

**ITEM 1
COVER PAGE**

GatePass Capital, LLC

PART 2A OF FORM ADV: FIRM BROCHURE

December 21, 2023

GatePass Capital, LLC
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Independence, OH 44131

This brochure ("Brochure") provides information about the qualifications and business practices of GatePass Capital, LLC (the "Firm", "we" or "GatePass"). If you have any questions about the contents of this brochure, please contact us at info@gatepass.capital. 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.

The Firm is registered as an investment adviser with the SEC. Registration with the SEC or with any state securities authority does not imply any level of skill or training.

Additional information about GatePass also is available at the SEC's website www.adviserinfo.sec.gov.

ITEM 2
MATERIAL CHANGES

This is GatePass' initial Brochure prepared in connection with its registration as an investment adviser with the SEC and, therefore, there are no material changes to report.

We will further provide you with a new Brochure as necessary based on material changes without charge.

We strongly recommend that you review this Brochure in its entirety.

ITEM 3
TABLE OF CONTENTS

ITEM 1 COVER PAGE	1
ITEM 2 MATERIAL CHANGES	2
ITEM 3 TABLE OF CONTENTS	3
ITEM 4 ADVISORY BUSINESS	4
ITEM 5 FEES AND COMPENSATION	6
ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	8
ITEM 7 TYPES OF CLIENTS.....	8
ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	8
ITEM 9 DISCIPLINARY INFORMATION.....	11
ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	12
ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING.....	12
ITEM 12 BROKERAGE PRACTICES	13
ITEM 13 REVIEW OF ACCOUNTS.....	16
ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION.....	17
ITEM 15 CUSTODY	17
ITEM 16 INVESTMENT DISCRETION	17
ITEM 17 VOTING CLIENT SECURITIES	17
ITEM 18 FINANCIAL INFORMATION	18

ITEM 4 ADVISORY BUSINESS

GatePass, an Ohio limited liability company, founded in 2023, is principally located in Independence, OH.

GatePass is wholly owned by GatePass Capital Holdings, LLC ("Holdings") which is wholly owned by Matthew Jenkins.

GatePass offers a variety of advisory services, which include financial planning, consulting, and investment management services. Prior to GatePass rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with GatePass setting forth the relevant terms and conditions of the advisory relationship (the "Advisory Agreement").

GatePass does not participate in any wrap fee programs.

This Brochure has been prepared and submitted in connection with GatePass' 120-day provisional registration with the SEC. GatePass expects to have discretionary assets under management in excess of \$100,000,000 within 120 days of the SEC approving GatePass' registration, and will amend its Form ADV accordingly.

Investment and Wealth Management Services

GatePass expects to manage client investment portfolios on a discretionary basis. In addition, GatePass will provide certain clients with wealth management services which include a broad range of financial planning and consulting services.

GatePass primarily allocates client assets among various publicly-traded equity and fixed income securities, exchange-traded funds and notes ("ETFs/ETNs"), mutual funds, and independent investment managers through separately managed accounts or subadvisory relationships ("Independent Managers") in accordance with their stated investment objectives.

GatePass tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. GatePass will consult with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify GatePass if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if GatePass determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

Where appropriate, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios, but clients should not assume that these assets are being continuously monitored or otherwise advised on by the Firm. Clients can engage GatePass to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans

and qualified tuition plans (i.e., 529 plans). In these situations, GatePass would direct or recommend the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider and clients may be responsible to implement the recommendations depending on the authority the Firm is given by the product's provider.

IRA Rollover Recommendations

Effective December 20, 2021 (or such later date as the US Department of Labor ("DOL") Field Assistance Bulletin 2018-02 ceases to be in effect), for purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to our clients and prospective clients.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest. We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

Other Services

GatePass expects to offer its clients a broad range of financial planning and consulting services, which include any or all of the following functions:

- Business Planning
- Cash Flow Forecasting
- Trust and Estate Planning
- Financial Reporting
- Investment Consulting
- Insurance Planning
- Retirement Planning
- Risk Management
- Charitable Giving

- Distribution Planning
- Tax Planning
- Education Planning

While each of these services is available on a stand-alone basis, certain of them can also be rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement.

ITEM 5 FEES AND COMPENSATION

GatePass offers services on a fee basis, which includes fees based upon assets under management or advisement, as well as fixed fees. Additionally, certain of the Firm's Supervised Persons, in their individual capacities, offer securities brokerage services and/or insurance products under a separate commission-based arrangement.

Investment Management Fees

GatePass offers investment management services for an annual fee based on the amount of assets under the Firm's management. This management fee varies in accordance with the following fee schedule:

<u>PORTFOLIO VALUE</u>	<u>BASE FEE</u>
Up to \$1,000,000	1.50%
\$1,000,001-\$2,000,000	1.25%
\$2,000,001-\$5,000,000	0.75%
\$5,000,001-\$10,000,000	0.60%
\$10,000,001 -\$20,000,000	0.50%
Above \$25,000,000	0.35%

Gate Pass' annual fee will be billed and payable on a pro-rata basis, quarterly in advance, based upon the market value of the assets being managed by the Firm on the last day of the previous quarter. Adjustments will be made for deposits and withdrawals in excess of \$50,000 during the quarter. If the investment management agreement is executed at any time other than the first day of a calendar quarter, GatePass' fees will apply on a pro rata basis, which means that the management fee is payable in proportion to the number of days in the quarter for which you are a client. In the event the portfolio management agreement is terminated, the fee for the final billing period will be prorated through the effective date of termination, and the outstanding or unearned portion of the fee will be charged or refunded to the client, as appropriate. The Firm's management fee is negotiable, depending on individual client circumstances.

Additionally, for asset management services the Firm will provide with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), GatePass can negotiate a fee rate that differs from the range set forth above.

Fee Discretion

GatePass may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention, pro bono activities, or competitive purposes.

Additional Fees and Expenses

In addition to the advisory fees paid to GatePass, clients will also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges may include securities brokerage commissions, transaction fees, custodial fees, reporting charges, fees charged by the Independent Managers, margin and other borrowing costs, charges imposed directly by a mutual fund or ETF/ETN in a client's account, as disclosed in the fund's prospectus (*e.g.*, fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. The Firm's brokerage practices are described at length in Item 12, below.

Direct Fee Debit

Clients will generally provide GatePass and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to GatePass. Alternatively, clients may elect to have GatePass send a separate invoice for direct payment.

Use of Margin

GatePass can recommend that certain clients utilize margin in the client's investment portfolio or other borrowing. GatePass will only recommend such borrowing for non-investment needs, such as bridge loans and other financing needs. The Firm's fees are determined based upon the value of the assets being managed gross of any margin or borrowing.

Account Additions and Withdrawals

Clients will be able to make additions to and withdrawals from their account at any time, subject to GatePass' right to terminate an account. Additions can be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients can withdraw account assets on notice to GatePass, subject to the usual and customary securities settlement procedures. However, the Firm designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. GatePass may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (*e.g.*, contingent deferred sales charges) and/or tax ramifications.

Fees for Other Services

GatePass expects to charge a fixed project-based fee to provide clients with other services such as tax planning and trust and estate planning. Each engagement is individually negotiated and tailored to accommodate the needs of the client, as memorialized in the agreement with the client. These fees vary, based on the scope of the services to be rendered and assets to be advised on and can be negotiated.

ITEM 6

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

GatePass will not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

ITEM 7

TYPES OF CLIENTS

GatePass expects to offer services to individuals, trusts, estates, charitable organizations, corporations and other business entities, and retirement plans.

GatePass may waive the minimum account requirements at its sole discretion. Prior to engaging GatePass to provide any of the investment advisory services described in this Brochure, the clients are required to enter into a written investment management agreement setting forth the terms and conditions under which the firm shall render its services.

ITEM 8

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

GatePass' philosophy in managing its clients' assets is grounded in that belief that diversification, risk management, and long-term view is best to achieve consistent returns.

Assessment and Goal Setting. Before initiating any investment strategy, GatePass conducts a comprehensive assessment of each client's financial situation, investment goals, risk tolerance, time horizon, and liquidity needs. This client profiling process ensures that investment recommendations are tailored to individual circumstances. The outcome of this process is a financial plan for the client which will guide GatePass in determining the individual asset allocation for the client.

Investment Strategy Selection. In determining the investment strategy to use, GatePass conducts an analysis of market conditions, economic trends, and client objectives.

Develop and communicate recommendations. With the client's financial status understood and goals prioritized, GatePass develops a comprehensive financial plan based on that client's needs and objectives. GatePass will meet with each client to discuss the Firm's customized recommendations and various options.

Implement the recommendations. To activate the client's financial plan, the Firm will work to implement the recommendations. GatePass will employ a rigorous due diligence process when selecting individual securities, funds, or other investment vehicles. This includes, among other things, assessing historical performance, risk characteristics, management expertise, and other relevant factors. The due diligence extends to ongoing monitoring to ensure continued alignment with clients' goals.

GatePass constructs portfolios for our clients using a mix of individual stocks, bonds, ETFs/ETNs, and mutual funds. In addition, the Firm may use third-party external managers (Independent Managers) where necessary to gain exposure to certain alternative investment asset classes such as private equity, real estate, private credit, and venture capital.

Market conditions and economic landscapes evolve over time. The investment team actively monitors these changes and, when necessary, makes tactical adjustments to client portfolios. These adjustments may involve rebalancing, reallocation, or other strategic shifts to optimize performance within the context of clients' objectives.

If circumstances change in the financial markets, a client's life, or both, the Firm discusses the changes to the portfolio it considers prudent, and then implements the changes promptly.

In addition, GatePass may also work with other knowledgeable and licensed professionals, such as attorneys, insurance agents, and tax professionals, to implement aspects of the client's plan and/or consider tax ramifications in choosing different investments.

Material, Significant or Unusual Risks

The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved with respect to the Firm's investment management activities. Clients should consult with their legal, tax, and other advisors before engaging the Firm to provide investment management services on their behalf.

Market Risks. Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of GatePass' recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. In addition, investments may be adversely affected by financial markets and economic conditions throughout the world. There can be no assurance that GatePass will be able to predict these price movements accurately or capitalize on any such assumptions.

Volatility Risks. The prices and values of investments can be highly volatile, and are influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, the financial condition of the issuers of such assets, changing supply and demand relationships, and programs and policies of governments.

Mutual Funds and ETFs/ETNs. An investment in a mutual fund or ETF/ETN involves risk, including the loss of principal. Mutual fund and ETF/ETN shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs/ETNs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs/ETNs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF/ETN shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs/ETNs and potentially more frequently for actively managed ETFs/ETNs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF/ETN only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF/ETN, a shareholder may have no way to dispose of such shares.

Use of Independent Managers. As stated above, GatePass expects to select certain Independent Managers to manage a portion of its clients' assets. In these situations, GatePass continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, GatePass does not have the ability to supervise the Independent Managers on a day-to-day basis.

Portfolio Turnover. GatePass' strategy may use frequent trading which results in significantly higher commissions and charges to client accounts due to increased brokerage costs, which will offset client profits.

Equity Securities. The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short term as well as long term, and different parts of the market and different types of equity securities can react differently to these

developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geo-political risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

Fixed Income Securities. Fixed income securities are subject to the risk of the issuer's or a guarantor's inability to meet principal and interest payments on its obligations and to price volatility.

Risks Associated with Active Management. The success of a client's account that is actively managed depends upon the investment skills and analytical abilities of GatePass to develop and effectively implement strategies that achieve the client's investment objective. Subjective decisions made by GatePass may cause a client's portfolio to incur losses or to miss profit opportunities on which it may otherwise have capitalized.

Interest Rate Risk. Interest rate risk is the risk to portfolio value due to changes in interest rates. The magnitude of the exposure from an adverse change in interest rates depends on the sensitivity of the instrument to changes in interest rates as well as the absolute change in interest rates. In general, values of long-term instruments are more sensitive to interest rate changes than the values of short-term instruments. Interest rate exposure can arise from either a parallel shift in the yield curve (term structure exposure) or a change in the shape of the yield curve (yield curve twist exposure).

Interest rate risk can be hedged with a variety of techniques and financial instruments, including futures contracts and swap agreements. It is quite possible that the hedging of interest rate risk of certain investments, with instruments that have different proportions of risk exposures, can result in exposure to forms of basis risk.

Key Man Risk. Key individuals responsible for investment decisions at GatePass or may become incapacitated or unable to perform their duties.

Cybersecurity; System and Security Breaches and Disruptions. In the ordinary course of business, GatePass, its affiliates and their service providers use computer systems and networks and collect and store, on such parties' systems and networks and/or on the systems and networks of their third party vendors, sensitive data including the intellectual property, trading data and personally identifiable information of clients. The secure processing, maintenance and transmission of this information is critical to the operations. Despite the security measures implemented by GatePass, its affiliates and their service providers and/or vendors, such parties' information technology and infrastructure may be vulnerable to attacks by hackers.

ITEM 9 DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a current or prospective client's or investor's evaluation of GatePass' advisory business or the integrity of GatePass' management.

ITEM 10
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Broker-Dealer Registration Status

GatePass is not registered as, or has an application pending to register as, a broker-dealer or a registered representative of a broker-dealer.

B. Futures Commission Merchant, Commodity Pool Operator or Commodity Trading Firm Registration Status

Neither GatePass nor its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. Other Investment Firm

None.

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

A. Code of Ethics.

GatePass has adopted a code of ethics ("**Code of Ethics**") to establish good business practices and prevent violations of the federal securities laws.

The Code of Ethics is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940, as amended (the "**Advisers Act**"). The Code of Ethics applies to GatePass' supervised persons (which term includes all officers and employees of GatePass) ("**Supervised Persons**").

The Code of Ethics requires Supervised Persons to comply with applicable federal securities laws and sets forth a standard of business conduct that takes into account GatePass' status as a fiduciary. GatePass has additional policies that address certain issues facing GatePass such as: outside business activities, gifts and entertainment, and conflicts of interest. The Code of Ethics also requires Supervised Persons to promptly bring known or suspected violations of the Code of Ethics to the attention of

GatePass' Chief Compliance Officer. All Supervised Persons are provided with a copy of the Code of Ethics and are required to acknowledge receipt of the Code of Ethics on at least an annual basis.

The Code of Ethics also includes the GatePass' insider trading policy which provides that no Supervised Person may trade, either personally or on behalf of any client of GatePass, while in possession of material, non-public information or communicate such information to another in violation of law.

As required by Rule 204A-1 of the Advisers Act, and as further discussed in Item 11C below, the Code of Ethics also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Supervised Persons. In addition, Supervised Persons must provide annual holdings reports and quarterly transaction reports in accordance with Rule 204A-1. GatePass maintains a "restricted list" that includes, among other things, the names of companies whose securities are subject to a ban on sales or purchases because GatePass has knowledge of material non-public information regarding such companies. The pre-clearance process is designed to ensure that personal trading does not occur in securities of companies on the restricted list.

The information contained in this item 11A is a summary only and is qualified in its entirety by reference to the Code of Ethics. We will provide a copy of the Code of Ethics to any client, or prospective client or investor, upon request. Please contact us at info@gatepass.capital.

B. Participation or Interest in Client Transactions.

GatePass and/or its Supervised Persons may at any time own or invest in the same securities as it recommends to its clients subject to pre-approval. All employees of GatePass are required to submit to the Firm duplicate copies of all trades and account statements for review. GatePass does not allow any employee to trade ahead of their clients. For individual securities such as stocks and bonds, any employees invested in the same models as clients are block traded where an average price is used.

The Firm does not permit client accounts to participate in principal or cross transactions.

**ITEM 12
BROKERAGE PRACTICES**

Recommendations of Broker-Dealers for Client Transactions

GatePass recommends that clients utilize the custody, brokerage and clearing services of Charles Schwab & Co., Inc. and Fidelity Brokerage Services LLC (together with their respective affiliates, "Schwab" or "Fidelity" as the case may be) for investment management accounts. The final decision to custody assets with Fidelity or Schwab is at the discretion of the client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. GatePass is independently owned and operated and not affiliated with either Fidelity or Schwab.

Factors which GatePass considers in recommending Fidelity, Schwab or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service.

The commissions to be paid by GatePass' clients to Fidelity and Schwab comply with the Firm's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where GatePass determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness. GatePass seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

GatePass periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

Support Provided by Financial Institutions

GatePass receives without cost from Fidelity or Schwab, as the case may be, administrative support, computer software, related systems support, as well as other third party support as further described below (together "Support") which allow GatePass to better monitor client accounts maintained at either Fidelity or Schwab and otherwise conduct its business. GatePass receives the Support without cost because the Firm renders investment management services to clients that maintain assets at Fidelity and Schwab. The Support is not provided in connection with securities transactions of clients (i.e., not "soft dollars"). The Support benefits GatePass, but not its clients directly. Clients should be aware that GatePass' receipt of economic benefits such as the Support from a broker-dealer creates a conflict of interest since these benefits will influence the Firm's choice of broker-dealer over another that does not furnish similar software, systems support or services. In fulfilling its duties to its clients, GatePass endeavors at all times to put the interests of its clients first and has determined that the recommendation of Fidelity or Schwab is in the best interest of clients and satisfies the Firm's duty to seek best execution.

Specifically, GatePass receives the following benefits from Fidelity and Schwab: i) receipt of duplicate client confirmations and bundled duplicate statements; ii) access to a trading desk that exclusively services its institutional traders; iii) access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and iv) access to an electronic communication network for client order entry and account information.

Fidelity and Schwab also makes available to the Firm, at no additional charge, certain research and brokerage services, including research services obtained by Fidelity or Schwab directly from independent research companies, as selected by GatePass (within specified parameters). These research and brokerage services are used by the Firm to manage accounts for which it has investment discretion.

These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a certain amount of the advisor's clients' assets are maintained in accounts at Fidelity or Schwab. Fidelity's and Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For client accounts maintained in its custody, neither Fidelity nor Schwab generally charges separately for custody services but is compensated by account holders through commissions or other

transaction-related or asset-based fees for securities trades that are executed through Fidelity or Schwab or that settle into Fidelity or Schwab accounts.

Fidelity and Schwab also make available to the Firm other products and services that benefit the Firm but may not benefit its clients' accounts. These benefits may include national, regional or Firm specific educational events organized and/or sponsored by Fidelity or Schwab. Other potential benefits may include occasional business entertainment of personnel of GatePass by Fidelity or Schwab personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist GatePass in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of the Firm's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of the Firm's accounts, including accounts not maintained at Fidelity or Schwab.

Fidelity and Schwab also make available to GatePass other services intended to help the Firm manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Fidelity or Schwab may make available, arrange and/or pay vendors for these types of services rendered to the Firm by independent third parties. Fidelity or Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to the Firm. While, as a fiduciary, GatePass endeavors to act in its clients' best interests, the Firm's recommendation that clients maintain their assets in accounts at Fidelity or Schwab may be based in part on the benefits received and not solely on the nature, cost or quality of custody and brokerage services provided by Fidelity or Schwab, which creates a potential conflict of interest. Without this arrangement, the Firm might be compelled to purchase the same or similar services at its own expense.

Brokerage for Client Referrals

GatePass does not consider, in selecting or recommending broker-dealers, whether the Firm receives client referrals from the Financial Institutions or another third party.

Directed Brokerage

Clients generally may not direct GatePass to use a particular Financial Institution to execute some or all transactions for the client.

In the event that a client does direct GatePass in writing to use a particular Financial Institution to execute some or all transactions for the client, the client will negotiate terms and arrangements for the account with that Financial Institution and the Firm will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by GatePass (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty

of best execution, GatePass may decline a client's request to direct brokerage if, in the Firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Trade Aggregation

Transactions for each client will be effected independently, unless GatePass decides to purchase or sell the same securities for several clients at approximately the same time. GatePass may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm's clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and allocated among GatePass' clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which GatePass' Supervised Persons may invest, the Firm does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. GatePass does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, the Firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

ITEM 13

REVIEW OF ACCOUNTS

GatePass monitors client portfolios on a continuous and ongoing basis and regular account reviews are conducted on at least an annual basis. Such reviews are conducted by the Firm's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with GatePass and to keep the Firm informed of any changes thereto.

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. Clients will also receive written or electronic reports from GatePass on a quarterly basis, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance.

Clients should compare the account statements they receive from their custodian with any documents or reports they receive from GatePass or an outside service provider.

ITEM 14

CLIENT REFERRALS AND OTHER COMPENSATION

GatePass does not receive an economic benefit from non-clients for providing investment advice or other advisory services. The Firm has not entered into any agreement with any placement agents.

ITEM 15

CUSTODY

GatePass is deemed to have custody of client funds and securities because the Firm is given the ability to debit client accounts for payment of the Firm's fees. As such, client funds and securities are maintained at one or more Financial Institutions that serve as the qualified custodian with respect to such assets. Such qualified custodians will send account statements to clients at least once per calendar quarter that typically detail any transactions in such account for the relevant period.

GatePass also anticipates having custody due to clients giving the Firm limited power of attorney in a standing letter of authorization ("SLOA") to disburse funds to one or more third parties as specifically designated by the client. In such circumstances, the Firm will implement the steps in the SEC's no-action letter on February 21, 2017 which includes (in summary): i) client will provide instruction for the SLOA to the custodian; ii) client will authorize the Firm to direct transfers to the specific third party; iii) the custodian will perform appropriate verification of the instruction and provide a transfer of funds notice to the client promptly after each transfer; iv) the client will have the ability to terminate or change the instruction; v) the Firm will have no authority or ability to designate or change the identity or any information about the third party; vi) the Firm will keep records showing that the third party is not a related party of the Firm or located at the same address as the Firm; and vii) the custodian will send the client an initial and annual notice confirming the SLOA instructions.

ITEM 16

INVESTMENT DISCRETION

Unless a client's investment management agreement states otherwise, GatePass has discretionary authority to manage its client accounts, and is authorized to make purchase and sale decisions for them, subject to their respective investment objectives and guidelines as set forth in their respective investment management agreement.

ITEM 17

VOTING CLIENT SECURITIES

GatePass has adopted proxy voting policies and procedures (the "**Proxy Voting Policy**") to address how it will vote proxies for its clients where it has been given voting authority.

The Proxy Voting Policy is designed to ensure that GatePass complies with the requirements under SEC Rule 206(4)-6 and SEC Rule 204-2 adopted under the Advisers Act, and fulfills its obligation thereunder with respect to proxy voting, disclosure and recordkeeping.

GatePass believes that the voting of proxies is an important part of portfolio management for its clients as it provides the client the opportunity to be heard and influence the direction of a company. GatePass is committed to voting proxies in a manner consistent with the best interests of its clients without undue influence from individuals or groups who may have any economic interest in the outcome of a proxy vote. Recognizing that the investment strategies of GatePass' clients require careful analysis of all matters subject to shareholder vote, it is GatePass' policy to vote proxies of public and private operating companies on a case-by-case basis in accordance with the strategic goals of the investment as determined by GatePass in its sole discretion. Proxy proposals received by GatePass will be thoroughly reviewed by senior management who will document the basis for its voting decisions.

In certain circumstances GatePass may elect not to vote proxies, such as (i) where GatePass believes that not voting the proxy is in accordance with the strategic goals of the investment, (ii) where GatePass deems the cost of voting would exceed any anticipated benefit to the client, (iii) where the proxy is received for a client account that has been terminated, or (iv) where a proxy is received for a security GatePass no longer manages on behalf of a client.

GatePass and/or its employees may occasionally be subject to conflicts of interest in the voting of proxies due to business or personal relationships with persons having an interest in the outcome of certain votes, or with the proponents of proxy proposals, participants in proxy contests, corporate directors and officers, or candidates for directorships.

In the case of a potential or actual conflict of interest relating to a particular proxy proposal, the client will be notified and GatePass will cause the proxy to be voted in accordance with the client's instructions.

Clients may obtain a copy of the proxy voting policy and information regarding how GatePass voted their securities upon written request to GatePass at info@gatepass.capital.

ITEM 18

FINANCIAL INFORMATION

GatePass does not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance, is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.