

Communications with the Public

Advertising and Other Marketing:

Investment Advisers Act [rule 206\(4\)-1](#), the Marketing Rule, as amended in December 2020, requires that investment advisers may not disseminate advertisements that contain:

- Any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statement made, in the light of the circumstances under which it was made, not misleading;
- A material statement of fact that the adviser does not have a reasonable basis for believing it will be able to substantiate upon demand by the Commission;
- Information that would reasonably be likely to cause an untrue or misleading implication or inference to be drawn concerning a material fact relating to the investment adviser;
- Discuss any potential benefits to clients or investors connected with or resulting from the investment adviser's services or methods of operation without providing fair and balanced treatment of any material risks or material limitations associated with the potential benefits;
- A reference to specific investment advice provided by the investment adviser where such investment advice is not presented in a manner that is fair and balanced;
- Include or exclude performance results, or present performance time periods, in a manner that is not fair and balanced; or
- Is materially misleading.

The determination as to whether a particular advertisement is false or misleading depends on each individual set of facts and circumstances, including, but not limited to, the nature of the statements made, the manner in which they are presented, and the sophistication of the target audience.

Definitions:

Advertisement includes any direct or indirect communication an investment adviser makes to more than one person, or to one or more persons if the communication includes hypothetical performance, that offers our investment advisory services with regard to securities to prospective clients or investors in a private fund advised by the investment adviser or offers new investment advisory services with regard to securities to current clients or investors in a private fund advised by the investment adviser.

Testimonial means any statement by a current client or investor in a private fund advised by the investment adviser: (i) About the client or investor's experience with the investment adviser or its supervised persons; (ii) That directly or indirectly solicits any current or prospective client or investor to be a client of, or an investor in a private fund advised by, the investment adviser; or (iii) That refers any current or prospective client or investor to be a client of, or an investor in a private fund advised by, the investment adviser.

Endorsement means any statement by a person other than a current client or investor in a private fund advised by the investment adviser that: (i) Indicates approval, support, or recommendation of the investment adviser or its supervised persons or describes that person's experience with the investment adviser or its supervised persons; (ii) Directly or indirectly solicits any current or prospective client or investor to be a client of, or an investor in a private fund advised by, the investment adviser; or (iii) Refers any current or prospective client or investor to be a client of, or an investor in a private fund advised by, the investment adviser.

Policy:

FIRM will follow the requirements of 206(4)-1, as amended, for all advertisements utilized by the Firm. Prior to the use of any advertisement, including the use of any testimonials, endorsements, or performance information, the CCO will review the advertisement for compliance with the regulation. Once the advertisement has CCO's written approval, the Firm can begin use of the advertisement. If any changes are made to the approved advertisement, the updated advertisement must again undergo CCO review.

Under the amended regulation, the use of solicitors (now called "promoters") now falls under the endorsement or testimonial aspects of advertising. Prior to the use of any third-party testimonial or endorsement, the CCO will review to determine whether the Firm estimates compensation paid under the proposed endorsement or testimonial will exceed the \$1,000 annual de minimis allowance. For all endorsements or testimonials that are reasonably expected to exceed the \$1,000 annual de minimis allowance, the CCO will ensure that the Firm performs a review for disqualification events, has a written contract regarding the endorsement or testimonial, and reviews the endorsements or testimonials for adequate disclosures.

A disqualifying event is any of the following events that occurred within ten years prior to the person disseminating an endorsement or testimonial:

(i) A conviction by a court of competent jurisdiction within the United States of any felony or misdemeanor involving conduct described in paragraph (2)(A) through (D) of section 203(e) of the Act;

(ii) A conviction by a court of competent jurisdiction within the United States of engaging in, any of the conduct specified in paragraphs (1), (5), or (6) of section 203(e) of the Act;

(iii) The entry of any final order by any entity described in paragraph (9) of section 203(e) of the Act, or by the U.S. Commodity Futures Trading Commission or a self-regulatory organization (as defined in the Form ADV Glossary of Terms)), of the type described in paragraph (9) of section 203(e) of the Act;

(iv) The entry of an order, judgment or decree described in paragraph (4) of section 203(e) of the Act, and still in effect, by any court of competent jurisdiction within the United States; and

(v) A Commission order that a person cease and desist from committing or causing a violation or future violation of.

Procedures:

Use of Testimonials and Endorsements:

Should the Firm decide to engage in the use of paid testimonials or endorsements, the Firm will follow these procedures. For all testimonials or endorsements where the CCO reasonably believes that the compensation paid to the person making the testimonial or endorsement is or will be less than \$1,000 annually, no action is required. For all testimonials or endorsements where the CCO reasonably believes the annual compensation will exceed \$1,000, there must:

- Be a written agreement between the Firm and the person making the endorsement or testimonial,
- The person making the endorsement or testimonial must not be subject to a disciplinary disclosure event, and
- The Firm must have a reasonable belief that the person making the testimonial or endorsement clearly and prominently provides the following disclosures:
 - That the testimonial was given by a current client or investor, and the endorsement was given by a person other than a current client or investor, as applicable;
 - That cash or non-cash compensation was provided for the testimonial or endorsement, if applicable; and
 - A brief statement of any material conflicts of interest on the part of the person giving the testimonial or endorsement resulting from the investment adviser's relationship with such person;
 - The material terms of any compensation arrangement, including a description of the compensation provided or to be provided, directly or indirectly, to the person for the testimonial or endorsement; and
 - A description of any material conflicts of interest on the part of the person giving the testimonial or endorsement resulting from the investment adviser's relationship with such person and/or any compensation arrangement.

Prior to the use of a person for testimonials or endorsements, and annually thereafter, the CCO, or designee, will perform a due diligence review to determine whether the person is subject to a disqualification event.

Use of Advertisements:

Prior to their use, the CCO will review all advertisements to ensure that they do not contain any of the following:

- Any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statement made, in the light of the circumstances under which it was made, not misleading;
- A material statement of fact that the adviser does not have a reasonable basis for believing it will be able to substantiate upon demand by the Commission;
- Information that would reasonably be likely to cause an untrue or misleading implication or inference to be drawn concerning a material fact relating to the investment adviser;
- Discuss any potential benefits to clients or investors connected with or resulting from the investment adviser's services or methods of operation without providing fair and balanced treatment of any material risks or material limitations associated with the potential benefits;
- A reference to specific investment advice provided by the investment adviser where such investment advice is not presented in a manner that is fair and balanced;
- Include or exclude performance results, or present performance time periods, in a manner that is not fair and balanced; or
- Is materially misleading.

Once the CCO has reviewed and approved an advertisement, advisers must not make any notes on or other changes to the advertisement or marketing material. If any changes or marks are made on the advertising materials, the CCO must review and approve the changes before they can be used with clients.

Performance in Advertisements:

FIRM may not engage in the use of hypothetical performance in our marketing materials. Prior to using any performance information in advertisements or communications with the public, the CCO will perform a review to ensure the following regulatory requirements are followed.

An investment adviser may not include in any advertisement:

1. Any presentation of gross performance, unless the advertisement also presents net performance:
 - a. With at least equal prominence to, and in a format designed to facilitate comparison with, the gross performance; and
 - b. Calculated over the same time period, and using the same type of return and methodology, as the gross performance.
2. Any performance results, of any portfolio or any composite aggregation of related portfolios, in each case other than any private fund, unless the advertisement includes performance results of the same portfolio or composite aggregation for one-, five-, and ten-year periods, each presented with equal prominence and ending on a date that is no less recent than the most recent calendar year-end; except that if the relevant portfolio

did not exist for a particular prescribed period, then the life of the portfolio must be substituted for that period.

3. Any statement, express or implied, that the calculation or presentation of performance results in the advertisement has been approved or reviewed by the Commission.
4. Any related performance, unless it includes all related portfolios; provided that related performance may exclude any related portfolios if:
 - a. The advertised performance results are not materially higher than if all related portfolios had been included; and
 - b. The exclusion of any related portfolio does not alter the presentation of any applicable time periods prescribed by 2 above.
5. Any extracted performance, unless the advertisement provides, or offers to provide promptly, the performance results of the total portfolio from which the performance was extracted.

Documenting CCO Review

The CCO will document the review and approval of all such communications by signing or initialing, and dating each such communication, together with any comments or amendments to any such communication as a result of such review. Alternatively, e-mails documenting the substance of such reviews may also be maintained.

Records

Copies of reviewed documents will be maintained for five years following their last use, the first two in an easily accessible place. Documentation sufficient to support the calculation of all performance results presented in advertising/marketing materials will also be maintained by the CCO for a period of five years from the last date of distribution of such advertising/marketing material that contained the performance results.

We shall maintain all advertisements that we directly or indirectly disseminate. We shall also maintain all records related to performance information, testimonials, endorsements, third party ratings, resources used in creating newsletters, marketing materials or client communications such as the market indices. We shall maintain these records in our cloud services tools or via documents such as PDF of data found on the internet.

Form ADV Disclosure

Effective with the annual update amendment of Form ADV by March 31, 2023, we shall answer Item 5 L of Form ADV Part 1 Marketing/Activities to address if we advertise performance, specific recommendations, testimonials, endorsements, third party rating services, hypothetical performance, or predecessor performance.

Additions to consider:

Add procedures for portability.

Define these terms:

- Third Party Marketers
- Third Party Rating Services
- Third Party Performance Data
- Past Specific Recommendations
- Potability Performance
- Hypothetical Performance