U.S. banks are subject to additional risks, including negative political and economic developments in the country in which the bank or branch is located and actions by a foreign government that might adversely affect the payment of principal and interest on such obligations, such as the seizure or nationalization of foreign deposits. Additionally, U.S. and state banking laws and regulations may not apply to foreign branches of U.S. banks, and generally do not apply to foreign banks.

Money Market Instruments Risk. The value of money market instruments may be affected by changing interest rates and by changes in the credit ratings of the investments. An investment in a money market fund is not a bank deposit and is not insured or guaranteed by any bank, the FDIC or any other government agency. Certain money market funds float their net asset value while others seek to preserve the value of investments at a stable net asset value (typically, \$1.00 per share). An investment in a money market fund, even an investment in a fund seeking to maintain a stable net asset value per share, is not guaranteed and it is possible for clients to lose money by investing in these and other types of money market funds. If the liquidity of a money market fund's portfolio deteriorates below certain levels, the money market fund may suspend redemptions (i.e., impose a redemption gate) and thereby prevent a client from selling its investment in the money market fund or impose a fee of up to 2% on amounts the client redeems from the money market fund (i.e., impose a liquidity fee). These measures may result in an investment loss or prohibit the client from redeeming shares when the Firm would otherwise redeem shares. Money market funds and the securities they invest in are subject to comprehensive regulations. The enactment of new legislation or regulations, as well as changes in interpretation and enforcement of current laws, may affect the manner of operation, performance and/or yield of money market funds.

Asset-Backed Securities. Asset-backed securities may represent direct or indirect participations in, or are secured by and payable from, pools of assets such as, among other things, debt securities, residential mortgages, commercial mortgages, corporate loans, motor vehicle installment sales contracts, installment loan contracts, leases of various types of real and personal property, and receivables from revolving credit (credit card) agreements or a combination of the foregoing. Payment of interest and repayment of principal on asset-backed securities may be largely dependent upon the cash flows generated by the assets backing the securities and, in certain cases, supported by letters of credit, surety bonds or other credit enhancements. The value of asset-backed securities may also be affected if the market for the securities becomes illiquid, there is difficulty valuing the underlying pool of assets or because of changes in the market's perception of the creditworthiness of the servicing agent for the pool, the originator of the loans or receivables or the entities providing the credit enhancement.

Mortgage-Backed Securities. Mortgage-backed securities are affected by, among other things, interest rate changes and the possibility of prepayment of the underlying mortgage loans. Mortgage-backed securities are also subject to the risk that underlying borrowers will be unable to meet their obligations.

High Yield Bonds. High yield bonds (often called “junk bonds”) are debt securities that may be unrated by a recognized credit-rating agency or below investment grade, and as a result may be subject to greater risk of loss of principal and interest than higher-rated debt securities. The Firm may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer’s assets. The Firm may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. Clients will therefore be subject to credit and liquidity risks. In addition, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

Real Estate & REITs. Real estate investment trusts (“**REITs**”) are pooled investment vehicles that own, and usually operate, income producing real estate. REITs and other real estate investments are susceptible to the risks associated with direct ownership of real estate, such as the following: (i) declines in property values; (ii) increases in property taxes, operating expenses, interest rates or competition; (iii) overbuilding; (iv) zoning changes; and (v) losses from casualty or condemnation. REITs and real estate funds typically incur fees that are separate from those charged by the Firm. Accordingly, client investments in such investments will result in the layering of expenses such that the clients or investors will indirectly bear a proportionate share of the REIT or real estate fund’s operating expenses, in addition to paying Firm fees.

Royalty Trusts. A royalty trust generally acquires an interest in natural resource companies and distributes the income it receives to the investors of the royalty trust. A sustained decline in demand for crude oil, natural gas and refined petroleum products could adversely affect income and royalty trust revenues and cash flows. Factors that could lead to a decrease in market demand include a recession or other adverse economic conditions, an increase in the market price of the underlying commodity, higher taxes or other regulatory actions that increase costs, or a shift in consumer demand for such products. A rising interest rate environment could adversely impact the performance of royalty trusts. Rising interest rates could limit the capital appreciation of royalty trusts because of the increased availability of alternative investments at more competitive yields. The Firm’s investment in royalty trusts may result in the layering of expenses such that clients or investors will indirectly bear a proportionate share of the royalty trusts’ operating expenses, in addition to paying Fund expenses and Firm fees.

MLPs. Master limited partnerships (“**MLPs**”) are limited partnerships in which the ownership units are publicly traded. MLPs often own several properties or businesses (or own interests) that are related to oil and gas industries or other natural resources, but they also may finance other projects. To the extent that an MLP’s interests are all in a particular industry, the MLP will be negatively impacted by economic events adversely impacting that industry. MLPs are subject to certain risks, including, among other things:

- **MLP Structure.** Holders of interests in MLPs are subject to certain risks inherent in the structure of MLPs, including (i) tax risks, (ii) the limited ability to elect or remove management or the general partner or managing member (iii) limited voting rights, except with respect to extraordinary transactions, and (iv) conflicts of interest between the general partner or managing member and its affiliates, on one hand, and the limited partners or members, on the other hand, including those arising from incentive distribution payments

or corporate opportunities. In addition, MLPs may be subject to state taxation in certain jurisdictions which will have the effect of reducing the amount of income paid by the MLP to its investors.

- **Commodity Prices.** The return on the Firm's investments in MLPs and other natural resource-related investments will be dependent on the operating margins received and cash flows generated by those companies from the exploration for, and development, production, gathering, transportation, processing, storage, refining, distribution, mining or marketing of, coal, natural gas, natural gas liquids, crude oil, refined petroleum products or other hydrocarbons. These operating margins and cash flows may fluctuate widely in response to a variety of factors, including global and domestic economic conditions, weather conditions, natural disasters, the supply and price of imported natural resources, political instability, conservation efforts and governmental regulation. Natural resources commodity prices have been very volatile in the past and such volatility is expected to continue. MLPs and other natural resource-related investments engaged in crude oil and natural gas exploration, development or production, natural gas gathering and processing, crude oil refining and transportation and coal mining or sales may be directly affected by their respective natural resources' commodity prices. The volatility of, and interrelationships between, commodity prices can also indirectly affect certain other MLPs and other natural resource-related investments due to the potential impact on the volume of commodities transported, processed, stored or distributed. Some MLPs or other natural resource-related investments that own the underlying energy commodity may be unable to effectively mitigate or manage direct margin exposure to commodity price levels. The prices of MLPs and securities of other natural resource-related investments can be adversely affected by market perceptions that their performance and distributions or dividends are directly tied to commodity prices.
- **MLPs and Interest Rates.** The prices of the equity securities of MLPs and other natural resources companies are susceptible in the short-term to a decline when interest rates rise. Rising interest rates could limit the capital appreciation of securities of certain MLPs as a result of the increased availability of alternative investments with yields comparable to those of MLPs. Rising interest rates could adversely impact the financial performance of MLPs, and other natural resources companies by increasing their cost of capital. This may reduce their ability to execute acquisitions or expansion projects in a cost-effective manner.

Exchange-Traded Funds. ETFs generally represent an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with clients, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETFs performance may not correctly replicate the performance of the index. The Firm's investment in ETFs, closed-end funds and other investment companies will result in the layering of fees and expenses on clients, such that client and investors will indirectly bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs,

and other expenses. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.

Non-U.S. Securities. Investments in non-U.S. securities, either directly or through American Depositary Receipts (“*ADRs*”), involve certain factors not typically associated with investing in U.S. securities, such as risks relating to (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar (the currency in which the books of the client are maintained) and the various non-U.S. currencies in which clients’ portfolio securities will be denominated and costs associated with conversion of investment principal and income from one currency into another; (ii) differences between the U.S. and non-U.S. securities markets, including the absence of uniform accounting, auditing and financial reporting standards and practices and disclosure requirements, and less government supervision and regulation; (iii) political, social or economic instability; (iv) imposition of non-U.S. income, withholding or other taxes; and (v) the extension of credit, especially in the case of sovereign debt. While ADRs provide an alternative to directly purchasing the underlying non-U.S. securities in their respective national markets and currencies, investments in ADRs continue to be subject to many of the risks associated with investing directly in non-U.S. securities.

Emerging Market Securities. The value of securities of companies located in emerging markets may be drastically affected by political developments in the country of the company’s location. In addition, the existing governments in the relevant countries could take actions that could have a negative impact on clients, including nationalization, expropriation, imposition of confiscatory taxation or regulation or imposition of withholding taxes on distributions.

Foreign Currency Risk. Investments in securities or other investments denominated in, and/or receiving revenues in, foreign currencies are subject to currency risk. Currency risk is the risk that foreign currencies will decline in value relative to the U.S. dollar, in which case, the dollar value of an investment would be adversely affected.

Diversification Risk. Although we attempt to help clients diversify their position, sector and geographic exposures through asset allocation strategies and the use of position limits, at any given time, a client’s portfolio may be concentrated in a particular market or industry, or in a limited number or type of securities. Limited diversity could expose clients to losses disproportionate to general market movements if there are disproportionately greater adverse price movements in those positions.

Valuations. The Firm’s management fees are impacted by the valuation of the client investments. From time to time, certain situations affecting valuations (such as limited liquidity, unavailability or unreliability of third-party pricing information and acts or omissions of service providers to clients) could have an impact on the net asset value of clients, particularly if prior judgments as to the appropriate valuation of an investment should later prove to be incorrect after a net asset value-related calculation or transaction is completed. The Firm is not required to make retroactive adjustments to prior management fees based on subsequent valuation data.

Operational and Regulatory Risks

General Operational Risks. The volume and complexity of investment transactions may place substantial burdens on the operational systems and resources of the Firm and third-party managers recommended by the Firm, including portfolio management, reporting and risk management. Human error, system failure or other problems with any of these processes could result in material losses or costs, which will generally be borne by clients.

Broker Insolvency Risk. Transactions may be executed on various U.S. and non-U.S. exchanges and may be cleared and settled through various clearing houses, custodians, depositories, broker-dealers and prime brokers throughout the world. While U.S. rules and regulations applicable to these brokers may offer significant protections to the assets of their clients if one of them were to become insolvent, client held at such broker could be at risk. For example, while brokers are required to segregate client assets from their proprietary assets and are required to hold specified amounts of capital in reserve, client assets are normally held in pooled client accounts for the benefit of all clients and not specifically in the name of the client. Additionally, the broker may be able to transfer client assets out of such client accounts in the ordinary course of its business. Clients could experience losses if the clients' aggregate claims exceeded the amount of client assets such broker held at the time of the insolvency. In addition, while the return of client property is designed to occur on an expedited basis (usually by transfer of the accounts to a solvent broker), clients may be unable to trade the securities that were held by the insolvent broker during this transfer period.

Client assets also may be held by non-U.S. brokers. Although certain non-U.S. jurisdictions provide similar protections to client assets, there can be no assurance that clients will not experience losses in any insolvency of such a non-U.S. broker. The Firm will attempt to select or recommend brokers to execute, clear and settle transactions that the Firm believes to be sound, but there can be no assurance that a failure by any such entity will not lead to a loss to a client. In addition, the SEC, other regulators, self-regulatory organizations and exchanges in the United States and other countries are authorized to take extraordinary actions in the event of market emergencies. Such actions could lead to a loss as a result of delay in settling transactions or other circumstances.

Custodians. All client securities and other assets are held in the custody by any independent third party appointed as the custodian or other counterparty. Clients may be eligible for insurance coverage against loss with respect to assets held in the custody of a broker in the event of the bankruptcy or liquidation of a broker to the same extent as that broker's other customers. Such insurance may be limited and is not expected to cover the entire value of the client's assets held in an account with its custodian.

Information Security. The Firm, third party managers, brokers, custodians, other services providers, relevant listing exchanges, as well as issuers of securities in which clients invest, are all heavily reliant upon internet connected information technology systems which are inherently vulnerable to attacks by malicious third parties and unauthorized disclosure due to incorrect configuration, operating error(s), known and unknown vulnerabilities and system behavior(s). Similar types of risks are also present for issuers of securities in which clients invest, which could

result in material adverse consequences for such issuers and cause investments in such companies to lose value. The Firm has implemented controls which comply with applicable laws and regulations and seeks to confirm as part of its due diligence process that third party managers and recommended to clients, issuers of securities, and relevant third-party vendors, have similarly implemented such controls. However, neither the Firm nor such third parties are unable to completely prevent unauthorized access to their information systems and may be unable to anticipate evolving threat vectors and as a result be unable to prepare mitigating mechanisms to limit these inherent risks. If an information system compromise or disruption occurs, clients, the Firm, or the issuers of securities in which clients invest may face material increases in their costs associated with response, repair, and mitigation which may result in material adverse consequences for such affected party. Compromise or disruption could also result in the inability of the impacted party to operate its business, violations of applicable laws, regulatory fines, reputational damage, and the compromise of sensitive client information resulting in a direct financial loss through identity or account theft. These risks may not be covered by insurance, and insurance policies which do cover such risks may exist only on the surplus lines market and may be subject to extensive exclusions and limitations. The systems (including hardware, networking, software, SaaS, and PaaS), including the data stored thereon, used by clients, the Firm, the issuers of securities in which the Firm invests, and their respective service providers are at risk of unauthorized access by internal and external parties, including via misconfiguration, credential mismanagement, unauthorized privilege escalation, failures to limit account access, unmitigated known vulnerabilities, previously unknown vulnerabilities (“zero-day” attacks), the compromise of any entity within the supply chain (including during the provision of software updates), phishing and identity falsification attacks, organized criminal activity, the actions of Advanced Persistent Threats (“APT’s”), ransomware, insecure APT’s, code development practices, and the violation of information policies and practices by agents or employees. It may not be possible to recover or repair systems or data which become compromised through any of these means and such unauthorized access may result in the disclosure of sensitive personal data resulting in a material adverse effect for party experiencing the compromise including potential legal claims and adverse regulatory actions. The systems are also at risk of being rendered inoperable even without a security breach as a result of a failure of the internet infrastructure (including telecommunications providers, local connection exchanges, DNS managers and providers), poor maintenance or redundancy practices, lack or failure of business continuity/disaster recovery procedures, denial of service attacks and similar attacks which are likely to proliferate with and become increasing disruptive as a result of broader adoption of the Internet of Things can each result in operational disruption which prevents the impacted party from operating its business for a period of time, potentially incurring financial loss and loss of customer goodwill.

Epidemics, Pandemics, and Public Health Issues. Our business activities as well as our clients and their operations and investments could be adversely affected by the outbreaks of epidemics in China and globally, such as Coronavirus, Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome, or SARS, or other epidemics. Specifically, Coronavirus, or COVID-19, has been spreading rapidly around the world since December 2019 and has negatively affected the global economy and the stock market. Although the long-term effects of coronavirus cannot currently be predicted, previous occurrences of other pandemic and epidemic diseases, such as H5N1 and H1N1, had an adverse effect on the economies of those countries in which they were most prevalent. A recurrence 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, which would adversely affect the business, financial condition and operations of us and our clients. Should these or other major public health issues, including pandemics, arise or spread farther, we and our clients could be adversely affected by more stringent travel restrictions, additional limitations on the firm's operations or business and governmental actions limiting the movement of people between regions and other activities or operations.

Privacy and Data Protection Risk. The Firm, its affiliates and certain entities in which our clients invest will process personal information, including by storing and maintaining personal data related to their respective members, affiliates, employees and representatives, natural person investors, service provider representatives, customers and others. Such processing of personal information, which may also include the use of third-party processors and cloud-based services, will impose legal, operational and regulatory risks on the Firm, its affiliates and underlying managers. In recent years, there has been an increase in legal requirements relating to the collection, storage, use and transfer of personal information, and the legal framework around such matters is expected to continue to develop at both the international and state level. Certain activities of the Firm, the underlying managers and/or their respective affiliates may, for example, be subject to the California Consumer Privacy Act and other foreign, federal and state privacy laws such as the European Union's General Data Protection Regulation. The Firm and/or its affiliates may not be able to accurately anticipate the ways in which regulators and courts will apply or interpret the law, and implementation, interpretation or application of privacy and data protection laws in a manner inconsistent with the Firm's expectations may adversely affect one or more clients. For example, the failure of the Firm, or one or more of its affiliates providing services to a client, to comply with privacy and data protection laws could result in negative publicity, operational disruptions, and may subject a client or an affiliate thereof to significant costs associated with litigation, settlements, regulatory action, judgments, liabilities or penalties and mandatory remediation. The same risks will apply to investments of clients that fail to comply with privacy and data protection laws. If the Firm, underlying managers or one or more of their respective affiliates uses or discloses information improperly or suffers a security breach impacting personal information, they may be obligated to notify government authorities, stakeholders or individuals affected, which may divert the Firm's, underlying managers and their affiliates' time and effort and entail operational disruptions, loss of market confidence and goodwill and substantial expense, particularly if any litigation or enforcement action or mandatory remediation were to also arise out of such breach.

Reliance on Management of the Underlying Funds and Managers. Although the Firm generally expects to monitor the activities and performance of underlying funds (to the extent applicable), the Firm will rely substantially and predominantly upon underlying funds, managers and their personnel to manage and operate the underlying funds and their investments on a day-to-day basis. If the underlying managers are unable to attract and retain a qualified, competent and effective management team, the business, financial condition and prospects of the underlying funds and the value of the underlying funds' investments (or a client's investment in the underlying funds) could be materially adversely affected.

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE DESCRIPTION OF ALL OF THE RISKS ASSOCIATED WITH CLIENTS'

INVESTMENT PROGRAMS OR THE FIRM'S INVESTMENT STRATEGIES. PROSPECTIVE INVESTORS ARE STRONGLY ENCOURAGED TO CONSULT WITH LEGAL AND TAX COUNSEL AS NEEDED TO CONSIDER RELEVANT RISK FACTORS.

ITEM 9. DISCIPLINARY INFORMATION

The Firm is required to disclose all material facts regarding any legal or disciplinary events that would be material to an Investor's evaluation of the Firm, or the integrity of its management.

The Firm has no information to disclose in response to this Item.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Other Registrations

Neither the Firm, any affiliate, nor any management person is registered, or has an application pending to register as a securities broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, commodity pool operator or commodity trading advisor.

Other Affiliations

Neither the Firm, any affiliate, nor any manager person has any relationship or arrangement that is material to the Firm's advisory business or clients with any financial industry affiliates.

Other Advisers

While the Firm does recommend or select other investment advisers for clients, neither the Firm, nor any affiliate receives compensation directly or indirectly from those advisers for such recommendations.

ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

The Firm will adopt and implement a Code of Ethics, which sets forth standards of business conduct for its supervised persons. Legacy Knight's Code of Ethics is designed to educate supervised persons about the Firm's philosophy regarding ethics and professionalism, emphasize its fiduciary duties to clients, encourage supervised persons to comply with applicable laws, prevent the misuse of material non-public information, the circulation of rumors and other forms of market abuse and address material conflicts of interest that arise from personal trading. Subject to the terms of the Code of Ethics, the Firm generally impose restrictions on employees relating to the purchase or sale of securities for their own accounts and the accounts of certain affiliated persons. Employees generally will be required to submit (i) initial and annual reports of their personal securities holdings and (ii) quarterly reports of all their personal securities transactions within 30 days after the close of each calendar quarter. In addition, employees must seek prior approval from the Chief Compliance Officer before (a) buying or selling any security of an issuer on the Firm's Restricted List, (b) participating in initial public offerings (IPOs) or (c) making private investments. Notwithstanding these restrictions, employees may be permitted to buy, sell or hold securities that are held by, have been purchased or sold by, or are being considered for purchase or sale by clients. Employees are strictly prohibited from front-running client trades, and the Chief Compliance Officer will monitor employee personal trading for potential conflicts with respect to client trading.

The Firm will also maintain certain policies and procedures designed to prevent supervised persons from misusing material non-public information and to address certain actual and potential conflicts of interest that may arise when supervised persons engage in outside business activities or accept, provide, offer or give gifts or entertainment events. The Firm will furnish a copy of its Code of Ethics to clients upon request.

Transactions Involving Conflicts of Interest

The Firm may cause clients to enter into transactions and arrangements involving actual or potential conflicts of interest. Legacy Knight will review any transactions involving material conflicts of interest and take such actions as it deems necessary or appropriate to ensure that the terms of such transactions are fair and reasonable under the circumstances. Generally, the Firm will make disclosure to and seek approval from clients with respect to transactions involving conflicts of interest with respect to such client.

ITEM 12. BROKERAGE PRACTICES

Broker Selection & Recommendations

The Firm and its affiliates generally do not have discretion to select investments without approval of the client and do not have discretion to directly execute trades for client accounts. However, the Firm may select or suggest brokers for clients based on the individual needs and objectives of the client. In suggesting brokers for client accounts, the Firm and its affiliates may consider a number of factors, including reputation, financial strength and stability, efficiency of execution, ability to execute difficult or complex transactions, on-line access to computerized data regarding clients' accounts, client reporting and other services, and other matters involved in the receipt of brokerage services generally. The Firm does not enter into any soft dollar or other similar arrangements with broker-dealers.

Currently, the Firm has no directed brokerage arrangements. In the event that a directed brokerage arrangement is considered in the future, such arrangement would require approval by the Firm, and it will amend this brochure accordingly.

Investment Allocations & Order Aggregation

The Firm's allocation of investment opportunities among the Firm's clients is influenced by factors such as time horizon, risk tolerance, liquidity needs, growth objectives and current income/cash flow needs. The Firm may identify some investments that it believes are appropriate for one client, but not for other clients. In each case, the Firm works to ensure that investment opportunities are allocated by the Firm among its applicable clients in a fair and equitable manner.

Due to the nature of the Firm's advisory business, the Firm generally does not aggregate transactions on behalf of clients.

ITEM 13. REVIEW OF ACCOUNTS

Reviews of Accounts

The Firm generally conducts reviews of client accounts on at least a quarterly basis. The level of review is determined by client need and/or the Firm's discretion. The review includes copies of client statements and performance reports from third party managers or other financial institutions. The Firm further reviews the performance of direct and alternative investments.

The Firm's Manager and other members of the Investment Team generally will perform reviews. The reviews are conducted to determine the accuracy, completeness, suitability and satisfaction of the client's stated objectives and recommend asset allocation or other changes, as needed.

Reports to Clients

Statements, confirmations, and performance reports are furnished from various financial service institutions/firms with which the client transacts business. These firms may include, and are not limited to, brokerages, investment companies, trust companies, private funds, other registered investment advisers, banks and credit unions. The Firm may assist clients in interpreting and/or reviewing statements and reports from such entities. How often reports are sent by such financial institutions to the client depends on the various financial institutions/firms generating the reports. Typically, reports are sent monthly, quarterly, annually or, in the instance of confirmation reports, as transactions occur.

In addition, the Firm typically prepares and furnishes to clients' reports summarizing the client's portfolio holdings at various financial institutions and showing the client's overall asset allocation. Such reports may be furnished monthly, quarterly, annually, or upon request depending on the client's preference.

Clients are urged to compare any reports that they receive from the Firm with the statements provided by their custodian.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

Third Party Compensation

Except as otherwise disclosed herein, the Firm does not currently receive any economic benefit from any person who is not a client in exchange for the provision of investment advice or other advisory services to its clients.

Referrals

The Firm will not currently compensate any third party for client referrals.

ITEM 15. CUSTODY

Because the Firm generally has the authority to instruct the account Custodian(s) to deduct the investment management fee directly from the Client's account, the Firm is considered to have "custody" of client assets. Custody is defined as having any access to client funds or securities. This limited access is monitored by the client through receipt of account statements directly from the Custodian(s). These statements all show the deduction of the management fee from the account.

With respect to each Fund, the Firm is generally deemed to have custody of such Fund's cash and securities for purposes of Rule 206(4)-2 under the Advisers Act. It is expected that most of the holdings of the Funds will be "privately offered securities" as defined in Rule 206(4)-2, which generally are not required to be maintained with a qualified custodian. With respect to any cash or securities (other than privately offered securities) of a Fund, they generally will be held or maintained with one or more qualified custodians selected by the general partner of such Fund from time to time (to the extent required by Rule 206(4)-2). In accordance with Rule 206(4)-2, the Firm or an affiliate (i) engages an independent public accounting firm registered with and subject to inspection by the Public Company Accounting Oversight Board to conduct an audit of the financial statements of each Fund for each fiscal year and (ii) distributes or provides or furnishes copies of such audited financial statements (prepared in accordance with generally accepted accounting principles) to all investors within 120 days (or 180 days, if applicable) after the end of the fiscal year, but there can be no assurance that the Firm will be successful in this regard. Qualified custodians do not provide account statements directly to investors. The Firm generally expects that the underlying funds owned by the Funds will be subject to annual audits by independent public accounting firms.

ITEM 16. INVESTMENT DISCRETION

The Firm and its affiliates generally do not have discretionary authority to manage publicly traded securities accounts on behalf of clients. In the event a client does grant discretionary authority to the Firm, it will do so through an investment management agreement outlining the scope of such authority and any limitations.

ITEM 17. VOTING CLIENT SECURITIES

The Firm generally does not have the authority to vote proxies and other securities on behalf of its clients. Instead, the obligation to vote client proxies generally rests with the third-party manager, the client, or the clients' other financial advisers. The Firm is not deemed to have proxy-voting authority solely as a result of providing advice or information about a proxy vote to a client.

Should the Firm inadvertently receive proxy information for a security held in a client's account for which the Firm does not vote proxies, the Firm will make a good faith effort to forward such information to the client in a timely manner but will not be responsible for voting such proxy.

ITEM 18. FINANCIAL INFORMATION

The Firm does not have any financial commitment that impairs its ability to meet contractual and fiduciary commitments to its clients, nor has it been the subject of any bankruptcy proceeding.