

Item 1: Cover Page



Form ADV Part 2A Brochure

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This brochure provides information about the qualifications and business practices of Fortitude Family Office, LLC. If you have any questions about the contents of this brochure, please contact us at the telephone number or email address listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Fortitude Family Office, LLC is a registered investment adviser, but registration does not imply a certain level of skill or training.

Additional information about Fortitude Family Office, LLC is also available on the SEC's website at www.adviserinfo.sec.gov and by searching for CRD# 317615.

Item 2: Material Changes

Registered investment advisers are required to update their brochure under Form ADV Part 2 whenever there is material inaccuracy. In the event of any material changes to the brochure, advisers must inform clients and provide a comprehensive account of the changes. Generally, Fortitude Family Office notifies clients about material changes on an annual basis. However, if an interim notification is deemed necessary by Fortitude Family Office, a notification will be sent to our clients promptly.

The last annual filing of Fortitude Family Office's Form ADV Part 2 ("Brochure") dated January 24, 2023, has been updated as of September 2023. Material changes since the last annual amendment include:

- In August 2023, Fortitude Family Office, LLC and its wholly owned affiliate, Fortitude GP I, LLC, formed and organized a pooled investment vehicle, Fortitude Private Lending, L.P.
- As of June 2023, our AUM has significantly increased and updated on in Item 4.
- General wording and formatting updates throughout the brochure.

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Item 4: Advisory Business

Fortitude Family Office, LLC, an Arizona limited liability company (“FFO”) is an investment adviser founded in 2021 and registered with the U.S. Securities and Exchange Commission (“SEC”), and is principally owned by Matthew Walker through a holding company.

Advisory services to clients, including clients that are private funds / pooled investment vehicles (including Fortitude Private Lending, L.P. and each, a “Fund” and collectively, the “Funds”) are provided by FFO and by certain affiliated special purpose vehicles, including Fortitude GP I, LLC, an Arizona limited liability company (“GP I” and such other special purpose vehicles that FFO or its affiliated persons may establish from time to time established to serve as the general partner, managing member, or similar capacity, together with GP I, the “SPVs”. FFO and/or the SPVs in providing investment advisory services to any client shall be referred to as the “Fortitude”).

Wealth Management Services. Fortitude provides ongoing discretionary investment management services to its clients based upon each client’s current financial condition, goals, risk tolerance, income, liquidity requirements, investment time horizon, and other information that is relevant to the management of clients’ account(s) (“Managed Assets”). This information will then be used to make investment decisions that reflect clients’ individual needs and objectives on an initial and ongoing basis. Fortitude’s investment decisions will allocate portions of clients’ account(s) to various asset classes classified according to historical and projected risks and rates of return. Fortitude will retain the discretion to buy, sell, or otherwise transact in securities and other investments in a client’s accounts without first receiving the Client’s specific approval for each transaction. Such discretionary authority is granted by a client in his or her investment management agreement with Fortitude. Clients may impose restrictions on investing in certain securities or types of securities so long as such restrictions may reasonably be implemented by Fortitude.

For its high net worth and institutional clients, Fortitude also provides family office management, institutional consulting, business and tax management, bill pay and philanthropic services.

Financial Planning Services. When rendering financial planning services (which is generally provided in connection with wealth management services), Fortitude will evaluate and make recommendations with respect to various financial planning topics that are relevant to a particular client. Such topics can include, for example, retirement planning, education savings, cash flow management, debt reduction, estate planning, insurance needs, risk mitigation, tax planning, charitable giving strategies, and/or financial goal tracking. Implementation of Fortitude’s recommendations will be at the discretion of the client.

When rendering financial planning services, a conflict exists between Fortitude’s interests and the interests of its clients; clients are under no obligation to act upon Fortitude’s financial planning recommendations. If a client elects to act on any of the recommendations made by Fortitude, the client is under no obligation to effect the transaction through Fortitude or any of its personnel.

Selection of Other Investment Advisers. From time to time and when appropriate for a particular client, Fortitude will recommend or retain an independent and third-party investment adviser (“Third-Party Adviser”) to manage all or a portion of a client’s portfolio. Third-Party Advisers are evaluated based on a variety of factors, not the least of which include performance return history, asset class specialization, management tenure, and risk profile. Fortitude will conduct due diligence as appropriate to confirm that such Third-Party Advisers are duly registered and otherwise well-equipped to manage such clients’ accounts. Fortitude generally retains the discretionary authority to hire or fire such Third-Party Advisers with or without notice to the client. In all such instances in which a Third-Party Adviser is to provide administrative or investment services to a client, Fortitude will confirm that such Third-Party Adviser is appropriately registered and will perform other due diligence as appropriate.

Fortitude does not participate in any wrap fee programs.

As of June 2023, Fortitude manages a total of \$365,824,561 in assets under management. \$326,876,784 in discretionary assets under management and \$38,947,777 in non-discretionary assets under management. Fortitude also has \$324,207,728 in assets under advisement for a combined total of \$690,032,289.

Item 5: Fees and Compensation

Fortitude is compensated for its advisory services by fees charged based on a client's assets under management with Fortitude, by fixed fees, and/or by hourly fees. Fees are negotiable, and each client's specific fee schedule is included as part of the investment advisory agreement signed by Fortitude and the client.

Asset-based fees for investment management services generally range from 0.15% to 1% per annum based on the amount of assets designated to be under Fortitude's management, and charged quarterly in advance based on the gross average daily account values as of the prior quarter (inclusive of cash balances but net of outstanding margin balances). Fortitude also receives advisory fees for managing the private funds it sponsors and such fees are described in the governing documents relating to the particular commingled pool. Fixed fees generally range between \$20,000 to \$1,500,000 per annum based on the nature, complexity, and extent of the services requested by the client, and are charged in periodic increments over the course of the year as agreed with the client. Hourly fees generally range from \$270 to \$600 per hour based on the particular financial professional rendering the services, and are charged upon presentation of an itemized invoice.

Fees are generally directly deducted from one or more of a client's designated accounts, but clients may also pay electronically via ACH, debit card, or credit card, if preferred.

Fees will vary from client to client for the same or similar services, as Fortitude retains the sole discretion to negotiate fees as it deems fit based on factors such as pre-existing personal or professional relationships, expected asset growth, familiar relationships, the nature and complexity of the services to be rendered, and other factors.

In addition to the fees charged by Fortitude, clients will incur brokerage and other transaction costs. Please refer to Item 12: Brokerage Practices, for further information on such brokerage and other transaction-related practices. Clients will also typically incur additional fees and expenses imposed by independent and unaffiliated third-parties, which can include qualified custodian fees, mutual fund or exchange traded fund fees and expenses, mark-ups and mark-downs, spreads paid to market makers, wire transfer fees, check-writing fees, early-redemption charges, certain deferred sales charges on previously-purchased mutual funds, margin fees, charges or interest, IRA and qualified retirement plan fees, and other fees and taxes on brokerage accounts and securities transactions. These additional charges are separate and apart from the fees charged by Fortitude.

If Fortitude or client terminates the advisory agreement before the end of a billing period, Fortitude's fees will be prorated through the effective date of the termination. The pro rata fees for the remainder of the quarterly billing period after the termination will be refunded to client. To the extent any fees are charged in arrears, Fortitude's fees will be prorated through the effective date of the termination with any remaining balance charged to the client.

Neither Fortitude nor any of its supervised persons accepts compensation for the sale of securities or other investment products.

Item 6: Performance-Based Fees & Side-By-Side Management

Fortitude manages Funds that charge an Incentive Fee and other Funds or Third-Party Accounts for which Fortitude only charges an Advisory Fee or management fee. This is referred to as “side-by-side” management. For certain Funds, the Incentive Fee is earned only after a performance hurdle or preferred return is achieved, while some Funds have no performance hurdle or preferred return. As a result, we have an incentive to favor Funds for which we receive an Incentive Fee without any performance hurdle or preferred return over those with performance hurdle or preferred return or for which we do not receive any Incentive Fee because the former could generate higher compensation for the Firm. Clients should be aware that this creates a conflict of interest and may indirectly influence the way we manage the investment due diligence and allocation process. To address this conflict of interest, we have developed and implemented policies and procedures with respect to investments that may be appropriate for more than one client or Fund, which include a review of the fees charged to clients and the investment merits for different clients or Funds.

The ability to receive Incentive Fees creates conflicts of interest for Fortitude between its responsibility to manage the Funds and its interest in maximizing the profits it will receive. For example, these types of fees create an incentive to make more risky or speculative investments to generate higher positive returns or to allocate client capital to the Funds over other investments that do not pay an Incentive Fee. In addition, the compensation of Fortitude could be affected by the timing of dispositions and other factors within the control of Fortitude.

The Firm structures any performance-based fee arrangement subject to Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3 which allows, among other things, an investment adviser to assess performance-based fees on assets of “qualified clients” as defined by the rule. To mitigate the conflicts of interest described above, Fortitude has implemented an investment process culminating in a committee approval for Portfolio Investments, with related policies, procedures, and controls to consider the best interest of all clients for whom an investment may be appropriate. (See Item 12 for additional disclosure)

Fortitude uses the Funds to invest clients’ Managed Assets only when it deems it to be consistent with its clients’ investment objectives according to the clients’ Investment Policy Statement. To help mitigate conflicts associated with the multiple potential avenues for investment, which can have different fees or levels of profitability for the Firm, Fortitude charges a single Advisory Fee on a client’s Managed Assets, and obtains consent from a client when investing in Funds or investments that have different fee arrangements such as the management fees and Incentive Fees as described above.

Item 7: Types of Clients

Fortitude's clients include high net worth individuals and families and their related entities, such as trusts and business entities (e.g., limited liability companies and family limited partnerships), as well as charitable organizations, foundations, donor-advised funds, and other institutional clients. Fortitude also manages the Funds in which clients and other investors invest. There is no minimum account value required to open and maintain an account with Fortitude.

Item 8: Methods of Analysis, Investment Strategies & Risk of Loss

The investment strategies used by Fortitude when formulating investment advice or managing assets include risk-based diversification across multiple asset classes and investment types. Fortitude's investment process combines macro and micro economic research to develop global themes and biases based on demographic, economic, and geopolitical landscapes. Fortitude believes that certain sectors of markets are highly competitive and investors are unlikely to be able to generate alpha from individual asset selection within certain asset classes. In turn, Fortitude relies on diversification and a deep understanding of clients' individual goals and objectives in relation to their risk and return preferences. Investing in securities involves risk of loss that clients should be prepared to bear. Past performance does not guarantee future returns.

Like any investment strategy, risk-based diversification across multiple asset classes and investment types involves material risks. Such material risks are described in further detail below:

- i. Investing for the long term means that a client's account will be exposed to short-term fluctuations in the market and the behavioral impulse to make trading decisions based on such short-term market fluctuations. Fortitude does not condone short-term trading in an attempt to "time" the market, and instead coaches clients to remain committed to their financial goals. However, investing for the long term can expose clients to risks borne out of changes to interest rates, inflation, general economic conditions, market cycles, geopolitical shifts, and regulatory changes.
- ii. Inflation risk is the risk that the value of a client's portfolio will not appreciate at least in an amount equal to inflation over time. General micro- and macro-economic conditions may also affect the value of the securities held in a client's portfolio, and general economic downturns can trigger corresponding losses across various assets classes and security types. Market cycles may cause overall volatility and fluctuations in a portfolio's value, and may increase the likelihood that securities are purchased when values are comparatively high and/or that securities are sold when values are comparatively low. Geopolitical shifts may result in market uncertainty, lowered expected returns, and general volatility in both domestic and international securities. Regulatory changes may have a negative impact on capital formation and increase the costs of doing business, and therefore result in decreased corporate profits and corresponding market values of securities.
- iii. Investing in mutual funds does not guarantee a return on investment, and shareholders of a mutual fund may lose the principal that they've invested into a particular mutual fund. Mutual funds invest into underlying securities that comprise the mutual fund, and as such clients are exposed to the risks arising from such underlying securities. Mutual funds charge internal expenses to their shareholders (which can include management fees, administration fees, shareholder servicing fees, sales loads, redemption fees, and other fund fees and expenses, e.g.), and such internal expenses subtract from its potential for market appreciation. Shares of mutual funds may only be traded at their stated net asset value ("NAV"), calculated at the end of each day upon the market's close.

Investing in exchange traded funds ("ETFs") bears similar risks and incurs similar costs to investing in mutual funds as described above. However, shares of an ETF may be traded like stocks on the open market and are not redeemable at an NAV. As such, the value of an ETF may fluctuate throughout the day and investors will be subject to the cost associated with the bid-ask spread (the difference between the price a buyer is willing to pay (bid) for an ETF and the seller's offering (asking) price).

Clients are encouraged to carefully read the prospectus of any mutual fund or ETF to be purchased for investment to obtain a full understanding of its respective risks and costs.

- iv. Investing in common stocks means that a client will be subject to the risks of the overall market as well as risks associated with the particular company or companies whose stock is owned. These risks can include, for example, changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. Common stocks tend to be more volatile and more risky than certain other forms of investments, especially as compared to fixed income products like bonds.
- v. Investing in bonds means that a client will be subject to the market prices of such debt securities, which typically fluctuate depending on interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and rise when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk. Bonds are also subject to inflation risk, reinvestment risk, redemption risk, and valuation risk.
- vi. Investments in limited partnerships are often subject to liquidity restrictions, which means that a client may not be able to redeem his or her investment until a redemption window is available. In addition, such investments can be more volatile and less transparent than an exchange-listed security that trades daily in an electronic marketplace. Limited partnerships are generally more difficult to value than exchange-listed securities, and therefore are more reliant on individual judgment as opposed to market prices when determining a valuation. Investors into limited partnerships are typically required to be either accredited investors, qualified clients, or both, and should carefully consider the specific risks described in the applicable private placement memorandum, limited partnership agreement, and other fund-related disclosure documents.
- vii. Investments in private placements are often subject to liquidity restrictions, which means that a client may not be able to redeem his or her investment until a redemption window is available. In addition, such investments can be more volatile and less transparent than an exchange-listed security that trades daily in an electronic marketplace. Private placements are generally more difficult to value than exchange-listed securities, and therefore are more reliant on individual judgment as opposed to market prices when determining a valuation. Investors into private placements are typically required to be either accredited investors, qualified clients, or both, and should carefully consider the specific risks described in the applicable private placement memorandum, limited partnership agreement, and other fund-related disclosure documents.

Item 9: Disciplinary Information

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

Item 10: Other Financial Industry Activities & Affiliations

- A. Neither Fortitude nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither Fortitude nor any of 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. Neither Fortitude nor any of its management persons have any related persons described below:
 - broker-dealer, municipal securities dealer, or government securities dealer or broker
 - investment company
 - other investment adviser or financial planner
 - futures commission merchant, commodity pool operator, or commodity trading advisor
 - banking or thrift institution
 - lawyer or law firm
 - insurance company or agency
 - pension consultant
 - real estate broker or dealer
 - sponsor or syndicator of limited partnerships

Fortitude or its management persons do have the following related persons described below:

- Sponsor of Limited Partnerships / Pooled Investment Vehicle: Fortitude, through GP I, currently serves as the general partner to a Fund, Fortitude Private Lending, L.P. as more fully set forth in the Fund's governing documents.
 - Accountant or Accounting Firm: Matthew Walker is the owner of Walker Accounting Group, an accounting firm.
- D. As described earlier in Item 4 of this brochure, Fortitude may retain a Third-Party Adviser to provide investment advisory, administrative, and other back-office services to Fortitude for the benefit of Fortitude and its clients. Fortitude does not receive any compensation directly from the Third-Party Fortitude, but the Third-Party Adviser does offer services that are intended to directly benefit Fortitude, clients, or both. Such services include (a) an online platform through which Fortitude can monitor and review client accounts, create model portfolios, and perform other client account maintenance matters, (b) access to technology that allows for client account aggregation, (c) quarterly client statements, (d) invitations to Third-Party Adviser's educational conferences, (e) practice management consulting, (f) full or partial sponsorship of client appreciation or education events, and (g) occasional business meals and entertainment. The availability of such services from the Third-Party Adviser creates a conflict of interest, to the extent Fortitude may be motivated to retain the Third-Party Adviser as opposed to an alternative turnkey asset management provider (or to not retain one at all). Fortitude addresses this conflict of interest by performing appropriate due diligence on Third-Party Adviser to confirm its services are in the best interests of clients, periodically evaluating alternatives, and evaluating the merit of Third-Party Adviser without consideration for the benefits received by Fortitude.

Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

Fortitude has adopted a code of ethics that will be provided to any client or prospective client upon request. Fortitude's code of ethics describes the standards of business conduct that Fortitude requires of its supervised persons, which is reflective of Fortitude's fiduciary obligations to act in the best interests of its clients. The code of ethics also includes sections related to compliance with securities laws, reporting of personal securities transactions and holdings, reporting of violations of the code of ethics to Fortitude's Chief Compliance Officer, pre-approval of certain investments by access persons, and the distribution of the code of ethics and any amendments to all supervised persons followed by a written acknowledgement of their receipt.

Neither Fortitude nor any of its related persons recommends to clients, or buys or sells for client accounts, securities in which Fortitude or any of its related persons has a material financial interest except to the extent that certain clients of Fortitude are direct investors and equity owners of Fortitude itself. Clients that are direct investors and equity owners of Fortitude should be aware of the conflict of interest that is presented by this arrangement, as Fortitude has an incentive to initially recommend that such client become an investor and equity owner in Fortitude, as well as to recommend that such client remain an investor and equity owner and/or increase one's equity ownership stake in Fortitude. Fortitude addresses this conflict of interest by only considering a very limited number of pre-existing clients as investors and equity owners in Fortitude, by making full and fair disclosure of the conflict of interest in this brochure as well as the separate offering documents with respect to Fortitude, and by always acting as a fiduciary by making initial and ongoing investment recommendations that are in clients' best interests.

As disclosed in Item 10, Fortitude serves as general partner of certain private commingled funds Fortitude sponsors. In addition, Fortitude personnel hold or may hold interests in these commingled funds. As a consequence, Fortitude and its personnel may have a conflict of interest in soliciting investors in these Funds. To address these conflicts, Fortitude has designed compliance policies and procedures that ensure all client accounts are treated in a fair and equitable manner. Fortitude's compliance program also incorporates certain review features to assist in mitigating these conflicts.

From time to time, Fortitude or its related persons will invest in the same securities (or related securities such as warrants, options or futures) that Fortitude or a related person recommends to clients. This has the potential to create a conflict of interest because it affords Fortitude or its related persons the opportunity to profit from the investment recommendations made to clients. Fortitude's policies and procedures and code of ethics address this potential conflict of interest by prohibiting such trading by Fortitude or its related persons if it would be to the detriment of any client and by monitoring for compliance through the reporting and review of personal securities transactions. In all instances Fortitude will act in the best interests of its clients.

From time to time, Fortitude or its related persons will buy or sell securities for client accounts at or about the same time that Fortitude or a related person buys or sells the same securities for its own (or the related person's own) account. This has the potential to create a conflict of interest because it affords Fortitude or its related persons the opportunity to trade either before or after the trade is made in client accounts, and profit as a result. Fortitude's policies and procedures and code of ethics address this potential conflict of interest by prohibiting such trading by Fortitude or its related persons if it would be to the detriment of any client and by monitoring for compliance through the reporting and review of personal securities transactions. In all instances Fortitude will act in the best interests of its clients.

Item 12: Brokerage Practices

Fortitude considers several factors when recommending a custodial broker-dealer for client transactions and determining the reasonableness of such custodial broker-dealer's compensation. Such factors include the custodial broker-dealer's industry reputation and financial stability, service quality and responsiveness, execution price, speed and accuracy, reporting abilities, and general expertise. Assessing these factors as a whole allows Fortitude to fulfil its duty to seek best execution for its clients' securities transactions. However, Fortitude does not guarantee that the custodial broker-dealer recommended for client transactions will necessarily provide the best possible price, as price is not the sole factor considered when seeking best execution. After considering the factors above, Fortitude recommends Charles Schwab & Co., Inc. ("Schwab") as the custodial broker-dealer for client accounts.

Fortitude does not receive research and other soft dollar benefits in connection with client securities transactions, which are known as "soft dollar benefits". However, the custodial broker-dealer(s) recommended by Fortitude do provide certain products and services that are intended to directly benefit Fortitude, clients, or both. Such products and services include (a) an online platform through which Fortitude can monitor and review client accounts, (b) access to proprietary technology that allows for order entry, (c) duplicate statements for client accounts and confirmations for client transactions, (d) invitations to the custodial broker-dealer(s)' educational conferences, and (e) practice management consulting. The receipt of these products and services creates a conflict of interest to the extent it causes Fortitude to recommend Schwab as opposed to a comparable broker-dealer. Fortitude addresses this conflict of interest by fully disclosing it in this brochure, evaluating Schwab based on the value and quality of its services as realized by clients, and by periodically evaluating alternative broker-dealers to recommend.

Fortitude does not consider, in selecting or recommending custodial broker-dealers, whether Fortitude or a related person receives client referrals from a custodial broker-dealer or third-party.

Fortitude does not routinely recommend, request, or require that a client direct Fortitude to execute transactions through a specified custodial broker-dealer other than Schwab.

Fortitude retains the ability to aggregate the purchase and sale of securities for clients' accounts with the goal of seeking more efficient execution and more consistent results across accounts. Aggregated trading instructions will not be placed if it would result in increased administrative and other costs, custodial burdens, or other disadvantages. If client trades are aggregated by Fortitude, such aggregation will be done so as to not to disadvantage any client and to treat all clients as fairly and equally as possible.

Item 13: Review of Accounts

The Investment Adviser Representatives of Fortitude monitor client accounts on an ongoing basis, and typically reviews client accounts on a quarterly basis. Such reviews are designed to ensure that the client is still on track to achieve his or her financial goals, and that the investments remain appropriate given the client's risk tolerance, investment objectives, major life events, and other factors. Clients are encouraged to proactively reach out to Fortitude to discuss any changes to their personal or financial situation.

Other factors that may trigger a review include, but are not limited to, material developments in market conditions, material geopolitical events, and changes to a client's personal or financial situation (the birth of a child, preparing for a home purchase, plans to attend higher education, a job transition, impending retirement, death or disability among family members, etc.).

The custodial broker-dealer will send account statements and reports directly to clients no less frequently than quarterly. Such statements and reports will be mailed to clients at their address of record or delivered electronically, depending on the client's election. If agreed to by Fortitude and client, Fortitude or a third-party report provider will also send clients reports to assist them in understanding their account positions and performance, as well as the progress toward achieving financial goals.

Item 14: Client Referrals and Other Compensation

Nobody other than clients provides an economic benefit to Fortitude for providing investment advice or other advisory services to clients. However, as described above in Item 12, the custodial broker-dealer(s) recommended for client accounts provides certain products and services that are intended to directly benefit Fortitude, clients, or both.

Neither Fortitude nor a related person directly or indirectly compensates a person who is not Fortitude's supervised person for client referrals.

Item 15: Custody

For clients that do not have their fees deducted directly from their account(s), Fortitude will not have any custody of client funds or securities. For clients that have their fees deducted directly from their account(s), Fortitude will typically be deemed to have limited custody over such clients' funds or securities pursuant to the SEC's custody rule and subsequent guidance thereto.

Fortitude will engage in bill pay for certain client accounts. As such, our firm is deemed to have custody under securities laws, even in instances where we do not have actual physical custody of client funds or assets. The client funds and securities of which our firm has custody are verified by actual examination at least once during each calendar year by an independent public accountant ("IPA") registered with the Public Company Accounting Oversight Board ("PCAOB"), at a time that is chosen by the accountant without prior notice or announcement to our firm and that is irregular from year to year. Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations. At no time will Fortitude accept full custody of client funds or securities in the capacity of a custodial broker-dealer, and at all times client accounts will be held by a third-party qualified custodian as described in Item 12, above.

If a client receives account statements from both the custodial broker-dealer and Fortitude or a third-party report provider, client is urged to compare such account statements and advise Fortitude of any discrepancies between them.

Investors in Fortitude's Funds generally receive quarterly statements directly from Fortitude but do not receive statements from the fund custodian. Instead, the Funds are subject to an annual audit and the audited financial statements are distributed to each investor. The audited financial statements are prepared in accordance with generally accepted accounting principles for distribution within 120 days of the end of each Fund's respective fiscal year. Fund investors should carefully review the quarterly statements as well as the audited financial statements. As of the date of this update, an auditor has not yet been selected.

Item 16: Investment Discretion

Fortitude accepts discretionary authority to manage securities accounts on behalf of clients only pursuant the mutual written agreement of Fortitude and the client through a power-of-attorney, which is typically contained in the advisory agreement signed by Fortitude and the client. Clients may place reasonable limitations on this discretionary authority so long as it is contained in a written agreement and/or power-of-attorney.

Item 17: Voting Client Securities

Unless otherwise retained by a client, Fortitude exercises voting authority over proxies for investments managed by Fortitude and has adopted proxy voting policies and procedures in accordance with Rule 206(4)-6 under the Advisers Act. The policies require us to vote proxies received in a manner consistent with the best interests of the client. With respect to securities held in Separate Accounts, Fortitude generally delegates the voting authority to the applicable third-party sub-advisors.

The policies also require Fortitude to vote proxies in a prudent and diligent manner intended to enhance the economic value of the assets of the clients. However, the policies permit us to abstain from voting proxies if, in Fortitude's judgment, the client's economic interest in the matter being voted upon is limited relative to the client's overall portfolio or the impact of the client's vote will not influence its outcome or the client's economic interests.

The Firm's voting guidelines are summarized below:

- Fortitude will generally vote in line with recommendations for proxies relating to general housekeeping items.
- Fortitude will generally vote against proposals to entrench the board or adopt anti-takeover measures and that provide cumulative voting rights.
- Although many proxy proposals can be voted in accordance with our proxy voting guidelines, some proposals will require special consideration, and we will decide on a case-by-case basis in these situations.

Where a proxy proposal raises a material conflict between Fortitude's interests and the interests of the clients, we will seek to resolve the conflict in the best interest of the clients. Clients can obtain a copy of the Firm's complete proxy voting policies and procedures upon request. Clients can also obtain information from us about how we voted any proxies on behalf of their account(s).

Item 18: Financial Information

Fortitude has no disclosures relating to its financial condition that would affect its ability to meet its contractual and fiduciary commitments to clients. We are not including a balance sheet for the most recent fiscal year since we do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. In addition, we are not currently, nor at any time in the past, been the subject of a bankruptcy petition.