

**Item 1. Cover Page**

**Carrick Lane LLC**

**Part 2A of Form ADV  
(The “Brochure”)**

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This Brochure provides information about the qualifications and business practices of Carrick Lane LLC ("we", the "Adviser" or "Carrick Lane"). If you have any questions about the contents of this Brochure, please contact Peter Montgomery at 415-548-5099 or [peter@carricklane.com](mailto:peter@carricklane.com). This information has not been approved or verified by the SEC or by any state securities authority.

Additional information about the Adviser also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2. Material Changes**

The Adviser does not consider any of the information contained in this version of the Brochure to represent a material change from the information contained in its most recent version dated July 11, 2022.

Our current and future investors are encouraged to read this Brochure and all of the applicable governing documents to their current or prospective investment, in their entirety.

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#### **Item 4. Advisory Business**

Carrick Lane LLC (“Carrick Lane” or the “Adviser”) is an investment advisory firm with its principal place of business in New York, New York and organized as a limited liability company under the laws of the State of Delaware. The Adviser is wholly owned by Carrick Lane Holdings LLC, a limited liability company organized under the laws of the State of Delaware (“CL Holdings”).

The Adviser provides discretionary investment advisory services to “accredited investors” and “qualified purchasers” as defined in Rule 501 of Regulation D of the Securities Act of 1933 and Rule 2(a)(51)-1 under the Investment Company Act of 1940, in addition to investment consulting and other services. The Adviser furnishes guidance to separately managed account arrangements (“Accounts” or “Clients”) based on the specific investment objectives and strategies that are set forth in the investment management agreement (“IMA”) and sub-advisory agreement (collectively “Governing Documents”).

The Adviser offers customized option-based solutions to clients with a focus on absolute return, yield enhancement and risk reduction. Its primary offering is a suite of Put Writing strategies, with an objective to generate option premium over time by selling and actively managing a portfolio of index put options. The Put Writing suite provides clients with the ability to opt-in to features that can buy and actively manage index put options in addition to selling and actively managing put options. Carrick Lane provides exposure to the strategy targeting the client specified mandate size.

As of December 31, 2022, the Adviser manages approximately \$554,810,625 in regulatory assets under management, all on a discretionary basis.

#### **Item 5. Fees and Compensation**

The Adviser charges the Client’s an asset-based investment management fee (the “Management Fee”) based on the value of net assets under management. The Management Fee is charged either monthly or quarterly in advance or in arrears depending on the particular strategy and the arrangement between the Adviser and the individual Client as set forth in the Governing Documents. Generally, the Adviser charges its Client’s a Management Fee ranging from 0.25% to 0.85%.

In addition to paying the Management Fee, Accounts are subject to other investment expenses, such as custodial charges, brokerage fees, commissions and related costs; interest margin expenses; taxes, duties and other governmental charges; transfer and registration fees or similar expenses; costs associated with foreign exchange transactions; and costs, expenses and fees associated with products or services that may be necessary or incidental to such investments or accounts. For each Client who is considering investing with the Adviser it is important that they review the Governing Documents in their entirety to understand the risks, fees and expenses associated with such investment.

The Adviser may change, reduce, or waive the Management Fee for principals, employees or affiliates of the Adviser, relatives of such persons, and for certain large or strategic investors.

#### **Item 6. Performance-Based Fees and Side-by-Side Management**

The Adviser does not charge performance-based fees.

#### **Item 7. Types of Clients**

As described in Item 4, the Adviser provides discretionary investment advisory services to including and not limited to: “accredited investors” as that term is defined in Rule 501 of Regulation D of the Securities Act of

1933 and “qualified purchasers” as defined in Rule 2(a)(51)-1 under the Investment Company Act of 1940.

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

### **Investment Objective and Strategy**

The Adviser utilizes modern portfolio theory, and fundamental, technical and volatility-based research to guide recommendations to clients and investment decisions.

For information regarding the Adviser’s investment strategies, please refer to the applicable Governing Documents, which must be reviewed carefully in connection herewith.

### **Risk Factors**

The investment strategies the Adviser uses entail substantial risks, including, but not limited to, those identified below. Further details regarding these risks and other applicable risk factors are included in the Governing Documents of the Clients for which the Adviser performs investment advisory services, or in the applicable documentation furnished to the Clients. Investors are advised to carefully review all risk factors described in such documents. The following is not intended to supersede the material contained in such documents nor identify all possible risks of an investment with the Adviser.

*Derivatives.* Swaps, and certain options and other custom derivative or synthetic instruments are subject to the risk of nonperformance by the counterparty to such instrument, including risks relating to the financial soundness and creditworthiness of the counterparty. In addition, investments in derivative instruments may require a high degree of leverage, meaning the overall contract value (and, accordingly, the potential for profits or losses in that value) is much greater than the modest deposit used to buy the position in the derivative contract. Derivative securities can also be highly volatile. The prices of derivative instruments and the investments underlying the derivative instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the Client or the Adviser. Further, transactions in derivative instruments may not be undertaken on recognized exchanges, and may expose the Client’s account to greater risks than regulated exchange transactions that may provide greater liquidity and more accurate valuation of securities.

*Fixed-Income and Debt-Related Securities.* Investment in fixed-income and debt-related securities, such as options on fixed-income indices, subject a Client’s portfolio to the risk that the value of these securities overall will decline because of rising interest rates. Similarly, portfolios that hold such securities are subject to the risk that the portfolio’s income will decline because of falling interest rates. Investments in these types of securities will also be subject to the credit risk created when a debt issuer fails to pay interest and principal in a timely manner, or that negative perceptions of the issuer’s ability to make such payments will cause the price of that debt to decline. Lastly, investments in debt-related securities will also subject the investments to the risk that the securities may fluctuate more in price, and are less liquid than higher-rated securities because issuers of such lower-rated debt securities are not as strong financially, and are more likely to encounter financial difficulties and be more vulnerable to adverse changes in the economy.

*Illiquid Instruments.* Certain instruments may have no readily available market or third-party pricing. Reduced liquidity may have an adverse impact on market price and the Adviser’s ability to sell particular securities when necessary to meet liquidity needs or in response to a specific economic event, such as the deterioration of creditworthiness of an issuer. Reduced liquidity in the secondary market for certain securities may also make it more difficult for the Adviser to obtain market quotations based on actual trades

for the purpose of valuing a Client's portfolio.

*Security Futures and Options.* In connection with the use of futures contracts and options, there may be an imperfect correlation between the change in market value of a security and the prices of the futures contracts and options in the Client's account. In addition, the Adviser's investments in security futures and options may encounter a lack of a liquid secondary market for a futures contract and the resulting inability to close a futures position prior to its maturity date.

*Risk of Default or Bankruptcy of Third Parties.* Clients may engage in transactions in securities or other financial instruments and other assets that involve counterparties. Under certain conditions, Clients could suffer losses if a counterparty to a transaction were to default or if the market for certain securities or other financial instruments and/or other assets were to become illiquid. In addition, the Client could suffer losses if there were a default or bankruptcy by certain other third parties, including brokerage firms and banks with which the Client does business.

### **Item 9. Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a Client's evaluation of Carrick Lane or the integrity of Carrick Lane's management. Carrick Lane has no disciplinary events to report.

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

Carrick Lane purchased the put writing and call writing business lines from Harvest Volatility Management LLC ("HVM") in March 2021 (the "Transaction"). Prior to the Transaction, Ken Kwalik and Tim Knowles (the "Portfolio Managers") of Carrick Lane managed the strategies for HVM. Since the Transaction, certain of HVM's clients in this business line have transitioned to Carrick Lane, and some are still in the processes of transitioning. To continue servicing all affected clients while they are in the process of transitioning, the Portfolio Managers remain supervised persons and Portfolio Managers of both Carrick Lane and HVM. The only activity the Portfolio Managers conduct on behalf of HVM is administering the strategy for the clients that have not yet transitioned to Carrick Lane. Such transition is expected to be completed soon, at which time the Portfolio Managers will cease to be associated with HVM. The Adviser and HVM have compliance procedures to guard against any conflicts and risks that may be enhanced by having Portfolio Managers associated with two advisers at one time, such as conflicts of interest, misappropriation, proprietary or private information, and any other form of market manipulation.

The Adviser does not have any financial industry affiliations with a broker-dealer, Futures Commission Merchant (FCM), Commodity Pool Operator (CPO), or Commodity Trading Advisor (CTA).

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

#### ***Code of Ethics***

The Adviser has adopted a Code of Ethics (the "Code") in accordance with SEC requirements. The purpose of the Code is to identify the ethical and legal framework in which the Adviser and its personnel are required to operate and to highlight some of the guiding principles and mechanisms for upholding the Adviser's standard of business conduct. The Code is designed to ensure that all applicable personnel are aware of and adhere to the Adviser's policies and procedures. The description below is a summary only. To receive a current copy of the Code free of charge, please contact Peter Montgomery at (415) 548-5099 or [peter@carricklane.com](mailto:peter@carricklane.com).

***Standard of Business Conduct.*** The Adviser and its personnel have a fiduciary duty to our Clients, and in this fiduciary capacity, we must place the interests of our Clients before our own interests.

**Basic Principles.** The Code is based on a few basic principles: (i) the Adviser and its personnel must place the interests of Clients above their own; (ii) the professional activities and personal investment activities of the Adviser's personnel must be consistent with the Code and avoid any actual or potential undisclosed material conflict between the interests of Clients and those of the Adviser or its personnel; (iii) the activities of the Adviser's personnel must be conducted in a way that avoids any abuse of any such person's position of trust with and responsibility to The Adviser and Clients; (iv) employees of the Adviser must not take any inappropriate advantage of their positions at the Adviser; and (v) the Adviser's personnel may not engage in any act, practice or course of conduct that would violate the provisions of Rule 204A-1 of the Investment Advisers Act of 1940, as amended (the "Advisers Act"), and other applicable securities laws.

**Conflicts of Interest.** As a fiduciary, the Adviser has an affirmative duty of care, loyalty, honesty and good faith to act in the best interests of its Clients. The Adviser makes every effort to avoid conflicts of interest and fully disclose all material facts concerning any conflict of interest that may arise with respect to any of its Clients. The Adviser stresses that individuals subject to the Code must try to avoid situations that have even the appearance of conflict or impropriety.

**Insider Trading.** The Adviser's personnel may not trade, either personally or on behalf of another, on material non-public information or communicate material non-public information to another person in violation of the law. This policy applies to all of the Adviser's personnel and extends to their activities both within and outside their duties for the Adviser. The Adviser has also implemented policies and procedures designed to detect and prevent insider trading.

**Personal Securities Transactions.** All personnel must comply with the Adviser's policy on personal trading. Except with respect to certain securities (including certain indices, mutual funds, exchange-traded funds and fixed income securities) and with respect to certain accounts for which a person does not exercise investment discretion and in regards to certain automatic or non-volitional transactions, such as dividend reinvestment plans, personal securities transactions by the Adviser's personnel must be pre-approved by the Adviser's Chief Compliance Officer ("**Pre-Clearance Procedures**").

**Holdings and Transactions Reports.** Every employee and access person must submit both initial and annual holdings report to the Adviser's Chief Compliance Officer that disclose all covered securities held in any personal account. Every employee and access person must also submit a quarterly transaction report to the Chief Compliance Officer for each covered securities transaction in any personal account.

**Reporting of Violations.** The Adviser has implemented policies and procedures whereby the Adviser's personnel are required to report any violation, apparent violation or potential violation of the Code to the Adviser's Chief Compliance Officer.

**Review and Enforcement.** The Adviser's Chief Compliance Officer is responsible for ensuring adequate supervision over the activities of all persons who act on our behalf in order to prevent and detect violations of our Code of Ethics by such persons.

**Participation or Interest in Client Transactions.** To the extent that the Adviser's related persons invest in the same securities that the Adviser or a related person recommends to a Client, such practices present a conflict where the Adviser or its related person is in a position to trade in a manner that could adversely affect the Clients. In addition to affecting the Adviser's or its related person's objectivity, these practices by the Adviser or its related persons may also harm the Clients by adversely affecting the price at which the Client's trades are executed. The Adviser has adopted the foregoing Pre-Clearance Procedures in an effort to minimize such conflicts, which procedures may result in the denial of permission to execute a transaction if such transaction will have any adverse economic impact on a Client. In addition, the Code prohibits the Adviser or its personnel from executing personal securities transactions of any kind in any securities on a restricted securities list maintained by the Chief Compliance Officer, as discussed below. Trading in

employee accounts will be reviewed by the Chief Compliance Officer, compared with transactions for the Client accounts and reviewed against the restricted securities list.

To the extent a supervised person of the Adviser buys or sells securities for a Client at or about the same time that such supervised person buys or sells the same securities for its own account, the supervised person must do so in accordance with the procedures described above in order to minimize the conflicts stemming from situations where the contemporaneous trading would result in an economic benefit for the Adviser or its supervised person to the detriment of the Client.

From time to time, subject to Client or investment guidelines and restrictions and to the extent we determine it to be in our Clients' best interests to do so, the Adviser is authorized to direct one of our Clients to sell investments to another of our Clients through an internal cross transaction in which the Adviser will receive no compensation. Any such transactions will be conducted using a pricing mechanism the Adviser considers to be fair to both such Clients.

To the extent that any of the transactions described above may be viewed as a principal transaction due to the interest of the Adviser or its affiliates in a purchaser or seller, the Adviser will comply with the requirements of Section 206(3) of the Advisers Act, and provide written notification to the relevant Client and obtain Client consent either prior to the principal transaction or prior to its settlement.

In addition, the Adviser may give advice or take action with respect to investments of one or more of our Clients that may not be given or taken with respect to our other Clients with similar investment programs, objectives and strategies. Accordingly, our Clients with similar investment strategies may not hold the same investments or achieve the same performance. The Adviser may also advise our clients with conflicting programs, objectives or strategies. These activities may also adversely affect the prices and availability of other investments held or potentially considered for one or more Clients.

***Sharing of Access Persons.*** Anytime an individual is associated with more than one financial institution, there are inherent risks including but not limited to: insider trading, frontrunning, market manipulation, appropriation of another adviser's property, confidentiality of information, and privacy. Due to certain duly supervised persons of the Adviser temporary relationship with HVM, the Adviser has implemented compliance processes and procedures regarding duly supervised personnel.

## **Item 12. Brokerage Practices**

Clients of the Adviser, pursuant to applicable Governing Documents, direct the Adviser to execute transactions with certain designed broker-dealers in their discretion.

### ***Research and Soft Dollars***

At this time the Adviser is not a party to, and does not anticipate entering into, a formal "soft dollar" arrangements. However, the Adviser has the option to use "soft dollars" generated by our Client's to pay for research related services. In the event that the Adviser utilizes allocations of commission dollars, it will do so solely to pay for products or services that qualify as "research and brokerage services" within the "safe harbor" of Section 28(e) of the Securities Exchange Act of 1934, as amended.

## **Item 13. Review of Accounts**

A member of the Adviser's investment team regularly review and monitor Client portfolios. Investors receive written reports as further described in the applicable Governing Documents.



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

The Adviser compensates third-party solicitors for Client referrals. The Adviser maintains a well-established relationship with its financial advisers wherein they provide continual Client referrals to the Adviser. Where applicable, compensation for Client solicitations will be structured to comply fully with the requirements of the SEC.

#### **Item 15. Custody**

The Adviser does not have custody over our Clients' assets. The assets of the Clients are held by a custodian as disclosed in the Governing Document or as chosen by the Client. At times, the Adviser will debit certain fees from the Clients' accounts. Each Client is urged to carefully review the statements it receives from the broker-dealer, bank or other qualified custodian and compare such statements to any statements received from the Adviser.

#### **Item 16. Investment Discretion**

The Adviser is provided with discretionary authority to manage the investment accounts of Clients as set forth in the Clients corresponding Governing Documents.

Prior to assuming full discretion in managing a Client's assets, the Adviser enters into an IMA or other agreement that sets forth the scope of the Adviser's discretion.

Unless otherwise instructed or directed by a discretionary Client, the Adviser has the authority to determine: (1) which securities or instruments to buy or sell and (2) total amount of securities or instruments to buy or sell. Because of the differences in Client investment objectives and strategies, risk tolerances, tax status and other criteria, there may be differences among Clients investments.

#### **Item 17. Voting Client Securities**

The Adviser does not have, nor will it accept, authority to vote Client securities.

#### **Item 18. Financial Information**

We do not require, nor do we solicit, prepayment of more than \$1,200 in fees per Client, six months or more in advance.

The Adviser has no financial condition that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to its clients.

The Adviser has never been the subject of a bankruptcy petition.